

PROMOTING SAFEGUARDS FOR YOUNG PEOPLE IN THE DIGITAL MEDIA & MARKETING SYSTEM

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The New York Times

September 4, 2019

***Google Is Fined \$170 Million
for Violating Children's
Privacy on YouTube***

May 19, 2022

**FTC to Crack Down on Companies that Illegally Surveil
Children Learning Online**

December 19, 2022

**Fortnite Video Game Maker Epic Games to Pay More Than Half
a Billion Dollars over FTC Allegations of Privacy Violations and
Unwanted Charges**

Epic will pay a \$275 million penalty for violating children's privacy law, change default privacy settings, and pay \$245 million in refunds for tricking users into making unwanted charges

**Children
and Media**

**Democratic
Access**

Press Releases

**Publications
and Reports**

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Privacy Policy



CENTER FOR MEDIA EDUCATION

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Welcome to the Center for Media Education

Since 1991 CME has worked to ensure that the media system serves the public interest through research, education and policy efforts.

Children and Media **Kathryn C. Montgomery, Ph.D.**

The generation that comes of age in the twenty-first century will enjoy unprecedented access to a wide array of media. CME strives to ensure that the needs of children, youth and their families are served.

Democratic Access **Jeffrey Chester**

The way we communicate is radically changing with the development of new information technologies. CME works to secure universal access to these systems.



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Tweets by @DigitalDemoc



What Is The CDD

The Center for Digital Democracy (CDD) is recognized as one of the leading digital rights, consumer protection, and privacy organizations in the United States. For nearly two decades, CDD has been at the forefront of research, public education, and advocacy on behalf of citizens, consumers, communities, and youth.

[PRIVACY POLICY](#)



Program Areas

DIGITAL HEALTH

As we increasingly rely on the Internet and digital technology to help us make better choices about our health, consumers face new challenges. The online medical marketplace is evolving with few safeguards, raising questions about how best to protect our privacy, receive reliable information, and aren't subjected to unfair marketing practices. CDD is working to ensure the digital health field is accountable; privacy is respected, and that safeguards are in place for online health marketing.

[View Activities](#)

DIGITAL CITIZEN

We are now subjected to a far-ranging system of "commercial surveillance," where our information is continuously gathered. Data is collected when we go online, use mobile phones, post to social media, and more. CDD plays a unique leadership role holding the digital data industry accountable, as well as helping foster regulatory safeguards.

[View Activities](#)

DIGITAL CONSUMER

An elaborate system is in place designed to influence our behavior by taking advantage of our use of digital media. Social media sites collect your habits, delivering you and your network of friends and relationships to advertisers and marketers. You are a product, sold to corporations: food, credit, entertainment, alcohol, apparel, and even political campaigns. CDD closely tracks this industry, bringing their activities to the attention of the public, the media, and policymakers.

[View Activities](#)

DIGITAL YOUTH

CDD protects the interests of young people, through its work to ensure compliance with the law it helped pass--the Children's Online Privacy Protection Act (COPPA). Beyond children's privacy, CDD is committed to ensuring children and teens are treated fairly in the commercial online marketplace, where they are subjected to a torrent of powerful ads for junk food and other products.

[View Activities](#)

RESEARCH-BASED ADVOCACY

- Tracking commercial digital marketplace since the 1990s; focus on emerging strategies, technologies, practices, and operations
- “Early warning system”
- Coalition-building across issue areas and constituencies; U.S. and international allies
- Consumer protection, digital rights, privacy, children and youth, media ownership/anti-trust, tech accountability, health, democratic participation
- Strategic policy intervention – regulatory agencies, Congress, state AGs, etc.

OVERVIEW

1. Historical context, strategy, and impact of COPPA campaign;
2. Major features of today's contemporary digital media system; implications for young people's privacy and well-being;
3. Current political openings for privacy and marketing regulation;
4. Implications and recommendations for the future.

THE PROMISE OF THE INTERNET EARLY 1990S

Cyberspace consists of transactions, relationships, and thought itself, arrayed like a standing wave in the web of our communications. Ours is a world that is both everywhere and nowhere, but it is not where bodies live.

