

Protecting Kids from Stealth Advertising in Digital Media

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Preface

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Last year, the FTC held a workshop, *Protecting Kids from Stealth Advertising in Digital Media*, aimed at exploring the techniques being used to advertise to children digitally and online, and what measures should be implemented to protect them from manipulation and other harms. This workshop highlighted research showing that many young consumers do not have the skills or cognitive defenses to identify or sufficiently evaluate blurred advertising, potentially leading to physical, psychological, financial, privacy, and other harms. This and other findings are detailed further in the following Staff Perspective and Recommendations, which I urge marketers and other stakeholders to read carefully.

Although our October 2022 Event, and the below Staff Perspective and Recommendations, focus specifically on blurred advertising to kids in digital media, it is critical that we recognize the broader context in which this issue arises. There are many new and emerging trends for children online, many of which lead to, or exacerbate, the harms associated with blurred advertising. We now live in a digital world where kids spend a significant portion of their free (and school) time online. They find themselves in immersive environments like gaming platforms, virtual reality, and social media, many of which use techniques to keep them engaged longer and more frequently than ever before; they interact with influencers, avatars, and emerging forms of artificial intelligence, forming parasocial relationships that blur the lines between friends and strangers, people and computers; they are the subjects of intrusive data collection, often used to target them with marketing or content; they are presented with hundreds of ads a day, a number that increases as kids spend more time online; they are lured into making purchases or turning over data through the use of dark patterns; and they are particularly vulnerable to fraud that pervades these digital environments. In addition, as the U.S. Surgeon General recently noted, there are growing concerns about screen addiction and mental health issues associated with increased screen time.

In this moment, it is clear that inaction is not an option. Nor is it an option to place the burden entirely on parents to protect their children from these harms. Although it may have been reasonable at one time to expect a parent to monitor kids' media and advertising exposure (e.g., via a television in the living room for an hour a day), we no longer live in that world. Kids are spending many hours a day online on very small screens that they can take anywhere. It is unrealistic to think parents can sufficiently monitor this type of digital media use, especially in households with working parents, single parents, parents who do not speak English as their first language, or those who face other challenges or time constraints. And even if parents could magically monitor the vast majority of their kids' time online, it would be nearly impossible for

them to keep up with the ever-changing technology and digital landscape. In fact, many parents are unfamiliar with the apps their children use and how they use them.

In the FTC's recent COPPA cases, including *U.S. v. Epic Games, Inc.*, No. 5:22-CV-00518-BO (W.D.N.C. Feb. 7, 2023), we are doing what we can to take the burden off parents, and instead place the onus on operators to ensure that children's data is protected. That same approach should guide our work with respect to blurred advertising. Creators, advertisers, and platforms must take responsibility for preventing and addressing the harms associated with blurred advertising. And this responsibility is about more than additional disclosures. Disclosures, while necessary, are not the silver bullet. As experts have made clear, there *is no silver bullet*.

In the following Staff Perspective and Recommendations, FTC Staff addresses the key concerns raised by blurred advertising to kids and recommends a multi-pronged approach to addressing them. The serious concerns that emerge in the research and through our workshop make clear that protecting children online requires a comprehensive approach.

Introduction

On October 19, 2022, the Federal Trade Commission (“FTC”) hosted *Protecting Kids from Stealth Advertising in Digital Media* (“FTC Kids Advertising Event,” “Event,” or “workshop”), about the blending of advertising and content and how it affects kids, including teens.¹ In recent years, we have seen more advertising to kids embedded in surrounding content, particularly in the digital space: social media influencers advertise products and services, kids create unboxing videos, and advertisements are woven into online games and virtual reality worlds, among other examples.

In July 2022, the FTC published a Federal Register notice discussing comments it received in response to its review of its Guides Concerning the Use of Endorsements and Testimonials in Advertising (“the Endorsement Guides”).² In the notice, the FTC recognized that “it is difficult for children—especially younger children—to discern ads from entertainment or other content in the digital environment where the lines are blurred much more than in traditional ‘linear’ media, like television.”³ FTC Staff sought information and expertise that could assist in the development of specific guidance or best practices with respect to blurred advertising to kids, which led to the FTC Kids Advertising Event.

A primary mission of the FTC is to stop deceptive or unfair acts or practices in or affecting commerce, which it achieves, in part, through civil law enforcement actions pursuant to Section 5 of the FTC Act, 15 U.S.C. § 45, industry reports and workshops, and consumer and business education. The purpose of the Event was to provide a public forum to discuss consumer, industry, and academic viewpoints about kids’ cognitive abilities, the landscape and impact of digital advertising to kids, and any potential solutions.

In this Staff Perspective, we highlight several issues raised at the day-long FTC Kids Advertising Event and in public comments filed in connection with it,⁴ including the rise in blurred advertising, emerging research and public concerns about the ability of children to recognize and process it, and potential solutions.

Key Takeaways

What is the current digital landscape for kids?

Kids spend a significant amount of time online. A 2021 survey by Common Sense Media found that 88 percent of teens between 13 and 18 have their own smartphone, and 57 percent of children between 8 and 12 have their own tablet.⁵ Further, 94 percent of families surveyed with kids between 8 and 18 have at least one smartphone in the home, and 74 percent have a tablet in the home.⁶ The same survey found that, on average, 8- to 12-year-olds have approximately 5.5 hours of entertainment screen time per day, while 13- to 18-year-olds have about 8.5 hours of such screen time per day.⁷ Entertainment screen time includes television, online videos, social

media, mobile gaming, and virtual environments.⁸ Studies show that children are consuming more digital content than ever before.⁹ As digital media consumption increases, kids also see more advertising and marketing messages. By one calculation, some teenagers may see 1,260 ads per day.¹⁰ The more time kids spend online, the more likely they are to see ads and have their information collected. Moreover, as platforms find new ways to monetize influencer ads and other types of blurred advertising,¹¹ the number of ads will continue to increase.

What is blurred advertising and where do kids encounter it?

