

R&D Outsourcing

The bully king: how shocking helps Burger King's business in Russia



Burger King's Russian division entered the top 15 fastest growing foreign businesses in the domestic market for the first time. RBC magazine learned how important its provocative advertising plays in the expansion of a competitor McDonald's

Photo: Yulia Spiridonova for RBC

In January 2010, McDonald's Russia was preparing to celebrate the 20th anniversary of the opening of the country's first restaurant. The jubilee was spoiled by a competitor: Burger King (BK) launched a viral video on the Internet exactly on the holiday date. The chain had just entered the local market and decided to build on the industry leader (McDonald's already had over 200 restaurants in Russia). "It was part of a marketing campaign. This is what I told the management: McDonald's has an anniversary, we must come out earlier," admits Yana Pesotskaya, general director of BK in Russia in 2010-2012, in an interview with RBC magazine.

The video was remembered: in the video of the mascots BK - King King - under the amazed gaze of the border guard and in the company of two spectacular companions, was passing through customs control at the Russian airport. Later, the network refused to replicate the image of King, but then he helped to solve the tasks. With limited resources, the brand increased awareness in the new market among the target audience - youngsters aged 14-25 years. "Burger King was a hooligan from the very beginning, a little on the edge. We understood that it would be difficult to promote without aggressive advertising," explains Pesotskaya. But the task was to win, so the network was not going to be careful.

The daring strategy worked: the Russian BK has been growing at an outstripping pace for several years, and in 2017 it was recognized as the best master franchisee in the world. In 2018, the revenue of the chain of more than 500 restaurants jumped by 35% (about 29 billion rubles), and the net profit - nine times (0.9 billion rubles). According to Euromonitor International, BK already has more than 10% of the fast food market (its volume is estimated at RUB 500 billion), lagging behind McDonald's is less than 8%.

Expansion is supported by shareholders. Initially, the owner of the Shokoladnitsa chain, Alexander Kolobov, undertook to develop the network in Russia. For the right to be the exclusive BK franchisee in the country, he pledged to open 750 outlets, says a source of RBC magazine familiar with the

situation. In 2012, VTB Capital became a co-owner of 50% of the chain and was willing to invest \$ 100 million. By 2018, the share of the subsidiary of the state bank dropped to less than 20%, and more than 36% was acquired by a company associated, according to RBC, with the Ukrainian investment company ICU. Earlier, ICU, in particular, was preparing for sale the Roshen factory in the interests of the Petro Poroshenko family.

BK shareholders do not object to advertising activities aimed at young people. This is a lot of courage on their part, says Ilya Shumsky, regional director of BK in Kazakhstan from 2014 to 2016. According to him, it is impossible to imagine such aggressive marketing in neighboring countries: "In the same Kazakhstan and Azerbaijan, mainly Muslim countries, there are certain canons of behavior in society and business."

The current general director of the Russian BK Dmitry Medovy, in an interview with Delovoy Petersburg, assured that the company also has clear boundaries of the concepts of good and evil. But in recent years, the brand's advertising has provoked scandals more than once - because of slogans like "Look not aggravate", playing on the image of a rape victim and other methods on the verge of public morality. The company taught users that BK is cool, explains Pesotskaya: "Conventionally, at McDonald's you celebrate children's birthday, and at BK you meet with a group of friends."

In addition, loud statements, for example, about the purchase of the cruiser Aurora or the release of nugget-flavored condoms, as a rule, remain declarations. Only one example of the implementation of such plans was found in the public domain: in 2018, BK registered with Rospatent an application for the production of goods based on memes based on the song of Mikhail Shufutinsky "September 3". Rarely are real claims following the hype on social media. According to the central office of the FAS, in the past two years, five complaints have been received against the network's advertising, one case has been initiated on suspicion of violating the law "On Advertising". McDonald's, by comparison, was complained twice in the same time.