We are creating a world that all may enter without privilege or prejudice accorded by race, economic power, military force, or station of birth.

We are creating a world where anyone, anywhere may express his or her beliefs, no matter how singular, without fear of being coerced into silence or conformity.



John Perry Barlow

“

*We are on the verge of a revolution that is just as profound as the change in the economy that came with the **industrial revolution**. Soon electronic networks will allow people to transcend the barriers of time and distance and take advantage of global markets and business opportunities not even imaginable today, opening up a new world of economic possibility and progress.*

”

- Vice President Albert Gore, Jr.



"Excuse me, I'm lost. Can you direct me to the information superhighway?"



Apr. 12, 1993

TELECOMMUNICATIONS POLICY ROUNDTABLE
PUBLIC INTEREST PRINCIPLES FOR THE
INFORMATION SUPERHIGHWAY
OCTOBER 1993

Coalition of 60 nonprofit, consumer,
education, labor, privacy, and civil
rights groups

- CME, ALA, CPSR, CFA, ACLU, Public Citizen
- Frame policy debate on future of national information infrastructure (NII)
- Educate and empower public interest community
- Counter heavy lobbying by industries

Principles include:

- Universal access to information
- Freedom to communicate
- Competitive marketplace
- Equitable workplace
- Privacy protection
- Democratic policy making

The New York Times

By John Markoff

Oct. 26, 1993

***THE MEDIA BUSINESS; New
Coalition to Seek A Public Data
Highway***

EARLY POLICY DELIBERATIONS ON ONLINE PRIVACY



- European Union advances rights-based approach to data protection;
- Enacts 1995 Data Directive
- Pressure on U.S. to show privacy protections in place;
- FTC holds series of workshops on consumer privacy;
- U.S. advocates call for comprehensive privacy legislation;
- White House position on "Electronic Commerce" - no government regulation of internet

 **FEDERAL TRADE COMMISSION**
PROTECTING AMERICA'S CONSUMERS

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Consumer Privacy on the Global Information Infrastructure

JUN 4, 1996 to JUN 5, 1996

FTC HEADQUARTERS
600 Pennsylvania Avenue, NW, Washington, DC 20580 | [Directions & Nearby](#)

TAGS: [Bureau of Consumer Protection](#) | [Consumer Protection](#) | [Advertising and Marketing](#) | [Online Advertising and Marketing](#) | [Privacy and Security](#) | [Consumer Privacy](#)

EVENT DESCRIPTION

The workshop was part of the FTC Bureau of Consumer Protection's Consumer Privacy Initiative, an ongoing effort to bring consumers and businesses together to address consumer privacy issues posed by the emerging online marketplace.

MARKETERS TARGETED CHILDREN DURING EARLIEST DAYS OF INTERNET COMMERCIALIZATION

- Rise of internet coincided with growth in children's market
- Early adopters of digital technology
- “Digital kids” – valuable demographic group
- Burgeoning market research - online “flow state” “perfect environment for advertising”
- Data collection a key strategy from the beginning of e-commerce
- “One-to-One” marketing
- “Ongoing relationships with product spokescharacters”
- Website for movie Batman tells kids: “Be a good citizen of Gotham and fill out the census.”



CENTER FOR MEDIA EDUCATION INTERVENTION STRATEGY

- Reframe the public debate over children and the Internet;
- Convince White House to create exception to children in its “hands-off” approach to internet regulation;
- Document & publicize online marketing practices targeting children;
- File complaint with FTC;
- Build on research and regulatory tradition for “kidvid”;
- Establish set of clear rules to guide children’s online marketplace;
- Build a coalition of education, child advocacy, civil liberties, consumer, and privacy organizations;
- Work with Congressional leaders to pass legislation.

WEB OF DECEPTION: THREATS TO CHILDREN
FROM ONLINE MARKETING
CENTER FOR MEDIA EDUCATION, MARCH 1996



FORMAL COMPLAINT SUBMITTED TO FTC DECEPTIVE MARKETING 1996



An Educational and Entertaining
Electronic Playground for
Kids Ages 4 to 15.

All programs, images, and pages © 1996 The KidsCom Company. All Rights Reserved.

