A child clicks an icon on her computer and is immediately transported to a richly graphic, brightly colored, interactive children’s playground on the World Wide Web. Bathed in psychedelic colors of hot pink, lime green, and lemon yellow, the site’s home page serenades with whimsical tunes and beckons with vibrant flashing signs. “Bug your buddies with creepy crawly e-cards made by you”, says one. “Zap your friends with Wacky DigSig cards sponsored by Fruit Gushers and Fruit Roll-ups”, urges another. One click on “play”, another on “buzz”, and the child is invited to display her own artwork on the “Kids’ Gallery” or “hang out with the site’s Web characters”, Devin, Jessie, and Zach (www.mamamedia.com).

The MaMaMedia site is just one of hundreds of “destinations” created for children on the Internet. It is part of a new “children’s digital media culture” that is swiftly moving into place, offering unprecedented amounts of material designed specifically for children. The growth of this new culture is being fueled by a powerful confluence of technological, demographic, and economic forces. The rapid penetration of the Internet and other digital technologies into American homes, the increase in the youth population, and a corresponding upswing in their value as a target market have all combined to create an explosion of digital products and services for children. Anticipating the convergence of digital television with on-line media, TV networks are producing children’s programs in tandem with websites, as well as multiple distribution “platforms” such as CD-ROMs and video games.

With their engaging, interactive properties, the new digital media are likely to have a more profound impact on how children grow and learn, what they value, and ultimately who they become than any medium that has come before. “Generation Y”, the nearly 60 million youth born after 1979 [in the U.S.A., editors’ note], represents the largest generation of young people in the nation’s history and the first to grow up in a world saturated with networks of information, digital devices, and the promise of perpetual connectivity (Neuborne & Kerwin, 1999). The burgeoning digital marketplace makes possible a cornuco-
pia of content, providing a variety of experiences tailored to different interests, age groups, and tastes. The interactive features of the digital technologies hold great promise for empowering children by offering them new tools for self-expression, communication, and education. Many of the new websites for children have been received with great enthusiasm, not only by children but also by parents, teachers, and media critics. And some, like the MaMaMedia site, have received awards (Montgomery, 1999).

But powerful commercial forces are shaping this new interactive media culture. Advertising and marketing are quickly becoming a pervasive presence in the “kidspace” of the World Wide Web. The forms of advertising, marketing, and selling to children that are emerging as part of the new media depart in significant ways from the more familiar commercial advertising and promotion in children’s television. The interactive media are ushering in an entirely new set of relationships, breaking down the traditional barriers between “content and commerce”, and creating unprecedented intimacies between children and marketers. Because marketing to children is already a well-established, profitable industry, its imperatives are influencing the design of digital content and services for children in fundamental ways. These trends raise serious questions that will need to be addressed by researchers, policy makers, health professionals, and parents.

In this article, I briefly identify the roots of commercial culture in children’s digital media; outline the key features of interactive marketing and advertising; discuss the implications of digital marketing on children’s media; describe some of the recent efforts by consumer groups to establish safeguards for the digital era; and suggest a set of recommendations for research and policy. Because this new marketplace is evolving at such a fast pace, it is impossible to provide a definitive, exhaustive catalog of marketing, advertising, and selling practices. Therefore, I will focus on outlining the key features of the digital marketplace, discussing the major trends that are shaping it, and providing illustrations that are emblematic of its overall direction.

The digital revolution

The trends in the children’s digital market are part of a much larger set of developments in the digital revolution currently under way. The Internet, with its graphically rich World Wide Web, is only one component in a rapidly growing digital media infrastructure. Its emergence and growth are emblematic of the powerful role that new technologies are playing in transforming not only the media system but also the entire economy. In its short history, the Internet has undergone several critical transitions, evolving from a noncommercial, publicly funded, closed network that connected government agencies and research institutions into a privatized and increasingly commercialized global “network of networks”. The expected convergence of the Internet and television into one seamless package of services using a digital set-top box (best exemplified today
by WebTV) will further transform this medium. Experts predict that, within the next few years, these interactive services will become a communications, marketing, retailing, and cultural medium similar in scope to what cable TV and newspapers are today (Jupiter Communications, 1999b).

Driving the growth of the digital technologies is the promise of e-commerce, which is already expanding at a rapid rate. Although few, if any, companies on the Web have yet to make any money, the potential viability of the digital marketplace has generated major investment in the many on-line ventures. The recent spate of mergers and “strategic alliances” within the media, communications, and retail industries is intended to position these newly configured corporations to take advantage of the potentially huge profits of the digital era (Wieffering, 1999). The Internet generated approximately $300 billion in U.S. revenues in 1998, a figure approaching that of the automobile industry. Consumers spent $8 billion buying computers, books, CDs, clothing, and other items through the Internet in 1998 (Leibovich, Smart, & Dugan, 1999).

