Kids, Toys and Fast Food: An Unhealthy Mix?

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Abstract
Increasingly the fast food industry is scrutinised for marketing toy premiums towards young children. Toy premiums are claimed to lure young children to consume unhealthy meal offerings, pester parents, encourage materialism and ultimately lead to a rise in childhood obesity. Numerous studies have commented on the use of toy premiums as a marketing technique, but little research has been conducted on the actual effectiveness of toy premiums targeted to children on consumer purchase behaviour at the point of purchase. This study, investigates the use of a child targeted toy premium (Snoopy) by a fast food company (McDonald’s), and its effect in the buyers’ purchases.

Introduction
The World Health Organization considers childhood obesity to be one of the greatest public health challenges of the 21st century (World Health Organisation, 2011). In 2011, 25 percent of Australian children and adolescents will be overweight or obese in comparison to five percent in the 1960s (Australasian Society for the Study of Obesity, 2011). The significant rise in childhood obesity is argued to be strongly contributed to by the fast food industry and in particular their use of toy premiums to promote “unhealthy” meal offerings to young children.

The marketing objective of premiums
Blattberg and Neslin (1990, p.3) define sales promotions as an “action-oriented marketing event whose purpose is to have a direct impact on the behaviour of the firm’s customers.” From the Blattberg et al., definition, it would be reasonable to conclude that fast food companies employ premiums to create consumer reaction to purchase their brand. Furthermore, the central role of marketing is to create value for its chosen customer (Silk, 2009). In the case of toy premiums, they offer the customer added value and provide children with fun and enjoyable experiences playing with them.

From a marketing perspective, McDonald’s presents a viable solution for distributing toy premiums. It operates over 31,000 restaurants worldwide (McDonald’s Canada, 2011) that target families, with a majority open 24 hours/ 7 days a week. Small toy premiums are easy to store on site and provide a complimentary relationship with the menu items. McDonald’s sells significant volumes in a timely and efficient manner. McDonald’s now outsells Toy ‘R Us in toys (Spurlock, 2006), and has become the world’s largest toy retailer.

Children’s reaction to premiums
Australia’s Obesity Policy Coalition advocates toys premiums are a means to exploit children and encourage pester power and consequently calls for the practice to be eliminated (Shepherd, 2011). Toys are claimed to reinforce and trick young children into consuming unhealthy food leading to a costly obesity epidemic. The fast food restaurants say the toy they offer provides the child excitement; and when consumed as part of a balance diet the happy meal is relatively harmless.

Atkin (1978) sampled 516 parent-child (aged 3 to 12) dyads via an observation study selecting a cereal to purchase in a supermarket setting. He found that two thirds of the children made purchase requests for a brand of cereal and when asked in a later interview, only nine percent indicated the free premium was the main motivation to want the brand. The study observed roughly 25 percent of the requests made by children were at least partly associated to the free gift on offer.
Fast food companies are further criticised for utilising ‘collectible’ premium promotions to encourage children to visit on repeated occasions to collect the entire set. McAlister, Cornwell and Cornain (2011) investigated the collecting behaviour of preschool children (n=103) to determine their responses to various marketing efforts involving food and collectible toys. They found majority of preschoolers demonstrated a desire to, and were capable of, collecting behaviour and preferred collectible toys over non collectible toys. However when children were asked to pay a “cost” for a collectible toy over a non collectable toy, the number who chose the collectible toy was only marginally greater than the number who chose the non collectible toy. McAlister et al., (2011) concluded that the strength of the child’s motivation to collect may be strong enough to influence their behaviour in the marketplace.

It is worthy to note there has been a few studies conducted finding the emphasis of premium advertising to have little effect on influencing a child’s purchase. Rubin’s (1972) study considered children’s cognitive development and their response to advertising. Two ads were tested, one with the inclusion of a premium promotion and one without, and it was found that the presence of the premium did not affect the ability of the child to recall the non premium advertising content. Shimp, Dyer, and Divita (1976) found a similar result when they tested a hypothetical fruit flavoured cereal ad with four different timings (1, 10, 15 or 20 seconds) dedicated to the promotion of the premium within a 30 second commercial. Children exposed to the premium promotion version of the ad did not award the ad a more favourable ranking. Heslop and Ryans (1980) found similar support to Shrimp et al.,’s (1976) study that the amount of importance placed on the premium in the advertisement had no significant effect on behaviour. Heslop et al. (1980) concluded that although the use of premiums by marketers of cereals may affect a child’s preference, they are less likely to influence a child’s purchase requests and even less likely to affect the brand purchased by the mother.

