



Do the brand identity representations and meanings of the K-Pop band BTS in 2021 transfer to the McDonald's brand through the band's endorsements for the fast-food giant in Korea?

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Introduction

The report is about BTS, is popular Korean pop band also known as Bangtan Boys [Ayu, L. T. (2022, July 1)] which was founded in 2010. Its famous for creating and producing love songs and McDonald Corporation which is an American multinational fast-food giant.

BTS major audience is youth as they focus on creating lyrics based on the mental health of school age youth, the journey towards self-love and the results/ changes in individuals after receiving fame or recognition.

McDonald's company has looked to introduce healthier options and removed all the high fat food items and ham buns. Thus, has proven to be a healthier fast-food brand as compared to others and has increased the trust of its consumers. [Ade Prasetyo, 2021]

The collaboration between both the brands resulted in introduction of the BTS meal and certain changes in the application software of McDonald. The meal was introduced in 49 countries across 5 continents which were north America, south America, Asia, Africa, Australia, with first release on May 25, 2021. [Zharalin Suryaputri ,2021]

A number of observations, such as counting the number of followers, likes, comments, and views on Instagram and Twitter, are being made using the social media platform operated by McDonald's. In order to arrive at findings that can be used in decision-making, the data that was collected is processed and examined with the help of the subject in the literature review and self-application as well using certain articles from google scholar.

This report aims to analyse the collaborative strategies employed by McDonald's and BTS. The purpose of the analysis is to provide support for the theories and strategies presented in the report, as well as to gain a deeper understanding of the significance of the data and its relevance to the broader context.

Literature review

- **Co-branding marketing:** The practise of co-branding marketing involves one brand seeking out another brand that has an existing audience base that may be supportive of or interested in their product, or vice versa. The two brands have the potential to explore novel strategies to achieve their marketing objectives.

1. **Co-branding with a brand who is socially responsible.**
2. **Co-branding with brand having same audience.**
3. **Co-branding with a trusted brand known worldwide.**

[By Nales Homes, 2021]

- **Intensive strategy:** It is a term used to describe those tactics that require more work to improve the overall performance of a product that is already available on the market. When an organisation was having trouble improving its competitive position with the product that is currently on the market, they implemented a variety of rigors methods to meet the challenge.

1. **Changing plans with dynamic environment**
2. **Enhanced promotion activities**
3. **Inventory management**

[By Richard Daniel, 2020]



CASE 1

Packaging and social responsibility by the brands

[BTS tree park]



The BTS Meal packaging is designed to reflect the energetic and colourful style of the K-pop group. It is eye-catching and vibrant in appearance. The packaging of the meal is distinctively purple, a colour that is closely associated with BTS and is prominently featured in their logo. The BTS Meal packaging has been designed to be both practical and convenient. the box is designed with handles on the sides, making it easy to carry. the dipping sauce containers have a user-friendly design that facilitates easy opening and usage. BTS has actively participated in various green initiatives aimed at promoting environmental sustainability, a partnership was formed between BTS and the Korean Ministry of Environment to introduce the “Green Heart Challenge”. This initiative was aimed at motivating supporters to adopt eco-friendly practises. Additionally, the organisation has taken steps to set up parks for tree plantation.

CASE 2

Advertisement and inventory management



[Store of McDonald]



[Video advertisement]



[Post by BTS on twitter]

The advertisement for the BTS Meal showcases the BTS members in a vibrant and light-hearted environment, where they can be seen relishing the meal together. The advertisement focuses on showcasing the distinct flavours of the dipping sauces by featuring close-up shots of the sauces being poured over the Chicken McNuggets. The BTS Meal advertisement targets two distinct groups: BTS fans and fast-food enthusiasts. The ad highlights the meal's distinct flavours and the global appeal of both brands in an effort to appeal to these audiences. Due to access advertisement drive the inventory system tended to collapse of McDonald in Indonesia due to access demand of the fans.

ANALYSIS

CASE 1: Advertisement and inventory management

Theory: Co-branding marketing

BTS has referred to its followers as an army. The majority of BTS's fanbase consists of young people. Based on 2018 data, 50% of BTS followers were females between the ages of 18 and 24 [Sumi Cho, 2022] **Co-branding with a brand like BTS whose audience is similar** to McDonald's would be the best course of action, given that McDonald's customer base consists primarily of young adults and working professionals. This increased McDonald's consumer base, as the company was able to sell over 1.2 million meals in 25 days across the globe [IN MIN-JI, 2021], resulting in profits for both brands.

