

## McDonald's double-shot challenge

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"I just don't think McDonald's could make as good a cappuccino as Starbucks," Mr. Moon says. "You just don't see people bringing McDonald's cups into business meetings, but you always see everyone carrying a Starbucks cup. It's a status symbol."

Mr. Moon personifies the marketing challenge facing Oak Brook-based McDonald's as it tries to crack Starbucks' hold on the premium coffee business. The burger chain's biggest menu expansion in 30 years won't succeed unless large numbers of Starbucks loyalists abandon the flavor and cachet conferred by the coffeehouse's label. At the same time, McDonald's must entice its price-conscious regulars - many of whom don't drink coffee - to shell out \$3 for a high-end brew.

Either way, the fast-food chain needs to change consumers' ingrained habits and brand perceptions, a daunting assignment for any marketer.

"They are dreaming if they are trying to make McDonald's a destination for gourmet coffee drinkers," says Stephen Burnett, who specializes in management and marketing strategy and is associate dean of executive education at Northwestern University's Kellogg School of Management. "The brand is not consistent with gourmet coffee, and it seems counterintuitive. I would certainly have a lot of questions about the idea and would want to see data that a lot of regular McDonald's customers' gourmet coffee needs aren't being met."

Early results confirm the difficulty.

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