

Self-Regulatory Guidelines for Children's Advertising

Children's Advertising Review Unit
Council of Better Business Bureaus, Inc.

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The Children's Advertising Review Unit (CARU) of the Council of Better Business Bureaus was established in 1974 by the National Advertising Review Council (NARC) to promote responsible children's advertising and to respond to public concerns. The NARC is a strategic alliance of the advertising industry and the Council of Better Business Bureaus (CBBB). The NARC's Board of Directors comprises key executives from the CBBB, the American Association of Advertising Agencies (AAAA), the American Advertising Federation (AAF) and the Association of National Advertisers (ANA). The NARC Board sets policy for CARU's self-regulatory program, which is administered by the CBBB and is funded directly by members of the children's advertising industry.

CARU's Academic and Business Advisory Boards provide guidance on general issues concerning children's advertising. The Academic Advisory Board, composed of leading experts in education, communication, child development, child mental health and nutrition, consults on individual issues and cases, and assists in the review of the Guidelines. The Business Advisory Board, composed of prominent industry leaders, provides guidance in marketing and advertising trends and practices and also assists in the review of the Guidelines.

CARU's basic activities are the review and evaluation of child-directed advertising in all media, and online privacy practices as they affect children. When these are found to be misleading, inaccurate or inconsistent with the Guidelines, CARU seeks changes through the voluntary cooperation of advertisers and Website operators.

Generally CARU reviews advertising in all media directed to children under 12 years of age. To harmonize with the federal Children's Online Privacy Protection Act of 1998 (COPPA) CARU reviews online privacy practices involving children under 13 years of age.

CARU provides a general advisory service for advertisers and agencies and also is a source of informational material for children, parents and educators. CARU encourages advertisers to develop and promote the dissemination of educational messages to children consistent with the Children's Television Act of 1990.

Principles

Seven basic Principles underlie CARU's Guidelines for advertising directed to children under 12:

1. Advertisers should always take into account the level of knowledge, sophistication and maturity of the audience to which their message is primarily directed. Younger children have a limited capacity for evaluating the credibility of information they receive. They also may lack the ability to understand the nature of the personal information they disclose on the Internet. Advertisers, therefore, have a special responsibility to protect children from their own susceptibilities.

2. Realizing that children are imaginative and that make-believe play constitutes an important part of the growing up process, advertisers should exercise care not to exploit unfairly the imaginative quality of children. Unreasonable expectations of product quality or performance should not be stimulated either directly or indirectly by advertising.

3. Products and content which are inappropriate for children should not be advertised or promoted directly to children.

4. Recognizing that advertising may play an important part in educating the child, advertisers should communicate information in a truthful and accurate manner and in language understandable to young children with full recognition that the child may learn practices from advertising which can affect his or her health and well-being.

5. Advertisers are urged to capitalize on the potential of advertising to influence behavior by developing advertising that, wherever possible, addresses itself to positive and beneficial social behavior, such as friendship, kindness, honesty, justice, generosity and respect for others.

6. Care should be taken to incorporate minority and other groups in advertisements in order to present positive and pro-social roles and role models wherever possible. Social stereotyping and appeals to prejudice should be avoided.

7. Although many influences affect a child's personal and social development, it remains the prime responsibility of the parents to provide guidance for children. Advertisers should contribute to this parent-child relationship in a constructive manner.

These Principles embody the philosophy upon which CARU's mandate is based. The Principles, and not the Guidelines themselves, determine the scope of our review. The Guidelines effectively anticipate and address many of the areas requiring scrutiny in child-directed advertising, but they are illustrative rather than limiting. Where no specific Guideline addresses the issues of concern to CARU, it is these broader Principles that CARU applies in evaluating advertising directed to the uniquely impressionable and vulnerable child audience.

Interpretation of the Guidelines

Because children are in the process of developing their knowledge of the physical and social world they are more limited than adults in the experience and skills required to evaluate advertising and to make purchase decisions. For these reasons, certain presentations and techniques which may be appropriate for adult-directed advertising may mislead children if used in child-directed advertising.

The function of the Guidelines is to delineate those areas that need particular attention to help avoid deceptive advertising messages to children. The intent is to help advertisers deal sensitively and honestly with children and is not meant to deprive them, or children, of the benefits of innovative advertising approaches.