“Digital kids”

As “early adopters” of new media, children and youth are, in many ways, the defining users of the digital media. Even as the digital future is still unfolding, electronic media are already playing a significant role in the lives of children and teens, many of whom enjoy access to their own personal media devices. Among children ages 6 to 17, for example, 86% have access to a VCR (23% in their own rooms); 70% have a video game system at home (32% in their own rooms); 50% have a TV in their own room; 40% have their own portable cassette or CD player; and 35% have their own stereo system (Roper Starch Worldwide, 1998). Although TV remains the dominant media pastime for children (who watch an average of 17.2 hours per week, along with another 5.5 hours watching videotapes), the time spent in front of that screen is declining, while the time spent in front of the computer is going up. However, as a study by the Annenberg Public Policy Center of the University of Pennsylvania points out: “Rather than displacing television as the dominant medium, new technologies have supplemented it, resulting in an aggregate increase in electronic media penetration and use by America’s youth” (Stanger & Gridina, 1999, p. 2).

Families with children represent one of the fastest-growing segments of the population using the Internet. In 1998, according to Jupiter Communications, approximately 8.6 million children and 8.4 million teenagers were on-line, figures that are expected to grow to a combined 38.5 million by 2002 (Jupiter Communications, 1999a). According to an October 1998 study from the Graphics, Visualization, and Usability Center at the Georgia Institute of Technology, 32% of 11- to 20-year-olds spend 10 to 20 hours a week on-line. Among that age group, according to self-reporting, 18.6% of this time is spent on entertainment, 17.1% on education, 16.3% on personal information, 16% on “time wasting”, 11.8% on communication, 8.2% on shopping, 7.8% on work, and 4.2% on other
activities (Graphics, Visualization, and Usability Center, 1998). Among children 2 to 12, the most popular on-line activities are e-mail (with 46.4% of those surveyed reporting this as a primary on-line activity), games (44%), “surfing the Web” (37.6%), and homework (30.4%) (Jupiter Communications, 1998).

Because this is “the generation that spends the most time glued to a computer monitor”, explains the popular trade publication Selling to Kids, “online marketing is going to be more important for this group than any previous” (Stark, 1999, p. 3). Children and youth are a particularly important target for marketers because of their increased spending power, which has risen dramatically over the past several decades. This rise has been attributed to several demographic and economic trends. Not only has the number of children in the United States increased, but the divorce rate has risen, more parents work outside of the home, and more and more children are now responsible for shopping decisions that used to be strictly the domain of parents. As a consequence, children’s spending power doubled between the years 1960 and 1980, and tripled in the 1990s. Children under 12 now control or influence the spending of almost $500 billion (Russakoff, 1999). In 1998, teens spent $141 billion of their own money in the retail market (Anderson, 1999).

These trends have spurred the production of a spate of new products and services designed specifically for children and teens, including a proliferation of television channels devoted exclusively to this valuable demographic group, such as Nickelodeon, Fox Kids Network, the Disney Channel, and the Cartoon Network (Mifflin, 1999). The value of children to advertisers has also spurred the creation of an infrastructure of companies studying the “youth market”. As the Washington Post observed:

With the number of children in America larger than at the peak of the baby boom, and their purchasing power growing faster than economists can measure it, a vast service industry of market researchers, public relations firms, newsletters and ad agencies has sprung up to lead corporate America to young hearts, minds and piggy banks. (Russakoff, 1999, p. A1)

With the emergence of new media technologies, many of these companies have been engaged in a variety of market research efforts – from focus groups to on-line surveys to less orthodox methods – to determine children’s behavioral responses to new media. For example, at the Saatchi and Saatchi advertising agency, anthropologists visited children in their homes to closely observe their interaction with digital technology (Russakoff, 1999, p. A1). These experts found that children, whose “learning skills are at their peak”, can easily master the new media’s learning curve, which is often daunting for adults (Gruen, 1995). They also determined that the on-line world corresponds to the “four themes of childhood… attachment/separation, attainment of power, social interaction, and mastery/learning” (“Children Get Growing”, 1995, p. 5). And, perhaps most important, they found that when children go on-line, they quickly enter the “flow state”, that “highly pleasurable experience of total absorption in a challenging activity”. All of these factors make on-line media a perfect vehicle for advertising...
to children, according to advertising executives: “There is nothing else that exists like it for advertisers to build relationships with kids” (Gruen, 1995).

