Youth-Focused Food Marketing:

Examining the Spending Trends

bridging the gap
Research Informing Policies & Practices for Healthy Youth

YALE RUDD CENTER FOR FOOD POLICY & OBESITY

Issue Brief, August 2013

The Issue: U.S. food and beverage companies spend nearly $2 billion each year to market their products to kids, and most ads promote unhealthy foods and drinks. Research shows that marketing influences what children eat and drink and links the marketing of unhealthy products to overweight and obesity.

Background: In 2006, several industry leaders voluntarily pledged to advertise only healthier products to young children as part of the *Children's Food and Beverage Advertising Initiative*. Yet numerous studies show that these efforts have been largely ineffective, and the Institute of Medicine recently reinforced the need for stronger standards to improve food marketing practices that target young people.

In December 2012, the Federal Trade Commission (FTC) released a *report* showing that food and beverage companies spent less on marketing to children in 2009 than they did in 2006. According to the report, expenditures dropped by an inflation-adjusted 19.5 percent. A new study, *"Food Marketing Expenditures Aimed at Youth–Putting the Numbers in Context,"* provides a close examination of the FTC expenditures report in the context of other related research. The study reveals concerning trends and confirms that when marketing to children and teens, the food and beverage industry still spends the bulk of its money to promote unhealthy products.

By the Numbers

- *In 2008, 31.7 percent of U.S. children and teens were overweight or obese.*
- *In 2009, 48 major U.S. food and beverage companies spent $1.8 billion on marketing directed at youths ages 2 to 17.*
- *More than 2 billion ads for foods and beverages appeared on children's websites in 2009, primarily for sugary cereals and fast-food restaurants.*
- *In 2011, American children and teens saw 12 to 16 television ads per day for foods or drinks that were primarily high in saturated fat, sugar, or sodium.*
- *From 2007 to 2011, teens' exposure to television ads for foods increased by 23 percent and children's exposure increased by 5 percent, which offset previous declines among ads for children.*

This issue brief is based on the study "Food Marketing Expenditures Aimed at Youth–Putting the Numbers in Context." The full article, which includes citations, is available at: www.ajpmonline.org. Support for this brief was provided by the Robert Wood Johnson Foundation through Bridging the Gap and the Yale Rudd Center for Food Policy & Obesity.

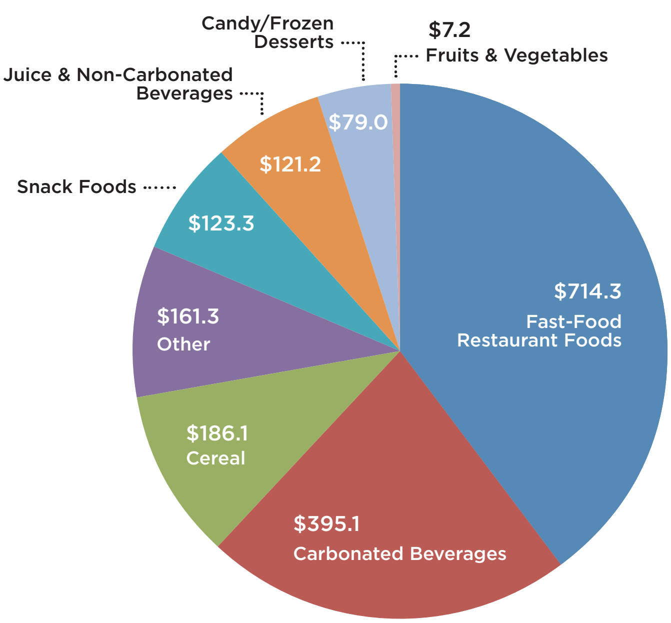
Robert Wood Johnson Foundation

This brief summarizes trends reported by the FTC and key findings from the study, *"Food Marketing Expenditures Aimed at Youth–Putting the Numbers in Context,"* which provide a closer look at the impact of industry's spending trends.

Reported Trend: There was a modest improvement in the nutritional quality of products marketed to youths from 2006 to 2009, largely because existing products were reformulated or new products were introduced.

A Closer Look: The vast majority of youth-directed ads promote unhealthy foods and drinks, such as fast-food products, carbonated beverages, and cereals, candies, and other items that are high in sugar, fat, or sodium. Compared with the foods and beverages marketed to adults, those marketed to children continue to be much less healthy overall.

Advertising Expenditures to Youth Ages 2-17, by Product Category, 2009 ($ Millions)



Source: Federal Trade Commission. A Review of Food Marketing to Children and Adolescents: Follow-Up Report. 2012. Washington, DC, Federal Trade Commission.

Reported Trend: Among all food and beverage companies, marketing expenditures directed at youths ages 2 to 17 fell an inflation-adjusted 19.5 percent (or $304 million) from 2006 to 2009.

