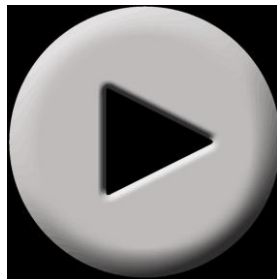




Advergames: It's not child's play

A Review of Research



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Advergames: It's not child's play

Following the Bailey Review in 2011, on 9 May 2012 David Cameron announced a number of measures including,

“asking the Advertising Standards Authority to consider whether more should be done to spell out the commercial intent of ‘advergames’ to young people and their parents.”

Advergames and other digital and immersive forms of advertising have attracted a great deal of research time from academics around the world with over 60 studies from 12 countries appearing in top peer-reviewed journals in recent yearsⁱ on the effects of this type of advertising.

This report examines the latest research evidence, summarises what we do and don't know about the effects of advergames on children and makes recommendations for industry and regulators.

KEY FINDINGS

1. Children as old as 15 do not recognise that advergames are adverts
2. Labelling initiatives have not been effective
3. Advergames work differently to TV advertising
 - Advergames persuade on a subconscious, emotional level
 - Advergames can change children's behaviour without their conscious awareness
 - This raises fundamental ethical questions about the technique
4. Advergames are widely used for High Salt Sugar and Fat (HSSF) products
 - These products are banned around children's TV programmes so HSSF advergames exploit a regulatory loophole
 - There is a serious health concern if children's food choices are influenced subconsciously
5. Voluntary pledges for HSSF advergames have been proven ineffective
 - This raises questions for the self-regulation of children's new media advertising.

KEY RECOMMENDATIONS

1. Immediate requirement for obligatory, clear, uniform labelling system for all children's advergames and in-game advertising
2. Public debate on whether advertising techniques that persuade children subconsciously should be legal
3. Requirement for HSSF TV regulations to extend to children's websites
4. Public consultation on the status of voluntary pledges within advertising regulation
5. Public consultation on whether a children's arm of ASA or an independent council should be set to oversee marketing to children across all media platforms.

WHAT IS AN ADVERGAME?

There are two formats of advergame:

1. **Electronic games that are used to advertise a product, brand or an organisation, accessible on social media sites, companies' own websites and as downloadable content or apps on mobile devicesⁱⁱ.**

An example is the "Spaceship Adventure" game from the Chewits website (figure 1) <http://www.chewits.co.uk/adventuregames/> where children help the monster find Chewits in the spaceship by clicking on the objects around the room. Children can spend hours interacting with this type of advert.



Figure 1 Accessed 5 December 2012

Increasingly branded advergames for children are made available as downloadable apps for phones and tablets such as the "Squashies" advergame from Swizzels Matlow (figure 2) or Weetakid from Weetabix (figure 3).



Figure 2 (Accessed 5 December 2012)

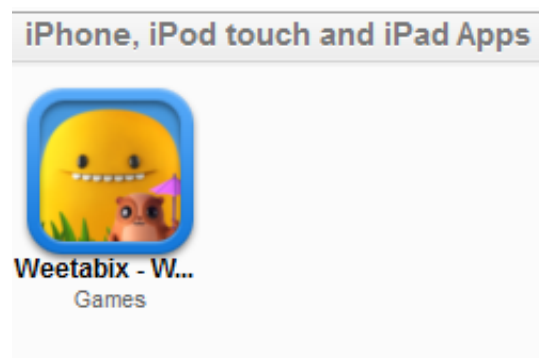


Figure 3 (Accessed 5 December 2012)

Swizzels Matlow uses further advergames to promote other products in its range including Love Hearts.

2. **Commercial messages embedded within the content of retail-accessible video games, on-line electronic games or appsⁱⁱⁱ.**

An example is the featuring of Burger King in Pro Evolution Soccer 2013 available for PS3, X-Box and Wii (figure 4). This sort of advertising is also called "in-game advertising" or IGA and brands can feature more or less prominently.

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Figure 4 https://www.youtube.com/watch?v=G0ykGjDgmj4&feature=player_embedded#
(accessed 6 December 2012)

The economic actors are clearly different in each format. In the Chewits, Squashies and Weetabix example the company itself pays for the development of the game with the express intent of getting children to play with the game as long as possible and thus to create awareness of, liking for and eventual purchase of the brand. In the PES 2013 example, Burger King provides financial support for the creation of the game and in return the game developer weaves the product into the action thus providing brand exposure which is designed to lead to sales.