Within the past several years, a host of market research firms and trend analysis companies have begun offering seminars, conferences, and trade shows with names like “Digital Kids”, “Interactive Kids”, and “Teen Power”. They charge thousands of dollars for these events, and tens of thousands more for specialized trade publications and reports offering strategies for cashing in on the “cybertot” and on-line teen markets. For example, hundreds of eager digital “content providers” flocked to the 1999 “Digital Kids” trade show to market their services for children and teens – from new Web-based entrepreneurs such as MaMaMedia and HeadBone Interactive to established media conglomerates such as Disney and Nickelodeon (Thompson, 1999). Market research has assumed such a central role in the creation of the new digital children’s culture that the process is becoming intertwined with the creation of on-line content. Some media companies have rooms in their headquarters for regular focus groups with children; others use their on-line sites to conduct market surveys with children and teens. This intense focus on research within the new media industries has produced a wealth of information, much of it proprietary, which is guiding the development of digital content and services for children.

The digital marketing paradigm

The unique features of the new media have made possible the emergence of a new paradigm for interactive marketing, which is being proselytized by a legion of new-media gurus (Godin, 1999; Peppers & Rogers, 1999). The key concepts of this paradigm have already had a powerful influence on the forms and practices of marketing on the Web and are a basic part of the design for emerging technologies such as digital television. They have also been woven into the fabric of children’s on-line culture. What follows is an outline of the basic principles of digital marketing, with brief illustrations of how they are currently being put into practice, particularly in children’s digital media, as well as a discussion of how they are likely to be employed in emerging new media.

“One to one”

Since it was published in 1993, The One to One Future, by Don Peppers and Martha Rogers, has become the bible for on-line marketing, spawning an entire generation of handbooks, seminars, articles, and conferences (Peppers & Rogers, 1993). Sometimes called “relational marketing”, the strategy is based on the principle of developing unique, long-term relationships with individual customers to create personalized marketing and sales appeals based on their individual preferences and behaviors. “Interactive technology”, espouses Peppers (1999), “means that marketers can inexpensively engage consumers in one-to-one relationships fueled by two-way ‘conversations’ – conversations played out with
mouse clicks on a computer, or touchtone buttons pushed to signal an interactive voice response unit, or surveys completed at a kiosk” (p. 6). As one on-line marketing company explained it:

This goes beyond simple transaction processing and secure payment systems: it’s about building relationships with customers online – knowing each customer by name, knowing their preferences and buying patterns, observing the customers over time, and using this data to sell more effectively to them. (Perkins, 1996, p. 2)

At the heart of this system is the ongoing collection of personal information and tracking of on-line behavior. Through the data collected, the right mix of information, ads, and buying opportunities is designed in an irresistible package to “microtarget” the individual customer.

Marketers employ a variety of techniques to get to know each customer as intimately as possible. One method is the use of incentives such as games, surveys, discounts, and prizes to get individuals to supply personal information about themselves. For example, a survey can collect names, addresses, and e-mail addresses along with information about income level, attitudes, fears, and behaviors. Although a common direct marketing practice in “off-line” media, these forms of data collection can become more intrusive in on-line and other interactive media, where the response time is quick and the incentives (e.g., free email, discounts, and other kinds of “instant” gratifications) can be hard to resist (Montgomery & Pasnik, 1996). Another method is the covert tracking of on-line behavior, often referred to as clickstream data. Unlike TV ratings, which generally use anonymous aggregate numbers to reveal the viewing behavior of key demographic groups, on-line usage data can track how individuals respond to and interact with advertising. A burgeoning industry has developed to provide an array of “personalization technologies” that are being integrated into the basic design of interactive marketing. For example, both Microsoft Explorer and Netscape Communicator, the two most widely used Internet browsers, allow websites and marketers to place “cookies” on users’ computers, which are designed to track every move the individual makes on-line and store this information for later use (Givens, 1997).

The principle of one-to-one marketing has been employed in many commercial websites targeted at children and youth. In its 1996 report Web of Deception (Montgomery & Pasnik, 1996), the Center for Media Education documented a number of data-collection practices in children’s websites, including games, surveys, prizes, and the use of “product spokescharacters” to elicit information. For example, one website offered “cybercash” to children, which could be redeemed for prizes. Others required “registration” to participate on the site and then used the information to send unsolicited e-mail to the child, urging a return visit. At the Batman Forever website, supplying personal information was presented as a test of loyalty. “Good citizens of the Web, help Commissioner Gordon with the Gotham Census”, children were told (Montgomery & Pasnik, 1996, p. 8).
In response to complaints from the Center for Media Education and other consumer groups, Congress passed the Children’s On-line Privacy Protection Act (COPPA) in 1998, which directed the Federal Trade Commission to develop rules restricting some of these data collection practices and requiring parental permission for collection of personal information from children under 13. (See the section “Need for Safeguards” for a fuller discussion of COPPA.) But marketers are continuing to devise other techniques for gathering personalized information and establishing ongoing relationships with children. For example, a number of children’s websites now ask children to sign up for on-line “newsletters”, which are sent to their e-mail addresses on a regular basis and are little more than thinly disguised advertisements for products (Center for Media Education et al., 1999).

