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## Burger King Nuggets Now 15 Cents Each Amid Price Wars

By Leslie Patton - Oct 6, 2014

[Burger King Worldwide Inc. \(BKW\)](#) is lowering its chicken nugget prices to 15 cents each as fast-food chains compete to lure budget-minded customers.

A 10-piece chicken nugget order will cost \$1.49 beginning today for a limited time in the U.S., the company said in a statement. Miami-based Burger King regularly sells the nuggets for \$2.99.

Fast-food restaurants are trying to draw cash-strapped Americans with new and discounted fare as younger diners increasingly flock to fast-casual chains such as Chipotle Mexican Grill Inc. [McDonald's Corp. \(MCD\)](#) is selling 20 chicken McNuggets for \$5, or 25 cents apiece, as well as a \$2 jalapeno burger. Burger King has recently offered a two-sandwiches-for-\$5 deal.

"There is a certain group of customers that are extraordinarily price sensitive," said [John Gordon](#), principal at Pacific Management Consulting Group, an adviser to restaurants and franchisees, in San Diego. "Hopefully you can keep those customers coming back -- the problem being that customers that are so motivated by very low-price items aren't very loyal."

Burger King is struggling to boost same-store sales in the U.S. and [Canada](#). They rose 0.4 percent in that region in the second quarter. McDonald's, based in [Oak Brook](#), Illinois, has seen a domestic sales slump recently. Sales at McDonald's U.S. locations open at least 13 months fell 2.8 percent in August, the fourth straight monthly decline.

While the cheap nuggets may help Burger King boost traffic, franchisees probably are unhappy with the extremely low price, Gordon said. The discounted 10-pack is "low margin," he said.

Burger King has about 7,370 stores in the U.S. and Canada and about 99 percent of them are owned by franchisees.

The company's [shares](#) rose 3.8 percent to \$31.21 at 9:35 a.m. in New York and gained 32 percent this year before today.

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