



Secret Formula for Cereal Advertising to Kids

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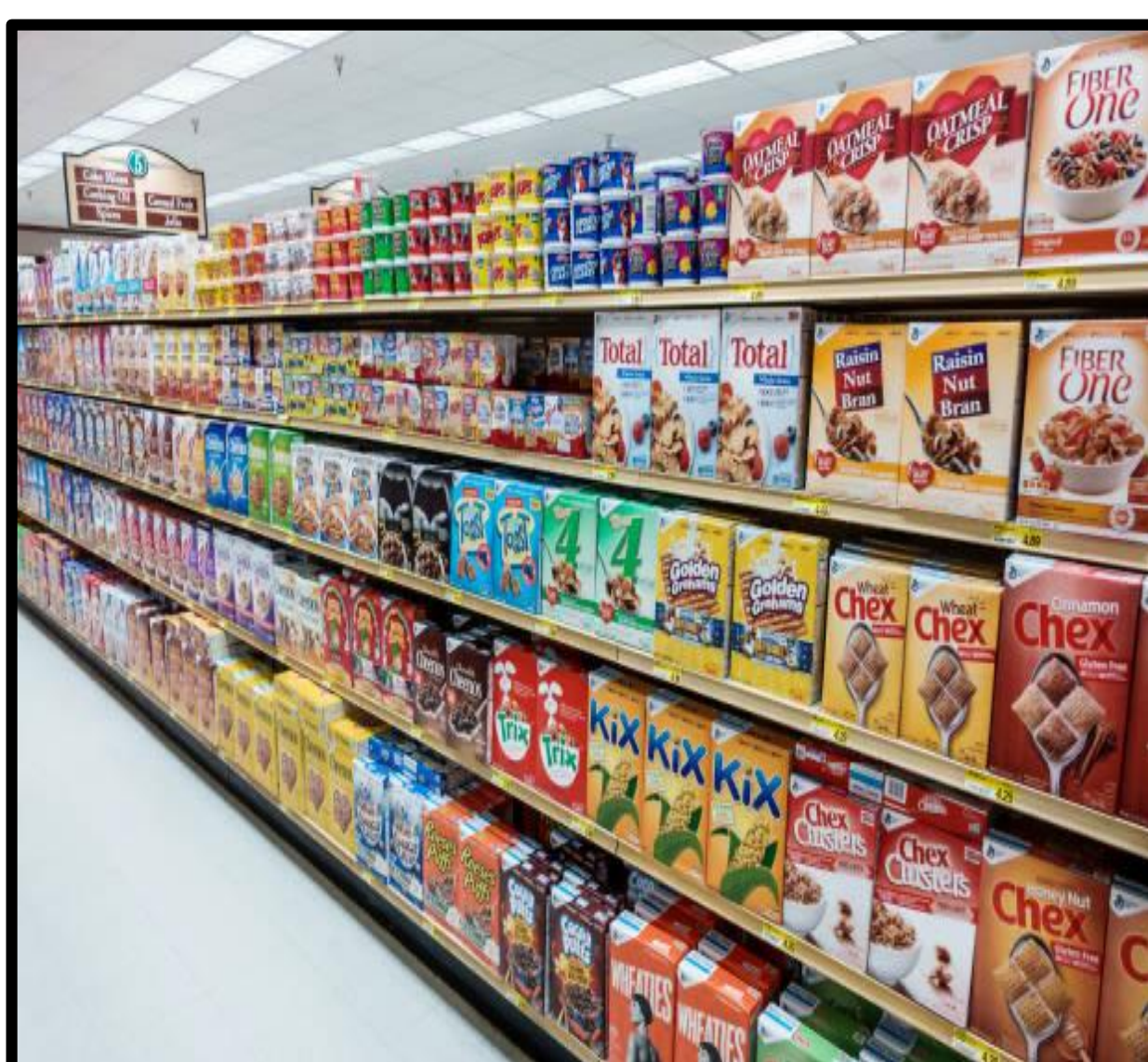
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In-Store Product Placement:



In the photo pictured to the left, most of the cereals on the shelf are high in sugar and fats. Some of the cereals within the bottom three rows include Trix, Reese's Puffs, and Lucky Charms. Based on the research mentioned by Brian Byer, these cereals are likely intentionally placed low to the ground to entice children to grab them. In addition to this, some of the boxes contain cartoon characters that have their eyes tilted down for the purpose of making eye contact with the children.