The Guidelines have been kept general in the belief that responsible advertising comes in many forms and that diversity should be encouraged. The goal in all cases should be to fulfill the spirit as well as the letter of the Guidelines and of the Principles on which they are based.

Scope of the Guidelines

The Guidelines apply to advertising addressed to children under twelve years of age in all media, including print, broadcast and cable television, radio, video, point-of-sale and online advertising and packaging. CARU interprets this as including fundraising activities and sponsor identifications on non-commercial television and radio. One section applies to adult-directed advertising only when a potential child-safety concern exists (see Safety, below). Another section addresses children's online privacy (see Interactive Electronic Media).

Product Presentations and Claims

Children look at, listen to and remember many different elements in advertising. Therefore, advertisers need to examine the total advertising message to be certain that the net communication will not mislead or misinform children.

1. Copy, sound and visual presentations should not mislead children about product or performance characteristics. Such characteristics may include, but are not limited to, size, speed, method of operation, color, sound, durability and nutritional benefits.
2. The advertising presentation should not mislead children about benefits from use of the product. Such benefits may include, but are not limited to, the acquisition of strength, status, popularity, growth, proficiency and intelligence.
3. Care should be taken not to exploit a child's imagination. Fantasy, including animation, is appropriate for younger as well as older children. However, it

should not create unattainable performance expectations nor exploit the younger child's difficulty in distinguishing between the real and the fanciful.

4. The performance and use of a product should be demonstrated in a way that can be duplicated by the child for whom the product is intended.

5. Products should be shown used in safe ways, in safe environments and in safe situations.

6. What is included and excluded in the initial purchase should be clearly established.

7. The amount of product featured should be within reasonable levels for the situation depicted.

8. Representation of food products should be made so as to encourage sound use of the product with a view toward healthy development of the child and development of good nutritional practices.

9. Advertisements representing mealtime should clearly and adequately depict the role of the product within the framework of a balanced diet.

10. Snack foods should be clearly represented as such, and not as substitutes for meals.

11. In advertising videos, films and interactive software, advertisers should take care that only those which are age-appropriate are advertised to children. If an industry rating system is available, the rating label should be prominently displayed. Inconsistencies will be brought to the attention of the rating entity.

12. Portrayals or encouragement of behavior inappropriate for children (e.g.: violence or sexuality) and presentations that could frighten or provoke anxiety in children should be avoided

13. If objective claims are made in an advertisement directed to children, the advertiser should be able to supply adequate substantiation.

Sales Pressure

Children are not as prepared as adults to make judicious, independent purchase decisions. Therefore, advertisers should avoid using extreme sales pressure in advertising presentations to children.

1. Children should not be urged to ask parents or others to buy products. Advertisements should not suggest that a parent or adult who purchases a product or service for a child is better, more intelligent or more generous than

one who does not. Advertising directed toward children should not create a sense of urgency or exclusivity, for example, by using words like "now" and "only".

2. Benefits attributed to the product or service should be inherent in its use. Advertisements should not convey the impression that possession of a product will result in more acceptance of a child by his or her peers. Conversely, it should not be implied that lack of a product will cause a child to be less accepted by his or her peers. Advertisements should not imply that purchase and use of a product will confer upon the user the prestige, skills or other special qualities of characters appearing in advertising.

3. All price representations should be clearly and concisely set forth. Price minimizations such as "only" or "just" should not be used.

Disclosures and Disclaimers

Children have a more limited vocabulary and less developed language skills than do adolescents and adults. They read less well, if at all, and rely more on information presented pictorially than verbally. Simplified wording, such as "You have to put it together" instead of "Assembly required," significantly increases comprehension.

1. All disclosures and disclaimers that are material to a child should be in language understandable by the child audience, legible and prominent. When technology permits, both audio and video disclosures are encouraged, as is the use of demonstrative disclosures.

2. Advertising for unassembled products should clearly indicate that they need to be put together to be used properly.

3. If any item essential to use of the product, such as batteries, is not included, this fact should be disclosed clearly.

4. Information about products purchased separately, such as accessories or individual items in a collection, should be disclosed clearly.

5. If television advertising to children involves the use of a toll-free telephone number, it must be clearly stated, in both audio and video disclosures, that the child must get an adult's permission to call.

a. In print or online advertising, this disclosure must be clearly and prominently displayed.

b. In radio advertising, the audio disclosure must be clearly audible.