This and other forms of Internet-based marketing do not even require knowing the real name and address of the individual, since the relationship can be established and maintained solely on-line. With the increasing innovation in technology, it has become unnecessary to ask individuals to volunteer personal information about themselves. Technological methods can be employed to develop and maintain “customer identifying data”, making it possible to track customers’ behavior, target them with personalized marketing messages, and marry the information from individual websites with that from other sources (Givens, 1997). Indeed, it is this ability of computer-based technologies to combine personal information from a variety of sources that makes them so potent, and threatens consumer privacy.

As more sophisticated computer interfaces are developed, the potential for more compelling and engaging forms of one-to-one marketing is growing. The next generation of digital marketing will employ human-like “interactive characters” to “build relationships based on familiarity, affection, and trust” (Hayes-Roth, 1999, p. 61). Digital television, which has already begun operating in some cities, will make possible another level of data collection and microtargeting by linking the moving image and sound of television with the interactive capabilities of the Internet (Larson, 1998).

**Integration of advertising and content**

One of the most prominent features of marketing in the digital media is the blending of what has traditionally been called “content” with advertising so that there is a seamless integration of the two. The familiar 30-second television commercial is expected to become relegated to the annals of media history, a now dysfunctional form of “interruption marketing” no longer appropriate or effective in the digital age (Godin, 1999). Instead, advertising and marketing are being skillfully woven into programming or are presented as programs or “content” themselves. According to *Red Herring*, a trade publication for investors:

What is really happening [on the Web] is what will ultimately happen on interactive television: the infomercialization of all programming. Services will deliver some content, with lots of appeals (some soft, some hard) to purchase.
Requesting literature and additional information (read: volunteering for a mailing list), and actual buying, will be easily enabled... This is not advertising as you and I understand it, but a more viewer-engaged, browse-and-buy genre just beginning to emerge as a form of programming unto itself. (Davis & O’Driscoll, 1995, p. 3)

This integration is a fundamental strategy in the design of children’s websites. Unlike television, in cyberspace time does not restrain ad length – an ad’s effectiveness is measured in part by the amount of time each child spends “in” the ad. “If you create an ad that’s as much fun as the content”, such as “games that kids can play that involve the products... then there’ll be a reason for kids to click on the ads and interact with them and enjoy them”, explained one executive (Roberts, 1995). With children, explained another, “anything that is perceived as an interruption of the flow state, whether it’s artwork being downloaded or an ad that is obtrusively splattered on a screen, is going to get a negative reaction” (Gruen, 1995). Consequently, the practice of disguising advertising as content may well become the norm for commercial children’s sites.

Because of criticisms from consumer groups, many children’s websites now put “ad bugs” or the word advertisement next to the “sponsored activities” and sometimes place a “bridge page” between the home website and the ad’s website. But the goal of merging the identity and the experience of both the “content” and the ad is still well served. The “banner ad”, the familiar flashing brand name on top of many websites, functions not just as a message from the sponsor but as a kind of gateway, beckoning one to the sponsor’s own website. One click on the banner and the child is transported through a “hotlink” to another engaging playground with its own games, contests, and puzzles, the kinds of “sticky” content designed to encourage children to stay for long periods of time and to return often after the first visit.

“Branded environments”

Not only are marketing and advertising woven into many children’s content areas, but the Web has spawned a new genre of sites in which the product is the content. In many ways, this pattern turns the concept of sponsorship and advertiser-supported programming on its head. Almost all of the major companies that advertise and market to children have created their own websites, designed as “branded environments” for children on the Web. Many are among the most popular sites visited by kids. Companies such as Hasbro, Mattel, Frito-Lay, and Lego are just a few that have created websites for children. Emblematic of this trend is Mattel’s Barbie.com site. Positioning itself as a community for girls – with links to high schools and other “.orgs”, the site offers a variety of on-line activities designed to appeal to girls, such as sending e-postcards, receiving newsletters, entering contests, and “voting” for their favorite Barbie. The site profiles many of the popular doll’s new personas (including Soccer Barbie, Pet Lovin’ Barbie, and Vintage Spring in Tokyo Barbie) as well as many of the classic styles. Following its successful Barbie Fashion Designer CD-ROM, the site also
gives girls the opportunity to design their own personalized Barbie, choosing from an inventory of physical features, clothing styles, and personality traits. The personalized Barbie can then be custom-made for that child and purchased online for $39.95 (Thompson, 1999).

The development of “brand loyalty” among children has become axiomatic among marketers in recent years, a core strategy of the “cradle-to-grave marketing” principle. As marketing expert James U. McNeal (1992) explains: “Children begin developing brand preferences and store preferences in early childhood, even before they enter school. And not just for child-oriented products, but also for such adult-oriented things such as gasoline, radios, and soaps.” This tendency is strongly rooted in the developmental needs of children, according to McNeal.