Mother’s attitudes towards premiums
Pettigrew and Roberts (2006) conducted a focus group study on a sample (n= 21) of mothers to determine their perspectives on the impact that toys included in fast food meals had on their children. They reported that the mother’s deemed fast food companies’ utilised manipulative promotional campaigns employing toys to excite children into consuming their unhealthy food offerings; and that the use of a premium contradicted the mother’s desire for their child to consume a healthy nutritious diet. They further reported that the mothers’ felt fast food companies use premium giveaways to form a bond with the child that is stronger than a parent’s influence over the child’s food preferences. These giveaways were reported to encourage children to consistently want more toys and request more visits to fast food restaurants. Ultimately mothers believe fast food companies prey on children’s vulnerability, leading to their poor diets, reinforcing pester behaviour, and encouraging materialistic attitudes. Nonetheless, Pettigrew and Roberts (2006) reported that some mothers viewed toy premiums as a positive part of the fast food experience by offering their child excitement and act as a diversion so parents can enjoy their own meal.

Atkin (1980) found that 81 percent of mothers believed toy premiums influenced their child’s cereal selections. McDonalds in Australia, won an Advertising Effectiveness Award in 2000 for a campaign to encourage children to pester their parents for a toy premium so the parent would switch from their previous choice of fast food restaurant (Advertising Effectiveness Awards, 2000).

A mother in the US recently launched a class action against McDonald’s claiming it uses toy premiums as bait to entice her children to eat and prefer nutritionally poor food (Centre for Science in the Public Interest, 2010). For the last five consecutive years the Australian NGO Parents Jury has awarded McDonald’s the “Pester Power” award in Australia for employing unethical tactics using toy premiums to lure young children to eat fast food (Horsetalk, 2010).

Stuart and Kerr (2009) said that parents were unwilling to admit to children’s pester power due to social desirability of responses. When parents were put on the spot by the interviewer they were unwilling to declare that they had given in to their child’s requests.
Premium purchasers
McDonald’s and other fast food restaurants may target children for the toys, but the parent has the ultimate custody of the child to control their buying behaviour. In fact it may be rare for young children under 7 years (the upper age of the target for happy meal toys) to actually purchase the meals with the toy. As CSPI commented (in Cavanagh, 2002) "It's true, that parents pay for the food, parents agree to go into McDonald's, parents could turn off the television so kids don't see the advertisements, parents could scrutinize the nutritional information before they purchase the food.” In fact, parents are now starting to acknowledge the role they play in the obesity epidemic. Iannelli (2008) commented on an AC Nielsen study which found two thirds of parents blame themselves for their child’s eating habits. They recognise they have the control over their child’s eating habits, the responsibility to educate them on making healthy choices, to limit their TV viewing and encourage them to be active.

From the above discussions, the following hypotheses are proposed to determine the effect a child targeted premium has on consumer purchase behaviour:

H1: The purchase of a Snoopy premium will be positively associated with a child accompanying the meal buyer.

H2: Respondents with children accompanying them will report buying more Snoopy premiums over time, than respondents without children with them.

H3: Respondents that buy a Snoopy premium will be more likely to have switched from the last brand of fast food restaurant they visited.

Methodology
The research study was conducted using a field experiment at a major McDonald’s retail facility located in the Perth metropolitan area. This venue historically had the largest response to premiums aimed at families and children amongst the McDonald’s restaurants in Perth.

Premiums
The premium promotion evaluated was a four-week long continuity-oriented promotion. The campaign incorporated television advertising and point-of-purchase activities to create awareness and motivation to visit the fast food retail operations. The premiums were sixteen plush toy versions of the cartoon-based character Snoopy, with four different versions released each week. The premium was a self liquidating premium that could be purchased for $1.95 with any item from the retailers menu, with a limit of one premium per meal. The Snoopy promotion proved to be the most popular premium offered by McDonald’s in the last three years. Further, over 90% of the children polled by pre-promotion market research conducted by McDonald’s, liked and were aware of the Snoopy character.

Sample
The respondents were personally interviewed by one female interviewer. Since a personal interview technique was used, only in-store traffic was sampled. A target of n=50 surveys per day (n=100 per weekend) was established. Respondents were interviewed over three periods, the weekend before the promotion (surveys 1 and 2), the first weekend of the promotion (surveys 3 and 4), and the last weekend the premiums were available (surveys 5 and 6). Interviews were conducted over the time period of 11am to 2pm which management considered the “lunch market” and was traditionally a peak visiting time for families. The sample was formulated based on selecting every third person at a nominated ordering register, when the last interview was completed.
Measures
The respondent’s gender, whether they were accompanied by a child or children and if they purchased a Snoopy premium on their current visit was observed by the interviewer. The interviewer then asked the respondent the cost of their meal and what they purchased, which was then cross referenced against the meal receipt to check their response. Respondents were then asked further questions in relation to the number of times they had visited the brand and eight other competitive fast food brands in the last 7 days, which brand they had visited on their last lunchtime visit, and their perceived value of the premium. If they had purchased a premium on their current visit they were also asked “how many premiums including today’s visit had they purchased in the last 7 days.” Lastly, all respondents were requested to indicate their age from a card that displayed the four age groups depicted.

