

# My McDonald's Rewards



## Executive Summary & Introduction

### 1. Introduction to My McDonald's Rewards

The My McDonald's Rewards programme is a key initiative that will help us achieve our ambition to reach 40% identified (known) customer transactions by 2025 and will offer customers more than just a transactional experience with McDonald's.

Modern-day rewards programs play an integral part in attracting new and retaining our existing customer base. They provide customers with an additional reason to visit McDonald's by incentivising transactions to capture more of their informal eating out spend. According to a 2019 KMPG study, 52% of guests prioritise and shop with the brands where they have points and rewards in their account. To enhance our position as a true leader in the digital space, My McDonald's Rewards will harness the power of customer data and will create a personalised and more profitable relationship with our customers, by rewarding digital experiences with points to redeem against future transactions.

Effective Customer Relationship Management (CRM) using customer data from the My McDonald's App will help us to predict future customer behaviour, so that we can create more compelling and personalised connection in restaurants that will elevate our value proposition and strengthen our relationship with our loyal customers.

#### Key Program Objectives:

- **Invite guests to self-identify with every purchase.**  
My McDonald's Rewards gives consumers a reason to identify themselves at every visit. McDonald's can use this data to create seamless, personalised and engaging experiences for guests to encourage them to visit more frequently and purchase more when they do.
- **Drive incremental visits/spend and brand engagement to strengthen relationships and create lifetime loyalty.**  
My McDonald's Rewards drives incremental visits/spend by providing the guest engaging and fun ways to interact with the brand. This is an opportunity to deepen relationships from being only transactional by adding emotional components to interactions that will drive additional engagement and retention.



### 2. Rewards mechanic



# My McDonald's Rewards



- **New mobile app customers** enrol by downloading the My McDonald's mobile app, create an account and opt-in to My McDonald's rewards.
- **Existing mobile app** users simply need to update their app to the latest version and opt-in to My McDonald's rewards.
- **Once opted into MyMcDonald's Rewards, customers Earn 100 points per £1 spent (or 1p = 1 point) on qualifying purchases every time the McDonald's mobile app is used to identify as a My McDonald's Rewards customer.** Customers can then redeem points for FREE menu items on future visits or donate earned points to charity.
- To identify themselves, a customer can use Mobile Order and Pay (MOP), scan an offer, scan their QR code, or verbally communicate their 4 digit code at the COD.
- Customers can earn points and redeem rewards (plus, redeem offers such as McDonald's Monday as applicable) on all fulfilment channels: Drive Thru, Front Counter, Kiosk, Mobile Order and Pay and Delivery. How guests identify themselves will vary by channel.
- Additionally, My McDonald's Rewards customers will receive exclusive bonus offers, deals and accelerated point earning opportunities to earn and save even more.
- Only McDelivery transactions completed through the My McDonald's app will be able to redeem and earn reward points. There is no functionality to earn or redeem reward points if you order directly through Just Eat or UberEats apps.

The core Reward mechanics have been built on the following four principles:

- Customer led - keeping the customer at the heart. We have used research to validate the approach along the way
- Beneficial to the business and our franchisees e.g. drives profitable growth
- Operationally easy to execute - we have followed certain parameters set by global to inform product choices
- Protects our brand reputation

## 2.1 Reward tiers

We will have 3x reward tiers. The first tier begins at 1,500 points which is achieved when a customer has spent £15 spend. Based on AC across all channels, an average customer would reach their first reward in 1.63 visits.

Across the tiers, our most loved and popular products have been selected, providing breadth across the menu and a mix of HFSS & non-HFSS items. To be both operationally simple and allow for financial forecasting, whilst maintaining customer choice, we have allocated a choice of 5x products per tier. Following launch and with more learnings, we will have the opportunity to flex the products in each tier.



# My McDonald's Rewards



## 2.2 Always-on Healthy & Charity extras

Our always-on Healthy & Charity elements provide more redemption choices for our customers and also help to protect our brand reputation.

- Charity - MMR has two charity partners - Fareshare & Children in Need, Fareshare will be available at key seasonal times, Children in Need will be always-on. Our customers will have the option to donate their reward points to charity at their discretion. 1,500 = £1.50, 2,500 = £2.50 and 4,000 = £4.
- Healthy items - There will be always-on bonus 100 points for healthier menu choices. This a select number of products that meet the better nutrition criteria

## 2.3 Bonus Campaigns

Bonus is a tactical area which will be deployed through marketing at key points in the year, driving user engagement of MMR. The purpose of bonus campaigns is to reward customers and



# My McDonald's Rewards



drive incremental sales over-and-above the core campaign. This can be achieved through three areas.

1. Influencing a positive uplift in AC
2. Driving additional customer frequency
3. Acquiring customers into MMR

Examples of bonus campaigns are outlined below; we have the opportunity to flex between national and personalised campaigns:

We have developed a set of principles for activating bonus campaigns, to plan for success:

1. Customer first - needs to appeal and apply to all customers in MMR
2. Automatically offer rewards bonuses to ALL customers of that specific segment - no need to “accept” offer
3. Balanced to work within the marketing calendar e.g. no offer overlap
4. Mix of national campaigns & lifecycle campaigns
5. Approved as part of the offers CFT groups
6. Test & Learn mind-set - continually managing effects on overall goals and impact on business

## Summary

My McDonald's Rewards will be one of the largest and most positive changes we make for a customer and crew perspective. It will no doubt drive a huge amount of excitement and engagement from our customers.

We hope you found this informative and a great introduction to My McDonald's Rewards.

We look forward to seeing you at the Engagement Sessions

The MyMcDonald's Rewards Team

