

Some Observations on Marketing to Children in the Online Environment

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Five Salient Characteristics of this Problem Area

- Children are being exposed to influences from an array of marketing vehicles, not just advertising
 - e.g., product innovation, new distribution outlets, viral marketing, product placements, consumer promotion (premiums, sweepstakes), sponsorships and event marketing
 - Re: Policy Options, can't simply think about advertising only. Marketing stimuli are not straightforward to characterize.
- Children are being exposed to a changing landscape for media and promotion.
 - “IMC” (Integrated Marketing Communications) has taken over the field.
- Re: Impacts on Children - the nature of the full decision process needs to be examined (e.g., the role of product usage on subsequent behavior).
- Developmental differences in children need to be taken into account in research and public policy
 - Cognitive Defenses are critical, but we must be careful to assess actual activation, versus existence without use.
- Important to remember - children's consumer decision processes are influenced by non-marketing factors as well (e.g., intergenerational family influences, peer influences).

Re: Policy Options, The New Media Environment is Crucial

- Emphasis on promotional activity is increasing, relative to advertising
 - In-store merchandising (retailer), sponsorships, premiums, sampling, trade promotion etc.
 - For packaged goods in supermarkets (proportion of budget exceeds 50%)
 - Increased levels of in-store decision making (POPAI)
- Not simply proliferation, technological advancements blurring boundaries
- Rapid growth in recreational computer use (1999-2004) (Roberts et al. 2005)
 - Among 8-18 year olds – from 27 to 62 mins. per day –varies by age
 - Note: TV, print, audio exposure are constant during this period
- Major phenomenon, simultaneous media use (Pilotta & Shultz 2004; Roberts et al. 2005)
 - Estimates that “most children” multi-task (specific evidence reported for 7-12th graders)
 - Children (8-18) spend approx 25% of media time using 2+ media
- Online environment
 - Internet Access: 60 % of children (ages 6-8), 77 % of children (ages 9-12) (CPB 2003)
 - Of these, 64% (ages 5-14) play games on the Internet (U.S. Dept. of Education 2003)
 - Level of engagement re: “advergaming” - avg. time spent 26 mins. (Fattah & Paul 2002)
 - Focus on “advertainment” – re: capacity to distinguish content vs. advertising
 - 67% of 8-12 year olds learn about new websites via TV (Harris Interactive 2000)
- However, empirical research is only on response to TV commercials
- Research study on ‘advergaming’ in progress (with Kaiser Family Foundation)