Marketing Coke to Kids
Broken Pledges, Unhealthy Children

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Executive Summary

The Coca-Cola Co. invests billions of dollars in advertising and other forms of marketing throughout the world every year, notwithstanding the fact that its sugar drinks contribute to tooth decay, weight gain and obesity, diabetes, and heart disease. To boost sales, the company uses traditional media advertising, as well as videos and advergames on the Internet, marketing in theme parks, licensing of its logos for toys, product placements on television and tie-ins with Hollywood films, Facebook and other social media, apps, sponsorships with sports teams and entertainers, and advertising in and around schools. Some of that marketing is aimed at young children, while much of it may be intended primarily for the general public or teenagers, but is still highly attractive to young children.

Having recognized long ago that its sugar-sweetened drinks contribute to health problems, Coca-Cola has never advertised on children’s television and has pledged not to market those drinks to children 11 and under. However, some of the company’s marketing practices are directly inconsistent with those pledges. In other cases those pledges contain “escape clauses.” Thus, Coke says it won’t advertise “directly” to children in ways that appeal “primarily” to children or to engage in “undue” marketing in schools.

Coke’s policies bar marketing in media that directly [emphasis added throughout] target children under 12 and in which 35 percent or more of the audience is composed of children under 12. BUT:

- Coke advertises on family TV shows, at theme parks, and other venues that reach large numbers of young children, even though the percentage of those children may not reach 35 percent.
- Coke advertising appears on YouTube Kids, which is specifically aimed at young children.
- Fanta- and Coke-branded videos, computer games, and apps often feature animated characters that appeal to young children.

Coke says it will not use celebrities or characters whose primary appeal is to children under 12. BUT:

- Coke exempts its own equity characters (polar bears, penguins, others) that are highly attractive to young children.
- Coke features Santa Claus in advertising throughout the world.

Coke says it will not engage in movie tie-ins related to movies of primary appeal to children under 12. BUT:

- Coke has had tie-ins with movies that may not primarily appeal to young children, but that still do have great appeal to millions of young children.
Coke says it will not allow its brands to be used on toys whose primary appeal is to children under 12. BUT:

- Coke licenses its logos and equity characters for use on trucks, puzzles, Barbie dolls, stuffed animals, and other toys that clearly appeal to young children. Coke also markets child-sized T-shirts.

Coke says it won’t sponsor sporting and entertainment events that primarily target children under 12. BUT:

- Coke sponsors the Olympics and teen and professional sports activities and advertises in venues ranging from Little League fields to baseball stadiums, all of which certainly reach young children, even if they are not the primary audience.

Coca-Cola’s Global School Beverage Guidelines promises to protect school children from undue marketing, including in primary schools. BUT:

- Coke advertises its products on signage in and around schools throughout the world, including the United States.
- Coke offers teachers of primary-grade and older students a curriculum featuring Coca-Cola.
- Coke sells sugar drinks in schools around the world, though not in the United States.

In light of that marketing, we recommend that Coca-Cola should, in America and elsewhere:

- Stop all selling, advertising, or promoting of sugar drinks in primary and secondary schools (including fronts of vending machines, lesson plans, signage, My Coke Rewards for Schools, and sponsorships);
- Extend its voluntary advertising limits to media and other venues whose audiences include 25 percent or more children 14 years old and under;
- Remove all advertising from theme parks, city parks, playgrounds, recreation centers, sports fields and stadiums, Boys & Girls Clubs, and other venues that are visited by large numbers of children;
- Stop selling logo-emblazoned toys, clothing, and other merchandise for children and stop licensing its logos and spokes-characters to companies selling such merchandise;
- Stop including in advertising and on packaging imagery that is clearly attractive to children, such as cartoon characters, Santa Claus, and athletes.

Voluntary actions could lead to the quickest protection of young children. The Children’s Food and Beverage Advertising Initiative (of the Council of Better Business Bureaus) could facilitate that by improving its voluntary standards so as to bar the marketing of unhealthy foods and beverages in movies, TV shows, and other media in which children 14 (now 11) and under constitute 25 (now 35) percent or more of the audience and addressing marketing on packaging, in theme parks and city parks, team and school partnerships, and other ways that are especially
attractive to kids. However, Coca-Cola is unlikely to adopt sufficient reforms on its own, especially when competitors do not. Thus, we urge:

- The Federal Trade Commission to investigate Coca-Cola’s entire marketing program and stop any marketing that affects large numbers of children and is unfair or deceptive under the law;

- Congress to restore the FTC’s full authority to issue industry-wide child-marketing rules. It also should pass legislation that would bar tax deductions for the costs of marketing unhealthful beverages and foods to young children;

- The Centers for Disease Control and Prevention to sponsor national mass-media campaigns to encourage people to drink water and other healthful beverages instead of sugar drinks.
Introduction

Half a century ago, soft drinks generally were consumed in moderate amounts and on special occasions. Back then, Coca-Cola was sold in 6½-ounce bottles, and people typically drank them on picnics, with a Sunday dinner, or at a ball game. Soft drinks were seen as a contributor to tooth decay, but beyond that they didn’t raise serious health concerns.

But then Coca-Cola, with Pepsi nipping at its heels, turbocharged its always-potent marketing efforts. It moved to bigger containers, including 12-ounce cans and 20-ounce and 2-liter bottles. It placed vending machines and coolers in millions of more locations. It increased discounting, advertising (featuring the likes of Marilyn Monroe), and promotions. Not surprisingly, consumption rose…and rose…and rose. In the 1990s per-capita consumption of carbonated sugar drinks was four times what it was around 1950, and in 1975 soda overtook milk as the most-consumed beverage.¹ In fact, soft drinks became the most-purchased item at supermarkets and a top source of Americans’—especially youths’—daily caloric intake.

In the past 20 years, alarm bells began indicating that soft drinks were responsible for serious health problems well beyond cavities. For starters, researchers noted the simultaneous soaring consumption of soda and soaring rates of obesity. They saw the prevalence of obesity double in preschoolers and triple in 6- to 11-year-olds between 1976–1980 and 1999–2000.² Strong scientific evidence now indicates that frequent consumption of sugar drinks contributes to weight gain and obesity, diabetes, and heart disease.³ That growing body of research has persuaded health experts in the United States and many other countries, as well as at organizations like the American Heart Association and the World Health Organization, that too-frequent consumption of sugar-sweetened beverages has a potent, adverse impact on health. There is particular concern about marketing that affects children, because drinking soda in childhood not only promotes tooth decay and weight gain, but also helps establish a lifelong dietary habit that can lead to diabetes and heart disease.

Long before the bulk of the health research was conducted, the soft-drink industry knew that it wasn’t selling spinach. That’s why it has long maintained that it does not advertise its sugar water directly to young children. And while critics have chastised the industry for many things, we should all be grateful that Coke, Pepsi, and other soda companies have not advertised in such media as children’s TV cartoon shows.

The Coca-Cola Co. and PepsiCo have adopted voluntary standards that prohibit advertising of unhealthy foods and beverages directly to children via television, radio, magazines, Internet, and certain other media. They have “voluntarily” (though under the threat of a lawsuit by the Center for Science in the Public Interest, or CSPI, and others and simultaneous pressure from the Alliance for a Healthier Generation) removed their full-calorie drinks from elementary and high schools throughout the country, a welcome step. And Coca-Cola actually supported the 2010 Healthy Hunger-Free Kids Act, which led to a ban on full-calorie soda and
sports drinks (about half the calories of regular soda) in schools.

But though it has adopted policies to bar advertising to kids, Coca-Cola, by far the biggest marketer of sugar drinks, sometimes seems to bend every effort to evade the spirit, and sometimes the letter, of those policies. And much of its tsunami of advertising to teens, families, and adults also enchants and engulfs children.