Join the fun on KidsCom!



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- Passed in 1998; bi-partisan support; took effect in 2000;
- Applies to commercial websites targeted at children under 13;
- Limits collection of personally identifiable information from children;
- Requires verifiable parental permission before marketers can collect data; creates an “opt-in” model;
- Enforced by U.S. Federal Trade Commission;
- Though somewhat narrow in scope, curtailed many egregious data collection and targeting practices.

KEY CHALLENGES

- Determining age limits;
- Broad privacy protections for all vs. specific legislation for children;
- Role of parents vs. default safeguards;
- Protection vs. participation;
- Safety vs. commercial protections;
- Industry arguments: Too early for law; self-regulation better.



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FTC Strengthens Kids' Privacy, Gives Parents Greater Control Over Their Information By Amending Childrens Online Privacy Protection Rule

Rule Being Modified to Keep Up with Changing Technology

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FOR RELEASE

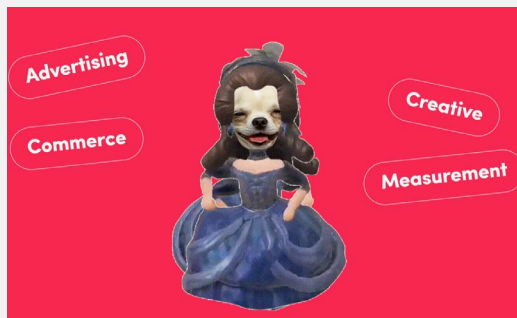
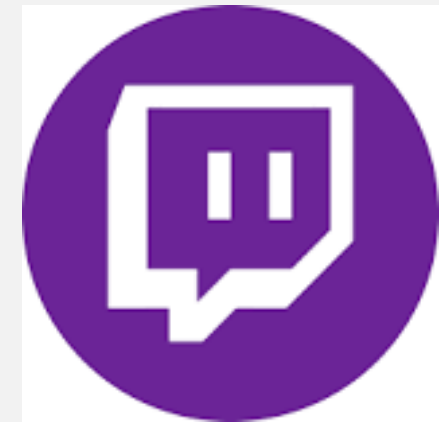
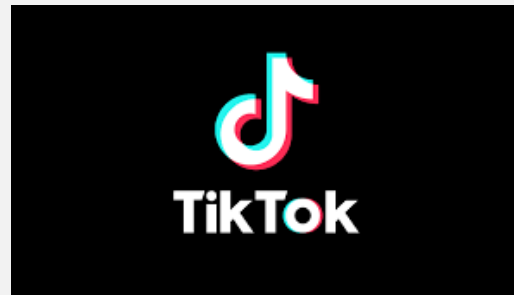
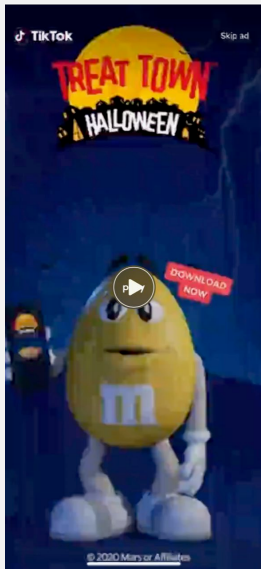
December 19, 2012

TAGS: [Children's Online Privacy Protection Act \(COPPA\)](#) | [Technology](#) | [Bureau of Consumer Protection](#) | [Consumer Protection](#) | [Privacy and Security](#) | [Children's Privacy](#) | [Consumer Privacy](#)



Related Actions

[Children's Online Privacy Protection Rule: Final Rule Amendments To Clarify the Scope of the Rule and Strengthen Its Protections For Children's Personal Information; 16 C.F.R. Part 312](#)