Many of the advertisements that kids (and adults) encounter online blend into the surrounding content. For example, children may see marketing messages in an influencer’s video on social media or a video sharing platform. Some see products or services advertised as they travel through a virtual environment or play a mobile game. Advertisers use a wide variety of techniques outside traditional advertising to market products and services. These include: influencer social media posts¹²; unboxing videos¹³; online gaming¹⁴; paid sponsorships; virtual reality worlds or avatars sponsored by advertisers¹⁵; sponsored interactive social media filters¹⁶; and embedded ads in video sharing sites.¹⁷

Industry and a few others claimed that this advertising may allow smaller marketers who cannot engage in large advertising campaigns to reach specific audiences, and that advertising more generally helps pay for some of the content created for kids.¹⁸ If done transparently, they argued, this type of advertising could be a useful tool for marketers to share products in more than a 15- or 30-second time frame. They also argued that restricting or curtailing this type of advertising could lead to: less kids’ content, a reduction in the quality of such content, or subscription models that require consumers to pay for access to content.¹⁹

However, many participants expressed concern that blurred advertising allows marketers to disguise advertising and persuasive intent in content, and younger consumers may not be able to evaluate it sufficiently given their focus on the content.²⁰ Whereas traditional ads—for example, ads that appear during the commercial break of a television show—are usually recognized as ads by children as young as 4 or 5 due to the clear delineation between the creative content and commercial message,²¹ ads that are blended into content are less distinguishable to kids.²²

Businesses now engage in blurred advertising as such a widespread practice that it has permeated digital media. Thus, it is impossible to know where within the content blurred advertising will appear, and the only way to avoid it completely is to engage in social isolation.²³ Many gaming and social media companies have made efforts to keep kids engaged longer,²⁴ which also may increase the number of ads they see. Given the number of ads kids might see in a day,²⁵ it could be nearly impossible for them to actively evaluate all of these ads.²⁶

Not all products and services referenced in digital media are ads. For example, a celebrity talking to her followers in a video may mention how much she loves her new sweater. Whether such an endorsement is an ad depends on what is happening behind the scenes. If the celebrity received the sweater for free from the seller or advertiser or has a commercial relationship with either of them where she receives or expects to receive money, free things, or other benefits for talking about the sweater, her message would be considered advertising. If, instead, she is talking about

a sweater she purchased and she has no ties to the seller or advertiser of the sweater, it is not an ad.²⁷

The underlying relationship between the advertiser and content creators, and the audience's expectation and understanding of that relationship, should dictate how these advertising messages are identified, keeping in mind that younger audiences may have different expectations than older ones, as discussed further below.

What does emerging research tell us about kids' abilities to recognize and evaluate blurred advertising?²⁸

Continuing questions about kids' ability to recognize blurred advertising should concern marketers who nevertheless engage in the practice. Younger children tend to lack the knowledge and skills that would allow them to recognize and evaluate ads ("ad literacy"). These skills include: recognizing brands and products; researching and thinking critically about products; determining rules to use when making decisions; developing bargaining and negotiation strategies; and understanding influence, intentions, and motives.²⁹ There is no specific age at which kids develop each of these skills.³⁰ Consumer advocates and academics note that these issues make it difficult for kids to recognize the difference between advertising and authentic content. They say:

- "When experienced by young people, stealth advertising is . . . deceptive when it is not clearly understood to be advertising. Its impacts are material because it directly and indirectly influences purchasing decisions."³¹
- "This question of being able to determine what is or is not advertising becomes really critical when [kids are] facing emerging technologies where they're still trying to learn the ropes of how this space works and the different features."³²
- "While the available scientific and academic literature indicates that as children age, they are incrementally better able to identify and then appreciate the persuasive intent of marketing messages, that does not mean that stealth marketing techniques do not deceive, exploit, manipulate and uniquely harm older children such as teenagers."³³

By contrast, workshop participants and commenters also noted evidence that some kids may be able to appreciate some types of advertising, but this evidence is limited to kids' ability to *identify* an advertisement as such, not their ability to *evaluate* or *process* the purpose of the advertisement. For example, research shows that children as young as preschoolers can recognize traditional ads in the digital space because of contextual information like the length of a commercial, a "skip" or "x" button, voiceovers, a call-to-action (e.g., the audience is told to buy something), or other features that distinguish creative content from advertising,³⁴ and that almost all children can distinguish between traditional advertising and content by age 5.³⁵ At the same time, research recognizes that it is much more difficult for children between 3 and 7, and especially between 3 and 5, to recognize embedded advertising because such contextual cues generally are absent.³⁶ Further, many children under 7 have not developed theory of mind (i.e., the ability to think about the thoughts and feeling of others) and therefore have difficulty

understanding persuasive intent,³⁷ which is necessary to fully grasp the difference between content and an advertisement.

There is evidence that children in the 7- to 11-year-old bracket can understand perspectives and motives other than their own, as well as bias and deception in some advertising, and they have a more nuanced understanding of the marketplace.³⁸ Nevertheless, the evidence once again shows that some children in this age group may have trouble discerning advertising from creative content.³⁹ In one study, fewer than half of kids 5-11 could correctly identify an influencer ad or unboxing video as advertising, although recognition increased as contextual cues (e.g., skip button, call-to-action, disclosures, etc.) became more prominent in the examples shown.⁴⁰

Some research shows that in the 11- to 16-year-old bracket, kids have increased understanding, more insight into persuasive tactics, and better control over their emotions and behavior.⁴¹ However, one small study found that even when 12- to 14-year-olds reported awareness of advertising on social media, they were not always able to identify commercial messages on social media platforms upon exposure.⁴² Another study showed that kids ages 12-14 were significantly less likely to recognize ads in sponsored influencer videos and understand their persuasive intent if they were shown a disclosure that failed to explain the intent of the ad (“[The influencer] is paid to promote [the product] during this video.”), versus one that explained the ad’s intent (“[The influencer] is paid to promote [the product] during this video, to make you like [the product].”).⁴³

We emphasize that the research is only developing now. Moreover, even if determined to be conclusive, this research does not appear to apply to neurodivergent children, who often develop at different ages and rates. Approximately 15 percent of U.S. kids (around 7.2 million children) receive special education, are typically neurodivergent, and are not accounted for in much of the existing research.⁴⁴ Even more developed thinkers may have trouble using cues to determine who is offering a particular advertising message and what their motives are.⁴⁵

Children’s development also may be influenced by factors that contribute to their ad literacy, or lack thereof. For example, a kid’s school or family may or may not have the resources to monitor and teach them about advertising.⁴⁶ Similarly, children’s development may depend on factors such as the language spoken in their home, their caregivers’ level of education, or other socioeconomic factors.⁴⁷

Although research in this space continues and no definitive conclusions can be reached at this time, on balance, the evidence clearly sends up warning flags about the problems with kids understanding advertising in digital media contexts.

Is recognition of an ad enough?

