

Introduction: This marketing plan was made possible by the dedicated team of: Anya, Andre, Caleb, Cameron, Luis, and Riley, and we represent In-N-Out. Since its founding in Baldwin Park, California, in 1948 (In-N-Out history), In-N-Out has grown into one of the most iconic fast-food chains on the West Coast. It is our mission to “provide the freshest, highest-quality foods and services for a profit, while maintaining a spotless, sparkling environment where the customer is the most important asset.” We place a heavy emphasis on having the freshest ingredients, so our product is the standard we strive for. However, as consumer preferences evolve, we recognize the importance of innovation and adaptation. To continue strengthening our reputation and meeting the diverse needs of our customers, we are introducing a second menu designed to expand our offerings while staying true to our core values. This new initiative includes the addition of a breakfast menu and gluten-friendly options, both of which are tailored to meet growing demand for variety, convenience, and dietary inclusivity. The breakfast menu will allow us to serve customers during the early hours of the day, tapping into a market segment that has long been dominated by other fast-food chains. By offering freshly prepared breakfast items that reflect the same quality standards as our burgers and fries, we aim to create a new tradition for our loyal customers while attracting new ones. Similarly, the introduction of gluten-friendly options demonstrates our commitment to inclusivity and responsiveness to health-conscious trends. We understand that dietary restrictions should not limit the enjoyment of a great meal, and we believe these additions will resonate strongly with both existing and potential customers. In this marketing report, we will outline the details of these new menu additions, explain the rationale behind their development, and highlight the ways in which they will positively influence the company. Our analysis will explore how these changes can enhance customer satisfaction, strengthen brand loyalty, and ultimately drive growth for In-N-Out.

SWOT: We took a look at In-N-Out’s internal and external analysis. Above all, In-N-Out has one of the most loyal and strong brand reputations in the business; everyone knows and loves it. Concentrated primarily on the West Coast, In-N-Out benefits from high store density and a commitment to quality, offering fresh ingredients that are replaced daily.

Looking ahead, there are many opportunities for In-N-Out to grow to ensure long-term success, but also reach new target audiences. They can geographically expand quite easily to help with short-term demand while simultaneously building recognition and loyalty nationwide. Menu expansion brings in growth potential, while the company’s limited menu has historically reinforced consistency and brand identity. Introducing options such as gluten-free substitutions or health-conscious alternatives could attract

new customer segments. However, digital ordering/delivery would accommodate further demand.

Expanding into new regions is seen as one of In-N-Out's biggest opportunities; it also stands as one of their biggest weaknesses. As mentioned, the limited menu options with freshly made items require customer buy-in and extensive employee training for consistency, and there is unlikely growth potential in areas without supply and logistics efforts from larger, more populated areas. The same applies to expansions of the menu; unless they're sources for fresh ingredients themselves, any supply will fail to meet demand.

Finally, competitive threats impacting In-N-Out come from all competitors like McDonald's, Chick-fil-A, Five Guys, Shake Shack, etc. All of these competitors pull customers away, and there are constant price wars in the industry.

Marketing Objectives: Our first market objective would be to penetrate the fast-food breakfast market. Currently, many fast-food restaurants hold a breakfast menu, which makes it difficult to enter the market. Many In-N-Outs are located in power centers, which means there will be at least 2 breakfast places near our store. However, In-N-Out places a lot of its restaurants off highways, which is where we will target first. In order to gain traction with our new menu, we need to enter and compete against the “little” fast food suppliers. McDonald's and Starbucks currently hold 50-60% of the market (Breakfast wars: McDonald's, Wendy's, and other fast food giants are vying for diners' morning dollars) in California, when it comes to breakfast. In order to be successful, we need to beat out smaller well well-known fast food breakfast places such as Denny's and Jack in the Box. Each store owns about 10-15% of the market, so a good objective for us to have is to enter with 10% of the fast food breakfast market. In-N-Out's creation of a breakfast menu will create a buzz and attract consumers toward our store. Commuters driving along the highway will choose In-N-Out, as we will have the best branding thanks to some of our marketing mix. Another goal for us would be to create high brand awareness to continue to pull consumers into our restaurant. If we can make a splash in our first year of carrying breakfast, we will be a competitive restaurant when it comes to breakfast.