Children are 77% more likely to visit internet pages with advergames and spend 88% more time on these pages^{iv} and industry analysts predict that the advergame and in-game advertising business may be worth \$7bn by 2016.^v Importantly for the concern of the Prime Minister both formats involve the potential blurring of advertising and content.

CHILDREN DO NOT RECOGNISE THAT ADVERGAMES ARE ADVERTISING

The issue of immediate concern is whether and to what extent children are able to make a distinction between absorbing, fun games that are designed to make them buy something and absorbing, fun games that have no ulterior commercial motive. If children are unable to identify games or in-game placement with a commercial purpose then these fall foul of the Committee of Advertising Practice (CAP) Code Section 2.1 which clearly states that “adverts must be obviously identifiable as such.”

The principle underpinning CAP 2.1 is that if consumers are unaware that they are being targeted with a commercial message they are unable to critically assess the information, engage scepticism and make an informed decision as to whether or not to accept or reject the message. If consumers are not in a position to do this then the advertising is inherently unfair and children are particularly vulnerable in this respect.

There is a well-established body of research on how children come to understand TV advertising. This research is rooted in developmental psychology which agrees that children develop the ability to understand messages from a variety of sources over time both as a function of acquiring age-related cognitive processing capability and also as a result of their interactions with the world around them. Thus we would expect a 14 year old girl to have a more sophisticated understanding of advertising than a 7 year old because of more developed powers of reasoning and also because she has seen and experienced a lot more advertising.

The developmental psychology literature also concurs that “understanding” advertising consists of several stages through which children acquire a cumulative knowledge of its purpose. It is generally agreed that there are four stages in the understanding of commercial intent^{vi}:

1. No understanding
2. Limited understanding that advertising is entertaining and that it is different from a programme
3. Understanding that adverts give information about products
4. The more abstract ability to understand that adverts are made by companies trying to persuade you to like their product and to buy it.

Advertising is considered “unfair” unless children are at stage 4 – where they understand the true purpose of advertising and can therefore make their own minds up whether or not to accept or reject the advances of a company. However, there is a growing consensus that with the advent of new digital forms of advertising whether or not children are at “stage 4” depends as much on the format of the advertising as the age or experience of the child^{vii}.

Four key studies over the past five years agree that not all or even a majority of children understand that advergames are placed on websites and apps by commercial companies for the purpose of increasing sales. Three of these are published in top, double-blind peer reviewed international journals.

A 2007 study in Australia^{viii} tested the effects of a Kellogg's Fruit Loops adverggame on children age 5-8. After being given a number of prompts only 25% of children understood that the adverggames had been put on the internet by Kellogg's (ranging from 12% of 5 year olds to 40% of 8 year olds). Again after a number of prompts only 54% understood that the purpose of the game was to get them to buy the cereal (ranging from 30% of 5 year olds to 66% of 8 year olds).

A 2007 UK qualitative study^{ix} tested children's understanding of a range of adverggames from one for the film Chicken Little on the Nickelodeon website to one for Sure deodorant on the games website Miniclip. This research revealed that children from 8-15 believed strongly that if a button on a website says “play” then that indicates a game and not an advert. One fifteen year old felt that using a “play” label for an advert “tricks you in the game.” Some of the comments from these children are shown on page six.

Advergames: It's not child's play

A 2011 study in the USA^x tested children's recognition of the persuasive intent of an advergame for Honey Comb cereal called "Be a Popstar" on Kraft's Postopia website www.postopia.com. In this study children were asked, unprompted, what they thought the purpose of the game was and who had put it on the internet. Of the 112 children age 8-10 who took part in the study only one spontaneously identified that the purpose of the game was to sell the cereal. 40% believed the purpose was to tell you how to be a pop star and 35% thought it was just a game for fun. Only 10% realised that the advert had been put there by Kraft or Post (a sub-brand of Kraft) or Honey Comb. 34% thought it had been put there by real pop stars naming, for example, the Jonas Brothers.

The fourth study which was published in October 2012^{xi} compared UK children's understanding of TV advertising with their understanding of other more immersive forms of advertising including advergames and in-game advertising as well as film product placement, programme sponsorship and product licensing. This study measured the extent of children's understanding using the four stage model outlined above. Open responses to a question related to why a product/brand was featured in the advertising medium were coded on a scale of 0 to 3 where 0 is no understanding of the reason, and 3 is an understanding of commercial intent. The mean scores for the different types of advertising are shown below where a higher score represents a more sophisticated level of understanding:

TV:	2.18
Programme Sponsorship	1.53
Advergames:	1.42
Product Licensing	1.41
In-Game Advertising	.98
Film Product Placement	.93

The statistical analysis shows that there is a large and significant difference between children's understanding of TV advertising and the other 5 types of more immersive advertising including advergames. Children's recognition of the commercial intent of in-game advertising and film product placement is particularly low.

