

# Adolescent Obesity: Case Study of McDonald's Happy Meal

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## ABSTRACT

Adolescent obesity has been deemed a prominent public health problem in the 21<sup>st</sup> century, and the over-consumption of fast food is considered one of the essential causes. In this situation, the Happy Meal strategy put forward by McDonald's has also been accused of luring children to consume those unhealthy fast food. Thereby, this study, based on business ethics theory, attempts to probe this critical issue. It is suggested by the analysis that the Happy Meal strategy, though it has obtained huge financial success, is not an ethical business practice. Hence, an array of suggestions to modify the Happy Meal strategy is proposed in this article. This study would contribute to the business ethics discussions in line with the children's overweight context.

**Keywords:** *Adolescent obesity, Business ethics, McDonald's Happy Meal*

## 1. INTRODUCTION

Childhood obesity and overweight remain global public health issues. It has been considered the most challenging public health problem in the 21<sup>st</sup> century [1]. According to World Health Organization, over 38.2 million children and adolescents aged 5–19 were estimated to be overweight or obese in 2019 [2]. However, this issue is not equally distributed in every country. Global prevalence and trends of overweight and obesity among preschool children indicated that the prevalence of overweight and obesity in developed countries was estimated to be one times more than that in developing countries [3]. However, both developing countries and developed countries, like China, Brazil, and the USA, reported a rapid escalation in childhood obesity in recent years [4–6].

Obesity could harm children both emotionally and physically. Firstly, in Dietz's study, overweight has been labeled as a signal of laziness and sloppiness for 6-year-old children [7]. Additionally, there is increasing evidence that obese students are discriminated against or stigmatized by their teachers [8–10]. Thus, these children with weight problems experience unfair

treatment from both their peers and teachers. On the other hand, obesity can be negative to nearly every physical system in a child, including orgasms and hormones secretion [11]. Therefore, serious tolls are paid for childhood obesity. Even worse, there is a great possibility that children will carry their weight problems to adulthood, which severely affects their life and well-being. Thus, adolescent obesity should be taken seriously.

Modern lifestyle has contributed to a dramatic change in our eating habits, and fast food has become popular, which directly or indirectly leads to obesity [4]. Previous research revealed the association between obesity and the availability or accessibility of fast food [6]. McDonald's is one of the most popular fast-food restaurants in the world. Until 2020, McDonald's possessed over 39 thousand stores in more than 119 markets [12]. McDonald's keeps pushing children to have more fast foods by strategies like the Happy Meal in this huge market.

Some current literature has shown the positive association between McDonald's and childhood obesity [13]. However, few studies specify their concentration on concrete strategies and tactics. To fill this gap, our

study aims to: a) address how happy meal appeals to children to have fast food; b) discuss whether McDonald's is ethical to implement strategies like the McDonald's Happy Meal; c) provide solutions to McDonald's and other stakeholders to slow down the escalation of childhood obesity.

## 2. ANALYSIS OF MACDONALD'S HAPPY MEAL STRATEGY

McDonald's rolled out the first Happy Meal in 1979 with huge success. Children love McDonald's happy meals; tasty and kid-friendly food and a gift are offered in the Happy Meal. As one of the world's most famous food chains, the fast-food giant has established extensive cooperation with Disney since the mid-1980s and exclusive cooperation with Disney Fast Food for 10 years from 1996 to 2006. During this period, Disney authorized McDonald's Happy Meal to give away a number of Disney-related toys. It makes McDonald's one of Disney's few global strategic partners.

Under the "Happy Meal" strategy, McDonald's offers regular set meals for children with gadgets like toys as giveaways [14]. According to Karin, "It's not about the food. What McDonald's is really selling to children is the party. The package with puzzles just for them. The games. In some places, the playgrounds, and most of all, the toys. [15]". With such tactics, McDonald's aims at teaching children to associate its less-than-ideal meals with fun, which plays a more important role in children's decision-making process than the quality of the chicken or beef. That's why McDonald's tinkers with its toys rather than food offerings. When San Francisco

banned toy giveaways with meals that didn't meet certain nutritional requirements, McDonald's tried a workaround. It sold the toys for 10 cents to anyone who bought a Happy Meal, knowing they are a canny way to secure lifetime customers.

Although laws have been enacted to urge Macdonald's to lower the calories the food contains, to improve the dietary structure, and even to replace some unhealthy food with vegetables and fruits, along with these years, critics and arguments have been lingering that its business would contribute to the increase of children's obesity.