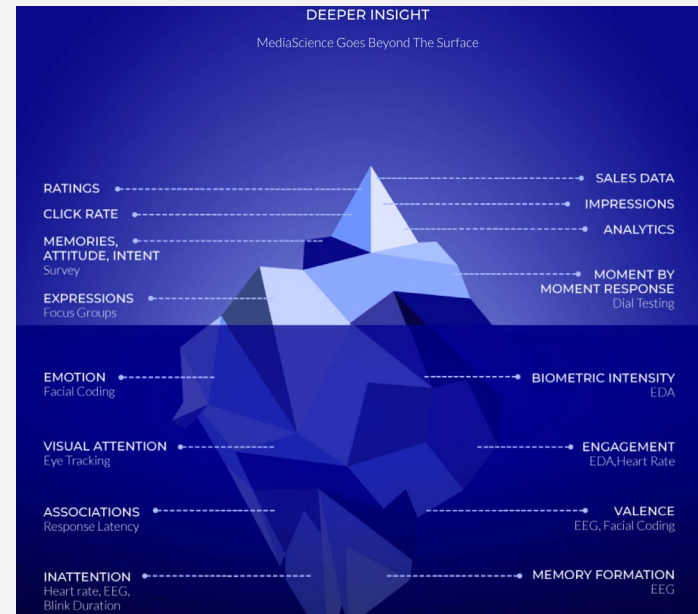


WARC
AN ASCENTIAL COMPANY

Twinkle, twinkle little consumers – why brands should court kids as young as 3 to win current and future sales

INCREASING SOPHISTICATION OF MARKET RESEARCH, TESTING, & MEASUREMENT

- Woven into content and functions of the digital ecosystem;
- Every behavior is measurable; online & off;
- Triggering and measuring actions;
- Levels of granularity unprecedented;
- “Neuromarketing,” “Emotion Analytics” - leveraging young people’s emotions and subconscious.



“AD TECH” “KIDTECH”

- Integration of multiple data, advertising, and marketing technologies, operating together in real time;
- Incorporation of AI and machine learning to deliver highly personalized and predictive targeting;
- Omnichannel tracking; harvesting massive data;
- Disney’s ad-serving software called “YODA” – Yield Optimized Delivery Allocation.



Disney SELECT

Not bought or rented. All Disney owned.

1,800+ segments built from over **100,000** attributes.

The Disney Audience Graph is one of the **LARGEST** available.

- 100 million household IDs
- 160 million Connected TV IDs
- 190 million device IDs

Powering Disney's suite of **AD TECH** solutions.

DATA UNRIVALED
Disney Advertising

The advertisement features a portrait of Yoda in the center, set against a background of colorful, blurred shapes. The text is arranged in a clean, modern layout with a mix of blue and black colors.

GROWTH OF “INFLUENCER ECONOMY”

- Influencer marketing now a multi-billion-dollar business
- Ubiquitous feature in kids and teens digital media
- Current regulatory requirements inadequate



STREAMING VIDEO/TV

- Children view video on smart TVs, mobile phones, tablets, computers, etc.
- Rapid expansion of FAST (free, ad-supported, streaming TV) channels targeted at kids
- Part of integrated surveillance marketing system
- Generate data for further targeting;



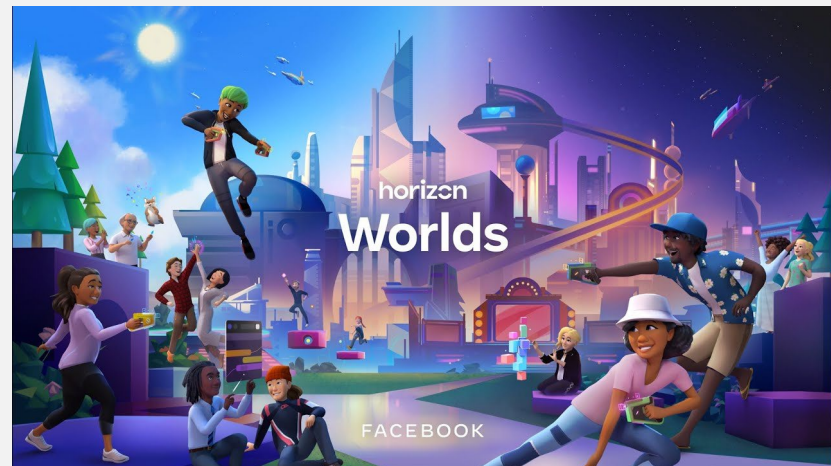
GAMING PLATFORMS

Twitch offers premium media products, native site integrations, brand partnerships, and sponsorships that stand out in a crowded advertising landscape.