A Closer Look: Nearly 40 percent of the reduction was attributed to a drop in expenditures on fast-food restaurant premiums, such as toys. This was primarily due to a decline in the cost and distribution of toys that fast-food restaurants offered with kids' meals from 2006 to 2009. Additionally, the cost of placing television ads actually fell during the three-year period. Excluding premiums and the inflation adjustment used by the FTC, unadjusted actual expenditures on marketing to youths fell by 11.8 percent from 2006 to 2009.

Reported Trend: Spending on television ads directed at youths ages 2 to 17 dropped by an inflation-adjusted 19.4 percent (or $107.5 million) from 2006 to 2009.

A Closer Look: Television is still the dominant platform for advertising to youths, and kids' exposure to television ads for unhealthy products remains extremely high. In 2011, children ages 2 to 11 saw about a dozen television ads each day for products typically high in saturated fat, sugar, or sodium. Many children also are exposed to ads on "tween" shows and family favorites, such as "Shrek the Halls" and "Hannah Montana," which industry leaders do not consider to be child-directed programming.

Reported Trend: From 2006 to 2009, fast-food restaurants dramatically increased their spending on television ads and new media strategies that target children and teens. Fast-food restaurants also shifted their youth-targeted marketing away from kids' meals toward other higher-calorie meals and menu items.

A Closer Look: Fast-food restaurants increased their spending directed at children ages 2 to 11 by an inflation-adjusted 59.5 percent (or $63.1 million) on television ads and 433.6 percent (or $13.5 million) on new media from 2006 to 2009. Those companies also increased their spending directed at teens ages 12 to 17 by an inflation-adjusted 21.7 percent (or $29.2 million) on television ads and 834.7 percent (or $7.6 million) on new media. And, while some fast-food restaurants slightly improved the nutritional quality of kids' meals, the number of child-directed television ads for other higher-calorie meals and menu items more than doubled from 2006 to 2009.

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Reported Trend: Youth-focused spending on digital and online media, including online games, ads on children's websites, mobile apps, and ads that are shared via text messages, emails, and social networks, increased by an inflation-adjusted 50.7 percent (or $45.9 million) from 2006 to 2009.

A Closer Look: The increased spending on new media raises unique concerns because such marketing strategies cost far less than traditional media, often are disguised as entertainment or messages from friends, and allow companies to circumvent parents and engage directly with youths. For example, many food companies use teens as "brand ambassadors" to market to their friends via Facebook, Twitter, and YouTube.

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Policy Implications

Efforts by the food and beverage industry to self-regulate have proved ineffective at protecting children from exposure to advertisements for unhealthy products. Existing industry-led standards and guidelines contain significant loopholes that allow continued marketing of products high in sugar, saturated fat, and sodium. Those standards also have had very little effect on marketing or promotion of fruits, vegetables, or non-fat dairy or whole grain products.

The Children's Food and Beverage Advertising Initiative should strengthen its uniform nutrition criteria for foods and beverages marketed to children and its definitions of child-targeted advertising. The initiative also should expand its pledges to include advertising to children older than age 11 and other forms of child-targeted marketing, such as product packaging, in-store promotions, and all marketing in schools. All companies that market to children, including fast-food restaurants, should participate in strengthened self-regulatory initiatives.

Researchers and independent groups should continue to monitor and evaluate food marketing expenditures, children's exposure to ads for foods and beverages, and the overall effectiveness of industry's voluntary actions for marketing products to children to determine additional efforts needed to reduce unhealthy marketing practices.

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the full article.

About the Yale Rudd Center for Food Policy & Obesity

The Yale Rudd Center for Food Policy & Obesity is a non-profit research and public policy organization devoted to improving the world's diet, preventing obesity, and reducing weight stigma. The Rudd Center serves as a leader in building broad-based consensus to change diet and activity patterns, while holding industry and government agencies responsible for safeguarding public health. The Rudd Center serves as a leading research institution and clearinghouse for resources that add to our understanding of the complex forces affecting how we eat, how we stigmatize overweight and obese people, and how we can change.

About Bridging the Gap

Bridging the Gap is a nationally recognized research program of the Robert Wood Johnson Foundation dedicated to improving the understanding of how policies and environmental factors influence diet, physical activity and obesity among youth, as well as youth tobacco use. The program identifies and tracks information at the state, community and school levels; measures change over time; and shares findings that will help advance effective solutions for reversing the childhood obesity epidemic and preventing young people from smoking. Bridging the Gap is a joint project of the University of Illinois at Chicago's Institute for Health Research and Policy and the University of Michigan's Institute for Social Research.

For more information, visit *www.bridgingthegapresearch.org*.

About the Robert Wood Johnson Foundation

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