Research indicates that disclosures may in some cases help kids to identify embedded advertising, but they often are inadequate—either because the disclosures themselves are unlikely to be seen or understood by kids,⁴⁸ or because they are insufficient to help kids identify and evaluate an embedded ad.⁴⁹

Even if a child recognizes (because of a disclosure or otherwise) that they are seeing an ad or marketing message, a child’s cognitive ability must be combined with critical thinking and skepticism to ensure the child is thinking about bias and understanding persuasive intent.⁵⁰ Children may be less likely to use critical reflection skills because doing so could cause them to miss the video, game, or other digital media content in which the ad is embedded.⁵¹ Furthermore, if children are seeing hundreds of advertising messages embedded in the content they view in a given day, it is less likely that they will be motivated or have the capacity to stop and evaluate each one.⁵² Participants also posited that it might be more challenging for a kid to evaluate an ad’s persuasive intent or think critically about ads when advertising messages are targeted based on users’ interests and personal information.⁵³

In addition, even when children do recognize that they are viewing an advertising message and take the time to evaluate it, they may not grasp the full extent of the persuasive intent because of the subtlety of the context (e.g., social media, gaming, etc.).⁵⁴ For example, in a virtual reality world or other immersive environment, kids may recognize an ad, but due to parasocial relationships,⁵⁵ which may be supercharged by the use of artificial intelligence, they might be even less critical of attempts to persuade them.⁵⁶ If kids think they are friends with an avatar or virtual agent, or they feel a kinship to a celebrity or influencer they follow on social media, their trust for these individuals and the feeling that the individuals are speaking directly to them might cloud their understanding of the persuasive intent.⁵⁷ Research shows that when marketing is presented in this way, children are less likely to defend themselves against it.⁵⁸ Alternatively, when the influencers or avatars offer more transparency around why they are recommending a product and what their connections are, kids understand better and have more of an ability to think critically.⁵⁹

What are key concerns about blurred advertising?

While some participants pointed out benefits to ads embedded in content—e.g., increased availability and quality of content⁶⁰—others raised concerns about the effects of blurred advertising⁶¹:

- **Trustworthiness/Authenticity:** Influencers, avatars and others may appear to be authentic and genuine figures for kids, and kids may build relationships with them over time.⁶² Kids may be less skeptical of embedded ads because the ads are within content and delivered by people or figures they trust.⁶³
- **Classical Conditioning/Cultural Effects:** Advertising embedded in entertainment can create positive emotions and result in “classic conditioning.”⁶⁴ An influencer sharing about using a beauty product is more likely to affect cultural norms and ideas about what is possible or “normal” than a traditional ad showing an idealized and unattainable physical appearance, particularly when the persuasive intent of the influencer’s message is unknown. The earlier these associations are established in life, the harder they may be to undo.⁶⁵ This may increase social comparison or body image issues, especially for teens and tweens.⁶⁶ This could be due to the parasocial relationships kids have with influencers or avatars, but it also may be affected by their friends being on the same platforms and “liking” or commenting on the content in which the ads are embedded.⁶⁷

- **Physical Harms:** Physical harms may occur when blurred ads market physically harmful products or services, such as tanning, tobacco, or unhealthy foods, and the persuasive and cultural effects of embedded advertising, as discussed above, may make such products more desirable.⁶⁸
- **Financial Harms:** Blurred digital advertising may lead to accidental purchases, social or emotional purchases (e.g., a kid has to make a purchase to compete with another player or must buy food for their pet in a game), or purchases without parental approval (e.g., when a kid makes an in-app purchase using their parents' account or device).⁶⁹ Influencer marketing may spur impulsive purchases, with 25 percent of family and child purchases through influencers happening the same day they see the marketing message.⁷⁰
- **Privacy Harms:** As discussed above, the use of kids' personal information and their interests to target ads to them complicates a kid's ability to recognize and evaluate an ad.⁷¹ Targeted advertising is pervasive in the digital world. Even with the verifiable parental consent requirement of the Children's Online Privacy Protection Act (COPPA), which may eliminate some targeted advertising to kids,⁷² children under 13 likely still receive targeted advertising. This can be due to non-compliance with COPPA or can occur when websites or online services are not specifically directed to children and lack actual knowledge that they are collecting data from them.
- **Disproportionate Effects on Certain Populations:** Research indicates that certain populations may experience more significant impacts from blurred advertising, particularly when there is an increase in digital media usage, parents have fewer resources to contribute to their children's ad literacy, English is not the parents' native language, and/or the population is more likely to be targeted with potentially problematic ads.⁷³

Some participants and commenters suggested the identified concerns are overstated, speculative, or mitigated by various factors, such as parents acting as gatekeepers for household purchases, or older children developing the skills needed to help them identify and evaluate blurred advertising before making purchases.⁷⁴

Additional Policy Considerations

As noted throughout this report, blurred advertising that targets children poses significant risk of deception and other harms. It has long been the case that children are a lucrative audience for advertisers. Indeed, research shows that “spending to market children's products and services [in content and programming] . . . reached more than \$1.6 billion in 2022,” with 70 percent spent in digital spaces.⁷⁵ But marketers that engage in blurred advertising should be mindful that while it may be profitable, the practice can put children at risk of harm and violate Section 5 of the FTC Act. For that reason, the responsibility for ensuring lawful advertising that is free of deception rests first and foremost with advertisers themselves. This is especially necessary when an underlying commercial relationship may only be known to the advertiser and content creator.⁷⁶ Advertisers—unlike parents and children—design these commercial relationships, and carefully

monitor the effect of their advertising on different populations. They are therefore in the best position—and have the greatest responsibility—to prevent harm to children.

In addition to marketers, platforms on which marketing takes place have a significant role to play in protecting children. Platforms should consider offering or promoting standardized disclosures, icons, or other uniform methods of transparency, and they should consider developing, monitoring, and enforcing policies to hold content creators accountable. However, for such efforts to be effective, content creators and advertisers would have to correctly identify their content as a paid promotion.⁷⁷ No matter how advanced artificial intelligence and other digital tools are, it likely will be impossible to confidently identify many types of blurred advertising without the cooperation of the content creator and the advertiser.⁷⁸ Platforms could have a role in education as well, given their unique ability to reach large audiences.⁷⁹

Marketers that do decide to engage in blurred advertising should not expect that parents alone can protect children. Placing the onus entirely on parents ignores the fact that they may not have the time or ability to fully monitor their kids' screen time,⁸⁰ and that it is harder to watch over a kid's shoulder when they are on a small screen than when they are watching a television. In addition, even if parents could help increase their kids' ad literacy by monitoring what their children watch and educating them on how to spot an ad and evaluate it, many acknowledge that even adults do not always recognize or correctly identify blurred advertising.⁸¹

Moreover, the nature of digital content presents challenges for monitoring. Whereas traditional ads are more easily located and reviewed for deception or unfairness and may be shown to relatively large audiences that include regulators and other watchdogs, blurred ads or marketing messages may be tailored to, and viewed by, very small audiences. For example, a micro-influencer may have a very small following. As a result, it could make it more challenging for regulators (or parents) to monitor the content of such microtargeted ads.⁸²

Staff Recommendations

Today’s digital environment creates many benefits for children, but it also comes with great risk. Legislators and policymakers at the federal and state levels, as well as abroad, have engaged in thoughtful discussions and introduced legislation to protect kids from the harms presented by the current digital world in which they live. These global policy discussions and the research that continues to emerge make one thing about blurred advertising especially clear. Such advertising presents inherent risk, and there is no silver bullet that will address the issue of blurred advertising across every digital space and for every kid. Ultimately, as detailed further below, the best way to prevent harm stemming from blurred advertising to kids—especially in light of evolving research—is for marketers not to engage in the practice.