The picture on the right demonstrates the same idea as above with the "unhealthy" cereals toward the bottom and the "healthy" cereals toward the top. The healthier cereals being toward the top appeals to adults because they sit at eye-level.



Introduction:

Children see anywhere from 20,000 to 40,000 advertisements each year. This means kids see about 360,000 advertisements by the time they graduate high school. Approximately 44% of those ads are food-related, with most being breakfast foods. In fact, the advertisements that children are seeing are often targeted directly towards them. The reasoning for this is within the idea of brand loyalty. Brand loyalty is the concept of building a preference and a bond between consumers and a brand. The easiest way to do this is by gaining a person's loyalty when they are young. Companies use many strategies including storytelling, packaging, licensing, supermarket product placement, and even creating a multi-media presence to accomplish this.

Findings and Analysis:

Many companies use various executional frameworks in order to acquire the attention of their intended audiences. Cereal companies are no exception, in fact many use the same frameworks in their advertisements. These include storytelling, fantasy, and animation. Advertisements are not simply informational, for a child would not pay attention. Instead, Kellogg's Tony the Tiger will swoop in and save the day (Guber and Berry, 136). Children have difficulty distinguishing between normal media and advertising media until about the age of 7 or 8 (Story & French, 2004). Therefore, making these advertisements follow a story, like a TV show or movie, will capture a child's attention. Using the elements of fantasy and animation, as well, can connect a child with a character. Many cereal companies have original characters that serve as a mascot for their products. When these characters come to life, through advertising, kids can connect with them in the same way they connect with their favorite protagonist in a show. Children will develop these positive connections, thus leading to a stronger brand preference (Story & French, 2004).

Packaging and Licensing

According to a study conducted by Randy Page et al., focusing primarily on the targeting of children in cereal aisles, "the cereal packages...analyzed contained a variety of promotion techniques and content features designed to accomplish these purposes." The study focused on the following characteristics of packaging: front panel characteristics, premium offers, cross-promotions, activity features, characters and celebrities, web sites, and other content features. Because children remember products in unique ways, "the impact of packaging is...perhaps more [significant] than for adults [when it comes to] the brand's message and personality" (Randy Page et al., 2008). The most notable results were that a high proportion included animated characters of some kind on the front of the boxes. In order to appeal to children, "food companies use cartoon characters like SpongeBob SquarePants and Spiderman in their marketing...and often select spokespersons that children idolize, such as Beyoncé and Selena Gomez" (Randy Page et al., 2008). However, the appearance of product ID characters were more frequent than those from movies or TV shows in this study. It was found that about one-fifth of the products included in the study were in partnership with some sort of entertainment, whether it is a movie, show, or a toy of some kind. This continues to build that brand loyalty and preference because of the blurred lines between advertisements and real entertainment.

In addition to those features, about 50% of the products had some sort of interactive activity like trivia, mazes, and other games on the back of the box. While these activities are usually educational in some way, it is more accurately called "advercation," which is the embedding of educational information in a grander advertising message. Since so many of the products had activities on the back, how many of the packages had some sort of "lure," or when "consumers [are] referred to the back or other panels for more information" (Randy Page et al., 2008). Kellogg's cereal even has a section on their website that children can visit to digitally download the games on the back of the boxes, or even view the solutions (Kellogg's, 2022).