The belonging (affiliation) need, which causes us to seek cooperative relationships, is very strong among children... Also, children are looking for order in their lives. There are so many new things to encounter that some order is necessary to cope with them all. A trusting relationship in which satisfying acquisitions can always be expected helps give order to an increasingly complex life. (pp. 92-93)

“Branding” is a pervasive theme in the digital media, one that is not restricted to products but is increasingly used as a descriptive and organizing principle for all aspects of media culture. Media companies refer to themselves as brands; even public television calls itself a “brand”. When speaking of strategic alliances and partnerships, companies refer to the practice as “sharing each others’ brand space”. At the 1999 Digital Kids conference, participants spoke proudly of “branded communities” for teens – websites built around products – invoking the slogan “Love my community, love my brand” (Digital Kids, 1999).

On-line selling/e-commerce

A growing number of websites for children and teens feature on-line stores or links to websites that are designed to make direct sales (Thompson, 1999). A 1999 survey by market research firm NFO Interactive found that 52% of children between the ages of 5 and 17 have asked their parents to purchase an item that they have seen on the Web (Cox, 1999; Thompson, 1999). According to Jupiter Communications (1999a), “Kids and teens have become a growth sector for online shopping”, which in 1999 made the important shift from “passive online advertising” to “actively targeting kids and teens for digital transactions” (p. 1). A recent Jupiter/NFO consumer survey, which queried 600 teens (13-18 years old) and kids (5-12 years old), found that 67% of on-line teens and 37% of on-line kids indicate that they have researched or bought products on-line. Jupiter forecasts that teens will account for $1.2 billion and kids will account for $100 million of the e-commerce dollars in 2002 (Jupiter Communications, 1999a).

Companies are employing a variety of strategies to facilitate on-line purchases by children, including the creation of “digital wallets”, which allow parents to use a credit card to deposit a set amount of money into a child’s on-line...
account. Websites such as IcanBuy.com (www.icanbuy.com) and RocketCash.com (www.rocketcash.com) are among the first companies to offer on-line selling to children, but others are expected to follow suit. Some are employing barter and other kinds of transactions that do not use cash or credit cards but set up substitutes for money to begin the process of getting children and their parents accustomed to making purchases on-line (Thompson, 1999). The Jupiter Communications survey showed that the biggest obstacle facing children who want to buy products on-line is their parents’ refusal to let them. A number of companies are developing strategies to sweeten the notion of allowing children to spend money on-line by offering to include educational messages teaching children about financial responsibility. Some are also developing noncash forms of transaction as a first step. For example, DoughNET.com (www.doughnet.com) offers to let children “play with money” by investigating how the stock market works. And Beenz.com has created a form of “virtual cash” that children and adults can collect on-line by going to participating sites and taking part in surveys, promotions, and other marketing enterprises (Weise, 1999). With more and more schools being linked to the Internet, many of these same companies are targeting the classroom as a site for marketing and on-line sales to children (Manning, 1999).

Many of the websites targeted at teens encourage on-line purchases. For example, react.com (www.react.com) is a popular “one-stop-shopping” site for teens. Here teens can get news or information about their favorite celebrities, find out what styles are “in”, play games, share their concerns, and shop. A growing number of these sites are linked to television shows, encouraging viewers to “multitask” (i.e., watch television and use the website at the same time). (Market researchers have found that children and teens are much more at ease multitasking than adults are.) For example, the Dawson’s Creek website enables young people to interact with the main character, find out his innermost thoughts and feelings, and learn what products he purchases. This website offers an insightful glimpse into the future of interactive television, especially in the way that program content is expanded and integrated into interactive website features. By logging onto “Dawson’s Desktop”, a subsection of the program’s site, users can click onto virtually any image on the screen, including the main character’s e-mail inbox and favorite “book-marked” websites, and link directly into an advertiser’s site or on-line purchasing form (Anderson, 1999).

Interactive product placement

Product placement, a pervasive practice in film and an increasingly common practice in television, is another central component of the digital marketing paradigm. The merging of television and the Internet will create newer and more powerful forms of product placement. “With the next generation of entertainment”, explains Marc Collins-Rector, cofounder and chairman of the Digital Entertainment Network (DEN), “there’ll be no differentiation between the entertainment aspects… and the advertising aspect of what you are watching. ...We’ll tie in the advertisements to what the characters are doing” (as cited in Frauenfelder,
1999, p. 122). The Web-based network targeted at teens was designed to become an interactive television channel. Though it went out of business in spring 2000, its combination of product placement, streaming video, chat, and instant polls has already been widely adopted by other media companies. DEN’s advertising strategy was a curious blend of old and new techniques. Modeled in part on 1950s TV programs in which actors pitched products within the story line, the network also made use of cutting-edge youth marketing approaches such as “discovery marketing”, which is “essentially a way to put a brand in front of someone’s face yet make them think they found it on their own” (Frauenfelder, 1999, p. 122).