It could be argued that this difference can be accounted for by experience and that in a few years' time children will be just as "savvy" about digital and immersive advertising as they are about TV advertising. However, research that tests the *effects* of advergames on children rather than their understanding of commercial intent concurs that older and more experienced children are just as affected by advergames as younger children. The emerging consensus amongst academics is that it is the immersive, nature of advergames, product placement and in-game advertising which makes their commercial intent hard to identify rather than simply the experience, age or media literacy of the child.^{xii}

Given these consistent findings from studies in top journals over a period of five years and across three countries we believe that it is safe to conclude that children's understanding of advergames is very undeveloped and that it is unfair to use this type of advertising unless a way can be found to make it extremely clear to children before during and after they play the game that what they are experiencing is not a game but is an attempt by a commercial company to sell them something or to persuade them to develop a positive attitude towards their brand.

Research carried out by ChildWise for National Consumer Council and Childnet International in 2007^{xiii} found substantial evidence that children of different ages do not necessarily recognise that an advergame is an advert (see below).

CHILDREN AND YOUNG PEOPLE DISCUSSING ADVERGAMES

One pair of girls interviewed believed an advergame on the Miniclip website for the film "Chicken Little" was not an advert but simply a game, as we can see from the following exchange:

Girl age 7/8: "I clicked on one to play Chicken Little ..."

Interviewer: Is that an advert?

Girl 7/8: Just a game.

A group of 14 and 15 year olds was also confused.

Interviewer: Is that one an advert?

Boy 1 (14/15): Chicken Little.

Boy 2 (14/15): It's a game.

Boy 3 (14/15): It's advertising the game.

Boy 2 (14/15): It says play.

Boy 1 (14/15): It's still advertising the film, even though there's a game on it

Interviewer: Would you call it advertising? Or would you describe it in a different way?

Boy 2 (14/15): It's a mixture.

Boy 3 (14/15): It's just done in a different way.

Boy 1 (14/15): They've created a game that they know will draw your attention to the film.

One of these 14/15 year olds understood this was an advert for a film, another thought it was an advert for a game whilst another thought it was just a game. This shows quite clearly that this adverggame is not obviously identifiable as advertising even to older teens. The same age group were confused on the Nickelodeon website.

Interviewer: What about that one?

Boy 2 (age 14/15): That's not an advert because it says play.

Boy 1 (age 14/15): But it says Ad.... Read it.

Interviewer: What's going on there?

Boy 2 (age 14/15): It tricks you in the game.

Interviewer: Would you not have thought of that as being an advert?

Boy 3 (age 14/15): No, I'd have thought it was games... it's only when you look closer.

Here we see that not only can older teens fail to recognise commercial intent but they do not even necessarily notice or understand the purpose of the labels (in this instance "ad") that are now attached to some adverggames from the USA. Moreover they perceived these adverggames as "tricking" them.

Similar confusion and also reservations about the honesty of companies using adverggames was seen in other discussion groups. In the following exchange the interviewer had also asked some 11/12 year old girls to point out all the adverts on the home page of Nickelodeon website and they had identified some but had not recognised an adverggame for the film "Nacho Libre."

Interviewer: You missed that one, where it says "Play Nacho Libre games". What do you think of adverts that merge into the site?

Girl 1 (age 11/12): They're safe.

Girl 2 (age 11/12): I don't think it's that safe.

Interviewer: What do you think of adverts like that then?

Girl 1 (age 11/12): I just ignore them.

Girl 2 (age 11/12): The people who do the advert, they're not responsible.

HOW CAN WE HELP CHILDREN UNDERSTAND ADVERGAMES?

If children do not understand the commercial intent of advergames in their current formats then ways need to be found to help them. Although CAP Code 2.1 states that advertising must be “obviously identifiable as such” there are absolutely no guidelines for advertisers or games developers as to how this should be achieved or, indeed, what makes something “obvious” to a child rather than an adult. Moreover, the companies that host and develop advergames appear to be unaware of CAP Code 2.1 and their responsibility to comply with it. We found in our research that Miniclip – one of the most popular games sites for 5-11 year olds^{xiv} - issues a checklist for companies wishing to place advergames or in-game advertising on its site which includes the following statement:

“Don't use your brand name too much. Subtle brand messages can get the message across better than in your face logos. The key point is that the player enjoys the game.”^{xv}

There is no guidance on their checklist on how to make the commercial intent obvious. This means that a company, half of whose audience is under 18 and 30% of which is under 12 (figure 5) is, in fact, encouraging the advertisers who fund their site (to the tune of around €30m) to disguise the true purpose of advergames.