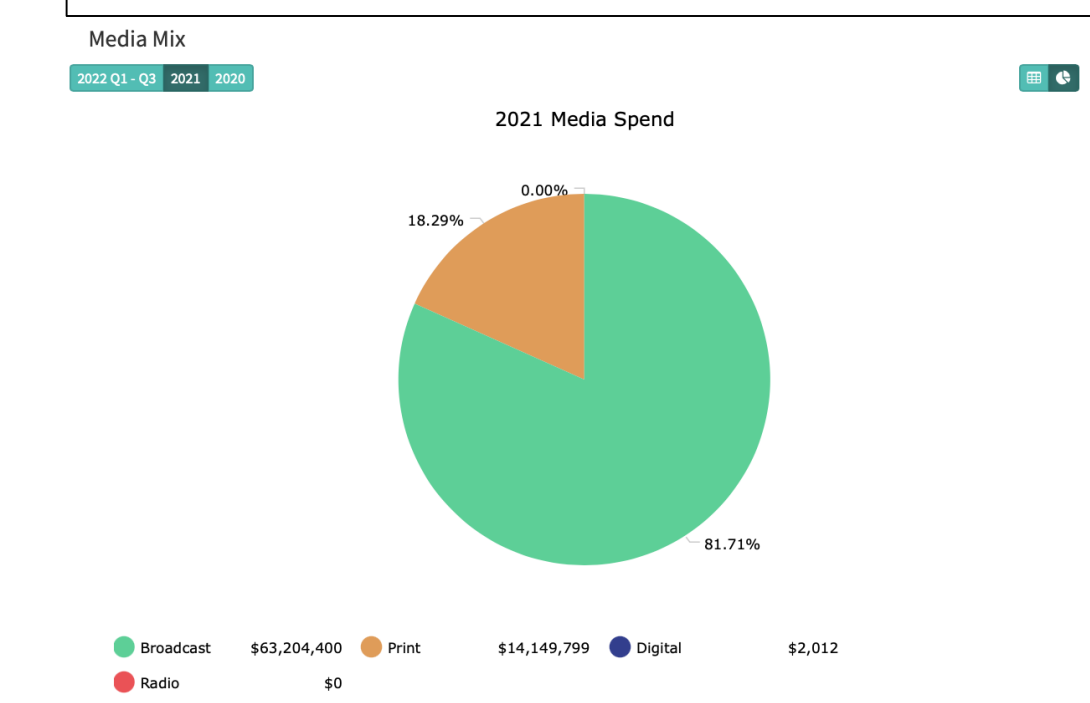
Relating to the concerns of the health of breakfast products, it was found that 86.9% of the products had a sort of graphic on the front of the package relating to identifying the product as healthy or nutritious. This is interesting because most cereals are known for being sweet, in fact, many of the products used in this study listed sugar, or some form of it, in the first three ingredients (Randy Page et al., 2008).

Looking at this from a manufacturer perspective, Kellogg's was found to include more total promotions than any other manufacturer, like licensing, games, toys, etc. General Mills was found to include more of an emphasis on nutrition, by including graphics mentioning the healthiness of the product, or creating ads that focused on the levels of grain within their cereals (Randy Page et al., 2008).