RBC magazine learned from the authors of the provocative advertising BK how their client manages to remain the main troublemaker in the Russian market and why scandals do not harm business. Dmitry Medovy, marketing director Ivan Shestov and representatives of the majority of shareholders of the Russian BK declined to comment, representatives of the company's head office did not answer questions. "VTB Group has no influence on operating activities, in particular, marketing strategy [BK]," a representative of VTB Capital told RBC magazine.

There is no dispute about the "tastes of the members"

Burger King first dared to make some noise in the information field in October 2015. The company proposed to Roscosmos to send a cheeseburger in a tube into orbit: Medovy personally signed a letter to the management of the state corporation. There was no reaction, but the goal was achieved - they even wrote about the action

business media, for example, the Kommersant newspaper.

Photo: Yulia Spiridonova for RBC

The idea for the trick came from the agency Fistashki: it won a tender to promote a new product on the BK menu. Fistashki creative director Pavel Targashin leaves for an interview from his office with a sign "BDSM-naya". "I should have said that BK actually has such a product. Everyone knows about the cheeseburger from McDonald's, but they hardly heard of its namesake from BK, "the manager explains.

Although the team was inspired by the concept of fake news, the cover legend was not forgotten. "They even found a specialist in molecular cuisine and found ten tubes for test samples, they were

sent to journalists," Targashin recalls. Excluding creativity, the campaign budget was limited to 10 thousand rubles.

Burger King Targashin calls an open and risky customer: "They often prefer something new to a proven one. If we were doing a cheeseburger ad now, we would have come up with something related to VR or artificial intelligence. "

The next Fistashki campaign turned into a canonical example of BK promotion in Russia: to advertise a sharp whopper, the agency came up with the slogan "Look, don't escalate!" Targashin assures: the phrase was conceived as an April Fool's joke, it was supposed to be reinforced by YouTube videos featuring bloggers eating the "worst" burgers in tears. But on March 30, the customer, without notifying the agency, launched a campaign: banners appeared on the start page when connected to Wi-Fi in the Moscow metro. The concept of the giveaway fell through, but the influx of users to restaurants saved everyone. "We were lucky that in April 2016 there were no other high-profile events like the annexation of Crimea," explains Targashin. The resonance was increased by the verification of the FAS slogan (no violations were found). A week later, BK himself came "to the aid" of the agency - the company launched a new hooligan action for ice cream with the call "Let's get drunk!".

The creative director of Fistashki does not hide what kind of "Look not aggravate!" the agency was repeatedly scolded by colleagues. The main counterargument is statistics: that very whopper in Moscow ended four days after the start of sales. "It was flirting with the audience, which reacted in the spirit of: " But I'll go and get aggravated! " - says Targashin.

Less successful was an attempt to make fun of the American Film Academy, which was accused of discriminating against African Americans. Fistashki, who ran the BK social network in 2016, posted on VKontakte and Facebook a provocative joke that film academics prefer a white bun wapper with an even more provocative approach: "We learned the tastes of the film academy members."

"After the publication, we realized that the phrase 'tastes of the members' is not something that should be associated with food, and we adjusted the wording," says Targashin. The mistake had to be played up like a joke. There were no consequences, the manager assures: BK, on the contrary, liked how Fistashki settled the situation. But the European office of the customer did not appreciate the humor - the post was deleted. True, not because of the "members", but because of the incorrect presentation of the topic of discrimination.

Fistashki hasn't worked with BK since 2017. But the tested promotion strategy was taken up by a new contractor - the Glavpiar agency.