STP: To be able to introduce a breakfast menu and gluten-free options effectively, In-N-Out first segmented the market by dividing the Menu into two day parts: Breakfast served from 6-10:30 AM and Lunch/Dinner from 10:30 AM till closing time. Initially, In-N-Out divided the market by lifestyle groups (commuters, students, and families), dietary preferences (gluten-free customers), and time of day (breakfast vs. lunch/dinner). From these segments, the company decided to primarily target two high-potential groups: morning commuters who need a fast, reliable breakfast, and gluten-sensitive customers who currently lack suitable options at In-N-Out. Loyal

In-N-Out patrons who will now have an incentive to visit earlier in the day are a secondary target. In-N-Out will highlight its core values of freshness, simplicity, and quality as it positions the expanded menu, offering a more compact, hygienic, and superior breakfast option than rivals with expansive, inconsistent menus. The brand will be positioned as a dependable option from morning through evening, maintaining its reputation while broadening its appeal.

Marketing Mix:

The marketing mix for In-Out's new breakfast menu aligns directly with the company's mission of providing an exceptional customer experience by serving fresh, high-quality food. Every component of the marketing mix, namely Product, Price, Place, and Promotion, combines to help achieve the marketing objective that focuses on challenging the marketplace by entering the fast food breakfast segment and acquiring 10-15% market share.

In-N-Out's breakfast menu will offer a simple yet fresh, high-quality alternative for morning commuters and an inclusive dining option for gluten-free customers. The breakfast menu will feature a Sausage, egg & cheese sandwich, Hash Browns (made from signature In-N-Out potatoes), a fruit cup, orange juice, and a Gluten-free bun substitution. Breakfast will be served from 6 to 10:30 AM, after which the menu will no longer be available, and In-N-Out will resume its usual operations. Branding will be minimalistic to stay consistent with In-N-Out's current aesthetic, and the products will be served in the same packaging as the traditional menu. However, the new menu launch will also introduce a new slogan: "In-N-Out at any time." These breakfast items are classified as convenience goods, designed for consumers seeking fast, effortless meal options that fit naturally into their daily commutes. Restaurants will sell and serve the product face-to-face at the counter inside and through a fast drive-through service optimized for commuters in the morning rush.

In-N-Out Proposed Breakfast Menu

- *Sandwich alone*
 - \$4.50
- *Combo meal (Sandwich with side and drink)*
 - \$6.50
- *"Sub gluten-free"*
 - 0.75
- *Drinks*
 - \$1.00
- *Sides*

- *Hashbrowns* = \$1.95
 - *fruit* = \$1.50
-

The breakfast menu uses a competition-based pricing strategy, aligning with breakfast items at McDonald's, Chick-fil-A, and other established competitors in the fast-food breakfast industry. Because of the many competitors, consumers have many alternatives to In-N-Out, creating high price elasticity in the fast-food market. This means prices must be attractive to consumers to draw interest in trying the new menu as well as to keep them coming back. In-N-Out breakfast prices are perfectly designed to undercut the competition while maintaining In-N-Out's commitment to fresh, high-quality ingredients. An In-N-Out breakfast combo meal costs the store \$2.00 and has a 69% gross margin, allowing them to generate a profit while maintaining high quality. Chick-fil-A lists its Sausage, egg, and cheese muffin at \$4.75 and its combo meal at \$8.89. With our lower price, we used penetration pricing to gain early market share. Finally, In-N-Out uses psychological pricing, setting reasonable prices just below threshold points such as \$5, \$7, and \$2 to reinforce perceived value. All these pricing strategies together will allow In-N-Out to profit while attracting and retaining new customers, and to produce more delicious food.