Results
Overall, 99% of people asked for an interview, provided responses to the questionnaire to formulate the total sample (n=300). No significant differences were found between the gender and age profiles and their responses to the dependent measures for people who visited the McDonald's restaurant on Saturday to those who visited on a Sunday. Therefore, the two days were combined to form a sample of respondents over the three weekends (n=300) for further analyses.

The number of respondents that were accompanied by at least one child was relatively consistent across the three weekend periods sampled, and averaged fifty-one (51) percent. One (21.5%) or two (20%) children usually accompanied those respondents.

The findings for the Snoopy premium purchased on the day of the interview for the two weekends (early and late) sampled during the promotion period are shown in the Table. Of the 200 respondents sampled, 96 had purchased a Snoopy premium on the day of their interview. A Fisher’s exact test (p=.32) established no significant differences were observed between the two weekend periods in relation to Snoopy purchases. Of the 96 respondents that bought a Snoopy premium on their current visit, a total of 296 Snoopy premiums had been purchased over the previous seven days. There were no significant differences detected between the two weekends sampled in the reported total number of Snoopy premiums purchased (t= 0.30, p= .76). As a result of the similarities in demographics, average meal expenditures and Snoopy premium purchases, the two weekends sampled during the promotion were combined for further analyses.

<table>
<thead>
<tr>
<th>Respondents</th>
<th>Early Promotion (N=100)</th>
<th>Late Promotion (N=100)</th>
<th>Total (N=200)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bought Snoopy</td>
<td>44</td>
<td>52</td>
<td>96</td>
</tr>
<tr>
<td>Did not buy Snoopy</td>
<td>56</td>
<td>48</td>
<td>104</td>
</tr>
<tr>
<td>Average number of Snoopyys(^2)</td>
<td>1.56</td>
<td>1.48</td>
<td>1.52</td>
</tr>
<tr>
<td>Snoopyys per Snoopy buyer</td>
<td>3.52</td>
<td>2.75</td>
<td>3.08</td>
</tr>
</tbody>
</table>

\(^1\) first (early) and last week (late) of 4 week promotion
\(^2\) average number of Snoopy premiums reported bought in last 7 days by those respondents interviewed

The Effect of Children
The first hypothesis proposed a greater proportion of respondents accompanied by a child or children on their visit would purchase a Snoopy premium, as compared to a meal buyer that was not accompanied by a child or children. Over the two weekends of the promotion sampled, 48.5% of the Snoopy premium purchases were when a meal buyer was accompanied by a child or children, whilst 51.5% of the Snoopy premium purchases were when no child was present. No buyer of the premium was under the age of 18.
Although in the predicted direction, no significant effect (Fishers exact p<.50) was found for a child or children accompanying the buyer and hypothesis 1 was not supported.

Hypothesis two proposed respondents who were accompanied by a child or children would purchase significantly more Snoopy premiums over time, than a respondent that was not accompanied by a child or children. Snoopy purchasers accompanied by children reported an average purchase of 1.68 Snoopy premiums in the last seven days, in comparison to 1.27 premiums in the same time period for respondents not accompanied by children. The difference was in the expected direction, but they were not significant (t= 1.25, p =.21). The findings failed to support hypothesis two.

Hypothesis three proposed that the premium buyer would show the greatest tendency to switch from their previous fast food restaurant. It was found that about half (50%) of the non-buyers of the premium tended to report switching from a previous provider more (30%) than buyers of the toy premium (X² = 12.60, df =198, p<0.02).

Premium purchasers also spent more on their visit ($10.02) in comparison to non premium purchasers ($8.91). However, the amount spent was not statistically different (t=1.415, df=198, p<0.159). Even if the price is subtracted from the premium purchasers’ expenditure, the difference is not significantly different.

**Summary and Conclusions**

Fast food companies are constantly accused of employing deceptive marketing tactics using toy premiums to manipulate children to consume unhealthy food. Arguably, the backbone of this accusation centres on research that has widely incorporated self reports or hypothetical purchase behaviour experiments (Pettigrew and Roberts, 2006; McAlister, Cornwell and Cornain, 2011).

The current study reports on actual consumer behaviour at the point of purchase for a child targeted premium promotion. It was found the presence of a child or children appears to have no significant influence on the purchase of the premium offering or the number of premiums purchased. In fact the premium appears to attract adult buyers and more notably, they willing pay extra to acquire the self liquidating premium. No effect on switching was observed as well. It would appear that the toy premium tended to reinforce loyalty to the restaurant.

The study highlights the need for more evidence in regards to the causality link between toy premiums and obesity before calls for banning the use of toy premiums targeted to the children’s market should be supported.
References