However, the scientific research that found serious health consequences from excessive consumption of sugar drinks led to adverse publicity, prohibitions in schools, and vigorous competition from bottled water. That phenomenon has begun to stem and actually reverse the seemingly endless increases in carbonated sugar-drink consumption in some countries. As happened with cigarette smoking, it is simply no longer “cool” among many people to drink soda pop. CSPI calculates, based on data from Beverage Digest, that per capita consumption of carbonated sugar drinks (including energy drinks) declined by 27 percent between 1998 and 2015.

While health officials see declines in soda consumption as progress, the soft-drink industry, with Coca-Cola by far the biggest company, sees those declines as an existential threat. To maintain and expand sales, Coke is marketing an increasingly diverse range of beverages, buying up niche products, and spending more than $3 billion annually on advertising globally. In fact, in 2014, Coke announced that it would increase media spending and brand-building initiatives by as much as $1 billion by 2016.

It also is emphasizing the smaller 7.5 and 8.5-ounce mini containers and 20-ounce bottles, which are more profitable than the standard 12-ounce cans and 2-liter bottles.

Intentionally or not, much corporate advertising—including, or especially, Coca-Cola’s—that bathes the whole country influences children. In 2006, the Institute of Medicine (IOM) concluded that there is strong evidence that television food advertising influences children’s preferences and purchase requests for high-calorie, low-nutrient foods and beverages and is associated with weight gain. The IOM committee stated, “even a small influence, aggregated over the entire population of American children and youth, would be consequential in impact.” And importantly, the committee emphasized that “Most children ages 8 years and under do not effectively comprehend the persuasive intent of marketing messages, and most children ages 4 years and under cannot consistently discriminate between television advertising and programming.” Those conclusions probably apply to forms of marketing other than on TV, too.
Coca-Cola’s policies

Coca-Cola proudly states that it “has always taken seriously its commitment to market responsibly, across the globe, across all advertising media, and across all of our beverages.” Pursuant to that ideal, Coca-Cola adopted policies that it claims protect children. The company’s “Responsible Marketing Policy” states (italics added):

We will respect the role of parents and caregivers by not marketing directly to children under 12. Specifically, this means we will not advertise in:

- All media which directly targets children under 12, including television shows, print media, websites, social media, movies, and SMS/email marketing.
- We define media that directly targets children under 12 as media in which 35% or more of the audience is composed of children under 12, where this information is possible to obtain.
- We will not design our marketing communications in a way that directly appeals to children under 12. Specifically, we will not use, in any communications created after the date of adoption of this policy:
  - Celebrities or characters whose primary appeal is to children under the age of 12, with the exception of brand equity characters already in use
  - Movie tie-ins related to movies of primary appeal to children under 12
  - Games or contests designed to appeal primarily to children under 12
  - Branded toys whose primary appeal is to children under 12
  - Images of our products being consumed by children under 12 without an adult
  - Branded sponsorship of sporting and entertainment events which primarily target children under 12

Coca-Cola’s “Global School Beverage Guidelines” promises to protect school children from undue marketing, including the marketing of beverages in primary schools.

Coca-Cola also participates in the Council of Better Business Bureaus’ Children’s Food and Beverage Advertising Initiative (CFBAI), which was launched in 2006. Here again, the company (a) foresews advertising in media, including the Internet and mobile phones, where children 11 and under comprise more than 35 percent of the audience, (b) does not conduct promotional efforts on interactive games that are directed primarily to children under 12, and (c) views schools as a “commercial-free” zone.
Marketing in the United States

Coca-Cola spends almost $600 million annually on media advertising in the United States and hundreds of millions more in other forms of marketing. Let us now review ways in which some of that money is intentionally used to publicize Coke’s brands to young children or where the marketing aimed at older children or adults certainly reaches and affects young children.

Television

Notwithstanding the popularity of websites and apps, television remains the vehicle of choice for advertising to tens of millions of Americans at a crack. Coke, thankfully, does not advertise on TV shows explicitly aimed at the youngest children, but it does advertise on family-oriented shows, such as *A Charlie Brown Christmas*. Coca-Cola would probably defend such advertising because young children comprise less than 35 percent of the audiences. But note that one child watching a show with both parents would result in an audience consisting of only 33 percent children and thus an appropriate venue for advertising.

Kids love cuddly, animated characters, such as the bears and penguins that Coke has used for many years in television commercials and videos. Those creatures—considered “equity characters”—are often depicted drinking bottles of Coca-Cola. Some research indicates that advertising that conveys sincerity may promote brand trust, and that a “baby-face” with a rounder shape and lower jaw, rather than a “mature-face,” promotes sincerity. Coke’s polar bears often feature those characteristics. The polar bears, which may be considered the soda giant’s equivalent of R.J. Reynolds Tobacco Company’s Joe Camel, are highly attractive to children.

Researchers at the Rudd Center for Food Policy and Obesity (formerly based at Yale University and now at the University of Connecticut), who have put children’s food advertising under their microscope, have estimated that industry pledges not to market unhealthy foods on children’s television cover less than half of the food commercials that children see on TV. TV shows (and other media) sometimes have millions of children under 12 in their audiences, but less than the ban-triggering magic number of 35 percent. For instance, the 2.8 million children under 12 who watched *Shrek the Halls*, a holiday-time TV special, represented only 29 percent of the audience, and the 2.9 million young viewers of *A Charlie Brown Christmas* represented just 24 percent of the audience. Coke certainly knows that its
commercials on such shows reach and affect millions of children.

Jennifer Harris and her colleagues at the Rudd Center have suggested that the CFBAI (or member companies like Coca-Cola) should lower the child-audience share from 35 percent to 20 percent. That would protect children from many more ads, but affect only seven percent of food ads that adults now view. Others have recommended lowering the child-audience share to as little as 15 percent and applying that standard to children under 18 instead of the current under 12, because young adolescents are major consumers of unhealthy foods and their brains are still developing.

The Rudd researchers have estimated that the average child viewed about four product placements of Coca-Cola products per week. In a study of TV advertising in 2009, Harris and her colleagues found that more than half a million young children watched American Idol, which featured prominent Coke product placements. American Idol was one of those shows that was watched mostly by people in their teens and older, but getting a million younger eyeballs staring at their logo was a nice bonus for Coke.

**Digital marketing**

The Internet is fast becoming to today’s kids what television was to kids just a few short years ago. Today’s tech-savvy kids use apps on smartphones and tablet computers from a very young age.

Coca-Cola has sponsored lavishly produced videos, such as “The Great Happyfication,” with imaginative anthropomorphic characters dancing to original music. Those videos are powerful advertisements for Coke, Fanta, and possibly other brands more than they are innocent entertainment. Even though the videos are not aimed specifically at young kids, many little kids are likely mesmerized by the images and music.

“Advergames” that promote Coca-Cola Company’s Fanta soft drinks are some of the most blatantly child-oriented. Other advergames, some at Ahh.com (and Aghhh.com, Aahhh.com, etc.), feature Coca-Cola. Advergames are not created just to offer kids some fun, but also to drive brand names into kids’ heads and encourage consumption of the advertised products. And when a child plays an advergame on a smartphone or tablet computer, the child is truly engaging with the brand. Also, the child may be staring at a brand name for far longer than when seeing a 30-second commercial, because brand names are integrated into the game. One news

Coca-Cola’s “The Great Happyfication” video
https://goo.gl/m9ZrL
account about Coke’s Ahh.com “experiences” noted that “Some 4 million consumers have visited the 40 websites affiliated with the effort, staying for an average of 2-plus minutes each.”

