

# Marketing to children assignment

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Marketing to children BY 10418067 28th January 2013 C. A. W Troost  
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Period 1 Marketing to Children: Restriction or Self-Regulation? Jack Lee Ren  
Jie 10418067 1. Introduction The average youth today views more than 3000  
ads per day through the television, internet and reading magazines (Shifrin  
et al, 2006, p. 2563). This results in the influence of children spending 155  
billion dollars per year and having influence on the spending of another 25  
billion of their parents spending (Shifrin et al, 2006, p. 563). Problem is,  
these companies are selling “Junk” foods as their main product, and  
according to Green (2006, p. 562), these companies should ensure their  
profits are being made in a socially acceptable way. Instead, this has caused  
problems such as childhood obesity and diabetes to be one of the modern  
world’s medical issues Wilde (2009, p. 155). To capitalize on this market,  
marketers target children, who have little cognitive capacity to comprehend  
the selling intent and the persuasive intent of food advertising attempts  
(Moses & Baldwin, 2005).

Furthermore, research shows that 30% of parents indicated that children’s  
opinions were given as a “major important” factor (Miller, 1999; in, Flurry,  
2007, p. 322), this indicates that advertising plays a significant role.

Governing bodies such as the Federal Communications Commissions (FCC)  
and the Federal Trade Commission (FTC) in the United States have been set  
up in the United States since the 1970’s to address these advertising concerns  
(Wilde, 2009, p. 157) in attempt to restrict these companies from exploiting  
children. According to Nestle (2006, p. 529), restrictions on advertisements  
will help solve the current crisis, since the cause of these problems are due to

companies exploiting children for profits. However, Wilde (2009, p. 160) states that policies for self-regulation is also important as factors of family influence is also a major cause for these issues. Hence, the objective of this paper is to examine the effect of the marketing industry has on today's children and to what extent government intervention may be required in terms of restrictions on advertising targeting children or alternative methods should be implemented.

To do so, six academic sources are identified, and by comparing the research done by these scholars, theoretical frameworks are identified on the marketing techniques on children, the policies set up by governing bodies and the alternative policies by governing bodies attempting to reduce the negative externalities of these techniques are identified. This will be followed by a description of the assessment criteria. These will be evaluated in section 4. The Results of the study will be discussed in section 5. Marketing techniques on children In order for marketers to reach to their target market, internet marketing techniques are being used in conjunction with traditional advertising to communicate a well-coordinated brand image to children (Wilde, 2009, p. 156), with the use of product tie-ins into advertisements.

Even so, marketing to children is hardly anything new, but recent methods of marketing have been far more intense and pervasive (Nestle, 2006, p. 2527).

Companies are seeking to capitalize on purchase decisions made by children by influencing what children are exposed to on daily media (Carter, Patterson, Donovan, Ewing, & Roberts, 2011, p. 962). This has been made even more attractive to companies as studies show up to 47% of children aged 2 to 18 are consuming media such as television, print and the computer

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at an average of 5.5 hours a day using (Flurry, 2007, p. 323). This means that companies seeking profit may fail to provide sufficient information about their products, or potentially mislead children and their parents about product benefits in order to maximize profits (Wilde, 2009, p. 55). This increase in advertising to children has caused childhood obesity rates around the world to increase dramatically in the last few decades (de On's, Bolssner, & Borghi, 2010; In, Carter et al, 2011, p. 962). Also, critics are also concerned about the unethical targeting of children below the age of 8 years old as they have little cognitive capability to comprehend attempts of the industry to entice them (Moses & Baldwin, 2005; in, Carter et al, 2011, p. 62). As studies have shown that this age group is not capable of distinguishing between the selling intent and the persuasive intent of these advertisements, whereby the selling intent refers to the promotion of a product via presentation of its features in an essentially unbiased manner, and the persuasive intent whereby advertisers attempt to increase the product's desirability via appealing methods (Carter et al, 2011, p. 963).

To do so, advertisers have traditionally used techniques to which children are more susceptible, such as product tie-ins that are integrated into the media, an example of this is Coca-Cola's 150 million dollar investment for Warner Bros Studios marketing rights of "Harry Potter and the Sorcerer's Stone" (Shifrin et al, 2006, p. 2564). 2. 1 Views on restriction policies in advertisements The FTC came to the conclusion that it is unfair to advertise to children before the age of 6 (Shifrin et al, 2006, p. 2564).