6. If an advertiser creates or sponsors an area in cyberspace, either through an online service or a Website, the name of the sponsoring company and/or brand should be prominently featured, (including, but not limited to wording such as "The ... Playground", or "Sponsored by ...").

7. If videotapes, CD-ROMs, DVDs or software marketed to children contain advertising or promotions (e.g. trailers) this fact should be clearly disclosed on the packaging, and the advertising itself should be separated from the program and clearly designated as advertising.

Comparative Claims

Advertising which compares the advertised product to another product may be difficult for young children to understand and evaluate. Comparative claims should be based on real product advantages that are understandable to the child audience.

1. Comparative advertising should provide factual information. Comparisons should not falsely represent other products or previous versions of the same product.
2. Comparative claims should be presented in ways that children understand clearly.
3. Comparative claims should be supported by appropriate and adequate substantiation.

Endorsement and Promotion by Program or Editorial Characters

Studies have shown that the mere appearance of a character with a product can significantly alter a child's perception of the product. Advertising presentations by program/editorial characters may hamper a young child's ability to distinguish between program/editorial content and advertising.

1. All personal endorsements should reflect the actual experiences and beliefs of the endorser. Celebrities and real-life authority figures may be used as product endorsers, presenters, or testifiers. However, extra care should be taken to avoid creating any false impression that the use of the product enhanced the celebrity's performance.
2. An endorser represented, either directly or indirectly, as an expert must possess qualifications appropriate to the particular expertise depicted in the endorsement.

3. Program personalities, live or animated, should not be used to sell products, premiums or services in or adjacent to programs primarily directed to children in which the same personality or character appears.

4. Products derived from or associated with program content primarily directed to children should not be advertised during or adjacent to that program.

5. In print media primarily designed for children, a character or personality associated with the editorial content of a publication should not be used to sell products, premiums or services in the same publication.

6. For print and interactive electronic media in which a product, service, or product/service-personality is featured in the editorial content (e.g., character-driven magazines or Websites, product-driven magazines or Websites, and club newsletters) guideline 4 does not specifically apply. In these instances advertising content should nonetheless be clearly identified as such.

Premiums, Promotions and Sweepstakes

The use of premiums, promotions and sweepstakes in advertising has the potential to enhance the appeal of a product to a child. Therefore, special attention should be paid to the advertising of these marketing techniques to guard against exploiting children's immaturity.

Premiums

1. Children have difficulty distinguishing product from premium. If product advertising contains a premium message, care should be taken that the child's attention is focused primarily on the product. The premium message should be clearly secondary.

2. Conditions of a premium offer should be stated simply and clearly. "Mandatory" statements and disclosures should be stated in terms that can be understood by the child audience.

Kids' Clubs

In advertising to children, care should be taken not to mislead them into thinking they are joining a club when they are merely making a purchase or receiving a premium. Before an advertiser uses the word "club", certain minimum requirements should be met. These are:

1. Interactivity - The child should perform some act constituting an intentional joining of the club, and receive something in return. Merely watching a television program or eating in a particular restaurant, for example, does not constitute membership in a club.

2. Continuity - There should be an ongoing relationship between the club and the child member, for example, in the form of newsletter or activities, at regular intervals.

3. Exclusivity - The activities or benefits derived from membership in the club should be exclusive to its members, and not merely the result of purchasing a particular product.

Please see the Data Collection section of the Guidelines for Interactive Electronic Media for special considerations when fulfilling these requirements in the interactive media.

Sweepstakes and Contests

In advertising sweepstakes to children, care should be taken not to produce unrealistic expectations of the chances of winning, or inflated expectations of the prize(s) to be won. Therefore:

1. The prize(s) should be clearly depicted.
2. The likelihood of winning should be clearly disclosed in language clearly understandable to the child audience (for instance, where appropriate, “Many will enter, a few will win”). In appropriate media, disclosures must be included in the audio portion.
3. All prizes should be appropriate to the child audience.
4. Alternate means of entry should be disclosed.
5. Online contests or sweepstakes should not require the child to provide more information than is reasonably necessary. Any information collection must meet the requirements of the Data Collection section of the Guidelines and the federal Children’s Online Privacy Protection Act (COPPA). [For examples of compliant information collection practices for this purpose, please visit <http://www.caru.org/news/commentary.asp>].

Safety

Imitation, exploration and experimentation are important activities to children. They are attracted to commercials in general and may imitate product demonstrations and other actions without regard to risk. Many childhood accidents and injuries occur in the home, often involving abuse or misuse of common household products.