In-N-Out's place strategy for the new breakfast menu focuses on efficiency, convenience, and accessibility, targeting commuters. Most current In-N-Out burger locations are intentionally placed within 1-3 feet of a highway exit. This is because their current marketing strategy emphasizes high visibility from major roads and easy access for commuters and travelers. With the breakfast menu, In-N-Out can continue to use the same strategy, but applied to morning commuters. According to the U.S Census, it's estimated that every weekday morning, 140 million people commute to work, 19.5 million of them between 7 and 7:30 am, not to mention those commuting to school or other destinations. With this many people hitting the road each morning, In-N-Out will roll out the breakfast menu at these highway-adjacent locations. These locations already benefit from a loyal customer base, making them ideal places to launch the new menu. In-N-Out's breakfast menu distribution will be built around a highly efficient drive-thru system so commuters can move through quickly, though in-store ordering will also be available. Through signage, billboards, social media, and word of mouth, In-N-Out will market the new menu to these consumers.

To promote the new breakfast menu, In-N-Out will use an integrated promotion strategy that reaches consumers through multiple marketing channels. Advertising campaigns for the new breakfast menu would focus on morning commuters, using highway billboards and signage to communicate to customers that breakfast is now available. In-N-Out would also use electronic marketing tools, such as social media and

direct marketing, sending messages to the community that breakfast is available. They would bring in influencers to create short video clips reviewing or rating the new breakfast menu and gluten-free options. With a few successful social media influencer reviews, In-N-Out could reach millions of people online and alert them to the new menu. They would also use publicity tools, such as press releases, to promote the new menu to older generations of loyal In-N-Out customers. All of the above tools and activities help position the breakfast menu as the natural extension of In-N-Out's efforts to ensure the products it produces and delivers to customers are of the highest quality. All messages would be integrated into an overall marketing and communications program that stresses the 'In-N-Out at any time' message.

Conclusion: In developing this marketing plan, our team focused on identifying realistic and meaningful ways for In-N-Out to grow while staying true to the values that have defined the brand since 1948. Throughout this report, we emphasized the importance of protecting the company's core strengths: quality ingredients, operational simplicity, and a loyal customer base, while also acknowledging the need to adapt to changing consumer expectations. The introduction of a breakfast menu and gluten-free options reflects a strategic step toward meeting those expectations. These additions open the door to new customer demographics, including morning commuters looking for something fast and reliable, families seeking convenient early-day meals, and individuals with gluten sensitivities who have not previously been able to enjoy the full In-N-Out experience. By keeping these new items simple, fresh, and aligned with the brand's identity, In-N-Out can expand thoughtfully without losing sight of what makes it unique.

Our SWOT analysis further highlighted that In-N-Out is operating from a strong position. The company's reputation for consistency and its deep-rooted loyalty among customers provide an advantage as it moves into new territory. At the same time, we evaluated internal challenges such as geographic limitations, the need for additional training, and the operational adjustments required when adding new menu items. To address these concerns, the plan outlines strategic changes in staffing, preparation processes, and supply chain management; all changes that maintain quality while enabling sustainable expansion. This careful balance supports innovation without overwhelming the systems that already work.

Additionally, the plan accounts for the external pressures facing In-N-Out. The fast-food breakfast market is highly competitive, with chains like McDonald's and Chick-fil-A already holding significant market share. Rising operational costs and customer demand for convenience add further challenges. Our pricing strategy, promotional recommendations, and positioning approach were developed with these realities in mind. By relying on straightforward communication, targeted highway and social media

advertising, and a clean PR rollout, In-N-Out can introduce its expanded menu in a way that stands out while still reinforcing the brand customers know and trust.

Overall, the goal of this marketing plan is to help In-N-Out expand its customer base, strengthen its competitiveness, and support long-term growth, all without sacrificing the brand values that have shaped its success for decades. The “In-N-Out at Any Time” initiative not only extends the brand into a new daypart but also demonstrates a commitment to inclusivity and modern dietary needs. By approaching expansion carefully and intentionally, In-N-Out has the opportunity to reach new audiences, deepen its connection with lifelong customers, and continue establishing itself as a dependable and beloved leader in the fast food industry. This balanced approach to innovation ensures that the company can grow responsibly and remain a trusted choice for generations to come.

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