As digital television becomes more available, not only will products be featured as part of the story but the viewer will be given the opportunity to buy them on the spot. “Narrative strands” within a program will lead viewers to a “buying opportunity” and then return them to the story after the purchase (Digital Coast, 1999). Precursors to this planned “embedded e-commerce” can already be seen in some of the websites associated with popular television shows. For example, CBS recently began selling a bracelet on its website worn by a character in Guiding Light, a popular soap opera. The silver-coated replica ($29.95) was advertised during the program; promotional spots directed viewers to the CBS website (Beatty, 1999). Another website that offers similar features is AsSeenIn (www.asseenin.com), a project of successful TV producer Aaron Spelling. Here, replicas of furniture, clothing, cars, and miscellaneous products from Spelling’s popular teen shows such as Charmed and 7th Heaven are sold. Viewers can go to the program’s website, click on a photo of the house used in the show, then click on an individual room, and then click on an item within that room. For example, clicking on a rug in the living room will immediately hotlink the customer to the retailer’s website, where that exact rug can be purchased on-line (Hunt, 1999).

The techniques currently in practice on the World Wide Web are only the earliest and most embryonic representations of what is likely to become a highly sophisticated marketing and e-commerce infrastructure in the digital age. The zeal with which digital marketing is being embraced by children’s advertisers and content providers alike suggests that the new digital children’s culture may quickly become highly commercialized. Governed by the principles of brand loyalty, one-to-one relationships, and e-commerce, marketing and advertising in the new media are likely to become a particularly pervasive presence in children’s lives.

Promise and peril in the digital marketplace

Much of the public debate over the Internet and children has been dominated by concerns about on-line access to indecent and violent material, exposure to predation, and similar harms that might befall children in cyberspace. Twice in recent years, Congress passed legislation prohibiting the distribution of indecent
content to minors on the Internet. Both laws, however, have been met with constitutional challenges (Zick, 1999). To address parental concerns, the on-line industry has come forward with a series of measures to protect the safety of children on the Internet. Companies such as CyberPatrol, SurfWatch, and Net Nanny offer parents software to block out inappropriate content on the Web (Center for Media Education, 1999; Kennedy, 1996). In May 1999, the White House announced the “One Click Away” initiative, in which on-line companies have agreed to create “parents’ protection pages” on all major portals, search engines, and websites. The pages are to provide access to blocking and filtering software, tools for monitoring children’s activities on-line, and safety tips for both parents and children (Clinton & Gore, 1999).

However vital these issues may be, the debate over pornography, violence, and predation has in many ways diverted public attention away from other important developments in this new medium that will have a significant impact on children and youth. While there are legitimate concerns about children’s access to harmful and inappropriate adult content on-line, it is also important to focus attention on the content and services that are being created exclusively for children. It is in these areas, after all, that children will be spending the vast majority of their time on-line. And it is in these areas that the full potential of the Internet – for both good and ill – will be realized.

The early trends in the development of the children’s digital marketplace suggest the possibility for both promise and peril. On the one hand, children’s value as a market could generate an abundant media universe, offering children a richness and diversity of experience heretofore unavailable to them. The fragmentation of the youth market into smaller, more defined demographic and interest groups also means that the new media should be better able to tailor their content to meet the needs of more children, including those who may have been underserved in the conventional media. On the other hand, the powerful influence of commercial forces at this earliest formative stage is likely to leave an indelible, long-lasting imprint on the structure and design of the entire children’s digital media culture. With so much money to be made from children and teens, the imperatives of marketing and sales will likely shape the vast majority of content and services for children in the digital age.

This is not to suggest that digital media technologies will not offer children multiple opportunities for education, communication, and creativity outside of the commercial context. In fact, the World Wide Web has already made possible a flowering of educational, cultural, and civic content for children, enabling children to create their own websites and form communities across geographic boundaries (Montgomery, 1999). Although these sites are an important part of the Web, most are already being overshadowed by the much more heavily promoted commercial sites, many of them tied to popular TV shows, films, and other consumer products. The overwhelming presence of this commercial culture is reflected in the list of the most popular children’s websites maintained by Web21 (www.100hot.com/kids). Of the top 25 sites on that list from May 1999, the only noncommercial site was the Smithsonian Institution (number 17). Domi-
nating the list were media conglomerates (including Disney, Fox, Warner Broth-
ers, and Nickelodeon) and toy companies (Lego, Sega, Nintendo, and Toys ‘R’ Us). The convergence of television and the Internet could eventually mean that the less popular noncommercial and civic services will be relegated to the hinterlands of the digital media universe. Although they may be there, few will know about them, and even fewer will find it easy to access them.