Subtle intelligent humor

"Instead of apologizing, the jamb should be interrupted with even crazier news - come up with new rubbish," Oleg Voronin, general director of Glavpiar, shares the secrets of the profession with RBC magazine. He praises the agency's main client: "Except for BK, everyone in the market is sсыkuny. They want to do the same, but they are afraid. "

Photo: Yulia Spiridonova for RBC

Glavpiar has put on stream the scandalous shares from BK. "The consumer keeps in his head five to seven topics from the news stream, we make sure that the customer is a part of these news events," says the head of the agency. On account of his subordinates - about 30 shares for BK. With rare exceptions, the campaign is absolutely not vulgar, insists Voronin, although among the creations of Glavpiar, for example, is the proposal to the singer Olga Buzova to become the face of the slogan "In

the mouth all year round". Taboo topics - politics, religion, ethnicity and sexual minorities, as well as jokes about BK employees, the interlocutor of RBC magazine lists.

He calls the agency's humor subtle and intelligent. The request for it from BK until July 2018, when the parties broke off cooperation, came out about twice a month. This was followed by a brainstorming session, as a result of which copywriters generated up to 50 ideas. The five most successful were offered by BK. He made a choice, and the agency accompanied the action with a "proof" - wrote an "official" letter, a complaint or made a test sample. The same Buzovoy, during a divorce from football player Dmitry Tarasov, BK sent a burger with horseradish sauce in a box with the inscription "Big horseradish for Olga Buzova."

The client set strict KPIs for the agency: the campaign should be covered by the top 5 quoted network media from the Medialogia rating for the previous year. If the goal was met, "Glavpiar" received 600 thousand rubles, for three "hits" - 350 thousand, and for four misses did not receive anything.

The topic of advertising that Voronin does not like is attacks on McDonald's: "American marketer J.

Eck Trout said that market participant # 2 should always attack # 1. BK likes this trick. And although I am not a supporter of this approach, I understand that out of five ideas the customer will choose the one that trolls McDonald's. " This is how the slogan "PSHLNH, MKDNLDS" was born and the requirement to ban the movie "It" because of the similarity of the main villain with the mascot Ronald MacDonald. When asked why the company does not respond to such actions, the general director of McDonald's in Russia, Mark Karena, told RBC magazine: "Our attention is directed to providing visitors with quality products at an affordable price".

Voronin compares BK's strategy in case of marketing crises to the Fortress plan, in which the security forces guard important facilities without leaving the building. "If something happens to the company's disadvantage, not a single journalist will receive a comment," says the general director of Glavpiar. As an example, he cites the story of BK's attempt to express condolences to the families of the victims of the fire in the Zimnyaya Vishnya shopping center. In one of the restaurants, on the initiative of the director, a screensaver "We grieve Kemerovo" appeared at that time, and a poster "We have been cooking on fire since 1954" remained in the neighborhood. While social media rattled about mockery, the company maintained its silence. In the end, the critics calmed down after a couple of days, and no explanation was required from BK.

But it was not always possible to keep silent. In the summer of 2018, the world media spread the news about BK's proposal to Russian women to get pregnant from football stars during the World Cup. According to Voronin, the head office demanded to apologize from the Russian division. The problem turned out to be the global coverage of the news feed, the general director of Glavpiar believes: according to him, the leaders of the local BK constantly get rid of the franchise owners, but as long as the scandal does not go beyond the country, they have something to oppose - the dynamics of sales.

In the Russian office of BK itself, the chief lobbyist for high-profile actions is marketing director Ivan Shestov, says Voronin: according to him, the general director of the division, Dmitry Medovy, absolutely trusts the top manager.

Cool eggs

Medovy himself took part in scandalous actions. In one of the videos, the manager appeared in the company of heroes reminiscent of Ronald MacDonald and the KFC mascot Colonel Sanders. After Medovoy's words "Because our chickens have cooler eggs," the plot of the TV and Internet versions of the video was divided: on TV, Sanders looked under the table, on the Web - he found a chicken with male testicles under the table, and MacDonald asked to touch it. "In our communications, we focus on guests, not interaction with other market participants," Elena Pishkova, head of marketing at KFC

Russia, commented on BK's attacks.

This video is the creation of another BK contractor, SHMA! "The price of provocative marketing is when a finished video can be taken off the air or not taken into rotation. And BK is an example for the rest. They work according to the principle: "Let's get in touch, and then we'll figure it out," says the CEO of SHMA! Oleg Shestakov.