VIRTUAL/EXTENDED REALITY, METAVERSE

- Builds on popular gaming, VR environments; merging of real and digital worlds;
- Metaverse market valued at \$51.69 B in 2022; forecast to grow to \$1.3 trillion by 2030;
- Virtual experiences deliver immersive advertising and branding experiences;
- Industry research to harness this technology to target youth; take advantage of identity formation processes.



INTERNET OF THINGS, SMART SPEAKERS, WEARABLES, & DIGITAL- OUT-OF-HOME



- “Smart speakers” now used by one-third of U.S. households; advertisers seizing on these & other IoT devices;
- Wearable devices, facial recognition & other technologies integrate biometric data into consumer profiles;
- Digital billboards now a key new outdoor advertising medium.

FAR-REACHING, GLOBAL, DIGITAL MEDIA & MARKETING SYSTEM TARGETING YOUNG PEOPLE

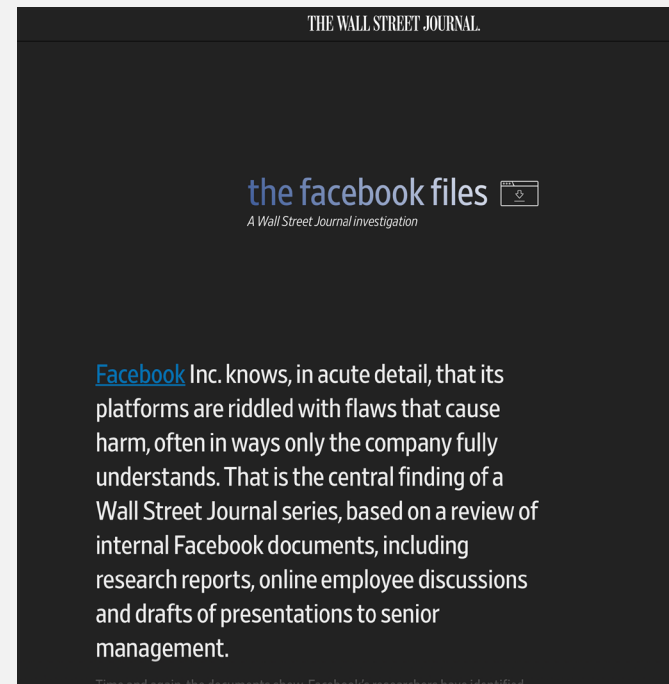
- Explosion of new platforms, applications, devices – social media, gaming, mobile, streaming; expanding exponentially;
- Data and advertising inextricably intertwined;
- Commercial imperatives shaping structures, operations, and affordances of youth digital experiences;
- Designed to tap into key developmental needs: identity exploration, interaction with peers, personal expression, etc.;
- Omnipresent tracking of multiplicity of online behaviors to ensure constant “engagement” with digital media.

YOUTH OF COLOR A KEY TARGET OF DIGITAL MARKETING

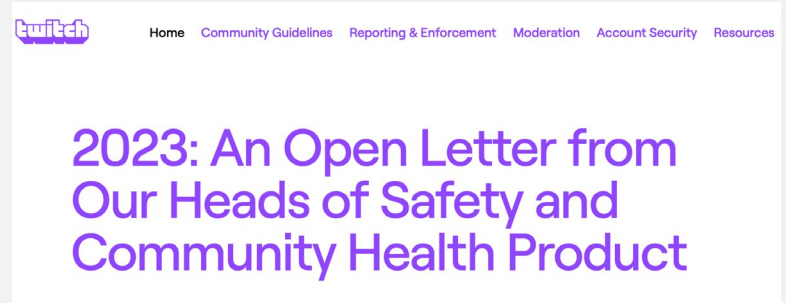
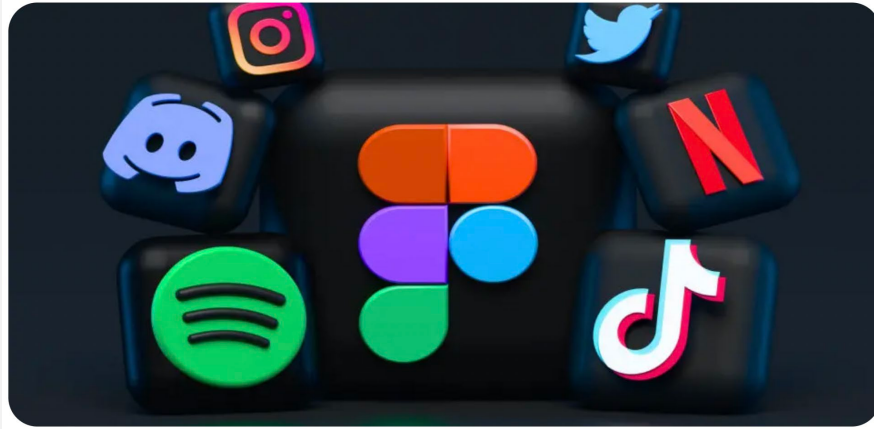