Coca-Cola says that the Ahh games are aimed at teens, but they are certainly easy to play and attractive to younger kids.

Researchers at the Amsterdam School of Communication Research in the Netherlands studied the effects of advergames on children 8 to 12 years old. They found that “Brand prominence led to increased brand recall and recognition, whereas game involvement led to more positive brand attitudes.”

An experiment involving children 7 to 12 years old found that kids are more junk food and less healthy food after playing an advergame featuring unhealthy foods than after playing an advergame featuring healthy foods.

Thanks to Google, young children who use smartphones or tablets to get on the Internet are being bombarded from a new direction with marketing messages for LEGO, McDonald’s, Barbie dolls, Hasbro toys, Sesame Street…and Coca-Cola. Google’s YouTube division has an app called YouTube Kids that is aimed at young kids. As Google states, “The official YouTube Kids (YTK) app is designed for curious little minds. This is a delightfully simple (and free!) app, where kids can discover videos, channels and playlists they love.”

The YTK app hosts thousands upon thousands of videos. Some of the ones featuring Coca-Cola appear to be high-quality videos sponsored or promoted by Coca-Cola itself and its far-flung network of advertising and public-relations agencies, while some are home-spun and produced by individuals. In either case, the company should be held responsible—either for blatantly ignoring its voluntary commitments not to advertise to young children or for allowing or paying others to post videos that feature Coca-Cola products. In 2015, the Campaign for a Commercial Free Childhood and Center for Digital Democracy found 47 television commercials and
11 longer promotional videos for Coke and Coke Zero on YTK. The two groups filed a formal complaint that asked the Federal Trade Commission “to protect young children from the onslaught of advertising for unhealthy food…” on YTK.

The Center for Digital Democracy is not only concerned about children’s health, but also children’s privacy. Digital media, through the use of “Big Data” technologies, can follow children wherever they go and deliver personalized pitches on mobile phones, apps, gaming devices, and “smart” TV’s. Jeff Chester, the center’s executive director, says, “Companies like Coca-Cola and Google are able to use the information they gather from kids and their families to target them with interactive ads. We need new federal legislation to protect children when they are online from unfair and exploitive digital advertising practices.”

Another form of digital advertising is display ads on websites. A 2014 Rudd Center analysis found that Coca-Cola Co. placed 38 million display ads—including ones for Coca-Cola, Powerade sports drink, NOS Energy drink, and Fuze iced tea—on websites that appeal disproportionately more to children and teens than to adults. Coca-Cola brands were the second-most-advertised foods on those websites, even though such ads had declined by 85 percent (from 63 million ads viewed per month to 10 million) between 2010 and 2013. That huge decline occurred because the number of ads for My Coke Rewards plummeted from 40 million per month to virtually none, but the MyCokeRewards.com website was still the sugar-drink website most visited by children. The youth websites included CoolMath-Games.com, sites sponsored by Nickelodeon Kids and Families Group, Disney Online, and others. Note, though, that those millions of ads represent only a small percentage of all display ads sponsored by Coca-Cola.

One of Coca-Cola’s most successful marketing gambits ever, which employed a slew of marketing platforms, including social media, is its Share a Coke campaign. Its audience is much broader than children, but certainly includes them. Kids love to see their names on things—witness necklaces, charm bracelets, and other personalized things found at souvenir stands worldwide. The Share campaign started with the now-ubiquitous personalized bottles, but expanded to Internet and TV commercials, personalized bottles for sale on Coke’s website, and Facebook and Twitter.

Starcom Mediavest Group won an award for developing the Share campaign in the United States. It described its challenge in this way:

_We knew from running the Share a Coke campaign in other countries we could get teens to buy a bottle of Coke with their own name on it. Our key insight was to further increase sales by encouraging teens to also purchase and share bottles with their friends’ names on them. To fully propel Coke sales, we needed to ignite the nation’s teens to share a Coke. Social was at the heart of the campaign right from the start, as sharing is a very social behaviour._
The campaign had a budget of $10 million to $20 million to advertise using celebrities popular with teens; an electronic billboard in Times Square that displayed names of people who sent text messages; paid content on Instagram, Twitter, Facebook, and Tumblr; a dozen paid “top teen influencers” with 40 million followers; Vine; and more. The marketing firm says that the campaign got 1.25 million teens to try Coke and boosted sales of “participating packages” by 11 percent. Coke probably would say that Share was not directly or primarily targeting young children with social and other media, and it wasn’t. But the campaign undoubtedly endeared Coke to many children under 12 and got many children to share the campaign with friends.

Sports marketing

In the form of television advertising and sponsorships, Coca-Cola has long associated its image and its products with sports. Coca-Cola is the oldest sponsor of the Olympics (since 1928) and the Special Olympics—Coke has been a Founding Champion since 1968. And baseball games—Coke has sponsored the Boston Red Sox since 1915. And the Super Bowl. And the NASCAR Coca-Cola 600. And soccer’s 2014 FIFA World Cup. And Little League teams (such as the Coca-Cola baseball team in Greenville, NC, with players as young as nine). And other athletic events that range from professional sports to Little League stadiums, lacrosse championships, and more. (But in 2015 Pepsi grabbed the sponsorship of the National Basketball Association, which Coke had sponsored for nearly 30 years.) For the 2016 Olympics, Coca-Cola has enlisted, as it has five times before, a “six-pack” of Olympians to help burnish its image by associating its disease-causing sugar drinks with athletic prowess and health. Millions of young children watch or attend countless events sponsored by Coke.

Rudd researchers surveyed television advertising in 2010 and identified 48 such Coca-Cola and other food and beverage commercials that depicted athletes. Children 12–17 saw the most such ads. Most of the ads were for energy-dense, nutrient-poor products like soft drinks.

Australian researchers explored the value of having sports celebrities endorse child-oriented food products. Their study found that such endorsements on packages persuade people, at least the majority who did not read nutrition labels, to think more highly of and be likelier to purchase unhealthy products. In another study, the same researchers found that on-package depictions of sports

http://bit.ly/1RyWqod

A 30-second commercial shows teens along with NBA star LeBron James on a local basketball court.
stars encouraged 11-year-old boys, though not girls, to choose unhealthy foods. In particular, they suggested that endorsements on packaging (and we would suggest in advertising) by sports stars be permitted only on foods and beverages that met certain nutrition standards. Similarly, the Rudd study noted that prior to 1964 Babe Ruth, Joe DiMaggio, Ted Williams, and other baseball stars appeared in tobacco advertising, but public pressure stopped that practice—and that public pressure could eventually stop athletes from encouraging people to consume sugar drinks.

**Theme parks**

Theme parks such as Disneyland are meccas for families with young children. For instance, Disneyland in Anaheim had 17 million visitors in 2014, and Walt Disney World’s Magic Kingdom in Orlando had 19 million visitors. Worldwide, 134 million people visited Disney attractions in 2014, and tens of millions more visited other theme parks. Those visitors certainly included many millions of young kids and teens.

Heather Rubin, senior manager of The Walt Disney Company’s corporate citizen and nutrition and well-being initiatives, has said that children and families are at the heart of Disney’s brand identity. She said that Disney, therefore, decided it was in a unique position to be part of the solution to an obesity epidemic that was threatening the health of children, disseminating a commitment from top leadership to business managers across the company. And she noted that Disney had greatly improved the kids meals at its parks, such as by replacing soda and fries with milk and carrots. Disney also has sensible nutrition standards for its child-oriented TV channels and websites.