He also notes a high level of trust between Medov and Shestov: when the marketing director asked the general director of BK to star in a video about eggs, he agreed after a short persuasion and as a result clearly played the scene and left with the words: "Then do whatever you want," Shestakov recalls ... According to him, BK is the only client for whom funny ideas are a full-fledged working material.

SHMA Creative Director! Sasha Ardabyev describes the scheme of interaction as follows: a brief on the product comes from BK, after which he, together with Shestakov, goes to a restaurant and orders this dish. "We try, study, monitor the reaction of the guests and develop an idea based on this," explains the manager.

Since SHMA! specializes in video, they have to come up with less provocative provocations "for TV": for example, a video with a song about nuggets based on the hit "Lilies of the Valley" turned out to be viral. The melody has revived the footage previously broadcast to BK agency. "Lilies of the valley" overcame both the versions of "nuggets in the snow" and "crying nuggets in the machine", as well as the idea of rap accompaniment and hypnotic audio, Shestakov lists.

Collaboration with BK does not always imply a large shooting budget: for example, SHMA CEO personally had to appear in another TV commercial! Shestakov explains: working with BK is more of a high-quality portfolio replenishment than making big money. In the future, the company will have to take the provocation to another level, the head of SHMA is sure! "After all, provocation can be different: with pants down, and with white doves. BK is a growing brand and social responsibility must emerge. This will lead to an increase in the audience, "says Shestakov.

"Pump to the whopper"

Another agency Possible (part of the British WPP group) is thinking about softening BK's marketing rhetoric since spring 2018. First, Possible won a tender for an egg burger advertisement (a video with the slogan "Approved by Russians!"), And later asked the client to think about "more positive communication, since the market is tired of aggression," says the agency's account director Anastasia Gorshkova. Her colleague, creative director Maryam Akhunova, you

shares one more disadvantage of BK campaigns - women react poorly to them.

\$ 4.6 billion

made up the revenue of RBI holding (which includes Burger King) in 2017

RUB 27.7 billion

made an assessment of the Russian Burger King VTB in 2018

31%

was the average revenue growth of the Russian Burger King in 2015-2017

Sources: SPARK, company data

The first attempt by the agency to play up the alternative image of the brand was the action for donors "Blood for Blood" in Yekaterinburg, timed to coincide with Halloween. The number of donors

who received fake blood-splattered robe and green whopper doubled in the city, Possible managers say. Moreover, in order to reduce the usual level of pressure BK, they had to dissuade the client from the version of the slogan "Pump on the wapper", recalls Gorshkova.

Other ads from Possible, however, are consistent with the established brand image. On the same Halloween, the agency offered the company to buy land for a conditional cemetery, where anyone could bury something bad. Possible was also preparing a new format for BK - integration into the TNT4 show "Prozharka", where comedians joke about the stars. "Burger King didn't limit us in what could serve as the subject of jokes," says Ivan Kalashnikov, creative director of TNT4. "Fried" in the issue of "Clown Roma" and "Colonel Sanya" - another hello to the competitors of BK. "In the first version of the script, we wanted to remove a couple of hard jokes. And marketing BK asked: "What is this children's matinee?" - laughs Akhunova.

The collaboration with the channel did not make the company fork out. "It helped that Gavr Gordeev (director of TNT4 - RBC) and Kalashnikov were interested in integration. They even lowered the presenter's fee, Ilya Sobolev, "notes Gorshkova. According to her, production costs (excluding TNT4 fees and agency work) amounted to about 2 million rubles. The TNT4 press service declined to comment on commercial issues. Possible decided to misbehave in honor of September 3, the date immortalized in Internet folklore by Mikhail Shufutinsky. A week before X-Day, BK sent the agency an assignment to do something cool. As a result, the team prepared the campaign "Shufuta whopper, fried over the fire, with the addition of mountain ash sauce and wrapped in a calendar sheet". BK did not have time to make a product out of season for rowan, but posted an announcement in public: one user even complained in the comments that he could not buy the advertised product.