Recognizing that such marketing may continue, however, FTC Staff has some recommendations that advertisers, content creators, platforms, and others can follow to reduce the likelihood of young consumers being deceived or otherwise harmed. The comprehensive approach recommends transparency, formatting, disclosures, icons, and other cues that help draw a clear line between content and advertising.

Implementing any one recommendation alone is not sufficient. To address the issue of blurred advertising to kids, marketers and others should consider the real-world effects of their marketing techniques and implement all the relevant FTC Staff recommendations set forth below in a manner that protects children. As marketers and others consider how to implement these recommendations, they should keep in mind that blurred advertising targeting children comes with inherent risk, and companies can be held liable for any resulting deception or unfairness, pursuant to Section 5 of the FTC Act.

Recommendation # 1: Do not blur advertising. There should be a clear separation between kids’ entertainment/educational content and advertising, using formatting techniques and visual and verbal cues to signal to kids that they are about to see an ad.

The best way to prevent harms stemming from blurred advertising is to not blur advertising. Research has shown that the formatting of an ad can signal to kids as young as preschool-age that they are seeing an ad.⁸³ For example, game makers, social media influencers, and other content creators should consider short bumpers or interstitials, such as a black or white screen, before and after the advertising message, similar to how ads are shown during the commercial breaks in television shows.⁸⁴ They also could use a different backdrop when showing a product or service they are advertising. Verbal cues are also helpful. For example, if music is playing during the creative content, the music could stop for the advertising message. A voiceover—or, where possible, a different host⁸⁵—introducing the advertised product also could help to separate the commercial message from the entertainment content. Similarly, statements like “we will be right back after these commercial messages” can signal to a kid that what follows is an ad.⁸⁶

Advertisers and content creators should consider such formatting techniques to signal that the content contains a commercial message and delineate between that message and the content that surrounds it.

Recommendation # 2: Prominent just-in-time disclosures should be provided verbally and in writing and include important information about the ad.

Although disclosures alone likely are not sufficient when the advertising is embedded in content for younger kids, robust disclosures can play a role in helping kids identify and evaluate ads. Disclosures for embedded advertising in content directed at kids should: (1) be timely (i.e., provided at the point in time the product is introduced, and at reasonable intervals throughout the content, if the product is discussed or referenced for long periods of time or keeps re-appearing), (2) be provided verbally and in writing, and (3) include important information about the commercial message.

Prominent Just-in-time Disclosures: The timing, placement, and prominence of the disclosure in the content matters. For example, if an entire section of a virtual reality world is essentially an advertisement, the advertiser and content creator should consider a watermark-type disclosure that re-appears at regular intervals, or that can always be seen no matter where the user goes inside that part of the world. Similarly, a social media influencer who has a long video that discusses a variety of sponsored beauty products should consider offering prominent verbal and written disclosures each time a sponsored product is introduced or discussed in the video, as appropriate,⁸⁷ rather than simply providing a written or verbal disclosure at the beginning or end of the video.⁸⁸

Multi-Nodal Approach to Disclosures: The disclosure should be provided both verbally and in writing to ensure that kids will see and/or hear it.⁸⁹

Substance of Disclosures: The disclosure should be part of the description of the product itself and include an explanation of the sponsor's intent. In addition, disclosures should be easy to read and understand.⁹⁰ Kids are more likely to understand "Company ABC paid me to show you this so you will think about buying it" than "paid promotion" or "sponsored content."⁹¹

Gaming, social media, video sharing, and other platforms have an important role here too. Creating standard disclosures and tools for content creators to use across each platform will lead to more transparency and consistency. Further, platforms should consider developing and enforcing policies that require content providers to use such tools to identify sponsored content.

Disclosures likely are not enough for younger children, however, and should be part of a more comprehensive approach based on the cognitive abilities of the intended audience.⁹²

Recommendation # 3: Platforms, content creators, and advertisers should consider creating and using an easy-to-understand and easy-to-see icon that signals to kids that money or free things were provided to the content creator to advertise the product.

Icons have been explored in other countries,⁹³ and a very prominent icon could be a useful way to identify ads if kids are educated to understand it.⁹⁴ FTC Staff encourages the development of an easy-to-understand and easy-to-see icon, but an icon necessarily must be combined with disclosures and consumer education to ensure the intended audience knows what it means,⁹⁵ and it ultimately should be studied to gauge its effectiveness. A proliferation of different icons is less likely to help kids understand what they're seeing.

Recommendation # 4: Education has a uniquely important role for kids and for the parents and educators who support them. All stakeholders should look for ways to educate kids, parents, and educators about how digital advertising works and to help kids recognize and evaluate it wherever it appears.

Children are especially vulnerable to embedded advertising because many have not yet developed all the skills to identify and evaluate it, and because they may be especially susceptible to advertising messages that are introduced through parasocial relationships. One way to help kids recognize blurred advertising and understand and evaluate persuasive intent is to focus on education and ad literacy for young consumers and their parents.⁹⁶ Media proficiency and digital citizenship, including ad literacy specifically, are widely recognized by government agencies and others as important to children's development.⁹⁷ All members of the digital ecosystem have a role to play in education. For example, a major platform has introduced an icon identifying sponsored content with an accompanying video that explains in simple terms what may have happened behind the scenes.⁹⁸ The more industry standardizes the words and icons used to discuss embedded advertising and develops and utilizes tools for identifying it, the easier it may be for children to grasp the concept across media.⁹⁹ Education will increase the usefulness of disclosures and icons as well.

