

### Suggested answers

**1. To what extent has McDonald's acted in an ethical way in dealing with its corporate social responsibilities (CSR)?**

'Business ethics' refers to standards of behaviour or the code of conduct that can be anticipated within and between businesses and is based upon moral duties and obligations. Impacting upon such ethical behaviours however are the 'values, beliefs, industry, society and government regulations'. [31, p. 336] McDonald's business ethics toward obesity in the USA are no doubt affected by society's values and beliefs about (attitudes to) obesity as well as the impacts of Government legislation.

When analysing McDonald's attitudes toward corporate social responsibility one must refer to the need for McDonald's to act voluntarily towards responsibilities that are way beyond its purely economic and legal responsibilities. This means that McDonald's must be willing to sacrifice part of its profit for the benefit of its stakeholders.

**2. Is the McDonald's marketing strategy following the three-step framework suggested by Bilson (2010)? Please elaborate.**

Bilson (2010)[12] divided the CSR strategy into three subcategories:

- **Develop a value proposition**
  - A value proposition is a statement of the tangible results a customer gets from using the company's products or services. The management has to sell the idea so that the company can be both socially responsible and financially viable.
- **Build sustainability by engaging the community**
  - A company should try to change value chain activities in order to strengthen the company's core business strategy and to benefit the surrounding society. This is done by identifying areas where the company can improve competitiveness and show social responsibility.

- **Measure corporate social responsibility efforts and results**

- It is important for companies who engage in CSR to develop tools for measuring so that they among others can make a cost–benefit analysis of their CSR expenses.

When looking at the three steps to corporate social responsibility in the above framework,[12] McDonald's does not seem to act on Bilson's view of how a CSR strategy should be managed. The McDonald's corporate vision and strategy in terms of their CSR projects show that they place more focus on the surrounding CSR projects like environment and animal welfare than on their consumers. The strong brand name of McDonald's makes a significant contribution as part of their CSR project support, particularly in the environmental projects. It would appear however that they show scant regard for their consumers' health. All of these factors together, make it appear as if McDonald's is choosing CSR projects that contribute to keeping up a strong corporate appearance, rather than demonstrating concerns toward their customers' obesity.

**3. Do you think McDonald's is responsible for the increasing problem with obesity? Please elaborate, in terms of their marketing.**

It appears that the McDonald's corporate vision and marketing strategies are not taking any direct responsibility for the increasing problem of obesity. The McDonald's opinion is that they are offering healthy food at their restaurants, and they are a leader in the area of fast-food and healthy-menu choices. However, the salads offered at McDonald's have more calories than a Big Mac.[28] The McDonald's marketing strategy of offering fruit for children shows responsibility, but when consumers purchase the fruit options a caramel dipping sauce is included.[28] Another factor that indicates that McDonald's is not taking responsibility for increasing obesity is that they don't want to alter their product by stopping the use of trans fats in cooking their french fries. This, they claim, is based on the fact that a substitution will spoil the taste of their fries. [29]

**4. Give some suggestions as to how McDonald's could use their marketing to minimise the negativity about the connection between McDonald's and obesity.**

McDonald's could take responsibility for the consequences of its food and stop blaming Americans for the way they live. McDonald's could stop using trans-fat oils for their french fries and instead find a more healthy way to prepare its food, and link this to its marketing and promotional strategy. By revising the focus of its marketing campaigns toward more healthy foods, McDonald's could focus on fruits, wraps and salads with low calories and stop offering extras, such as the caramel dipping sauce, with fruits. Alternatively they could be encouraged to increase the prices of unhealthy foods they are offering and decrease the prices of healthy food. This would enable McDonald's to indicate that they are trying to direct purchasing choice through a pricing strategy.

**5. In spite of the increasing focus on health and CSR responsibilities, why is the McDonald's marketing strategy still so successful?**

Even though McDonald's is facing severe negative publicity, the company is still capable of increasing its market share. One thing that McDonald's does is to use public relations activities and to spend much more than its rivals on marketing campaigns around the world. A positive consequence, from McDonald's point of view, is that their strategies have continued to work and everybody knows McDonald's. In the world today, time is a limited resource and people often choose the easy solutions regarding food: that is, to buy something instead of cooking. So why not go to McDonald's? They are everywhere, it's cheap and quick and it does taste good in the moment. Therefore McDonald's is able to continue its marketing success even though it has limited focus on healthy food. It could be even be more successful if it were to offer a variety of healthy products instead of, or alongside, the traditional McDonald's product range.