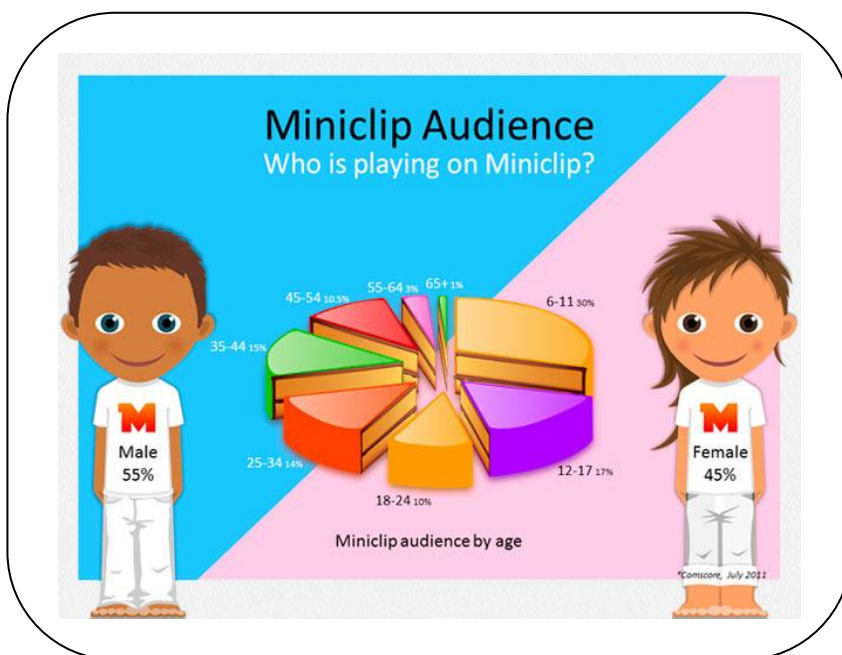


Figure 5

<http://corporate.miniclip.com/page/view/advertising/audience/miniclip-globally>
(accessed 5 December 2012)

This situation in the USA is slightly different. The Children's Advertising Review Unit (CARU)^{xvi} which is a special dedicated children's arm of the Advertising Self-Regulatory Council (ASRC) issued best practice guidelines in 2006 that all advergames targeted at children should include some form of labelling to alert children of their commercial intent. Some US based companies have since begun to label advergames using what is referred to as an “ad break” or a sign on the game that tells the child that this is advertising. For example the adverggame for Pebbles cereal (figure 6) manufactured by Post (a sub-brand of Kraft Foods) includes a small label in the top right hand corner which says “this is advertising for Post.”

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Figure 6 (accessed 5 December 2012)

Similarly the Kellogg's Froot Loops game (figure 7) also has a label on the top right hand corner which reads "this is advertising from Kellogg's". This guidance seems on the face of it to be a sensible and responsible response to the evidence that children do not necessarily recognise the commercial intent of advergames.

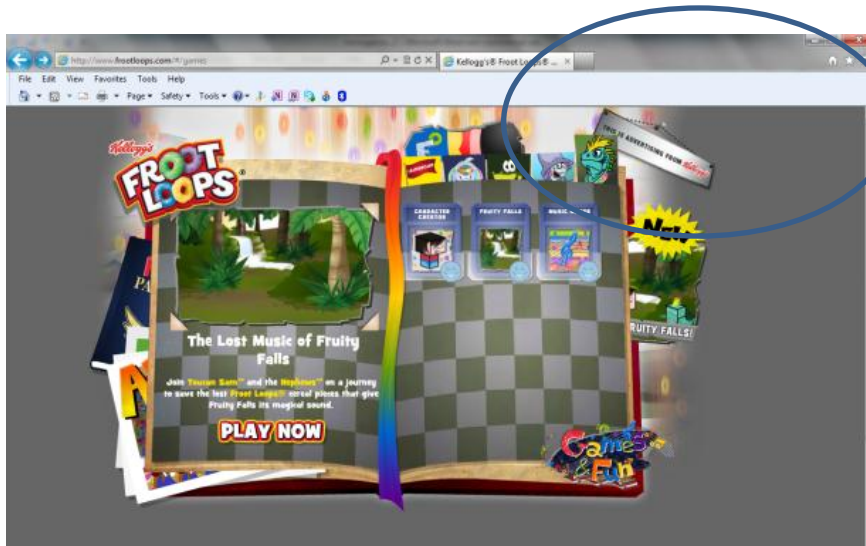


Figure 7
(accessed 5 December 2012)

We would urge the ASA to issue guidelines to advertisers and game developers around the type of labelling required to ensure that children are alerted to the purpose of advergames.