Even public television is being influenced by the new commercial impera-
tives of the digital media culture. Though there are rules that govern the role of corporate underwriters on public TV, no such restrictions exist in cyberspace. Although most of the websites for PBS children’s shows have been careful not to incorporate advertising or marketing, some underwriters have been able to take advantage of the fluidity of the Web experience by putting links designed to transport children to their own “branded environment” (HR: Corporation for Public Broadcasting Authorization Act of 1999). One of the most respected institu-
tions in public television, Sesame Workshop (Children’s Television Workshop), which produces Sesame Street, has introduced advertising into its website for preschoolers and formed a partnership with E-Toys, an on-line toy retailer. Though targeted to parents, the intrusion of advertising and marketing into what has traditionally been a noncommercial service raises disturbing questions about the viability of truly noncommercial children’s media in the digital era (Slatalla, 1999).

There have been innovative attempts by some Web content providers to develop alternatives to the advertiser-based model. For example, JuniorNet bills itself as a kind of “gated community” for children on the Internet. For a monthly fee, the service provides an advertising-free space, offers “quality content” from such producers as Scholastic and Jim Henson Productions, and promises to pro-
tect children from questionable content by monitoring chat rooms and screening material from other sites (Flaherty, 1999). Whether noncommercial subscription services such as JuniorNet prove to be financially viable in a digital world where so much advertiser-supported content is available for free remains unclear. If such services do succeed, they could set up a new digital caste system, where only more affluent families would be able to provide their children with alterna-
tives to a media culture saturated with sales pitches.

Concerns about advertising reach beyond the scope of media in the home as more Web-based companies are targeting the classroom as a site for marketing and on-line sales to children (Manning, 1999). Given the controversy that has surrounded Channel One’s introduction of advertising into high schools, the growth of Web-based marketing to schools should be of concern to educators and to parents (Hoynes, 1997). As law professor Angela Campbell warns: “Where a Web site has two purposes – providing information and selling a product – it is easy to see that the first may be subordinated to the second” (Campbell, 1997/1998, p. 331).
Need for safeguards

Because this new media culture is still in its early stages, there is an opportunity – albeit a brief one – to develop safeguards for ensuring that children will be treated fairly by marketers and advertisers. Although resistance from the media industries to any regulation of “content” on the Internet or in other interactive technologies is very strong, there is a long-standing tradition in the United States of regulating advertising and marketing to children (Landesberg, Levin, Curtin, & Lev, 1998). In 1998, the Center for Media Education (CME) and other consumer, education, and child advocacy groups were able to help institute the first federal rules on children’s marketing. CME’s 1996 publication Web of Deception raised public and government awareness by documenting many of the emerging data-collection and advertising practices targeted at children on the Web (Montgomery & Pasnik, 1996). Along with Consumer Federation of America, CME petitioned the Federal Trade Commission (FTC) to develop rules to govern children’s marketing on the Internet.

The FTC held a series of workshops and hearings to consider the need for more formal regulations and conducted its own analysis of marketing practices on the Web (Landesberg et al., 1998). The commission’s rule-making authority had been seriously weakened by legislation in the 1970s lobbied in by media, advertising, and manufacturing interests in a successful effort to thwart regulation restricting children’s advertising on television (Kunkel, 1988, 1992). As a result, the FTC asked Congress in 1998 for authorization to develop rules for the Internet. This authority was granted with passage of the Children’s Online Privacy Protection Act (COPPA). The law requires that commercial websites aimed at children 13 and under must (a) give parents notice about their data-collection practices; (b) obtain verifiable parental consent before collecting information from children; and (c) provide parents with access to the collected information and the opportunity to curtail any further uses of collected information (Children’s Online Privacy Protection Act, 1998). Final rules were issued in October 1999 and took effect April 21, 2000 (Children’s Online Privacy Protection Rule, 1999). The debate surrounding passage of the legislation and subsequent rules also spurred on-line and advertising industries to change their present self-regulatory guidelines and to develop new ones (Quick, 1998; Teinowitz, 1997).

The new children’s privacy law is only the first, small step in what must be a much broader effort to establish effective policies to curtail marketing abuses targeted at children in the digital media. A comprehensive policy agenda will need to be created if meaningful safeguards are to be put in place. The framework for this agenda must be established now, before the most abusive practices become not only firmly entrenched but also profitable and therefore very difficult to change. The new policies for the digital media system can be built, to some extent, on the existing policy framework that has governed children’s television, but policy makers and researchers may need to rethink many of the existing rules (Campbell, 1997/1998). For example, children’s advertising on digital television, while technically still subject to Federal Communications Commission (FCC) regulations, will not conform to analog-broadcast restrictions.
Restrictions contained in the FCC 1974 Policy Statement on Children’s Television, including prohibitions against sales pitches from the hosts of children’s programs and the requirement for clearly defined separation between commercial material and programmatic content (“After these messages, we’ll be right back”), are hopelessly out of date and inadequate in the seamless world of the Web and interactive digital television. Similarly, the Children’s Television Act (CTA) of 1990 includes a provision that limits the amount of commercial time on programming for children under 13 to 10.5 minutes per hour on weekends and 12 minutes per hour on weekdays (CTA, 1990). But on a digital television children’s program with links to a commercial website, that 60-minute hour suddenly becomes virtually infinite.