Especially, where food marketing companies intentionally targets children that are too young to distinguish from advertisements to eat high-calorie, <https://assignbuster.com/marketing-to-children-assignment/>

low-nutrient “Junk” food, an estimate by the Institute of Medicine (IOM) that 30 percent of calories in the average children’s diet is derived from unhealthy “Junk” food (Nestle, 2006, p. 2528). This, according to the U. S. Department of Agriculture, resulted in children having a rate of 1200 to 2000 calories per day just on soft drinks alone (Nestle, 2006, p. 2528).

In response to this epidemic, the IOM has proposed several policy actions that involve restrictions on the use of cartoons, celebrity endorsements, packaging claims and marketing in schools, and at the same time promote media literacy, better school meals and consumption of healthy food and vegetables (Nestle, 2006, p. 2528). Some countries are already setting examples for others to follow. A few examples are Australia, which bans food advertisements targeted at children below 14 years of age and the Netherlands which bans advertisements to those younger than 12 years of age (Nestle, 2006, p. 528). Also, some companies believe that it is their corporate social responsibility to make profit in a socially acceptable way (2006, p. 562). An example is Nestle, where they believe that every food has a role in a balanced diet and is always keeping abreast with new developments with the Nutrition Advisory Committee to provide the a balanced diet in their products (2006, p. 562). According to Nestle (2006, p. 2529), such actions have not eliminated obesity, but they may at least help slow current trends.

2. Alternate views on policies in advertising

However, several governing bodies prefer alternative policies to regulate advertising; specifically the United States where self-regulation or an increase of advertising of healthier food to deal with childhood obesity. This is because the profitability of firms heavily depends on marketing and advertising

practices (Wilde, 2009, p. 157). According to Brian Wansink (director of the United States Department of Agriculture's Centre for Nutrition Policy and Promotion), "companies are not focused on making people fat; they are focused on making money" (Wilde, 2009, p. 56). This suggests that companies under perfect competition will have an "upward-sloping supply function", which these companies have an incentive to increase sales in response to an increase in price. In 2005, the FTC held the first two workshops on food marketing to children, according to Deborah Platt Majoras (chairman of FTC), is to emphasize the parental responsibility and the "tremendous benefits" of "effective self-regulation" (Wilde, 2009, p. 57).

This is in efforts to educate the public of childhood obesity while encouraging self-regulation and in turn not having too much impact to the advertising industry by placing strict bans and restrictions.

### 3. Assessment Criteria

Academic literature shows that various criteria are used for assessing the restrictions on advertising targeted to children as opposed to alternative methods adopted by governing bodies.

#### 1 Criterion 1: Relation of consumption patterns to advertisements

Problems such as childhood obesity and diabetes are issues that relate to companies marketing high calorie and sugar products to children (Shifrin, 2006, p. 2527). Is there a correlation between these problems to advertisements? Or other influences such as family can have an effect on these issues as well.

#### 2 Criterion 2: Mega-brands and the economy

Food advertising is a major source of revenue for food companies (Nestle, 2006, p. 2529). If policies were to ban or restrict advertising for companies, their revenue will undeniably be affected, policies should also take into account the survivability of these companies in terms of

not completely cutting of their source of revenue. . 3 Criterion 3: Sociality and the individual Restriction and self-regulation policies are set thus far set by governing bodies to help protect the individual from large companies marketing their “ Junk” foods to them, particularly consumers that are children. But is this the responsibly of the government? Or is it the individual, particularly families that should hold responsibility of their own families? 4.

#### Applying the criteria

In this section, using the criteria set in the section above, an evaluation will be made of the extent of which restrictions on advertisements and alternative methods by governments have an effect on the relation of advertisements, the legal perspective and the economic perspective have on the general public. Is advertising directly related to these health problems of the public? Or are there other factors that have an effect on these issues?

According to Calvert (2008, p. 214), in order to get children to purchase their products, advertisers get children to desire a product, recognize and remember the product, and evidently, purchase it.

This results in companies pushing high-calorie food products to children via advertisements, as food advertising affects children’s food preferences (food request and short-term eating patterns) (Calvert 2008, p. 219). According to Calvert’s research (2008, p. 218), when parents denied children’s request for products, children who were heavy viewers of media argued 21 percent of the time, while light viewers argued only 9 percent of the time, advertisers call this the “ nag factor”. This suggests a strong correlation of advertising and purchase decisions made by its viewers. On the other hand, Calvert (2008, p. 9) also states that there are other factors that influence the

consumption patterns of children, such as their parents. As parents provide the financial resources that allow their children to make these purchases and also handle the exposure of their children to advertisements (Calvert, 2008, p. 219), they have influence and responsibility to handle what their children watch and evidently purchase. Thus, parents need to actively influence perceive advertisements. But apathy, rather than vigilance appears to be the norm for parents when children are viewing advertisements (Calvert, 2008, p. 20).