However, very specific guidelines are necessary because research from 2011^{xvii} shows that the current US system where there is no control over the size, format, wording or position of the label does not appear to work in the way intended. This finding emerged from the same study of the "Be a Popstar" adverggame for Honey Comb Cereal on Kraft Food's www.postopia.com child-targeted website. In this game children were invited to choose a pop star avatar and make decisions about how to spend their day as a music celebrity. The Honey-Comb cereal brand appears on screen whenever a decision is made and posters for Honey-Comb and Post are visible in various scenes within the game.

Above the game screen is an icon with a pair of yellow flags with the words *“Ad Break: The games and other activities on this website include messages about the products Kraft sells.”* This remains on screen for the duration of the game. As part of their experiment the researchers also created an audio ad break which was a voice-over announcing the same words used in the visual ad break. The experiment used four versions of the game: one with the original visual ad break, one with just an audio ad break, one with an audio and visual ad break and one with no ad break at all. As we saw above, of the 112 children in the study only one child recognised that the purpose of the game was to sell Honey-Comb cereal with 75% of children believing the point of the advergame was to have fun or to find out about being a popstar. Neither the visual nor audio ad break had any effect at all on explicitly informing children that the point of the advergame was to advertise Honey-Comb cereal or other Post products.

This result shows that these particular kinds of labelling do not, in David Cameron's words, “spell out commercial intent.” The researchers pointed to deficiencies in the wording, placement and content of the labelling used in this advergame. They note that while the ad break says *“Ad Break: The games and other activities on this website include messages about the product Kraft sells”* there are no obvious selling cues such as prices, promotional offer or indeed pictures of products. Moreover the brands in the advergame are Honey-Comb and Post with no mention of Kraft. As they conclude, *“a child would need a fairly sophisticated understanding of the corporate hierarchy of Kraft Foods to make the connection between the ad break (identifying Kraft Food) and the game (promoting Honey-Comb cereal)”*. They also note that although the ad break is central to the screen it is static, small and not particularly salient in the context of the many colourful icons, moving images and other text that takes up the screen. It is also important to note that although the children were on the “Postopia” website (ie a branded website) this, in itself, did not make it obvious to them that the game was designed to sell.

Introducing an advergame labelling system into the UK CAP code was suggested to ASA in a report produced in 2006 and again by the Family and Parenting Institute in 2008^{xviii} – but labelling has so far not been introduced... Yet, it would seem that if advergames are not to contravene CAP Code 2.1 then labelling must be mandatory and that we can learn a lot from the USA. First advergame labelling must be extremely large and prominent on the screen so that it can be noticed amongst busy, colourful and dynamic game images; second it must be made clear to children that the purpose of the game is to sell the product; and third advergame labelling must make it clear exactly what product is being promoted rather than making general references to a parent company.

However, the issue is more complex than simple labelling because other research shows that children's brains process advergames in a different way from traditional forms of advertising: subconsciously. Whilst a label may alert children to commercial intent (and so far we do not know what kind of label would succeed in this task) it may not stop advergames influencing children without their conscious awareness.

ADVERGAMES PERSUADE CHILDREN SUBCONSCIOUSLY

Parents in research by the National Consumer Council and Childnet International in 2007^{xx} expressed reservations about the way in which advergames work. Talking about a Kellogg's Fruit Winders advergame one mother said:

"You know that fruit thing Winders; you can do that Fruit Winders game. It's like a cartoon strip and a website and you can go on and it doesn't cost you anything... They only know about it because of the advertising on the product ...I don't like it personally but you can't get away from it. You don't know whether it's taking away their ability to choose, you know subconsciously."

(Mum of children 11-16, ABC1)

Empirical evidence supports this mum's feeling that advergames take away children's "ability to choose ... subconsciously."