From the perspective of Consequentialism, McDonald's really did a profound job in their business operating and bringing happiness to children. Firstly, it is revealed that the most heavily visited hour was from noon until 1 pm, representing 9.9% of all foot traffic (see Figure 1) [16], which implies that every day from noon to 1 pm McDonald's sold around 320,000 happy meals, estimated around 5,300 happy meals sold a minute and 89 per second. Furthermore, assuming an average price of \$3 per happy meal, McDonald's earns roughly \$10 million from happy meal sales per day. Thus, the Happy Meal strategy is considered a great marketing success for McDonald's, contributing to tremendous growth in their profits.

On the other hand, Happy Meal contributes to children's happiness. To illustrate, Happy Meal satisfies not only basic living needs but also the need to possess and provide these buyers with a little friend. Therefore, from this perspective, the Happy Meal strategy is conducive to both McDonald's and the customers.



Figure 1. MacDonald's visits per hour

Nevertheless, at the same time, McDonald's happy meal has also brought many adverse effects on children. The first point is the health hazard. In the past 30 years, the rate of childhood obesity has been increasing at an alarming rate throughout the country, and it has already become an increasingly serious public health problem. The latest obesity report shows that the

overweight/obesity rates of children under 6 years old are 6.8% and 3.6%, respectively, and such rates of children and adolescents aged 6-17 are 11.1% and 7.9%.

It happens to be this time when fast food entered China and officially became popular in the 1990s. Therefore it can be concluded that the prevalence of fast

food is the main reason for this phenomenon, especially the happy meals which attract children most. The reason for obesity is that McDonald's happy meal contains a lot of oil, salt, and fat, so they will cause changes in hormones in the children's body, promote children's obesity, and make them addicted, finally leading to "wealth disease". Even if some people do not get such disease in childhood, they bury the hidden dangers of hypertension, atherosclerosis, cardiovascular, cerebrovascular diseases, diabetes, and other diseases in the future.

According to the results of a three-year study conducted by the World Health Organization, eating fried food is equivalent to the toxicity of smoking. More studies have shown that a fried chicken leg is equivalent to the toxicity of 60 cigarettes. At the same time, the metal elements lead and aluminum contained in fast food easily damage the brain's nervous system, which is easy to lead to problems such as intellectual development disorder and ADHD for children. What's more, fast food is also easy to contain purine, which is the culprit of inducing ventilation. Thus, it will be harmful to children's physical development and joint health.

Second, as the most popular set meal for children, it is undeniable that the marketing of MacDonald's Happy Meal is very successful. From the perspective of consequentialism, it has won the love and support of children through the gift of toys and made a lot of profits. The procedure is legal, but this behavior of putting financial interests first while ignoring the adverse impact on children's health is unethical. Using toys to lure children has already led to an increasing frequency of children eating fast food in China. In 1998, 16.8% of children never ate fast food, and only 15.9% of children ate more than once a month, compared with 65% of children who ate more than once a month in 2008. In 2008, the proportion of children who ate fast food six times or more per month was 7.9%, while in 2015, the proportion of children who ate fast food five times or more per week was 10.9%.

The proportion and frequency of eating fast food increased significantly, and most of them went for Happy Meal toys. Sometimes, people who bought the McDonald's happy meal can only get one of a set of toys for each serving. If the children want to get a whole set, they often have to eat many sets. Many children who are obsessed with toy collections have to eat this package every week. Besides, they even secretly use the money which should have been spent on buying books or learning on this happy meal to deceive their parents and teachers. Therefore, taking advantage of children's lack of free choice to deceive and seduce children is a result-oriented behavior, which is very unethical.

### 3. RECOMMENDATIONS

As has been discussed above, Macdonald's must modify its Happy Meal strategy and enhance the ethics level. It is essential to find and develop feasible and long-term measures to restrict children's exposure to high-fat and low-nutrition food. Therefore, in the following sections, a set of suggestions are put forward from the perspectives of the organization, the restaurant industry, society and government, and parents.

#### 3.1 For Organization - McDonald's

Fast food consumption would have the most significant influence on increased levels of obesity among the behavioral factors [17]. It is a fantastic idea that organizations use marketing techniques to attract children's interests in achieving a more extensive customer base and higher profits; however, if the organization targets children as a profit group, it will need to take on more duties and responsibilities. The current high-fat diet will increase their physical burden, which is the primary cause of childhood obesity.

As mentioned before, McDonald's initially introduced the "happy meal" in 1979, and it was highly successful. However, with the changing brand identity and business emphasis, some changes have been developed. It has made alters, that is, providing and encouraging healthier food choices. Take 'Happy meal' as an example. Compared to previous beverages like high-sugar soda, Macdonald's started offering a low-calorie juice product in 2017 [18]. Besides, to attain nutritionally conscious decisions, McDonald's began publishing energy (calorie) statistics on its national menu in 2012 and participated in a self-regulation program Children's Food and Beverage Advertising Initiative [19].