Recommendation # 5: Platforms should consider:

- (a) requiring content creators to self-identify content that includes advertising through policies and tools, and
 - (b) offering parental controls that allow parents to limit or block their children from seeing such content.
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Platforms should consider offering more tools and controls to parents to help their young children avoid blurred advertising, recognizing that such controls depend on content providers

self-identifying sponsored content. As described above, to further increase the success of such tools and controls, FTC Staff strongly encourages platforms to develop policies regarding the identification of blurred advertising, and to enforce those policies when they learn of violations.

Platforms also should consider giving parents the opportunity to turn off such content for their young kids, rather than requiring them to avoid certain platforms or block ads altogether. Although this may foreclose a significant portion of content for these children,¹⁰⁰ it would allow parents more control over whether their children are exposed to blurred advertising.

Endnotes

¹ FTC, Protecting Kids from Stealth Advertising in Digital Media (Oct. 19, 2022), <https://www.ftc.gov/news-events/events/2022/10/protecting-kids-stealth-advertising-digital-media> (providing the agenda, speaker biographies, and a transcript and video recording of the event). In this Staff Perspective, references to “kids,” “minors,” or “children” include anyone under the age of 18.

² FTC, Guides Concerning the Use of Endorsements and Testimonials in Advertising, 87 Fed. Reg. 44,288 (July 26, 2022) (request for comment).

³ *Id.* at 44,294.

⁴ Public comments submitted to the FTC Kids Advertising Event, Docket (FTC-2022-0054), are viewable at <https://www.regulations.gov/docket/FTC-2022-0054>. Any citation to “comment(s)” refers to comments in this docket, unless stated otherwise.

⁵ Common Sense Media, *The Common Sense Census: Media Use by Tweens and Teens*, at 22 (2021), https://www.commonsensemedia.org/sites/default/files/research/report/8-18-census-integrated-report-final-web_0.pdf.

⁶ *Id.* at 21.

⁷ *Id.* at 3.

⁸ *Id.* at 2-3. The survey also included e-books as part of entertainment screen time, but e-books accounted for only 6 minutes for the 8- to 12-year-old group and 8 minutes for the 13- to 18-year-old group.

⁹ See Melinda Wenner Moyer, *Kids as Young as 8 Are Using Social Media More Than Ever, Study Finds*, N.Y. Times (Mar. 24, 2022), <https://www.nytimes.com/2022/03/24/well/family/child-social-media-use.html>; see also Berkeley Law Consumer Protection Public Policy Order Comment (“C3PO Comment”), at 4 (“Around 40% of Instagram’s users are under 22 years old . . . and 22 million teenagers in the U.S. interact with the app everyday. In the United States, 76% of children under 18 are gamers . . . [or] approximately 51.1 million . . . children.”) (footnotes omitted); Rudd Center for Food Policy and Public Health Comment (“Rudd Center Comment”), at 1 (“In the United States, 27% of 5- to 8-year-olds reported following or subscribing to YouTube personalities, celebrities, or influencers. One-third of TikTok’s 49 million U.S. daily users are under 14 years old, and children ages 4-15 years spend 80 minutes/day on TikTok and 85 minutes/day watching YouTube videos.” (footnotes omitted)).

¹⁰ See Global Action Plan, *Kids for Sale: Online advertising & the manipulation of children*, at 10 (2020), https://www.globalactionplan.org.uk/files/kids_for_sale.pdf.

¹¹ See, e.g., Instagram, Branded Content, <https://business.instagram.com/ad-solutions/branded-content> (last visited Sept. 13, 2023); Snapchat Filters for Businesses, <https://forbusiness.snapchat.com/advertising/ad-formats/filters> (last visited Sept. 13, 2023).

¹² See Fairplay et al. Comment (“Fairplay Comment”), at 2-4, 14, xiii-xv, xviii-xxiv (describing influencer marketing to kids and providing examples); FTC Kids Advertising Event, Remarks of Mamie Kresses (“Kresses Presentation”), at 0:36; Rudd Center Comment, App. A, at 1-9.

¹³ See, e.g., Fairplay Comment, at xvi-xvii; Kresses Presentation, at 0:35.

¹⁴ See Laura Owen et al., *Is Children’s Understanding of Nontraditional Advertising Comparable to Their Understanding of Television Advertising?*, 32 J. Pub. Pol’y & Mktg. 195, 198 (2013), <http://www.jstor.org/stable/43305783> (“Advergaming, for example, are a recent Internet-based promotional tool designed to entice children to play in branded environments. They may be more persuasive than traditional television advertising as a result of the frequent use of animated imagery and children’s immersion in the game. Because the game itself is likely to be the focus of attention, fewer cognitive resources are available to scrutinize messages . . .”); see also Kresses Presentation, at 0:24.

¹⁵ See, e.g., Kresses Presentation, at 0:27, 0:42; Snap, Inc., *Snap Augmented Reality*, <https://ar.snap.com/> (last visited Sept. 13, 2023).

¹⁶ See, e.g., AccessAR, *How To Run Your Brand's AR Filter Campaign* (May 4, 2021), <https://www.accessar.co/blog/how-to-run-an-instagram-ar-filter-campaign>; Snap, Inc., *Filters*, *supra* n.11.

¹⁷ See, e.g., Kresses Presentation, at 0:34.

¹⁸ Google Comment, at 1; Interactive Advertising Bureau Comment (“IAB Comment”), at 2; The Toy Association Comment (“TTA Comment”), at 2; TechFreedom Comment, at 16-18.

¹⁹ Google Comment, at 1; IAB Comment, at 2; TTA Comment, at 2; TechFreedom Comment, at 16-18; *see also* FTC Kids Advertising Event, Remarks of James Cooper (“Cooper Remarks”), at 3:22.

²⁰ FTC Kids Advertising Event, Remarks of Grace Ahn (“Ahn Remarks”), at 1:01, 1:59; Remarks of Liselot Hudders (“Hudders Remarks”), at 1:44. This concern is not new, nor is it unique to digital media. In 1974, the Federal Communications Commission (“FCC”) highlighted “the need for maintaining a clear separation between programming and advertising,” finding that “an advertiser would have an unfair advantage over listeners if they could not differentiate between the program and the commercial message and were, therefore, unable to take its paid status into consideration in assessing the message.” Children's Television Programs, Report and Policy Statement (“FCC Policy Statement”), 39 Fed. Reg. 39,396, 39,399, 39,401 (Nov. 6, 1974).

²¹ Femke Loose et al., *A Qualitative Approach to Unravel Young Children's Advertising Literacy for YouTube Advertising: In-Depth Interviews with Children and their Parents*, Young Consumers: Insight and Ideas for Responsible Marketers, at 17 (Oct. 2022), https://www.researchgate.net/publication/364756625_A_qualitative_approach_to_unravel_young_children%27s_advertising_literacy_for_Youtube_advertising_in-depth_interviews_with_children_and_their_parents. Traditional ads generally have format demarcations, different visuals, and/or interstitials. Sometimes they are combined with verbal or written messages, such as “we’ll be back after these advertising messages.” FTC Kids Advertising Event, Remarks of Nellie Gregorian (“Gregorian Remarks”), at 3:37.