We know from a substantial body of neuroscientific research that the brain processes information (including advertising messages) using two systems: implicit and explicit^{xxi}. This is sometimes called a dual-process model of message processing. Implicit processing happens at a subconscious level, is automatic, fast and impulsive whilst explicit processing happens at a conscious rational level and is deliberate, slower and more effortful. These systems appear to operate in separate parts of the brain and can lead us to form contradictory attitudes. In other words we can tell a researcher that we believe that a particular product is bad for our health whilst at the same time an implicitly processed message can lead us to form a positive feeling for the brand which can ultimately lead us to buy the product.^{xxii}

The messages in advergames, IGAs and other immersive forms of advertising are processed implicitly because the child's cognitive capacity is engaged elsewhere playing the game and there is not enough resource available for them to stop and think about the purpose of the game or to engage any scepticism about the source of the message. This has been consistently shown across many studies where children do not understand that they have been exposed to advertising or do not even recall seeing the brand placed in a game (or a film) but yet their opinions and behaviour are affected^{xxiii}. For example, a UK study of in-film product placement^{xxiv} showed that seeing a Pepsi placement significantly increased children's likelihood of choosing Pepsi over Coke while at the same time the children did not remember seeing the Pepsi placement. This effect was enhanced by repeat exposure to the film and did not diminish in older children.

If a child doesn't notice the brand how can she form a liking and preference for it? The mechanism is essentially a process of association. Although the child cannot consciously recall the brand when absorbed in playing a stimulating game the brain has nonetheless noticed it (below the threshold of conscious awareness) and has quickly and automatically associated the brand with the fun and excitement involved in playing. This is sometimes called the "mere exposure" effect^{xxv} – ie just by being exposed to a brand logo in an enjoyable context, an individual can come to like and prefer the brand by association.

The mere exposure effect seems to be even stronger for interactive advergames as opposed to static in-game advertising or product placement^{xxvi} as a result of the active engagement, increased emotional and physical involvement and the sheer amount of time spent with the game. A TV advert allows a child to be exposed to a product for 30 seconds at a time whereas an advergame can be played for many, many hours. Children's advergames use a number of tactics to increase play time and engagement. A study of advergames on 73 food websites^{xxvii} found that 71% explicitly asked children to play again, 90% used music and sound effects to keep attention, 39% offered customisation options, 45% multiple levels of

play and 39% the chance to post game scores online. All of these tactics encourage children to extend their play and increase their involvement.

According to American academics Kathryn Montgomery and Jeff Chester^{xxviii} neuroscientific research is routinely used by companies to inform marketing campaigns. Research by Microsoft on the impact of Doritos and other products promoted in games found that “video game ad campaigns evoke stronger emotional connections with consumers and more positive emotional associations from the brands^{xxix}.” Another study concluded that “the more immersive an environment is, the more likely a player is to have intent to buy a product they see.” According to industry commentators advertising in virtual worlds is particularly effective because they “create opportunities for participants to lose track of time in enjoyable brand-related activities.” This mental state “contributes to a participant’s attitude about a brand. Ultimately, this strongly influences the participant’s intention to purchase a product from that brand.”^{xxx}

Taken together, as the mum quoted suggests – advergames do appear to take away children’s ability to choose because they have not been able to exercise their conscious judgement or to engage scepticism.

This evidence from neuroscientific research poses two questions:

1. Is it possible to raise children’s awareness to the intent of advergames so that they can decide consciously whether or not to accept the advertising message?
2. Is it ethical to use adverts that persuade children subconsciously at all?

The first question requires more research although there is some evidence that ad breaks - even in their current formats may interrupt the mental connection between the game and the brand.^{xxxi} In the Honey-Comb study discussed above, after children had played the game they were asked which brand they would choose if someone offered them a bowl of cereal right now. They were offered Cinnamon Toast Crunch, Honey-Comb, Honey Nut Cheerios or Captain Crunch. 30% of children who played the game with no ad break chose Honey-Comb compared with 17% with the visual ad break, 4% with the visual and audio ad break and none of the children with the voice-over only. Thus the ad break - although not consciously processed - appears to have inhibited the choice of the advertised brand.

The second question is one for public debate and this debate is all the more urgent given that advergames appear to be used extensively to encourage children to eat unhealthy food.

PROLIFIC ADVERGAMES FOR HIGH SALT, SUGAR AND FAT PRODUCTS

In the light of international concern over childhood obesity, advergames for food and drink products have received a great deal of scrutiny, particularly in the USA. The Kaiser Family Foundation^{xxxii} in 2006 conducted a systematic analysis of 77 food marketing websites that received approximately 49m visits each year by children aged 2-11. 73% of sites contained advergames and a total of 546 games were found. Similar studies in the UK^{xxxiii} and Australia^{xxxiv} have also found heavy use of advergames on food websites with as many as 80 advergames found on a single site.