But, unlike television commercials that disappear after 30 seconds, children who spend a day or two in Disney’s theme parks are thoroughly drenched in Coca-Cola marketing (including the company’s drinks themselves). Coke undoubtedly paid Disney a tidy sum to have a monopoly on soda marketing at its theme parks. Beverage cups—even when used for water—all bear the Coca-Cola logo. Stores offer T-shirts and caps featuring Coke’s logo. The vending machines all dispense Coke products. The logo looks down on visitors from restaurants, and a big billboard in Disneyland depicts a nostalgic fin de siècle beach scene depicting a vendor selling Coca-Cola. At Walt Disney World alone, visitors—kids and adults together—consume more than 75 million Cokes each year.

Just outside of San Diego’s SeaWorld, Coca-Cola has parked a giant “Swelter Stopper” bus. Its air-conditioned interior offers respite from that city’s heat. And visitors
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get—surprise!—free samples of Coke and entertainment for stopping in. Similar Swelter Stoppers are inside the SeaWorld in Orlando and the giant Kings Island amusement park near Cincinnati. Casey Hinds, a Seattle-based health advocate, has her kids well trained about sugar drinks, but when her family went to Kings Island, soda became an issue. She says, “We were tired, thirsty, and surrounded by Coca-Cola marketing.”

The company’s own World of Coca-Cola in Atlanta is like a small theme park, but with wall-to-wall Coke marketing. That venue entertains an average of almost one million visitors per year, including many children. Those (paying) guests are bombarded with Coca-Cola propaganda and a store that sells logo-emblazoned memorabilia. One large room has more than 100 different Coca-Cola drinks from around the world, and visitors (including kids) are encouraged to taste as many as they want. Coke has another World in Tokyo.

The World of Coca-Cola tries to make things as convenient as possible for school groups. Coke provides handy “teacher toolkits” with suggested activities for kids from 1st grade through high school. Typical guidance for 1st-graders includes: “Ask students to look around the room and see if they can see an area that might be used to provide a service to people who want a Coca-Cola (the soda fountain).” High school teachers are told to “Remind students that they will see many examples of the growth of world trade during their field trip to the World of Coca-Cola. Tell them they are responsible for taking notes on how The Coca-Cola Company became an international enterprise.” That curricular certainly contradicts Coke’s commitment to respect commercial-free classrooms.

Movies

Coca-Cola marketing pervades the motion-picture world, starting when you—or a child—walks into a theater. A California parent who took his son to see Zootopia (which Common Sense Media rates for kids 8 and up) in March 2016 reported:

From the moment we walked into the Cinemark, my 11-year-old son and I were greeted by the concession stand, which featured Coke-branded popcorn bags on display and self-serve Coke-branded cups at a young child’s eye level. About half the audience consisted of kids.
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under 12. A series of ads ran before the previews, with the first being an “Obey your Thirst” ad for Sprite, featuring teens. The second was a Diet Coke ad. Then came the video asking people to turn off their cell phones. It showed families—including parents and tweens/teens—carrying the Coke-branded popcorn bags. It also showed teens slurping soft drinks from the Coke cups. It concluded with: “Right now is for Coca-Cola, popcorn, and this movie.”

Coke has mounted huge marketing tie-ins with major films and has used the insidious practice of product placement to put its logo or bottles into the movies themselves. Those initiatives are usually associated with movies aimed at teens or families, but that also may be seen by young children. With teen, young adult, or family targets, Coca-Cola could say “oh, that’s not aimed directly at young children,” even though millions of young children are influenced by the marketing.

One of Coke’s biggest-ever tie-ins was with the first *Harry Potter* film in 2002. The *Harry Potter* books and films were hugely popular with children under (and over) 12. Although Coke products didn’t appear in the movie, Coke’s exclusive $150-million marketing deal with Warner Bros. plastered Potter iconography like owls, castles, and Harry himself on Coke cans, packaging, and game cards. A TV ad campaign encouraged kids to look in Coke packaging for “Golden Snitch” game pieces that offered prizes or codes that allowed sneak peeks at online movie previews. As it often does, Coke sought to make its marketing program appear like a public-service campaign by donating $18 million to enable Reading is Fundamental to provide books to low-income children. “Philanthro-marketing” is a term that describes that activity. Two years after *Harry Potter*, Coke had a tie-in with Dreamworks’ *Shark Tale*, an animated family film, for its Minute Maid (including sugary juice drinks) and Hi-C brands.

In 2016, Coca-Cola had a promotion tied to Marvel’s *Captain America: Civil War*. The effort started in February with a Super Bowl ad featuring Hulk and Ant-Man. That was linked to a Web-based contest to obtain six-packs of 7.5-ounce cans of Coke with stylized images of Marvel characters, including Hulk, Ant-Man, Black Widow and Captain America (see illustration on next page). Though the film is rated PG-13, what young boy wouldn’t be attracted to such marketing?! Coke has used product placements in movies aimed at adults and kids for decades, including such classics as *E.T.* (1982) and *Superman*.

Scene from a short video shown before films at Regal Cinemas theaters


Oliver & Company, a 1988 movie

Goosebumps

Steamboat Springs, Colorado, film festival
Perhaps the most horrible movie ever made was *Mac and Me* (1988), which actor Morgan Spurlock labeled “the worst, worst, worst, worst, worst thing you’ll ever see in your entire life.” The whole movie—a knock-off of *E.T.*—was essentially a commercial for Coke and McDonald’s. More recently, many young children saw *Happy Feet* (2006), *Goosebumps* (2015), and *Mall Cop 2* (2015)—all included Coke logos. Using another “old” marketing medium to reach consumers, Coke sponsors film festivals at movie theaters. Some of the movies, such as *Hook* and *Frozen*, shown at those logo-filled events are clearly aimed at young children.

### Restaurants

Coca-Cola and McDonald’s have long had a symbiotic marketing relationship. In fact, McDonald’s is Coke’s largest customer, and McDonald’s has long lured children into its orb through its Happy Meals, movie tie-ins, play areas, and toy giveaways or sales. McDonald’s PlayPlaces are aimed at little kids, and it is disappointing to see Coca-Cola posters plastered on PlayPlaces, where young kids are likely to see them. After seeing such a poster, Casey Hinds wrote, “McDonald’s putting Coca-Cola decals on their PlayPlace windows runs completely counter to this goal [of combating childhood obesity] and shows how little McDonald’s values our kids’ health.”

Perhaps the most important form of marketing is availability, and Coca-Cola and other drinks have routinely been listed on menus and included as the default drink in meals, including children’s meals, at hundreds of thousands of restaurants. That practice has habituated many children to think that soft drinks are a standard, appropriate part of meals, just as years earlier milk was the standard drink for kids. Recently, though, health advocates (including CSPI) have waged an increasingly successful campaign that has spurred McDonald’s, Burger King, Wendy’s, Dairy Queen, Jack in the Box, and other chains to remove soda and other sugar drinks from their children’s menus.
Toys and licensed or equity spokes-characters

Kids love toys, and it should not surprise anyone that the Coke logo or “equity characters” (characters that the company created for itself) would show up on toys and in other places. For instance, Coke’s online store sells a cuddly stuffed polar bear wearing a Coca-Cola scarf… or you could buy an old-fashioned toy truck bearing the company’s logo from Toys “R” Us or from Coca-Cola. If you’re buying a gift for a young girl, you could go to Claire.com and get lip gloss flavored to taste like Coke, Coke Cherry, Sprite, or Fanta. As of early 2016, Coca-Cola may be considering ending licensing agreements with companies selling products clearly aimed at young children, except for products that involve Coke’s own characters, such as polar bears.  