Because the Internet and other digital media are part of a global media system, there is also a need for safeguards that will transcend national boundaries. Consumer groups from a number of European countries have created an international forum with U.S. organizations called the Transatlantic Consumer Dialogue (TACD). TACD is working to forge a common agenda for international protections against marketing abuses targeted at children, and it recently developed a set of principles for “Children and Electronic Commerce”, which was accepted by the European Commission. (See www.TACD.org.)

Research agenda

Commercialization of the digital media is taking place so quickly that there has been little opportunity for serious scholarly research on its impact. Current TV advertising safeguards are based on a substantial body of research, conducted in the 1960s and 1970s, documenting the special vulnerabilities of children to the powerful appeals of marketers (Wartella, 1984). However, research on the impact of children’s advertising has declined dramatically in recent years, with most of the attention in the scholarly community focused on ensuring the effectiveness of advertising to children rather than assessing its social and behavioral impact (Wartella, 1984). A multidisciplinary research agenda is urgently needed to guide the development of digital children’s media. This should include systematic studies that begin to assess the ways in which children interact with new media and the impact of new media on children’s cognitive, emotional, and social development.

As part of this agenda, scholars should begin looking closely at the new forms of interactive advertising, marketing, and sales that are developing so swiftly in the digital media. As new techniques are developed, they will need to be monitored closely. Timely, independent research will need to be conducted to determine their impact. Several key issues will need to be taken into consideration when designing a research agenda in this area. Because the lines between advertising, marketing, sales, and “content” are increasingly blurred, it may be important to look at the on-line experience for children in more holistic terms, rather than trying to isolate “commercial messages” to measure their ef-
effects. For example, the integration of “content”, interactive advertising, and direct selling is an unprecedented form of children’s media, which raises serious concerns about the possibility of deception and manipulation. Researchers will also need to look at the interrelationships among different “platforms” in a child’s media experience (e.g., Internet, television, “programmable objects”, etc.). The emergence of an increasingly immersive media environment, made more vivid through virtual reality and human-like interfaces, may make it difficult to separate the child’s so-called real-world experiences from those in the media (Calvert & Tan, 1996). Finally, it will be necessary to think beyond traditional research theories and methods and to draw on the expertise of scholars in a wide range of fields (e.g., communications, computer science, anthropology, sociology, psychology, etc.) to develop fresh approaches to the study of children and digital media.

The future of digital media: Need for debate

Those who care about the well-being of children should join together to promote broad public debate about the future of our media system. As part of that effort, we need to expand our thinking about notions of “quality” in the media. Discussions about “safe zones” for children on the Internet have tended to frame the concept of quality around the absence of harm. If a product, program, or website contains no violence, sex, or other inappropriate material, then its very “benignness” is often labeled “quality”. I suggest we begin thinking more broadly about quality, developing criteria for how the overall media culture should help prepare young people for their adult lives. Given current trends, there is little doubt that this emerging media system will play a significant role in helping children become consumers, and thus contributing to the growth of our economy. But in a time of declining voter participation and great cynicism about the political process, can the media also be a positive force in helping to raise the next generation to be more engaged as citizens, contributing to the health of our democracy?

William Damon, director of the Center on Adolescence and a professor of education at Stanford University, has suggested some key attributes that young people need to participate constructively in civil society:

First, intellectual abilities such as reasoning skills, literacy, and the knowledge of history and economy required for making informed judgments. Second, moral traits such as dedication to honesty, justice, social responsibility, and the tolerance that makes democratic discourse possible. And finally, practical experience in community organizations, from which young people learn how to work within groups, in structured settings. (Damon, 1998, p. B4)

Although major institutions such as the family, schools, and religion will doubtlessly continue to be the primary sources of a child’s civic education, the new digital media – with their powerful ability to engage children in active learning,
to foster community, and to enable children to become creators and communicators instead of just passive recipients – should also play a significant role in helping to develop thoughtful, active citizens.

A key to achieving that goal will be the development of a healthy, noncommercial civic sector in the new media landscape. Although there are many promising content areas for children on the Web that could provide the basis for such an “electronic commons”, there are also serious questions about whether they can be sustained over the long run and whether they can become a significant and prominent part of the new media landscape. With the growing commercialization of the Web, the viability of noncommercial civic media for children and youth is by no means guaranteed, and may very well be threatened in the new environment.

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