²² Gregorian Remarks, at 3:40. The FCC has said “program-length commercials, by their very nature, are extremely serious violations of the children’s television commercial limits, stating that the program-length commercial policy ‘directly addresses a fundamental regulatory concern, that children who have difficulty enough distinguishing program content from unrelated commercial matter, not be all the more confused by a show that interweaves program content and commercial matter.’” Notice of Apparent Liability for Forfeiture, FCC 22-70 ¶3 (Sept. 19, 2022).

²³ FTC Kids Advertising Event, Remarks of Josh Golin (“Golin Remarks”), at 3:02; Fairplay Comment, at 20.

²⁴ See FTC Kids Advertising Event, Remarks of Girard Kelly (“Kelly Remarks”), at 3:11.

²⁵ Global Action Plan, *supra* n.10, at 10.

²⁶ FTC Kids Advertising Event, Remarks of Jennifer Harris (“Harris Remarks”), at 3:15 (“. . . if you assume that it takes someone as little as 5 seconds to recognize and consciously counteract — counter-argue — one advertising message, which is what you would need to do to defend against it, actively evaluating 1200 messages would take up almost two hours of their day, and I doubt that even the most skeptical adult would be able to do that.”).

²⁷ The Commission has jurisdiction over commercial speech; its ability to regulate a speaker who does not have a commercial purpose is limited by the First Amendment. See generally *Bolger v. Youngs Drug Prods. Corp.*, 463 U.S. 60, 66-68 (1983); *Central Hudson Gas & Elec. Corp. v. Pub. Serv. Comm’n of New York*, 447 U.S. 557, 561 (1980); see, e.g., *R.J. Reynolds Tobacco Co.*, 111 F.T.C. 539, 539 (1988) (evaluating whether an advertisement was commercial speech subject to FTC jurisdiction); *see also* FTC Kids Advertising Event, Remarks of Genevieve Lakier, at 3:35 (explaining that, to qualify as commercial speech, which receives less protection than other types of speech, “the purpose of the speech act must be in some way to sell a product or to negotiate a commercial relationship”).

²⁸ Existing notions of how children recognize and evaluate advertising come from historical research on kids and traditional advertising, as well as the limited emerging research that exists with respect to digital advertising to kids. Stakeholders attributed the dearth of research on kids and digital marketing to several factors: the quickly changing landscape of media and formatting; challenges with formulating survey questions for kids; and the difficulty of relying on parent responses for younger children. The Kids Advertising Event was intended to bring any relevant research to the forefront and encourage more.

²⁹ Hudders Remarks, at 1:05.

³⁰ Truth in Advertising, Inc. (“TINA”) Comment, at 4; *see also* Deborah Roedder John, *Consumer Socialization of Children: A Retrospective Look at Twenty-Five Years of Research*, 26 J. CONSUMER RSCH. 183, 187 (1999).

³¹ Fairplay Comment, at 2.

³² Ahn Remarks, at 1:01.

³³ TINA Comment, at 3.

³⁴ Loose et al., *supra* n.21, at 17; SuperAwesome Comment on Guides Concerning the use of Endorsements and Testimonials in Advertising (“SuperAwesome Endorsement Guides Comment”), at 3-4 (June 22, 2020), <https://www.regulations.gov/comment/FTC-2020-0017-0087>; SuperAwesome “Research data_ad recognition 2019” Attachment, SuperAwesome Endorsement Guides Comment (“SuperAwesome Research”), at 5-8 (June 22, 2020), <https://www.regulations.gov/comment/FTC-2020-0017-0087>.

³⁵ John, *supra* n.30, at 188.

³⁶ Loose, et al., *supra* n.21, at 17.

³⁷ *See* Matthew A. Lapierre et al., *The Effect of Advertising on Children and Adolescents*, 140: S2 PEDIATRICS S152, S153 (2017), <https://doi.org/10.1542/peds.2016-1758V>.

³⁸ Hudders Remarks, at 1:09; C3PO Comment, at 3.

³⁹ Hudders Remarks, at 1:09; John, *supra* n.30, at 185; C3PO Comment, at 3.

⁴⁰ SuperAwesome Research, *supra* n.34, at 23, 34-63.

⁴¹ Hudders Remarks, at 1:09.

⁴² Rudd Center Comment, at 1 (citing Margaret-Anne Lawlor et al., *Young Consumers’ Brand Communications Literacy in a Social Networking Site Context*, 50 EUR. J. MKTG. 2018 (2016), <https://arrow.tudublin.ie/cgi/viewcontent.cgi?article=1152&context=buschmarart>).

⁴³ Eva A. van Reijmersdal & Sophia van Dam, *How Age and Disclosures of Sponsored Influencer Videos Affect Adolescents’ Knowledge of Persuasion and Persuasion*, 49 J. YOUTH & ADOLESCENCE 1531, 1536, 1538 (2020), <https://doi.org/10.1007/s10964-019-01191-z>.

⁴⁴ FTC Kids Advertising Event, Remarks of Jenny Radesky (“Radesky Remarks”), at 1:24.

⁴⁵ *See* Radesky Remarks, at 1:25.

⁴⁶ Radesky Remarks, at 1:43.

⁴⁷ *See, e.g.*, FTC Kids Advertising Event, Remarks of Sonia Livingstone (“Livingstone Remarks”), at 1:42.

⁴⁸ Fairplay Comment, at 10 (“Young children cannot read written disclosures or may be distracted by other salient or pleasurable features of the content. Further, children in early adolescence ‘have limited information processing skill and are easily distracted by visuals and moving images,’ which reduces their chance of seeing and remembering a disclosure.”) (citing Eva A. van Reijmersdal, Esther Rozendaal, Liselot Hudders et al., *Effects of Disclosing Influencer Marketing in Videos: An Eye Tracking Study Among Children in Early Adolescence*, 49 J. INTERACTIVE

MKTG. 94, 103 (2020)); FTC Kids Advertising Event, Remarks of Eva van Reijmersdal (“Van Reijmersdal Remarks”), at 2:06.

⁴⁹ Fairplay Comment, at 12-13 (“[R]esearch repeatedly demonstrates that even when disclosures are made, they are rarely noticed and are not effective at activating skepticism towards the sponsored product. Young people need detailed disclosures that explicitly identify the intent of the advertisement – which go far beyond the standard disclosure a marketer would use – in order to recognize the persuasive intent of a stealth advertisement.”).