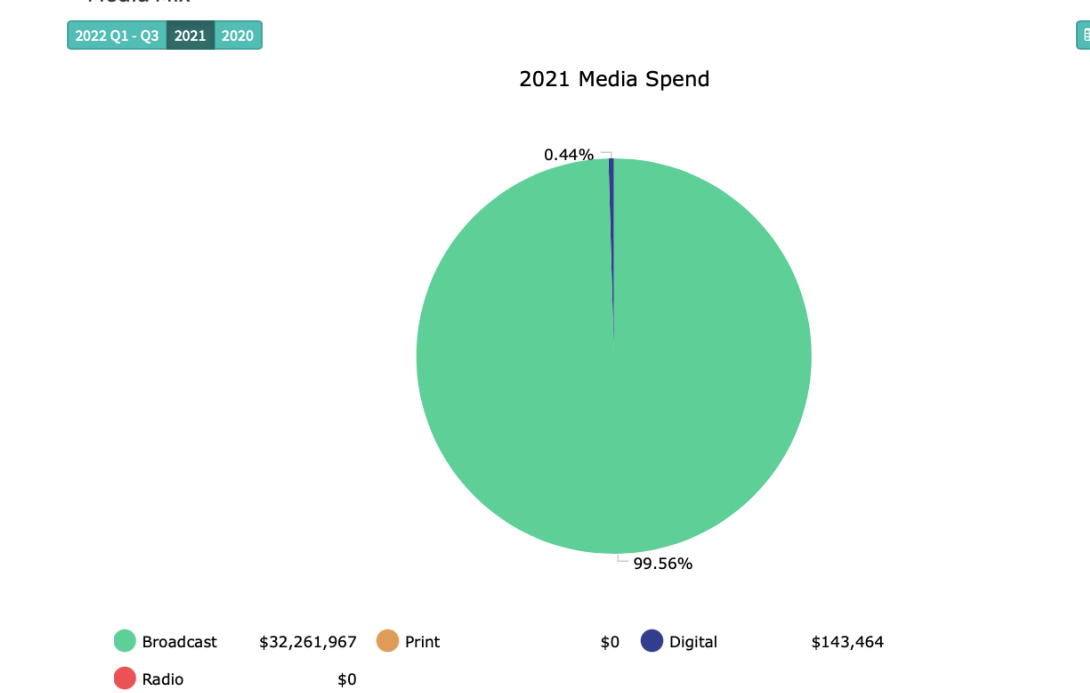
In-Store Product Placement

Something that may be overlooked is in-store product placement within supermarkets. Advertising is occurring constantly, all over, including when shopping in a grocery store. Cereal aisles have many cases of this intentional in-store product placement. According to Brian Byer, Vice President at digital marketing agency, Blue Fountain Media, "research has shown over and over again that kids influence adult purchases, hence why the cereal boxes are placed at children's eye level" (Mitrokostas, 2019). Through studying a local Target, it was found that the sugary cereals, like Reese's Puffs, Trix, and Lucky Charms, were placed towards the bottom of the aisle shelves, while the less sugary cereals, like Special K, Chex and Fiber One, were placed towards the top of the aisle shelves. This would place the cereals that would appeal more to children at their eye-level, thus making it easier for them to grab and nag their parents into a purchase. This goes further than the simple placement of the box itself. It has been found that the mascots on cereal for children almost always are looking down towards the children in the aisles. It was found that the characters would be placed in the bottom 23 inches of cereal displays with the characters on them looking down at a 9.6-degree angle. The reasoning behind this is due to brand loyalty. It was found that feelings of trust and connection were increased when the characters would make eye contact with the consumers (Musicus et al., 2014).

