Childhood under Commercialisation

Is advertisement intended to kids ethical?
Where can one draw the line between what is acceptable and what is not acceptable in that matter?

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Introduction

My personal interest in advertising to children comes through my six-year old little brother, who refused to accept a toy that I got him for his birthday. It was a copy of the brand licensed Transformers-series but didn't have the genuine Transformers-logo on it. After noticing such a strong reaction in him I got interested in the issue and decided to dig deep in to the very core of the issue and its possible effects in children's development.

Let us put thought back to childhood, what are the first signs of consumer branding you remember? Maybe it was the famous Happy Meal, the dark Batman logo or a Barbie doll that returns to mind. The earliest signs of the ruling western world ideology are discovered by us at a very young age. You are lucky if your childhood memories consist of a barn, a haystack and stories spoken by a loved one.

Advertising today is a multi-million business intended to change human behavior, create images and to change believes in the consumer’s mind. Advertisements can be found nearly everywhere where there are people eyeing them; television channels, newspapers, magazines, the internet, inside and outside public or private buildings- even inside kindergartens and schools. Children however don’t understand the persuasive intent of advertising - they are non-critical, non-self-monitoring and often driven by impulses and feelings; therefore it might endanger the young mind. This phenomenon has been created by the free enterprise thinking defined by soaring commercialization of products and services.

The Issue

First of all, this Reflective Project is heavily based on UK and US market because these are one of the largest market areas in the western world by population and consumption.

I have studied these market areas and noticed that many advertisement practices are intended to children. The following questions then came in my mind: is it ethical to create publicities that have kids for target? Should governments regulate the market in order to limit advertisements for kids? Should we let the market decide what is acceptable and what is not acceptable? First, let’s take a look at the legal dimension.

Globally, the International Chamber of Commerce has created a common code on marketing communications. All forms of marketing worldwide must conform to the ICC Consolidated Code (hereafter ICC CC) on Advertising and Marketing. The code includes a section detailing the special care needed when communicating with children. In which one of the sections allow the use of fantasy for infants and older children, but also says "it should not make it difficult for them to distinguish between reality and fantasy" however what is defined as difficult to distinguish for and adult might not be as easy for the child.1

1 International Chamber of Commerce: The Consolidated ICC Code 2011
The ICC CC also has a regulation on collection of personal data and of its use. It is legal to collect data while ensuring that the individuals concerned are aware of the purpose of its use. Data may be provided to third parties that include agents, technicians, operational support who then support the first party marketer.² Often when a consumer is using such services that collect data information of data collection for the company's use is described in the user license agreement.

EU Audiovisual Media Services directive was assembled in 2009, which denies advertisements directly encouraging or exhorting minors to buy a product or a service. It also says children's programs may only be interrupted if the scheduled duration is longer than 30 minutes and product placement is not allowed. However, there is no mention of intentional indirect advertising except for television programs, leaving a loop for exploitation that unethical marketers gladly take advantage of.

Moreover, in the USA the legislation of advertising to kids may have been confined during the 70s, but it was during this period that it would come into its own as an industry, triggering a counter-movement to end youth marketing all together; and setting in motion a series of policy decisions that would ultimately determine the industry's future. The Federal Trade Commission (hereafter FTC) advocated a ban on advertising to children eight years old and under. However what happened was the industries that were going to be affected - the toy industries, the sugar cereal companies - went to Congress which decided to take away the FTC's authority to regulate marketing to children.³

Following the deregulation, the top ten best-selling toys were all based on children's television shows. This was the start of a new time for advertising, a time in which children were the target. For instance, when the Teenage Mutant Ninja Turtles movie debuted a couple years after the Congress deregulated children-targeted marketing, there were hundreds of products associated with the movie. Toys, books and a successful television show made the Teenage Mutant Ninja Turtles a must-have for children. The products surrounded children on a daily basis, in and out of home. From here, the world of advertising to children only grew as marketers utilized various resources to make themselves and their products into the lives of children.

Today FTC challenges and encourages companies to educational marketing and advertising actions, but there are no regulations set on the Commission's side as they do not hold the authority.

From the very start of infancy companies are trying to get a special place in the potential consumer candidate's mind in pursuit of creating a loyal life-long customer. So many children's characters' principle function is really to hook children on products. In my opinion

² The Consolidated ICC Code 2011 sec. 19
³ Streitmatter, Professor 2011. Commercializing Kids
Example 6

they're designed to pull on children's heartstrings. You end up having junk food promotions at fast food restaurants, breakfast cereals with images of the main characters from the movies. You have bed sheets so that children literally go to bed thinking about the images. Then they go to school with their backpacks and their lunchboxes with the logos. Then they get to school and their friends have on the t-shirts and the shoes, and they want them. If they don't get them they don't fit "in" the school society, causing laughter, bullying, isolation and social exclusion in extreme cases. And so it's dishonest and deceptive advertising.