⁵⁰ See Van Reijmersdal Remarks, at 1:12.

⁵¹ Hudders Remarks, at 1:17; Golin Remarks, at 2:24; Harris Remarks, at 2:53. When advertising is embedded in content, it is harder for kids to resist ads because they are not focused on them like they are when there is a television break with several clearly delineated ads. When a kid assigns all their resources to watching the content, it is more challenging to then focus on the commercial aspect of that content. Hudders Remarks, at 1:44.

⁵² Harris Remarks, at 3:15; see Hudders Remarks, at 1:32.

⁵³ Golin Remarks, at 2:24; Kelly Remarks, at 2:27.

⁵⁴ Livingstone Remarks, at 1:27; Fairplay Comment, at 5 n.25 (citing Agnes Nairn & Cordelia Fine, *Who’s messing with my mind? The implications of dual-process models for the ethics of advertising to children*, 27 INT’L J. ADVERT. 447, 448 (2015)).

⁵⁵ Parasocial relationships are one-sided relationships, in which a child (or person) feels that they know or are personally familiar with a media personality, almost as if they are friends.

⁵⁶ Ahn Remarks, at 1:22; Fairplay Comment, at 7-8.

⁵⁷ Radesky Remarks, at 1:50.

⁵⁸ Golin Remarks, at 2:23; Fairplay Comment, at 7-8.

⁵⁹ Radesky Remarks, at 1:50; see, e.g., Van Reijmersdal & Van Dam, *supra* n.43, at 1538.

⁶⁰ See *supra* nn.18-19.

⁶¹ In addition to the concerns listed below, participants and commenters raised some concerns that apply more broadly to advertising in general. Given that the scope of the Event and subsequent Staff Perspective relate to blurred advertising, we address only those concerns that are unique to, or exacerbated by, this type of advertising.

⁶² Rudd Center Comment, at 2 (“[A]dolescents form ‘parasocial friendships’ with influencers, believing they have a unique and personal relationship that makes them more likely to perceive influencers’ brand endorsements as advice from a trustworthy peer. Further, because social media influencers started as ‘regular people,’ they are often perceived as more relatable than traditional celebrities, so their endorsements may be experienced as ‘word of mouth’ recommendations rather than commercial ads. In addition, adolescents’ heightened sensitivity to peer behavior makes them vulnerable to the messages of influencers who are popular among their peers.”).

⁶³ *Id.*; Fairplay Comment, at 1; Radesky Remarks, at 2:02.

⁶⁴ Harris Remarks, at 2:56; Ibraheem Rehman et al., *Classical Conditioning*, NIH Nat’l Libr. Med. (Aug. 22, 2022), <https://www.ncbi.nlm.nih.gov/books/NBK470326/#:~:text=Classical%20conditioning%20was%20stumbled%20upon,placed%20in%20front%20of%20them> (“Learning can occur through both unconscious and conscious pathways. Classical conditioning is one of those unconscious learning methods and is the most straightforward way in which humans can learn. Classical conditioning is the process in which an automatic, conditioned response is paired with specific stimuli.”).

⁶⁵ Harris Remarks, at 2:57.

⁶⁶ Golin Remarks, at 3:02.

⁶⁷ *Id.* at 3:03.

⁶⁸ See Harris Remarks, at 2:55; Fairplay Comment, at 16; Rudd Center Comment, at 2 (“[A] systematic review of food and beverage marketing on social media and advergames found effects on children’s food choices, consumption, and requests (i.e., pester behaviors). Stealth marketing of unhealthy foods in the digital space amplifies the effect of traditional forms of marketing, such as TV advertising, on brand recall, liking and reach.” (footnotes omitted)). Jennifer Harris also discussed an experiment in which kids offered snack foods after playing online games with embedded ads for different unhealthy snacks consumed 50 percent more calories from unhealthy foods than the kids whose games did not have those ads. Harris Remarks, at 3:04 (referring to Jennifer L. Harris et al., *US Food Company Branded Advergaming on the Internet: Children's Exposure and Effects on Snack Consumption*, 6 J. CHILD. & MEDIA 51 (2012)); see also TINA Comment, at 8.

⁶⁹ See, e.g., Complaint at 3-13, *In the Matter of Epic Games, Inc.*, Docket No. C-4790 (2023), https://www.ftc.gov/system/files/ftc_gov/pdf/1923203EpicGamesComplaint.pdf (alleging that Epic Games tricked consumers, including kids, into making unintended purchases); Kresses Presentation, at 0:30 (discussing four CARU cases regarding manipulative in-app purchase schemes aimed at kids).

⁷⁰ Golin Remarks, at 3:09 (“[T]here was a study by Super Awesome that showed that . . . 25% of purchases in the family and children category through influencer purchasing happened that same day and another third happened in the next few days. So this is designed to . . . lead to those impulsive purchases. It’s never been easier to make an impulsive purchase when all you have to do is click on something. And to expect parents to monitor what’s going on six to eight hours a day while their kid’s online, I think, is completely unrealistic.”); Tiffany Tasker, *Use Kid-Directed Content to Create More Effective Campaigns*, THE TOY BOOK (Feb. 20, 2022), <https://toybook.com/marketing-memo-kid-directed-content/>.

⁷¹ See *supra* n.53. Some kids may even provide more information to marketers because they do not realize they are interacting with an ad.

⁷² FTC Kids Advertising Event, Remarks of Sheila Millar (“Millar Remarks”), at 2:28. Targeted advertising to kids requires verifiable parental consent and therefore may reduce the amount of targeted advertising kids receive.

⁷³ See, e.g., Harris Remarks, at 3:09. (“There are a number of reasons the harms are greater for families of lower socioeconomic status and especially in communities of color. Low-income families don’t have as much access to high quality daycare, after school programs, or safe parks and streets, so children in those families tend to spend more time with media.”); Rudd Center Comment, at 2 (“In addition, companies have long created racially targeted ads, which are powerful marketing tools that use cultural symbols, actors of a specific race/ethnicity, or language to convey inclusivity and appeal to the targeted group. Food marketing likely contributes to racial disparities in diet-related diseases. Black youth view, on average, 70% more unhealthy TV food ads than white youth view.” (footnotes omitted)).

⁷⁴ See, e.g., Cooper Remarks, at 2:45, 3:13; Remarks of Lartese Tiffith (“Tiffith Remarks”), at 4:19; Millar Remarks, at 2:59; IAB Comment, at 3-4; TTA Comment, at 2, 5.