Fast food is a type of mass-produced food that prioritizes 'speed of service' rather than 'high-fat, low-nutrient'. Therefore, not only for the healthy growth of children but also for the organization's long-term development, MacDonald's is suggested to continue to enhance its sense of responsibility and should not neglect nutrition and food quality for Children. Only in this way can its business be developed sustainably.

#### 3.2 For the Food and Beverage industry

If only one organization makes adjustments and changes, the influence and effect will be temporary and confined. The food and beverage industry should also take precautions and monitoring, especially the fast-food sector, which needs to monitor children's meals (e.g., Happy Meal) that contain toy gifts that may not satisfy certain nutritional criteria. In other words, the food and beverage industry extremely needs industry self-discipline.

Regarding self-regulated marketing, for instance, Canada has proposed a Food and Beverage Advertising Initiative in which it promises not to promote to children under the age of 12 [19]. Namely, the content of children's advertising has been redefined. Ads that use toys to attract children's attention will be restricted while reducing publicity in their active location.

In addition, most studies on food marketing focus on TV advertising, but marketing in restaurants still needs attention. According to previous studies, high-energy low-nutrition foods are prevalent on signs with valuable information and price promotions [19]. These elements will catch customers' attention while they scan the cuisine. Thus, the menu should highlight their nutritional content and reduce the promotion of high-fat foods, and the industry should also conduct regular supervision.

### 3.3 For society and government

In fact, young children lack the cognitive ability to distinguish between advertising and other media content. Hence, food marketing targeting kids is a particular concern, influencing their food preferences and consumption.

Many efforts in various sectors are currently ongoing, ranging from education to legislation, and these efforts now include litigation as a tool [20]. Unfortunately, it seems that the fast-food sector is not in danger. However, even if the case (happy meal) does not affect the fast-food sector, consumer demand, public opinion, government oversight, and continuous medical research may pose a greater threat to the industry's future. Therefore, the government or relevant social departments need to establish effectively and generally recognized regulations or laws as soon as possible.

The promulgation and implementation of regulations or laws may be able to address the root cause of children's excessive high-fat food consumption. However, it may impose an unreasonable burden on the catering industry. To make adjustments, some restaurants must invest money or exert more effort. For example, restaurants would only adjust their business operations and marketing strategies in counties where the Healthy Food Ordinance has been implemented [21]. What is worse, it had to reinvent its menus.

### 3.4 For parents

Indeed, whether to eat fast food or not is the child's personal choice. However, from another side, it could be a manifestation of poor parental regulation. Obviously, children at this age do not have perfect cognition and judgment abilities. Based on McDonald's "happy meal", children's first thought is fast food and toy gifts. They are unconcerned about whether these foods are healthy

or nutritious. As a consequence, parents must fulfill the role and responsibilities of guardians. In essence, they have become addicted to the flavor and texture of food after ingesting it [22]. If parents do not control or prevent their children's intake as early as possible, they will be forced to undertake meaningless jobs after they get addicted.

Furthermore, parents are the most powerful witnesses of the phenomenon of childhood obesity. Thus, they can and should play an essential role in bringing society's attention to the issue of childhood obesity.

## 4. CONCLUSION

In conclusion, obesity has become a negative issue limiting children's healthy growth. Although obesity is a controversial phenomenon triggered by a multitude of factors, in response to such problems, this paper presents practical ideas and proposals from various perspectives. On the one hand, it is proposed that external forces, including organizations, the food, and beverage industry, society, and government, should work together to cope with this issue. In addition, this problem should also be handled from the point of view of internal factors like parents.

Regarding future studies, some questions remain unanswered. For instance, is it possible to regulate the information children get and their food intake while also protecting the rights of relevant stakeholder organizations? The priority for the future is to find a sustainable balance between the two.

The relevant content stipulated in the "Health Food Ordinance" is actually in a grey area. For example, children purchase "happy meals" as a result of toys or other temptations. It seems like a plausible option, but the food sector has failed to implement effective self-discipline.

This paper hopes that the future government or society will improve the grey area by establishing better regulations or laws, boosting stakeholder organizations' concern and stimulating parental concern.

In conclusion, 'happy meal' is not an entirely ethical marketing practice for McDonald's as it intensifies childhood obesity globally. Excessive intake of children will lead to obesity, which is not good for health. This paper discusses and evaluates potential measures and suggestions based on external and internal factors and defines the focus of multiple levels. We urge the entire globe to focus on solving childhood obesity.

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