The next campaign for BK Possible is scheduled to launch in December. "It is not connected with actual things, hype. But it is built on a purely Russian insight, "says Akhunova. When asked if the good BK will turn into a copy of the sworn competitor, Possible employees answer negatively. "Even if Burger King came to the hospital to do something good, he will open the door on his feet," Gorshkova promises.

"Draw yourself, we are for popcorn"

While some contractors are planning a less flamboyant strategy for BK, others are working to consolidate the brand's image as a market provocateur. The latter include the MDK agency, co-owner of the famous VKontakte public. "Ivan Shestov regularly tries to take us to the show with messages like: " I thought you were more creative ". But we are immune to such things, "says MDK Managing Director Maria Vylegzhanina.

Photo: Yulia Spiridonova for RBC

Since February 2017, the agency has been running BK social networks in Russia. With its public MDK, the work differentiates. "The goal of the public is to hype, increase subscribers, and retain popularity. We do the same with BK, but within the boundaries of the brand book, "explains Vylegzhanina. MDK learned these boundaries after winning the tender. "Since the head office sometimes pays attention to the Russian one, it turned out that even the image of a girl in a swimsuit is impossible," says the agency manager.

The first stress test for MDK was the scandal over the use of the image of Diana Shurygina in BK's public pages, a rape victim whose story was covered in detail by the media. The "On the Bottom" meme advertised the "Second Big King Free" campaign. A day later, the post was deleted: according to Vylegzhanina, the warning came from the head office of BK. After the incident, MDK insisted on revising the operating procedures. "If before that there was enough" ok "in the chat for publication, then after - each publication is agreed in writing, and especially risky ones - in a separate form with a

picture and copyright, where it is indicated that the customer bears all responsibility," says Vylegzhanina. BK, on the other hand, introduced fines for uncoordinated publications - 1 million rubles. per post.

The renegotiation of the contract has led to a decrease in the profitability of the project for the agency, complains MDK's managing director. The total volume of the contract is 20 million rubles. in year. In 2018, MDK raised prices for a client by about 25%.

Vylegzhanina claims that the customer approved the meme with Shurygina, and she herself saw the picture published. "Then I asked my colleagues:" What, the story with the graves (in 2015, MDK published the news about the death of the singer Zhanna Friske with the text "And I have never been in the grave." - RBC) didn't teach you anything ?! "

Management

Er praises BK's moral willingness to work in the tough MDK style. The same meme about Shurygina, according to her, provoked an increase in sales of the advertised product, although the network never discloses the effect of marketing activity. Since the moment when MDK took over the management of the BK public on VKontakte, the number of subscribers has grown from 800 thousand to 2.2 million.

Vylegzhanina confirms that BK is "not the most profitable client". But for one generous share, MDK nevertheless promoted: the network spent 10-15 million rubles. on the bot and stickers "I'll smoke you." More often, the agency is called the "minimum" budget - about 100 thousand rubles. For this money, MDK is ready to make a couple of memes and a promo. "Shestov sometimes finds other performers. We parry: at least draw yourself, we are for popcorn, "says Vylegzhanina.

The agency's team has repeatedly wondered whether to continue working with BK, the manager admits: "If we part, we will not lose anything. The question is not about money, but about the moral readiness to lead the client, to work with his creativity. The decision for 2019 has not yet been made. According to MDK's managing director, BK should "continue to go aggressively, laugh, provoke people to react, but move away from the toilet theme." "We offered our vision of the brand two years ago, but BK did not implement it. Although, in my opinion, the strategy should be at least for a year. It cannot yet be said that it exists conceptually, "Vylegzhanina concludes.

Link to article: [The bully king: how shocking helps Burger King's business in Russia](#)