⁷⁵ Karlene Lukovitz, *Ad Spend in Kids’ Content/Media Leapt Nearly 50% in 2022, Driven By Digital Video*, Digital News Daily (Jan. 19, 2023), <https://www.mediapost.com/publications/article/381723/ad-spend-in-kids-content-media-leapt-nearly-50-i.html> (“Even as many other verticals have seen a reduction in ad spend, U.S. ad investments in children’s content and programming grew by nearly 50% in 2022, driven primarily by digital video, according to a study by MediaRadar.”). In addition, certain types of advertising susceptible to blurring remain popular with marketers. For example, an estimated “75 percent of marketers now include[e] social-media influencers in their marketing plans.” Center for Digital Democracy Comment, at 7 (quoting Farrell et al., *What Drives Consumers to Engage with Influencers?*, 62 J. ADVERT. RSCH. 1 (Mar. 1, 2022)).

⁷⁶ FTC Kids Advertising Event, Remarks of Josh Blumenfeld (“Blumenfeld Remarks”), at 4:02; Tiffith Remarks, at 3:43.

⁷⁷ Blumenfeld Remarks, at 4:02.

⁷⁸ Blumenfeld Remarks, at 4:09; see FTC Kids Advertising Event, Remarks of Sneha Revanur (“Revanur Remarks”), at 4:13.

⁷⁹ See, e.g., Fairplay Comment, at 4 (“Large online platforms continue to be the most popular places to engage in stealth advertising via influencers”). Some platforms have engaged in efforts to educate young people about digital media. See, e.g., Google, Internet Keep Safe Coalition, and The Net Safety Collaborative, *Digital Safety and Citizenship Curriculum* (June 2021), https://storage.googleapis.com/gweb-interland.appspot.com/en-us/hub/pdfs/2021/BIA_Curriculum_June-2021_EN_PDF-Version.pdf.

⁸⁰ Radesky Remarks, at 1:43; Gregorian Remarks, at 4:18 (explaining that relying on parents as gatekeepers is a challenge for all households and may be impossible for lower income families, recent immigrants, or households with fewer resources).

⁸¹ Kresses Presentation, at 0:46.

⁸² Golin Remarks, at 3:17.

⁸³ See John, *supra* n.30, at 188.

⁸⁴ Gregorian Remarks, at 3:38; *see also* FCC Policy Statement, 39 Fed. Reg. at 39,401 (discussing special measures such as showing “some form of visual segment before and after each commercial interruption which would contrast sufficiently with both the programming and advertising segments of the program so as to aid the young child in understanding that the commercials are different from the program”).

⁸⁵ The FCC has long condemned host-selling during children’s television programming. FCC Policy Statement, 39 Fed. Reg. at 39,401.

⁸⁶ *Id.*

⁸⁷ See Gregorian Remarks, at 3:50; Revanur Remarks, at 3:49.

⁸⁸ See FTC, *.Com Disclosures: How to Make Effective Disclosures in Digital Advertising*, at 19-20 (2013), <https://www.ftc.gov/system/files/documents/plain-language/bus41-dot-com-disclosures-information-about-online-advertising.pdf>.

⁸⁹ Gregorian Remarks, at 3:50; Blumenfeld Remarks, at 3:47 (explaining Google’s research showed that a multi-nodal solution worked best, especially because it accounts for kids with different developmental milestones. The three elements that helped kids grasp the concept of embedded advertising were: a distinctive visual icon, easy-to-read text, and a fully animated educational video); *see also*, FTC Kids Advertising Event, Remarks of Bonnie Patten (“Patten Remarks”), at 3:53.

⁹⁰ Revanur Remarks, at 3:49.

⁹¹ Van Reijmersdal Remarks, at 2:06; Van Reijmersdal & van Dam, *supra* n.43, at 1538; Blumenfeld Remarks, at 3:47 (explaining that Google’s research showed only one out of ten kids understood the phrase “includes paid promotion,” that young kids could not read it, and that older kids struggled to understand what it meant); *see also* Gregorian Remarks, at 4:27. When Google used the disclaimer “This channel got money or free things to make this video” in an animated educational video linked through an icon, it reported that 9 out of 10 kids read the text and could identify three things: the “creator received money or free things,” that a “company provided the creator with the thing,” and that “the company gave the free thing to the creator because they’d like to get kids or you to buy something.” Blumenfeld Remarks, at 3:48.

⁹² Revanur Remarks, at 4:04 (explaining that the use of disclosures should be combined with other solutions); FTC Kids Advertising Event, Remarks of Bonnie Patten (“Patten Remarks”), at 3:44.

⁹³ Van Reijmersdal Remarks, at 2:04.

⁹⁴ Gregorian Remarks, at 3:54 (explaining that kids can pick up on the meaning of icons rather quickly).

⁹⁵ Patten Remarks, at 3:53.

⁹⁶ Millar Remarks, at 3:20; Patten Remarks, at 4:23 (“[L]earning about these deceptive tactics of stealth marketing, I think, will go a long way to empowering children . . . to protect themselves better.”); Gregorian Remarks, at 4:24 (“[A] really concerted effort in introducing into media literacy curriculum topics about advertising, about stealth

advertising, and especially new forms of advertising in immersive environments, could be potentially very, very powerful.”); Tiffith Remarks, at 4:29 (discussing the need to educate parents, as well).

⁹⁷ Media Literacy Now, *Media Literacy Policy Report* (2022), at 4-12, <https://medialiteracynow.org/wp-content/uploads/2023/05/MediaLiteracyPolicyReport2022.pdf> (finding that “18 states have media literacy education language on the books” and detailing state requirements and guidance for media literacy in schools); Politico, *New Jersey becomes first state to mandate K-12 students learn information literacy* (Jan. 4, 2023), <https://www.nj.gov/governor/news/news/562022/20230104b.shtml>; *see also, supra* n.81.

⁹⁸ *See, e.g.*, Blumenfeld Remarks, at 3:48, 4:25 (discussing YouTube’s icon, disclosure, and educational video about paid product placement and related research results); Google, *For Kids & Families: What Are Paid Product Placements, Sponsorships & Endorsements?*, <https://support.google.com/youtube/answer/10502576?hl=en> (“When you see this button on a video, it means the person who made the video might get money or free things from a company to make it.”).

⁹⁹ Gregorian Remarks, at 4:27.

¹⁰⁰ *See, e.g.*, Patten Remarks, at 4:16; *see also* Tiffith Remarks, at 4:14 (discussing issues relating to ad blocking); Cooper Remarks, at 3:22.