A common finding of these studies is that advergames are used to promote low-nutrient food. The Kaiser Family Foundation study found that 90% of the food featured in the advergames contained high levels of fat, salt and/or sugar. In 2009 another American systematic analysis of advergames for 142 food products targeted at children found that 83% were low of poor nutritional quality.^{xxxv}

HSSF advergames are of particular concern because there are serious health implications if children can be subconsciously influenced to make less healthy food choices. A 2012 study in the USA^{xxxvi} and a 2011 study in Portugal^{xxxvii} both showed that playing food advergames does indeed influence children's dietary choices.

In the US study 152 children age 7-12 were divided into three groups and given on one of three games to play featuring either an HSSF product (PopTarts and Oreos), fruit from the brand Dole or no products at all. During a snack break after playing, the children who played the Dole fruit advergame ate 50% more grapes and carrots than those playing the PopTarts and Oreos games. Those playing the PopTarts and Oreos games, on the other hand, ate 56% more of the less healthy snack than those playing the fruit advergame and 16% more than the control group. This group also ate less fruit and vegetables than either other group.

The Portuguese study with 234 seven to nine year olds showed very clearly that children who played an advergame featuring fruit and vegetables were considerably more likely to select fruit and vegetables to eat and to express a preference for them than children who played an advergame featuring biscuits and sweets. In line with the dual-processing model discussed earlier both groups showed the same level of awareness about healthy eating but that did not stop children's eating behaviour being implicitly influenced by the advergames.

HSSF ADVERTISINGS SLIPS THROUGH THE NET

The proven power of advergames to change children's eating behaviour does not appear to be reflected in current regulation of the advertising of HSSF food and drink products. In 2007 Ofcom ruled that food and drink high in salt, sugar and fat should not be advertised in and around TV programmes of particular appeal to under 16s. However, what seems to have happened is that these foods are simply advertised online using advergames instead – thus exploiting a loophole in the regulatory system.

This loophole appears to be further exploited in that TV adverts that would not be allowed on children's TV are now available on food marketers websites so that children can see them at any time and watch them as many times as they like. Examples from the Chewit (figure 8) and Chupa Chups (figure 9) websites are shown below.

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Figure 8

www.chewits.co.uk/adverts (accessed 5 December 2012)



Figure 9

http://www.chupachups.co.uk/spot_tv.html (accessed 5 December 2012)

The implication of these developments is that as digital technology allows media to converge, marketing campaigns will increasingly be executed across a range of digital platforms making technique-specific regulations less and less effective. American academics have drawn attention to highly successful marketing campaigns for Doritos, Mountain Dew, MyCoke Rewards and the McDonalds/Avatar cross-promotion that used social media, advergames, in-store promotion and mobile phone apps to boost sales and brand equity amongst young people. The current Swizzles, Squashies and Weetabix, Weetakid campaigns also uses apps, on-pack promotion and the website to target very young children. It is not entirely clear that the regulatory framework is set up to deal with multi-platform campaigns. This requires urgent attention as advertising moves onto mobile phones and advergames are offered as apps.

VOLUNTARY PLEDGES DO NOT WORK

An additional regulatory issue that has been highlighted by academic researchers is the effectiveness of the voluntary pledges for food marketing to children that have appeared since the global obesity crisis was recognised. As far as advergames are concerned a recent study shows that they are ineffective yet afford good PR for the companies involved.

In the USA in 2006 the Children's Food and Beverage Advertising Initiative (CFBAI) was introduced by ten of the major food marketers and the Council of Better Business Bureaus (CBBB) and resulted in a voluntary pledge by signatories to "shift the mix of advertising messages to children to encourage healthier dietary choices and lifestyles."^{xxxviii} Since its inception seven more companies have joined the CFBAI and account for between 60% and 90% of product sales in their particular categories.^{xxxix} The pledge includes limitations on advertising messages, inclusion of healthy lifestyle messages, inclusion of ad breaks, reduction in the use of licensed characters, elimination of paid product placement and the requirement that advergames should only feature "better for you" products.

A paper published in the Journal of Consumer Affairs in 2011^{xl} examined compliance levels to the pledge through an analysis of 166 child-targeted interactive games on food manufacturers' sites. Four companies who had signed the pledge did not target advergames at children at all (Coca-Cola, Hershey, Cadbury and Mars) leaving 13 CFBAI signatories who did. Those signed up to the pledge were much more likely to adhere to the requirement to use an ad break (61%) than non-signatories (36%), meaning that 39% of pledge signatories did not comply. However, alarmingly only 33% of pledge signatories included healthy lifestyle information in the advergame compared with 47% of non-signatories and only 13% of signatories only advertised healthy foods (following scientifically accepted definitions^{xli}) in comparison with 37% of non-signatories. The authors draw the following conclusions:

"The evidence shows that, although it may seem contradictory, at least some of the companies who "took the pledge"—the CFBAI initiative companies—appear to be less responsive to public concerns about the types of products promoted in advergames than might be seen and played by children than are the companies that have not signed on to the CFBAI voluntary guidelines. Specifically, and perhaps most disturbing, CFBAI company-sponsored advergames were more likely to include greater proportions of unhealthy foods (vs. healthy foods) than advergames offered by other companies. Nonparticipating companies, in fact, incorporated healthy foods in their advergames at three times the rate of the self-regulating CFBAI participants".

