

Toy Ads: The Nag Season

Ads seek kids' grip on family purses

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The Economist Last update: December 04, 2006 – 5:15 PM

<http://www.startribune.com/535/story/853598.html>

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But listen more closely, and that may not be all they are lobbying for. Marketing to children is no longer about hawking toys, sweets and cereal in between the cartoons. Children are now influencing purchasing decisions for grown-up items such as cars and holidays, and firms are responding accordingly.

Hummerkids.com offers games and coloring pages to teach children about the joys of owning a colossal sport-utility vehicle. Honda is about to launch an advertising campaign on Disney's ABC Kids channel. The Cayman Islands' department of tourism buys ads on Nickelodeon, a children's cable channel, promoting expensive holidays. And Beaches Resorts, a hotel chain, has teamed up with "Sesame Street" to make its resorts more appealing to children.

"The parents have ceded control. Children are making decisions about most household products," said James McNeal, a consultant who has been writing about marketing to children for two decades. He estimated that children under 14 influenced as much as 47 percent of American household spending in 2005, amounting to more than \$700 billion. That is made up of \$40 billion of children's own spending power, \$340 billion in direct influence ("I want a Dell") and \$340 billion in indirect influence ("I know little Timmy would prefer us to buy the Lexus").

With websites and cable channels devoted entirely to their interests, today's children are far more exposed to marketing than were their parents or grandparents. And as their access to media has grown, so has their power to influence their parents. Children now determine everything from where their families vacation to how their homes are furnished. As the resident technology experts in many homes, they often choose what sort of televisions, stereos and computers their parents buy. And when parents decide to buy boats, all-terrain vehicles or even barbecue grills, their children can be a heavy influence, too.

Companies have discovered that it is often more effective to recruit a child as an in-home marketer than to try to persuade a parent to buy their products. That may explain why Nickelodeon is Viacom's most profitable division – advertisers are lining up to pay a premium for access to their most valuable targets. Furthermore, every child represents a new chance to build cradle-to-grave brand loyalty.

Parents' groups are upset. "How can one family in isolation combat this \$15 billion industry that's working night and day to undermine parental authority?" asks Susan Linn of the Campaign for a Commercial-Free Childhood, a lobby group that campaigns against the undermining of families by "rampant consumerism."

The advertising industry, already on the defensive because of the controversy surrounding fast-food advertising, argues that parents are responsible for managing their children's exposure to marketing. But it also recognizes that the subject is controversial. Children are hedonists, inclined to make impulse buys and less likely to make educated purchasing decisions. This can make a lot of difference when children are choosing cars or expensive electronics on behalf of their families. Do you really want the "cooler" car instead of the safer one? Can a 7-year-old really choose the best computer?

Probably not. But children have to start learning to distinguish truth from spin at some point, and a total ban would be difficult to enforce. And there is another reason why firms that target children need to tread carefully. However hedonistic or naive they may be, children have long memories. Advertisers that deceive children could lose them as customers forever.