The real money related to children's market is in their purchasing influence through their parents, which indirectly grants them purchasing power. Children affect in daily grocery purchases, in choosing of a holiday and their word weighs even when the family is selecting a new car. Advertisers know this, a marketing tool called "the Nag Factor" has been created which has a great impact on parents in their everyday life. Should the child not get their opinion through, they start nagging, yelling, shouting and being cranky. Parents don’t have time to deal with this in today's fast-paced economy, but easily give in thus granting children more power in the economy.

Ethical dimensions

Even though rules on advertising to children have greatly evolved in the recent years, we are legitimate to ask these questions: Are we still exposing our young ones to visual images created by companies instead of the real world? Do these images generate materialistic values, narcissistic wounding and vanity?

Psychologists have a mindset capable of understanding and relating to the human mind. They may be employed by a private sector company as they can provide valuable information on child behavior. In addition to this, sociologists and behavioral scientists with Master of Business Administration qualifications are used by marketers. With their combined aid companies today are able directly or indirectly to shape and target their products more efficiently. In the consumer market this can be seen as the soaring amount of toys available.

This new world of advertising in entertainment has multiple ways of reaching the target way more efficiently than the previous generations have experienced. People are listening to radio while surfing on the internet with the television chatter in the background. Marketing has become comprehensive and integrated as one company's advertisements can be found in multiple medium.

Take a Finnish owned social internet service for children for example; in Habbo Hotel you can do nearly anything you could do in the real world, but just virtually. Chatting with people, having a nap, drinking coffee- you name it and the best part is it's free to join. Actual monetary charges apply if you want to buy furniture for your room in the hotel or just go to the clubs to hang out. Now what really happens behind the web- engine itself is collecting

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4 Science Daily 2011. The Nag Factor
5 Clay, Rebecca A. 2001. Advertising to children
data that is being analyzed by appropriate people. Such data contains player's birthdays, best friends, favorite movies, books, series and other interests of the child playing the game. In exchange of a free service they want something in return, which is completely ethical. However, this data is being sold to companies associated with the service provider so that the marketers can micro-target their market and then the advertisements show up on the site. As brilliant and scientific it is, it's causing children to grow in an environment inundated with advertisements, growing to be a part of commercialization and not even noticing there's something wrong as there is no contrast for them to understand how things have been different.

On the other hand, of course marketers cherish these sites because of their proven ability to gather personal information from people. Why wouldn't a reasonable businessperson take up on an opportunity when presented; it's a business prize really, powerful and elusive – a demographic to be cut up and captured at all costs because it's a good business. In addition to internet sites more the traditional media is leaning towards information gathering and micro-targeting the market.

Television, billboard advertisements and toys are tested on children before launching the final product or service to better understand what the market wants. Attributes most often tested include memorability, liking, persuasiveness, consumer identification with settings or situations, understanding of the appeal, and brand integrity. For example, companies in the industry offer free boxes of toys for groups of children to play with to evaluate their reactions, moods and words spoken to evaluate the product's attractiveness to such target groups. On another example, companies perform blink tests to find the precise configuration of characters, colors, music and words, where advertisements are shown to children and monitor how frequently a child blinks or turns their eyes away, to evaluate an advertisement's successfulness. It is efficient and reasonable for a business to research their market properly before starting production in order to better move products and reduce risks associated—also known as product or service flopping.

**Marketing effort**

The marketing effort appears to be worth it. For example,

- Teenagers in the US spend around $160 billion annually
- Children (up to 11) spend around $18 billion annually
- "Tweens" (8-12 year olds) "heavily influence" more than $30 billion in other monetary spending done by parents and 80 percent of all global brands now deploy a "tween strategy".
- Children (under 12) and teens influence parental purchases totaling over $130-670 billion annually.
- With a 17 billion dollar investment in advertising the industry gained $321 billion in return
Taking these numbers to account it's safe to assume the amount of money needed to raise a child is getting more expensive.\textsuperscript{6}

The Research

According to Global Issues Website, the average child in the United States only watched between 25,000 and 40,000 commercials per year. Advertisers spend $15 to 17 billion to market to US children in 2010.\textsuperscript{7} Over $4 billion was used on advertising to children in 2009 by the fast food industry.

\textbf{GRAPH 1} Increase in children's spending in the US (Streitmatter, Professor: http://aladinrc.wrlc.org/bitstream/1961/9172/1/Bernhardt,%20Lauren%20-%20Spring%20%2710%20%28P%29.pdf p11.)

The chart shows that there has been advertising in the 1950s yet the amount was very confined in comparison to present. Since FTC's de-authorization and advertising deregulation to children their spending has grown 35% every year from 4.2 billion dollars to 40 billion dollars in sixty years.