3. Criterion 2' Mega-brands and the economy Mega-brands are popular brands that hold a huge role in the economy. In America, mega-brands sell up to 75 percent of food products in all food products in supermarkets (James, 2005, p. 257). According to James (2005, p. 257), the success of these mega-brands are dependent on advertising and promotion of their products. The problem arises when these advertisements feature food products which are high in fat and sugar and low in nutritional value (Calvert, 2008, p. 205). This in turn affected the health of children who are targeted severely.

In order to control this epidemic, governmental bodies such as the FDA and FTC have put restrictions and bans on the way these companies are allowed to advertise their product. An example of this is the Netherlands which bans advertisements to those younger than 12 years of age (Nestle, 2006, p. 2528). These restrictions might play a role in keeping obesity levels low by reducing the sale of products of these companies. But, these companies play a major role in the economy of a country. An example of a mega-brand's spending is McDonald's 528.8 million dollar expenditure on advertising that support its 24. billion in sales (Nestle, 2006, p. 2528). It is therefore not



surprising that self-regulation policies are being pushed in American as the economy heavily depends on the revenue of these companies. According to Nestle (2006, p. 2528), these firms are essentially maximizing their profit by fulfilling the consumer demand, and in turn, these mega-brands fuel the economy. According to James (2005, p. 257), the success of these mega-brands depend on advertising and promotion, and if policies were to put restrictions on the advertisements of these companies, the economy of the countries of these companies might be effected.

Alternatively, critics such as Nestle (2006, p. 2529) believes that alternative policies proposed by the 10M that promotes media literacy, better school meals and consumption of fruits and vegetables might help prevent childhood obesity but not affect the revenue of these companies too much. There has been much emphasis on governing bodies setting policies on restrictions or bans on the food marketing industry. Several critics such as Parmet and Smith (2008; In, Wilde, 2009, p. 59) has described food marketing to children as a “ nuisance”, such as pollution from a manufacturing plant, and like pollution from a anufacturing plant, the main solution is for the government to take the full responsibility of managing marketing to children. This is especially apparent where countries have set bans to restrict such companies from marketing to children. On the other hand, critics such as Wilde (2009, p. 164) and Calvert (2008, p. 219) suggest that instead of the state, the family of children should be responsible as they provide the financial resources and allow their children to purchase products.

Calvert (2008, p. 219) suggest this could be as easy done in three ways; covieing, active mediation and restrictive mediation. Calvert (2008, p. 19)

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research then shows that both active mediation and restrictive mediation can reduce children's request for advertised products but coveiwng does not appear to be effective as their parent's silence have an implicit endorsement ot the content. This research suggests that although parental management, a form of self-regulation, might be only effective to a certain extent, and if results are to be seen, restrictions on advertisements should be mandated instead. . Conclusion After reviewing the three criteria mentioned earlier, it can be concluded that policies that restrict advertisements should be implemented, as children have very ittle cognitive capability to differentiate marketer's intention to sell their product by persuasion rather than the actual features of the product alone. However, the industry today has become too dependent on the income brought in by advertising and marketing and it would cause too much harm to the economy if a total ban was shut down the entire industry.

Therefore, alternative policies that promote self- regulation and promotion of healthier products are also important as this makes parents aware of responsibilities they have on the food consumption of their children and also the alternatives of healthier food products. However, there are several limitations to this paper. A main limitation is there are limit sources on the responsibilities of the state on advertising or the individual, thus making criterion 3: Sociality and the individual, particularly weak.

Another important limitation is that research is unable to conclude that advertising food product has an effect on child obesity, as the data were, by necessity, correlation and not causal, as one cannot ethically conduct research to cause some children to become obese. Another limitation of this <https://assignbuster.com/marketing-to-children-assignment/>

paper is that the academic sources did not take into account the possible demographics of the families of the studies; rather a larger generic model was always used. As this paper has several limitations, therefore there is plenty of room for future research.

As demographical factors will affect consumption patterns, an interesting area for future research is the demographics of the families of the children. Another possibility is as mentioned earlier; more research could be done on the prospect on whether it is the responsibility of the state or the individual to manage obesity. Word count: 2 Bibliography Calvert, S. L. (2008). The Future of Children. *Children as Consumers: Advertising and Marketing*. 18(1): 205-234. Carter, O. B. J. , Patterson, L. J. , Donovan, R. J. , Ewing, M. T. , Roberts, C.

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