TECH INDUSTRY UNDER PRESSURE

- Digital media industry at a crossroads; rise of "tech accountability";
- Growing concerns about adolescents – Facebook Whistleblower focus on teens and mental health;
- Flurry of legislative and regulatory proposals – FTC and Congress;
- Regulating tech a bi-partisan issue;
- Hearings, increased press & public scrutiny of tech industry practices; White House calling for youth protections;
- European and UK regulations spawning new laws and frameworks in U.S.



Big Tech Companies, Privacy, and Congressional Hearings



**TIKTOK INTRODUCE NEW RULES TO PROTECT YOUNGER USERS
FOLLOWING SAFETY FEARS**

**Continuing to Make Instagram Safer for
the Youngest Members of Our Community**

**Meta adds additional ad targeting
restrictions for teen users**

CURRENT LEGISLATIVE AND REGULATORY DEVELOPMENTS

- Updates of COPPA in House & Senate: “COPPA 2.0”
- American Data Privacy and Protection Act (ADPPA) –would create comprehensive privacy and civil rights framework for everyone; prohibition of targeted advertising for youth under 17;
- Kids Online Safety Act (KOSA); modeled on UK Design Code; new California law – Age-Appropriate Design Code Act – takes effect 2024; efforts underway in other states;
- Federal Trade Commission rulemaking on commercial surveillance, including data targeting with strong focus on children and teens; update on COPPA rule.

WHAT ADVOCATES ARE CALLING FOR

- Prohibit collection, use, sharing of data for purpose of personalized ad targeting to youth under 18;
- Institute data minimization rather than rely on consent models;
- Eliminate uses of data that are harmful to wellbeing of young people;
- Limit collection of geolocation data from children and teens;
- Ban discriminatory ad and data practices;
- Stop use of “dark patterns” and other manipulative and unfair marketing techniques; curb “engagement” techniques.

IMPLICATIONS AND RECOMMENDATIONS FOR THE FUTURE

- Technological innovations and commercial opportunities will drive further expansion of content and services in children's digital environment.
- Many new tools hold potential to benefit young people's lives – e.g., personalized learning; health monitoring; networked social interaction; internet connected play, etc.
- These innovations will also raise further concerns over privacy, security, discrimination, equity, health, emotional & social well-being.
- Need for global "rights-based" policy initiatives; government safeguards; greater industry accountability.
- Interdisciplinary research on the psycho-social impacts of evolving digital media/marketing system will be essential.

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Our Areas of Focus



DIGITAL HEALTH

CDD is working to ensure the digital health field is accountable; privacy is respected, and that safeguards are in place for online health marketing.



DIGITAL CONSUMER

CDD closely tracks the Digital Marketing industry to make the public, the media, and policymakers aware of their activities, in order to protect your consumer rights and online privacy.



DIGITAL CITIZEN

CDD advocates for fair, equitable and just media and public sphere. We need limits on the use of commercial consumer data by political campaigns for voter targeting and voter suppression.



DIGITAL YOUTH

CDD protects the interests of young people, and is committed to ensuring children and teens are treated fairly in the commercial online marketplace.