Coke’s marketing policy allows the use “of brand equity characters already in use.” Marketers put a high value on getting people from an early age to recognize brand names, logos, and equity characters, and brand recognition makes it likelier that people would develop brand loyalties. Brand recognition frequently leads young children to ask their parents to buy them the advertised products and to choose such products themselves when they have the chance. Some researchers have contended that “children develop ‘parasocial relationships’ with favorite characters, representing emotionally infused friendships.” That emotional relationship cultivates brand loyalty and future purchases.

When a logo is present, clothing or a toy may become more than mere cloth, plastic, or wood. Rudy Ruiz, a multi-cultural advocate and social entrepreneur (and CSPI board member), played on a middle-school soccer team in Brownsville, Texas, that was sponsored by Coke. He recalls, “We thought we were the coolest, because while other teams sported the names and logos of local businesses like dry cleaners and mechanics on their T-shirts, we wore red shirts with the Coca-Cola logo. That made us feel like we were ‘big time.’ Looking back I realize we were being marketed to: brandwashed!”

The attractiveness of licensed or equity characters to children has been demonstrated in studies. For instance, the Rudd Center for Food Policy and Obesity showed 4- to 6-year-old children foods (Graham crackers, gummi fruit snacks, baby carrots) with and without Scooby Doo, Dora the Explorer, and Shrek. Even though the foods were the same, the great majority of kids said that the foods in character-adorned packages tasted better and were their choice for a snack. Interestingly, the children were affected by the Shrek character even though only 60 percent of the children recognized it.
A similar study done at the Annenberg School of Communications at the University of Pennsylvania found similar results. Children about five or six years old liked a cereal more when its package had familiar cartoon characters (the penguins from the movie *Happy Feet*) on it. The researchers said:

> The use of popular children's characters in marketing communication has the potential to unduly influence the purchasing decisions of children. Moreover, not only do appealing and familiar trade and licensed characters manipulate young children's subjective judgments, the resulting heightened preference for food products featuring these characters is likely to contribute to unhealthy eating habits and increased materialism and parent-child conflict.

It is hard to know when children first recognize and remember images, but Coke puts its logo on items used by infants. At Coca-Cola World and on the Internet, you can buy bibs and onesies with the company’s logo in its familiar Spencerian font.

**Parks, schools, recreation centers**

Coke knows that parks and kids go together like peanut butter and jelly, so it helps pay for improvements to city parks, including Labor Street Park in San Antonio. That park's opening in 2015 was celebrated with music, fitness activities...and Coca-Cola marketing. Coke said, “For kids under 8 years old, a Coca-Cola Mini-Can Zone will provide a fun, active space to ensure the [sic] younger members of the family are able to take part in the event.”

Apparently unaware that San Antonio has one of the nation’s highest rates of obesity, City Councilman Roberto Trevino said, “We’re thankful to our partners like The Coca-Cola Company who understand the important role parks play in bringing people together.” In response, Rudy Ruiz, who has an office in San Antonio, and the medical director at his marketing firm, Dr. Thomas Schlenker (a former City of San Antonio health director), helped launch a campaign to educate the public about the health impact of soda and oppose Coke’s marketing in parks.

Coke’s philanthro-marketing for parks extends from Boston to Los Angeles. In 2011, Coca-Cola’s Sprite Spark Parks program donated $2 million to help renovate 150 city parks. The basketball backboard in a Birmingham, Alabama, park sports a big Sprite logo. And in Chicago, school children wrote letters of gratitude to Coca-Cola.

The “free” money for parks, and the associated marketing, endears children and others to Coke and also could prevent...
cities from discouraging soda consumption, such as by mounting education campaigns, removing soda from vending machines and cafeterias on government property, or levying taxes on sugar drinks.

For many years, but no longer, sugar drinks were marketed heavily in schools: vending machines, advertising, and signage. But even now, some schools have signs with their names—and Coca-Cola logos. In addition, according to a 2012 article, as many as half of all elementary schools and 80 percent of all high schools were covered by contracts that gave either Coke or Pepsi exclusive marketing rights. Now that sugar drinks have largely been ejected from schools, those contracts likely are worth much less or may be a thing of the past.

But taking the soda out of schools doesn’t mean that Coke marketing has been taken out of schools. Coca-Cola’s My Coke Rewards program—which includes a special version for schools—gives people points when they enter into the program’s website a number found on soda packaging. Those points can be used to obtain such items as a $5 iTunes code, classroom materials, discounts on Coke, a basketball, or the chance to win a sweepstakes featuring a 7-night Caribbean cruise for four people. The website also enables people to donate the points to a favorite school. Thus, a school in Pennsylvania says on its website, “That means by drinking the Coca-Cola products your family already enjoys, you can get My Coke Rewards points and donate them to help our school.”

While Coke’s policy is not to advertise in schools, that policy has a caveat:

*This policy does not prevent the Company or its U.S. bottlers from offering appropriate programs to schools that encourage physical activity, academic achievement and positive youth development.*

Many middle schools and high schools still have Coca-Cola-sponsored scoreboards on football fields and basketball courts. A Georgia manufacturer of school scoreboards, which has long had a symbiotic relationship with Coca-Cola, says:

*With the advent of the newer generation of LED screens being added to scoreboards, schools and advertisers have taken this relationship to a completely new level. These newer sports scoreboards are actually turning into digital advertising billboards for the sponsors and can represent a new and continuing simple source of revenue for the school as well. Because these LED displays can now broadcast live action, the sponsors can run a full commercial instead of having a printed sign for the whole season.*

Akin to schools as a trusted place for children to play and learn, the Boys & Girls Clubs of America (BGCA) has enjoyed major funding from Coca-Cola for more than 50 years. The company donates at least $1 million per year, and in 2014 gave
at least $5 million.\textsuperscript{61} In addition, the Robert W. Woodruff Society, a foundation endowed by a former long-time chief executive of Coca-Cola, gives $5 million or more per year. Coke, the Anthem Foundation (another major donor to BGCA), and the BGCA sponsor a TriplePlay program to encourage healthier lifestyles. The nutrition section is based partly on the government’s ChooseMyPlate program, which encourages people to eat more healthful foods and fewer unhealthful ones. While a goal of the BGCA is to teach “proper nutrition,” under “Foods to Reduce,” the Parents Game Plan only recommends reducing sodium consumption—not drinking less soda pop. In contrast, ChooseMyPlate specifically recommends “drinking water, unsweetened tea or coffee, or other calorie-free beverages instead of sodas or other sweetened beverages.”\textsuperscript{62}

Santa Claus

When winter rolls around, companies know that little kids are irresistibly attracted to images of Santa Claus. And for decades the company has used images of Santa to sell Coke. Those images appear on packaging, in magazines, on television, and on the Internet. Coke’s policy forbids the use of “characters whose primary appeal is to children under the age of 12,” but Santa has escaped that prohibition.

Maura Mullowney, who lives in Massachusetts, said, “Back in December [2015], my 9-year-old daughter and I went to a supermarket in Waltham. We were both surprised to see a huge Coke display at the front of the store along with a Santa that you could have your picture taken with. My daughter and I both were a bit shocked at how they were using Santa to market sugary drinks to kids.”

Similarly, John Raser, a physician in Lawrence, Massachusetts, recalled, “I can remember my kids seeing a large sign [featuring Santa Claus] at our local supermarket this Christmas season. It resulted in a somewhat humorous and somewhat sad discussion with my six-year-old about whether or not Santa has diabetes. I try to put my own spin on the ads, but my young children definitely notice them.”
Every Christmas, Coca-Cola decorates giant semi-trailer trucks with pictures of Santa, holiday lights, and other Yuletide imagery and sends them around the country. Coke says that its Christmas trucks were created in 1995 by its ad agency and are based on a “festive fleet of magical vehicles… The trucks were made even more enchanting by special effects from renowned company Industrial Light and Magic, which had worked on such blockbuster movies as Star Wars … [and] Raiders of the Lost Ark.” In December 2015 Nancy Fink Huehnergarth saw such a truck on Sixth Avenue in New York City. People were lined up to have their photos taken with a “real” Santa. Videos of the trucks have been used in ads in more than 100 countries. Coke might contend that the trucks are intended for family entertainment, but everything about the trucks is geared to children, who often love giant and colorful objects, from bright red fire trucks to humongous tractors to fancy cars. Not many adults would make a special trip to gawk at a truck or wait in line to be photographed with Santa unless they had children yanking at their sleeves.