Over 90 million admirers worldwide have confidence in BTS, a band that is well-known worldwide. Fans of BTS were transferred to McDonald as the fan's trust was shared with McDonald due to **the collaboration between two trusted, well-known brands** and vice versa. The transfer was due to certain element like packaging in the colour of BTS and the dynamic adjustments introduced to McDonald's online ordering software. All of this increased the consumers' confidence in the collaboration between the two brands, which in turn increased the stakeholders' interest.

BTS has performed numerous acts to obtain goodwill As a result of a fan's remark on a BTS post that global warming will be solved if BTS promotes planting more trees, BTS tree parks and the BTS army for planting trees were established shortly thereafter McDonald demonstrates its commitment to social responsibility by utilising low-energy LED bulbs, waterless urinals, recyclable cardboard packaging, and recycling used cooking oil into biodiesel to fuel more than half of its delivery vehicles[Dr Meenakshi Khemka, 2020] When **the co-branding of these two socially responsible brands** was introduced, consumers felt secure and trusted that their money was well spent and that they had indirectly contributed to an act of good being.

CASE 2: Advertisement and inventory management

Theory: Intensive Strategy

There were numerous instances in which McDonald was unable to stand out. McDonald did not alter the recipe of their BTS meal when customers from countries other than South Korea did not like the sauces. They could have tailored the product to the preferences of individuals in different countries. According to the changes in the countries, they could have eliminated some items and added new ones to their meals. This would have helped them gain more market share by receiving more positive feedback from customers around the globe, but since there were **no changes in the plan for the dynamic environment**, it led to an increase in customer complaints. According to my estimation This change in plan was not supported by McDonald because the advertisement

showing Korean sauces had already been shown in many countries, and it was not possible for McDonald to retract the claim made in the advertisement because it would have raised trust and legal issues, which would have been against the interests of McDonald's stakeholders. Another instance was when there was shortage of the purple boxes in many countries due to which the BTS meal was not served to all the customers at time. This led to enragement of the customers due to non-satisfaction which is ultimately not a good indication for any brand. There were also several cases where McDonald branches in Indonesia had to shut down for days due to lack of **inventory management** This was a black spot on McDonald as it failed to plan their inventory intensively prior to the launch of their new product.

To surmount this, McDonald sought assistance from BTS by **enhancing their promotion activities**. BTS posted a picture of themselves eating a BTS meal on their social media accounts, including Twitter. This advertising campaign by both brands increased the number of followers on their respective social media platforms. On Twitter, the number of followers increased by 72,914 thousand, while the number of Instagram followers increased by 29,885 thousand [Zharalin Suryaputri, 2022] Which prompted fans in every country to at least try BTS meal regardless of positive or negative reviews and generate their own commentary.

Reflection

Theory 1

I believe that theory 1 is perfectly applicable to the case because McDonald was able to gain a new youth audience through their collaboration with BTS. This resulted in the transfer of audience, the trust of audience, and the goodwill of the brands. This was a profitable collaboration as evidenced by the fact that the stock of boxes ran out in Indonesia due to high demand caused by improper planning. Additionally, the collaboration of two socially responsible brands attracted the attention of new stakeholders and enhanced the reputation of existing stakeholders.

Theory 2

I believe that theory 2 is somewhat inapplicable to this case because McDonald did not employ intensive strategies. They merely assumed that everyone's tastes would be identical, which was a significant flaw in the BTS meal planning process. Furthermore, the money they spent on enhanced advertising would have been better spent on modifying the BTS meal's components. This would have resulted in an increase in global customer satisfaction and an improved review of their product as a result of co-branding.

CONCLUSION

Every company constantly aspires to create new items that will be wildly popular and successful and make everyone feel happy to own them. Co-branding is a tactic that can be used, as McDonald's and BTS did by releasing BTS Meal items. Due to the development of strong brand equity that appeals to consumers, BTS Meal is one of the goods that is popular and is appreciated by the larger community. ARMY as a fanbase community considers several factors when deciding whether to purchase goods that are promoted by their idol music groups to promote BTS Meal products. Some authorised brand dissemination occurs in the interaction between fans and celebrities. As a result, a variety of factors affect consumers' purchase intent and behaviour. BTS Meal consumers' preferences, role models, insights, and behaviours might help distributors make better decisions about how to distribute these items. As a result, it's critical to understand how customers or fans respond to celebrity endorsements of products and the factors that influence their decision to buy the goods. This might have a significant impact on how items are distributed. Marketers and distributors might think about co-branding techniques with celebrities who can win over consumers with their quality.

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