The authors conclude that voluntary pledges of this sort, "appear to meet public needs but in reality may be more accurately described as attempts to deflect attention and quiet the industry's critics," (p. 244).

In Europe 20 food marketers have signed up to an EU Pledge^{xlii} which is very similar in nature to CFBAI and includes many of the same signatories. Research is required in UK to establish whether compliance to this pledge in relation to advergames is any better than in USA.

Beyond this, there are other questions relating to regulation of advertising to children.

1. Given that we have a CAP and BCAP code which is overseen by ASA, what is the function of voluntary pledges and who oversees them?
2. Do they replace CAP and BCAP in certain circumstances or simply stand as a parallel system? Which has precedence?
3. Why is the age limit for EU Pledge 12 years of age when it is 16 years of age for CAP and BCAP?
4. Do parents understand the difference between legislation, self-regulation and voluntary pledges or, indeed, know where to complain about each?

NEW REGULATORY FRAMEWORK FOR ADVERGAMES AND NEW MEDIA

The CAP and BCAP codes for advertising overseen by the ASA are highly respected and well run. They include specific sections on children and have relatively recently been extended to cover digital advertising. However there is no guidance on how companies should ensure that advergames are obviously identifiable.

The ASA has taken steps since the Bailey Review to inform parents about the complaints process and also about the codes. Parent Port, a one-stop-shop site set up by broadcasters and regulators, the Media Smart Digital Advise Parent Pack have been excellent initiatives in this respect.

The success of these initiatives depends on the number of parents who are made aware of their existence and feel motivated and empowered to take action. This begs the question as to whether it should be up to parents to know the ins and outs of codes and to keep up with new marketing techniques so that they can, in effect, police compliance.

The ASA equivalent in the USA (Advertising Self-Regulatory Council) has a dedicated children's arm called the Children's Advertising Review Unit (CARU) that monitors practice as well as responding to complaints. We would like to suggest that ASA considers setting up a similar body which takes a similar proactive approach to children's advertising and which assesses the suitability of new techniques as they are developed rather than waiting until they are rolled out and hard to rein in.

The ASA could also issue public clarification about the relationship between voluntary pledges and CAP and explain to parents why there is effectively a two-tier system for regulating advertising and marketing to children: codes and pledges.

An alternative would be for a completely independent council to oversee marketing to children comprising children's interest groups, parents, young people, academics as well as industry participants.

WHAT NEEDS TO HAPPEN NOW?

KEY FINDINGS

This report has reviewed a wide range of recent research on children's advergames and has found that children as old as 15 do not necessarily recognise that advergames are adverts. Moreover the current voluntary labelling systems that have been adopted by some brands in the USA do not always help children to recognise commercial intent.

The report has also shown that the brain processes advergames in a different way from traditional advertising – ie on a subconscious, emotional level. The result of this is that advergames can change children's behaviour without their conscious awareness. This raises fundamental ethical questions about the technique, particularly in view of the fact that they appear to be widely used for food and drink products high in salt, sugar and fat. There is a serious health concern if children's food choices are influenced subconsciously.

It is also the case the HSSF food and drink products are banned around children's programmes yet can appear in advergames making this practice an exploitation of a regulatory loophole – something that the Bailey Review condemned.

The report has further shown that compliance to CFBAI in the USA with regard to advergames is poor and that this raises questions for the self-regulation of children's new media advertising in UK particularly in relation to voluntary pledges such as the EU Pledge.

KEY RECOMMENDATIONS

We recommend the following actions.

1. Immediate requirement for obligatory, clear, uniform labelling system for all children's advergames and in-game advertising
2. Public debate on whether advertising techniques that persuade children subconsciously should be legal
3. Requirement for HSSF TV regulations to extend to children's websites
4. Public consultation on the status of voluntary pledges within advertising regulation
5. Public consultation on whether a children's arm of ASA or an independent council should be set up to oversee marketing to children across all media platforms.

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