Less dramatic than those eye-catching trucks is the deployment of Coke’s polar-bear character to holiday events. In 2013, the trademark bear was prominent in the 33rd annual Children’s Christmas Parade in Atlanta, Georgia. That event is certainly aimed at young children.

**Exercising its marketing muscle**

Obesity is certainly a health problem worth tackling, and Coca-Cola Co. has been promoting physical activity as a means of doing so. The company says that its reason for promoting activity “…is simple. Coca-Cola cares about the health and happiness of everyone who drinks our beverages.” But the matter is not quite that simple, because Coke’s goal apparently is to wrap a health halo around itself and neutralize criticism of sugar drinks and itself. And, not wanting to miss any opportunity to boost sales, Coke infuses the programs it sponsors to encourage physical activity, such as the park-improvement initiative noted above, with Coke marketing.

In 2013 Coke sponsored Get the Ball Rolling. The company promoted involvement by sponsoring local events, giving out thousands of Coca-Cola soccer balls, and giving out other things through its MyCokeRewards.com website. Promotional photos show youths dancing while wearing clothing printed to resemble Coke and Diet Coke cans and tricycling near tents covered with Coca-Cola logos. The company claims that Get the Ball Rolling reached three million children and adults. For Coke, that was a great marketing opportunity (Coke neglected to emphasize that a 125-pound person would have to jog for about 40 minutes to burn off the 250 calories in a 20-ounce Coke, an unlikely scenario for most soda drinkers). As one vehicle for persuading the public that physical activity is the way to negate the pounds-adding effect of high-calorie diets—and sugar drinks—in 2015 Coca-Cola covertly funded a university-based organization called the Global Energy
Balance Network (GEBN). The group claimed to be “dedicated to identifying and implementing innovative solutions—based on the science of energy balance—to prevent and reduce diseases associated with inactivity, poor nutrition and obesity.”

However, The New York Times editorialized that the Coke-fueled project “sought to deflect attention from the role of sugary soft drinks in the nation’s obesity crisis…. Fortunately, the facts have come out, and the marketing campaign has turned into a public relations nightmare.” Under withering criticism, GEBN closed down.

International marketing

Coca-Cola Co. appears to have fewer compunctions about marketing to kids in low- and middle-income countries than it does in the United States. For starters, Coke’s global policy for marketing in high schools is not as broad as in the United States or as PepsiCo’s policy. While Coke’s policy just calls for offering a wide variety of beverages, PepsiCo commits (with a few exceptions) to only selling drinks with 60 or fewer calories per 12 ounces. That excludes most regular soft drinks and sports drinks. Coke’s policy is less relevant in the United States than elsewhere, because U.S. government policy bars the sale of high-calorie drinks in schools. Coca-Cola’s commitment to advertise responsibly is weaker even in Canada than the United States. In Canada, Coke brags about not advertising in any medium that has an audience of 50 percent or more children under the age of 12, as compared to 35 percent in the United States and through its commitment under the International Food and Beverage Alliance. Precious few TV shows or websites have that 50 percent level of child viewership.

Coke’s global marketing policy says “We will not commercially advertise in primary schools,” but the company boldly posts its logo on signs with schools’ names near or on schools in South Africa, Ghana, and elsewhere. The company posts large advertisements for its drinks, such as Powerade, on school walls. In Santiago, Chile, a kiosk in a high school appears to be sponsored by Coca-Cola and offers Coke along with other beverages and foods. Brand recognition, especially in trusted environments like schools and museums, are designed to promote a lifetime of drinking Coke.

In Canada, Coke advertises in many child-friendly locations:
• In Quebec, Minute Maid fruit drink/juice ads were strategically placed on a beginner’s ski slope for children.

• In Laval (which borders Montreal), the Jungle Adventure amusement center was advertising Coca-Cola.

• In Montreal, a playground was festooned with huge Fanta logos.

• In British Columbia, children visiting the Whistler Blackcomb resort could slide down the slopes in inflatable sleds imprinted with “Coca-Cola tube park.”

The advertising in Quebec violates the province’s 1980s ban on all advertising directed to children under 13. In 2013, the Quebec Coalition on Weight-Related Problems filed a complaint against Coca-Cola for the Fanta advertising in the Montreal playground. Coke pleaded guilty and paid a fine of $21,000 (U.S. dollars).74

The same Christmas themes used in the United States are used abroad. A Russian ad shows three cuddly white teddy bears making and playing with a snowman. All four characters are wearing red scarves with the Coca-Cola logo. More elaborately, those semi-trailer trucks discussed above, bedecked from stem to stern with more than 30,000 Christmas lights and huge images of Santa Claus, have travelled around Germany, the United Kingdom (46 locations in 201575), Hungary, Mexico, and other countries. Workers hand out free soda, though supposedly not to children under 12. But the trucks ran into a roadblock in one British city. Keith Vaz, a Member of Parliament, declared, “The Coca-Cola truck is
not welcome in Leicester, and this national tour to promote sugar-laden drinks is ill-judged and unwise at a time of record diabetes and obesity levels.”

As in the United States, Coca-Cola has had exclusive deals with Disneylands in Hong Kong, France, and Japan. The symbiosis (and profitability) of that relationship is reflected in Coke cans that featured Mickey Mouse along with the Coke logo commemorating the opening of the Hong Kong Disneyland in 2005. Coke sponsors that Disneyland’s Main Street Corner Cafe at which every dish includes Coca-Cola as an ingredient. (But don’t expect to see Coke logos when the Shanghai Disneyland opens in 2016. Pepsi won the lucrative soft-drink contract there.)

Surfing the Web turns up numerous examples of Coke’s marketing to youths. The cute little characters in a Chinese video are clearly kid-oriented, as is a boy in a soccer-themed video on the company’s Japanese website. And what child doesn’t want to celebrate Halloween? In a Japanese commercial with a catchy melody and dancing, costumed characters associate Coke with Halloween. The company’s Nigerian website tells youths “In life, you have to keep trying, keep practising, and keep filling your glass.” To reach Indonesian children, Coke created a mobile app called Shake It Up. It is narrowly aimed at students from the time classes end at 2 p.m. until they head back home at 6 p.m. As in other cases, Coca-Cola might say that it was aiming those ads at older children and adults, but the ads’ attractiveness to pre-teens is undeniable.

No one can accuse Coke—and its advertising and public-relations firms—of lack of creativity in reaching adolescents’ hearts and pocketbooks. For a campaign in São Paolo, Brazil, Coke used “musical bottle caps.” The insides of the 30-plus different caps encoded a different musical sound. The caps could be photographed with a smartphone, fed into a computer, and then arranged to create novel musical pieces that teens were encouraged to share. That proved to be an effective way to increase sales. Knowing Coke’s penchant for test marketing campaigns in one city or country
and then using them elsewhere, the “musical” bottle caps might well show up around the world.