\textbf{GRAPH 2} Global increase in obesity by year
(BBC News Obesity in statistics http://news.bbc.co.uk/2/hi/health/7151813.stm)

\textsuperscript{6} Global Issues 2010. Children as Consumers
\textsuperscript{7} Idem
As the chart shows obesity is rising globally causing health risks. Obesity can cause diseases such as gallstones, heart diseases, certain types of cancer, type II diabetes, high blood pressure, high cholesterol, triglycerides, coronary artery disease, strokes and sleep apnea.⁸

Moreover, mental health problems have risen over the course of commercialization. Bipolar disorder causes manic and depression states. It is good to keep in mind the fact that these patient visits rose from 20,000 in 1994 to 800,000 in 2003, and the awareness of the disorder is greater today.⁹ Professionals in this industry say that cases have almost certainly risen further in the years since.¹⁰

**GRAPH 4** Percentage of children from 5 to 17-year-olds diagnosed with Attention Deficit Hyperactivity Disorder by year and ethnicity in the US (www.cdc.gov/nchs/data/databriefs/db70_tables.pdf/2)

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⁸ Wikipedia, the free encyclopedia 2012. Obesity
⁹ New York Times, Benedict Carey 2007 Bipolar Illness
ADHD is a psychiatric disorder causing the patient to be easily distracted, miss details, forget things, daydream, become confused easily and having difficulties processing information as fast and accurately.\(^\text{11}\)

Currently there are no holding scientific facts that advertising causes children to become mentally ill, yet there are many arguments on and off. However, children's programmers use a technique called "orienting reflex" to capture and keep the child's attention - the camera zooms in and out, images change quickly and colors are bright. According to a research this causes real life to become too boring and slow, ultimately making the mind to expect the level of input it's used to while watching television for example. When the child doesn't get this fast input they become bored and inattentive.\(^\text{12}\)

The Survey

I conducted a survey with 38 participants from different backgrounds, males and females, different age groups, lifestyles and values.

Every participant felt that advertising has affected their life in some way during their childhood; the most common situation was seeing an advertisement of a product and wanting it because it appeared as "cool" and new. Sometimes not getting the toy advertised, due to parents discretion, caused stress and negative feelings. However, the majority of participants had positive memories regarding advertisements in their youth. The minority couldn’t say and remained neutral.

\(^{11}\) Wikipedia, the free encyclopedia 2012. Attention Deficit Hyperactivity Disorder
\(^{12}\) MSNBC, Clayton Victoria 2004. What's to blame for the rise in ADHD?
On the most crucial question of the survey, whether advertising to minors 12 years old was right or wrong, the public opinion was "Yes, depends on what’s being advertised." It's worth noticing that every parent answered "yes" and the minority that answered "no" consisted of people not yet in their twenties. People recognized good and bad advertising- products that appeared totally useless to adults were considered bad and vice versa. Also according to public opinion parents are supposed to rationalize advertisements seen by children if the child takes up the product or service in question. E.g. the advertisement is made so unrealistic the child alone can't distinguish between reality and visualization.

The survey pointed out that getting a product advertised made the participants happy in their childhood - at least momentarily. It was the pure feeling associated with the product; getting excited and the feeling of new made their lives more exciting for a while. I personally believe that this reaction could be seen as a chain reaction in children, consuming new creates a spiral of periodically consuming new in order to make life more interesting. I think the very core of the issue is that buying something you like creates a feeling you don't get elsewhere, which can be seen as sort of an addiction. It's something one can see in the shopping malls where people spend hours and hours hunting for a bargain.

The Evaluation

Clearly a class category can be seen here, some people are for and some are against. Some feel that by helping advertisers they are helping children become better consumers where as some claim it's unethical and we're going on the wrong path here by misleading our own kind. However the research shows that children are not well in the matter of medical issues.

The child and family are competing with some of the smartest people out there. Is that fair? I don’t think so. For example, there are Coke and Pepsi and Fanta dispensers in the schools, which are helping to generate an epidemic of childhood obesity among our kids across the country. And the purpose of advertising is to subvert reason, to promote the sale of a product, and for that reason alone, advertising has no proper place in the schools. MBA grade marketers with help from psychologists and anthropologists and sociologists are able to quietly and strategically fine-tune their marketing to communicate with children to the extent of their lives being defined in advance if there's no monitoring and filtering done by reasonable adults.

On the other hand, I believe and as the research shows, consuming is an everyday action we take in the modern world. It is a part so integrated in our lives that we can't change it. This is the direction the world and future generations are headed to. However, through these buying experiences one's personality could develop, so such experiences also contribute to creating a child’s personality, eventually teaching them that one's personality can be expressed through ownership of things.
What comes to parents in my opinion is that the most important thing to do is to create an environment not filled with too many distractions - to encourage children to focus, understand and think as much as they are genetically capable of.
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