1. Products inappropriate for use by children should not be advertised directly to children. This is especially true for products labeled, "Keep out of the reach of children." Such inappropriate products or promotions include displaying or knowingly linking to the URL of a Website not in compliance with CARU's Guidelines. Additionally, such products should not be promoted directly to children by premiums or other means. Medications, drugs and supplemental vitamins should not be advertised to children.

2. Advertisements for children's products should show them being used by children in the appropriate age range. For instance, young children should not be shown playing with toys safe only for older children.

3. Adults should be shown supervising children when products or activities could involve a safety risk.

4. Advertisements should not portray adults or children in unsafe situations, or in acts harmful to themselves or others. For example, when athletic activities (such as bicycle riding or skateboarding) are shown, proper precautions and safety equipment should be depicted.

5. Advertisements should avoid demonstrations that encourage dangerous or inappropriate use or misuse of the product. This is particularly important when the demonstration can be easily reproduced by children and features products accessible to them.

Interactive Electronic Media

The guidelines contained in this section highlight issues unique to Internet and online advertising to children under 13. They are to be read within the broader context of the overall Guidelines, which apply to advertising in all media. For these purposes, the term "advertisers" also refers to any person who operates a commercial Website located on the Internet or an online service. Although all other sections of CARU's Self-Regulatory Guidelines for Children's Advertising address advertising directed to children under 12 years of age, in order to harmonize with the Federal Trade Commission's ("FTC") final rule implementing the Children's Online Privacy Protection Act of 1998 ("the Rule"), the guidelines contained in the section on Data Collection below apply to Websites directed to children under 13 years of age.

Just as these new media are rapidly evolving, so in all likelihood will this section of the Guidelines. Advances in technology, increased understanding of children's use of the medium, and the means by which these current guidelines are implemented will all contribute to the evolution of the "Interactive Electronic Media" section. CARU's aim is that the Guidelines will always support "notice", "choice" and "consent" as defined by the FTC, and reflect the latest developments in technology and its application to children's advertising.

Further, these children's Guidelines must be overlaid on the broader, and still developing industry standards, government statutory provisions and definitions for protecting and respecting privacy preferences. These industry standards include disclosure of what information is being collected and its intended uses, and the opportunity for the consumer to withhold consent for its collection for marketing purposes. Thus, in the case of Websites directed to children or children's portions of general audience sites that collect personal information from children, reasonable efforts, taking into consideration available technology, should be made to establish that notice is offered to, and choice exercised by a parent or guardian.

The availability of hyperlinks between sites can allow a child to move seamlessly from one to another. However there is no way to predict where the use of successive links on successive pages will lead. Therefore, operators of Websites for children or children's portions of general audience sites should not knowingly link to pages of other sites that do not comply with CARU's Guidelines.

In keeping with CARU's Principle regarding respecting and fostering the parents' role in providing guidance for their children, advertisers who communicate with children through email should remind and encourage parents to check and monitor their children's use of email and other online activities regularly.

To respect the privacy of parents, information collected and used for the sole purpose of obtaining verifiable parental consent or providing notice should not be maintained in retrievable form by the site if parental consent is not obtained after a reasonable time.

The following guidelines apply to online activities which are intentionally targeted to children under 13, or where the Website knows the visitor is a child. In Websites where there is a reasonable expectation that a significant number of children will be visiting, age-screening mechanisms should be employed to determine whether verifiable parental consent or notice and opt-out is necessitated per the Data Collection section of the Guidelines. These mechanisms should be used in conjunction with technology to help prevent an underage child from going back and changing his age to circumvent the age-screening. Care should be taken so that screening questions are asked in a neutral manner so as not to encourage children to provide inaccurate information to avoid obtaining parental permission. For purposes of this section, these activities include making a sale or collecting data, and do not include the use of "spokescharacters" or branded environments for informational or entertainment purposes, which are addressed in the "Endorsement" and "Disclosure" sections of the Guidelines.

Making a Sale

Advertisers who transact sales with children online should make reasonable efforts in light of all available technologies to provide the person responsible for the costs of the transaction with the means to exercise control over the transaction. If there is no reasonable means provided to avoid unauthorized purchases of goods and services by children, the advertiser should enable the person responsible to cancel the order and receive full credit without incurring any charges. Advertisers should keep in mind that under existing state laws, parents may not be obligated to fulfill sales contracts entered into by their young children.