And the Share a Coke marketing was as highly promoted abroad as in the United States. Coke has used Share to target teens in Vietnam, China, Belgium, and elsewhere—but Share also attracts many younger children.80

With sports being a universal way to reach children, Coca-Cola sponsors everything from World Cup soccer to local sports teams. In Austria (2011), Coca-Cola sponsored the Coca-Cola Kids Challenge running races for kids under 10. In India, Coca-Cola has successfully integrated itself into the immensely popular worlds of cricket and soccer, sometimes clearly targeting children. Coca-Cola Cricket Cup Under-16 is a program open to young cricketers 12 to 16 years old. The winners of that tournament receive cash prizes, and 24 of the best players are invited to attend a coaching clinic with the Cricket India Academy. Then the final Coca-Cola India team goes on to compete internationally.81

Policies to reduce marketing to children

At first glance, Coca-Cola’s commitments not to market to children might appear to constitute a comprehensive, effective effort. In fact, though, Coke’s marketing department and social-responsibility department seem to be living in different worlds. The company’s marketing policies are riddled with loopholes that permit considerable marketing, intentional and not, to young children both in the United States and abroad. At times, Coke’s policies seem to serve only as PR measures or obstacles to be overcome, which Coke often does. Most particularly, the limited commitment not to advertise only in ways that are “primarily” or “directly” aimed at young children allows massive advertising aimed at adults and families to also reach millions of young children. A policy that bars advertising on TV shows, websites, and other media in which children 11 years old and younger comprise more than 35 percent of the audience still allows advertising on many shows and in many venues that have large child audiences, though children do not comprise more than 35 percent of the audiences.

Furthermore, marketing is more than 30-second commercials on children’s TV shows and corporate logos in schools. The My Coke Rewards program in schools, cups and T-shirts with Coca-Cola logos at theme parks, Coke logos on signs and scoreboards at middle schools, promoting exercise in a sea of Coke logos, funding local parks with logo-bearing
equipment, animated characters in online videos, illustrations of Santa Claus drinking Coca-Cola, product placement on family-oriented TV shows, Little League teams named after the drink—all of that is part of the marketing of Coke's image and products to young children.\(^{82}\)

Jeff Dunn, who rose up the corporate ladder over 22 years to become president of Coca-Cola North America, certainly recognized how young children get ensnared in Coke's ubiquitous marketing. He said, “If you think in terms of Coke’s presence in ballparks and every place kids go, there was certainly marketing to kids going on.”\(^{83}\) (Dunn, after having an epiphany when he saw Coke being marketed in Brazilian slums,\(^{84}\) is now marketing carrots, salad dressings, and other healthier fare for Campbell Soup Co.)

And then once children celebrate their 12th birthday, Coca-Cola fires away with both barrels blazing. Former Coke marketing director, Todd Putman, told the national Soda Summit in 2012, “magically, when they would turn 12, we’d suddenly attack them like a bunch of wolves.”\(^{85}\) Putman emphasized the enormous resources that his company could bring to bear in its targeting of youthful, unsuspecting minds: “It’s one of the great marketing machines of the world. You’ve got so many tools at your fingertips….You’re dealing with Michael Jackson, the NFL, multimillion-dollar decisions.”\(^{86}\)

Of course, even when the big guns are aimed primarily at 12-year-olds or 16-year-olds or adults, many children 11 and younger are “collateral damage,” even if they constitute less than 35 percent of an audience. As one candid former Coke official said, “We talked a lot about ‘the lifetime value from cradle to grave’ of a Coke drinker. If we could convert them early to our brand, the lifetime profits would be huge.”\(^{87}\)

Because the soft-drink companies’ (and other manufacturers’) own policies have not been sufficient to protect children, some governments and international agencies have adopted policies or made recommendations to protect children from the marketing of products that contribute to tooth decay, obesity, diabetes, heart disease, and other chronic diseases.

The province of Quebec may have been the first jurisdiction to adopt a tough law to protect children from marketers.\(^{88}\) The 1980 Consumer Protection Act bars all advertising—not just food and beverage advertising—aimed at children under 13. The law encompasses everything from television to newspapers to websites to promotions in parks. Advertising is not permitted when 15 percent, or even a smaller percentage when the audience size is very large, of the audience is under 13. Legislators felt that children, many of whom do not understand the intent of advertising, should not be exploited by marketers. Do ad bans work? One key study found that Quebec’s ad ban appeared to result in at least a 13 percent reduction in
fast-food purchases in French-speaking families with children compared to families in Ontario and to English-speaking families in Quebec (who had greater access to American TV).  

Sweden and Norway have had prohibitions on TV advertising to children since the early 1990s, though they are narrower than Quebec’s. In 2012, Chile barred junk-food advertising to children under 14 and limited the advertising and availability of unhealthy foods in schools. In 2014, Brazil, too, banned all forms of advertising and marketing to children younger than 12. It is unclear how well those laws, and similar ones in other countries, are enforced.

In contrast, the United States has long failed to protect children from marketers. The Federal Trade Commission is charged with protecting the public from unfair and deceptive marketing practices. In 1978, the FTC concluded that children under 8 years old simply don’t understand the selling intent of TV commercials. The agency proposed banning all advertising aimed at children under 8 years old. It also proposed banning commercials aimed at children 8 to 11 years old for highly sugared products that cause tooth decay and for children 8 and older, the FTC proposed requiring either in-ad disclosures or counter-ads paid for by industry for sugared products like soft drinks that have long-term health consequences other than tooth decay. It did so because those children, as, Tracy Westen, the former deputy director of consumer protection wrote in 2006, “lack the ability to understand long-term serious health consequences—they can’t balance the desire for immediate gratification versus the hazards of tooth decay.” At the time, the focus was on the contribution of sugary foods to tooth decay. Today, the concern has broadened to include the promotion of obesity, diabetes, and heart disease.

In response to the FTC’s action, in 1980 frightened food manufacturers, advertising agencies, and broadcasters put together a $16 million lobbying war chest (one-fourth the annual budget of the FTC and equivalent to $46 million today). They then teamed up with both Democratic and Republican members of Congress to kill the FTC’s “kidvid” initiative…and keep it killed for the past 35 years. In fact, Congress even stripped the FTC of its authority to adopt industry-wide rules regarding unfair advertising aimed at children, though the agency still can adopt rules for adult-oriented advertising. Nevertheless, the FTC still could halt a specific company’s marketing campaigns—such as Coca-Cola’s—that affect children.
While the FTC subsequently took up occasional cases of deceptive food advertising aimed at children, it never again considered industry-wide marketing because of industry and congressional opposition. In 2009 a friendlier Congress, at CSPI’s urging, called on the Obama administration to develop voluntary guidelines for marketing foods and beverages to children. The FTC, Department of Agriculture, Food and Drug Administration, and Centers for Disease Control and Prevention were all involved in the effort. Later that year those agencies released a draft of proposed principles. It included strong recommendations for limits on sugar, salt, and saturated fat in advertised foods and the presence of significant amounts of healthful ingredients, such as fruit, vegetables, and whole grains. However, the Grocery Manufacturers Association and a number of major companies made the demise of those guidelines their top priority—and in 2011 with anti-regulatory forces in control of Congress, it succeeded in doing so. That has left Americans with totally voluntary—and limited—guidelines that food manufacturers and media companies have developed on their own (with the food companies doing so under the aegis of the Council of Better Business Bureaus). Coca-Cola participates in the CBBB’s program. While that program has been gradually strengthened, it continues to have significant loopholes.

In 2010, The World Health Organization (WHO), which is part of the United Nations, recommended that “the overall policy objective should be to reduce both the exposure of children to, and power of, marketing of foods high in saturated fats, trans-fatty acids, free sugars, or salt.” It said that settings populated largely by young children, such as schools, school grounds and pre-school centers, playgrounds, and family and child health clinics, should be free of such marketing.