1. Children should always be told when they are being targeted for a sale.
2. If a site offers the opportunity to order or purchase any product or service, either through the use of a "click here to order" button or other on-screen means, the ordering instructions must clearly and prominently state that a child must have a parent's permission to order.
3. In the case of an online means of ordering, there should be a clear mechanism after the order is placed allowing the child or parent to cancel the order.

Data Collection

The ability to gather information, for marketing purposes, to tailor a site to a specific interest, etc., is part of the appeal of the interactive media to both the advertiser and the user. Young children however, may not understand the nature of the information being sought, nor its intended uses. The solicitation of personally identifiable information from children (e.g., full names, addresses, email addresses, phone numbers) triggers special privacy and security concerns.

Therefore, in collecting information from children under 13 years of age, advertisers should adhere to the following principles:

1. In all cases, the information collection or tracking practices and information uses must be clearly disclosed, along with the means of correcting or removing the information. The disclosure notice should be prominent and readily accessible before any information is collected. For instance, in the case of passive tracking, the notice should be on the page where the child enters the site. A heading such as "Privacy", "Our Privacy Policy", or similar designation which allows an adult to click on to obtain additional information on the site's information collection and tracking practices and information uses is acceptable.
2. When personal information (such as email addresses or screen names associated with other personal information) will be publicly posted so as to enable others to communicate directly with the child online, or when the child will be able otherwise to communicate directly with others, the company must obtain prior verifiable parental consent.

3. When personal information will be shared or distributed to third parties, except for parties that are agents or affiliates of the company or provide support for the internal operation of the Website and that agree not to disclose or use the information for any other purpose, the company must obtain prior verifiable parental consent.

4. When personal information is obtained for a company's internal use, and there is no disclosure, parental consent may be obtained through the use of email coupled with some additional steps to provide assurance that the person providing the consent is the parent.

5. When online contact information is collected and retained to respond directly more than once to a child's specific request (such as an email newsletter or contest) and will not be used for any other purpose, the company must directly notify the parent of the nature and intended uses of the information collected, and permit access to the information sufficient to permit a parent to remove or correct the information.

In furtherance of the above principles, advertisers should adhere to the following guidelines:

1. The advertiser should disclose, in language easily understood by a child, why the information is being requested (e.g., "We'll use your name and email to enter you in this contest and also add it to our mailing list") and whether the information is intended to be shared, sold or distributed outside of the collecting advertiser company.

2. If information is collected from children through passive means (e.g., navigational tracking tools, browser files, etc.) this should be disclosed along with what information is being collected.

3. Advertisers should encourage the child to use an alias (e.g., "Bookworm", "Skater", etc.), first name, nickname, initials, or other alternative to full names or screen names which correspond with an email address for any activities which will involve public posting.

4. The operator should not require a child to disclose more personal information than is reasonably necessary to participate in the online activity (e.g., play a game, enter a contest, etc.).

5. The interactivity of the medium offers the opportunity to communicate with children through electronic mail. While this is part of the appeal of the medium, it creates the potential for a child to receive unmanageable amounts of unsolicited email. If an advertiser communicates with a child by email, there should be an

opportunity with each mailing for the child or parent to choose by return email to discontinue receiving mailings.

Guidelines for the Advertising of 900/976 Teleprograms to Children

These guidelines, promulgated in 1989, have been superseded by a prohibition by the Federal Trade Commission that pay-per-call services cannot be directed to children under 12, unless the service is a "bona fide educational service." Likewise, ads for 900-number services cannot be directed to children under 12, unless the service is a bona fide educational service per section 308.3 (d)(I) of the Rule Pursuant to the Telephone Disclosure and Dispute Resolution Act of 1992.

The Children's Advertising Guidelines have been in existence since 1972 when they were published by the Association of National Advertisers, Inc. to encourage truthful and accurate advertising sensitive to the special nature of children. Subsequently, the advertising community established CARU to serve as an independent manager of the industry's self-regulatory program. CARU edited and republished the Self-Regulatory Guidelines for Children's Advertising in 1975, revising them periodically to address changes in the marketing and media landscapes. A major revision in 1996 added a new section addressing children's privacy and data collection on the Internet. The assistance of CARU's Advisory Board, and of other children's advertisers, their agencies and trade associations has been invaluable.

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