In 2016, the WHO’s Ending Childhood Obesity report reiterated its earlier concerns, saying, “Despite the increasing number of voluntary efforts by industry, exposure to the marketing of unhealthy foods remains a major issue demanding change that will protect all children equally. Any attempt to tackle childhood obesity should, therefore, include a reduction in exposure of children to, and the power of, marketing.”

The FTC should review Coca-Cola’s marketing practices in light of findings like those of the WHO, as well as its own arguments in the 1970s. All the way back in 1964, the FTC concluded that “False, misleading and deceptive advertising claims beamed at children tend to exploit unfairly a consumer group unqualified by age or experience to anticipate or appreciate the possibility that representations may be exaggerated or untrue.” Researchers have learned a great deal more about advertising and the health effects of soft drinks.
since 1964. The Institute of Medicine’s (IOM) 2006 finding, mentioned earlier, is critical to this debate: “Most children ages 8 years and under do not effectively comprehend the persuasive intent of marketing messages, and most children ages 4 years and under cannot consistently discriminate between television advertising and programming.”

(Also, numerous studies indicate that advertising takes advantage of adolescents, too.) Under the IOM’s standard, Coca-Cola marketing on YouTube Kids, at theme parks, in the form of toys with Coke logos, that depicts Santa Claus, and that uses philanthro-marketing should be considered unfair and deceptive.

The FTC’s authority to stop “unfair” marketing practices could be used to tackle Coca-Cola’s marketing practices. The law considers advertising unfair if it “causes or is likely to cause substantial injury to consumers which is not reasonably avoidable by consumers themselves.”

Young children cannot protect themselves against marketing that encourages the consumption of products, like sugar drinks, that do not cause immediate harm, but cause major harm years or decades later.

The FTC also is charged with stopping advertising that is deceptive for what it omits. Consider Coca-Cola’s soft-drink advertising. No Coke advertising aimed at children or adults ever mentions the clear-cut health problems caused by over-consumption of sugar drinks. “Refreshing” is a word that companies apply to their beverages, but could also apply to publicity that warned people that the drinks may increase the risks of tooth decay, obesity, diabetes, and heart disease.

Recommendations

The Coca-Cola Company has a formal policy of not advertising its drinks to children, but the company uses its multi-billion-dollar marketing budget to reach children, embed its brand names in children’s minds, and encourage children to consume its products (see box on next page). Those marketing experts deploy advertising on television, tie-ins with and product placements in Hollywood films, Facebook and other social media, apps, videos on the Internet, marketing in theme parks, licensing of its logos for toys, advertising on Olympics telecasts and on Little League scoreboards, and advertising in and around schools. A good chunk of that cultivates brand recognition, brand loyalty, and purchases by children and adolescents. If Coke were marketing just bottled water, no one would be concerned about the company’s practices. But promoting the consumption of sugar drinks leads to widespread, serious health problems.

The marketing of unhealthy products to children—persuading kids to want products that are harmful to their health—is a moral issue, and one that should concern everyone from Coke’s executives and shareholders to parents, pediatricians, and teachers.

Coca-Cola should adhere—throughout the world—to the letter and spirit of its marketing pledges as if it truly wanted to avoid cultivating young children as soda drinkers. The following recommendations are based in part on those made by the Committee on Food Marketing and the Diets of Children and Youth of the IOM.
26 Marketing Coke to Kids

and Healthy Eating Research’s Recommendations for Responsible Food Marketing to Children.\textsuperscript{104,105} The Coca-Cola Company (and other marketers of sugar drinks) should voluntarily:

- Stop selling, advertising, or promoting sugar drinks in primary and secondary schools (that should include lesson plans, signage, My Coke Rewards for Schools, and sponsorships);
- Stop advertising in media whose audiences include 25 percent or more children under 15 years old;
- Remove all forms of advertising from theme parks, city parks, playgrounds, recreation centers, sports fields and stadiums, Boys & Girls Clubs, museums, and other venues that are visited by large numbers of children;

One can debate the meaning of the terms ‘directly,’ ‘primary,’ and ‘undue,’ but Coke violates the letter or spirit of its pledge not to market to young children in numerous ways.

Coke’s policies bar advertising in media that \textit{directly} target children under 12 and in which 35% or more of the audience is composed of children under 12. BUT:

- Coke advertises on family TV shows (like \textit{A Charlie Brown Christmas}), at Disneyland and other theme parks, and other venues with large child audiences, even though children might constitute less than 35 percent of the audience.
- Coke places, or allows, its advertising on YouTube Kids, which is specifically aimed at young children.
- Some Fanta- and Coke-branded computer games and apps may be appealing to young children.
- Coke produces short videos with animated characters appealing to young kids.
- Share a Coke bottles/cans labeled with ‘Mom’ and ‘Dad’ may be especially attractive to young kids.
- Coke advertises in such events as the annual Children’s Christmas Parade in Atlanta.
- In Canada, Coke has advertised on a children’s ski slope, a winter tube park, an urban playground, and at Jungle Adventure amusement park.
- Coke sponsors the Coca-Cola Kids Challenge running races in Austria for kids under 10.

Coke says it will not use celebrities or characters whose \textit{primary} appeal is to children under 12. BUT:

- Coke exempts its own equity characters (polar bears, penguins, others) that are highly attractive to young children.
- Coke employs animated characters in videos that clearly appeal to young children.
- Coke features Santa Claus in advertising throughout the world.
• Stop selling (or licensing its logos and spokes-characters to companies selling) toys, bibs, clothing, and other merchandise intended for children;

• Stop including in advertising and on packaging imagery that is clearly attractive to children, such as Santa Claus and anthropomorphic animals and cartoon characters;

• Encourage restaurants, museums, theme parks, and other child-oriented venues not to include sugar drinks as the default beverage in kids meals, to feature

Coca-Cola’s Global School Beverage Guidelines promises to protect school children from undue marketing, including in primary schools. BUT:

• The My Coke Rewards for Schools program encourages the purchase of Coke products.

• Coke sells its products in schools in much of the world.

• Coke advertises its products on signage in and around schools throughout the world, including the United States.

• Coke has a curriculum featuring Coca-Cola marketing that is available through the World of Coca-Cola for teachers of children in elementary and high schools.
water and other non-caloric drinks, and not to display Coca-Cola logos.

Strong voluntary measures could protect children more quickly and fully than legislation. Thus, the Children’s Food and Beverage Advertising Initiative (of the Council of Better Business Bureaus) should improve its voluntary standards by discouraging the marketing of unhealthy foods and beverages in movies, TV shows, and other media in which children 14 and under (currently 11 and under) constitute 25 percent (currently 35 percent) or more of the audience. It also should expand its guidelines to encompass marketing on packaging, in theme parks, in city parks, in the form of sponsorships of teams, and all other ways that are attractive to kids.

Coca-Cola and other soft-drink companies are unlikely to take sufficiently strong voluntary action without outside pressure. Also, mandatory, industry-wide rules would protect companies that voluntarily tightened their marketing practices from competitors that did not. Thus, health advocates and legislators should press for legislation and other measures, including:

- The Federal Trade Commission should investigate Coca-Cola’s entire marketing program and use its authority to stop any marketing that affects large numbers of children and is unfair or deceptive under the law.

- Congress should restore the FTC’s full authority to issue industry-wide children’s-marketing rules.

- Congress should bar Coca-Cola and other makers of unhealthy foods from getting tax deductions for their marketing to young children.

- The Centers for Disease Control and Prevention should sponsor major mass-media campaigns to encourage people to drink water and other healthful beverages instead of sugar drinks.
Endnotes

15. Ibid.
27. Ibid.


66 Speckler, op. cit.

67 Kronage, op. cit.