Financial Findings

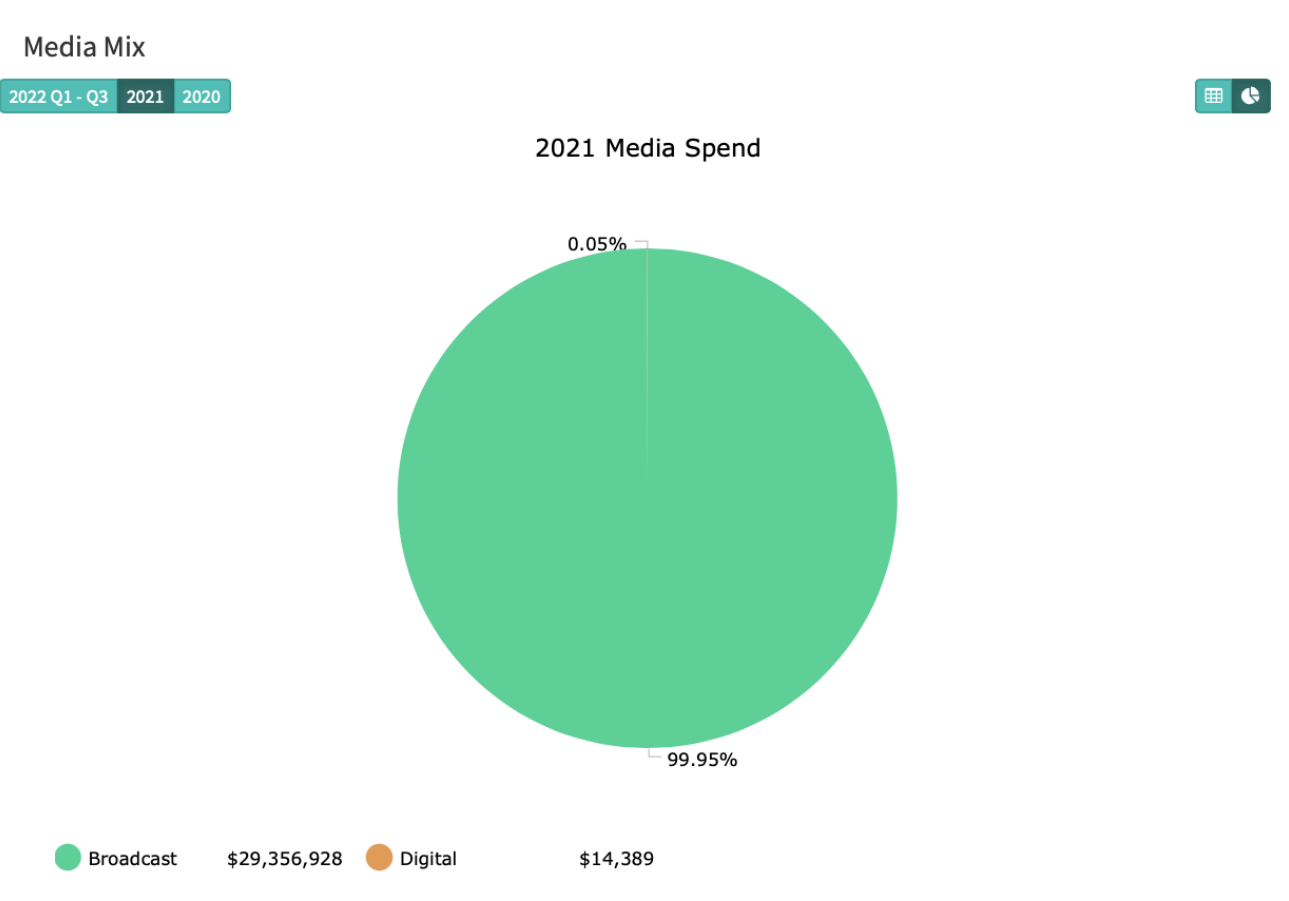


On the left, the budget breakdown details General Mills media spending for the year 2021. Top left is the budget breakdown for Honey Nut Cheerios. It can be seen that 81.71% of their budget was allotted to broadcast advertising. The second largest portion was dedicated to print. The most surprising fact was the almost non-existent portion of the budget that went to digital. The bottom left is the budget breakdown of Cinnamon Toast Crunch. About 99.56% of the budget went directly to broadcasting, which is a large jump in distribution percentage. The main difference is that for Cinnamon Toast Crunch, there was no print spending, yet 0.44% of the budget was allotted to digital. It seems that General Mills has found their traditional means of advertising through broadcast and print is effective enough to maintain such percentages (Winmo, 2022).



On the right, Kellogg's media spending is detailed. This chart shows Frosted Flakes' budget breakdown. Their largest portion of spending was also broadcasting in 2021 at 99.95% of the budget. Digital advertising allotment was similar to General Mills at 0.05%. When looking at Kellogg's entire company breakdown, it demonstrated a healthy mix of the different outlets, but still had the largest allotment towards broadcast and print.

Based on this information, it seems that broadcasting advertising is still an effective form of advertising for this industry. The similarity between the amounts of spending for each company in each category reinforces that idea, as well (Winmo, 2022).



When it comes to other competitors in this industry, as of 2021, Post Consumer Brands spent 100% of their media spending on broadcasting. This amounted to approximately \$245,956. Interestingly, when looking at the first two quarters of 2022, all of Post Consumer Brand's spending has been allotted to digital advertising instead, with no money spent on broadcasting. This demonstrates an unstable record of media spending (Winmo, 2022).

PepsiCo(Quaker Oats) spent 92.42% of their advertising budget on broadcasting, but 6.87% on digital amounting to \$34,739,925 million and \$2,582,830 million. Quaker Oats is more in line with the spending of the market leaders in cereal. These numbers indicated that these two companies do not have the spending power of the larger market leaders but spend their money in similar ways indicating a successful process (Winmo, 2022).

Solutions:

Company Policies

Disney has banned junk food advertising on their platforms. If companies wish to advertise their food products on Disney's channels, they "will be required to meet guidelines regarding serving size, calories, and fat and sugar content," which are on par with federal recommendations (Chmielewski, 2012). Nickelodeon does not have any regulations and continues to market junk food to children. There has, however, been a significant decrease in the amount that is broadcast.

Legislation

Until recently, the Federal Trade Commission showed little to no interest in regulated food marketing and advertising towards children. For a while, the opinion about food marketing was that "unwise consumer choices [were] a strong argument for consumer education, but not for law enforcement" (Beales, 2003). The FTC leans more strongly towards industry self-regulation by encouraging companies to improve the health of their products, as well as improve the labeling of said nutritional facts, and to try to avoid using popular characters on products that are not necessarily very healthy. Some of the only restrictions placed on companies is if they engage in puffery and their claims can not be proven through "competent and reliable scientific evidence" (Mello, 2010). All of this goes to show that there are little to no national regulations against food marketing to children, but rather strong suggestions being made. Compared to other countries, the U.S. is extremely behind.

Conclusion:

Cereal companies seem to have the right strategies down in order to target children in this market. Whether it is product packaging, in-store product placement, the location that ads are played, or even down to the content of the ads themselves, these companies are highly successful. Throughout all findings, it seems that the key to targeting still lies within the world of broadcasting, with Kellogg's and General Mills spending the highest percentage of their media spending budgets on broadcasting advertising in 2021, it must still be effective. In addition to this, these companies use the same themes and executional frameworks within their advertisements. It is most common to see elements of fantasy, storytelling and animation within these advertisements. Due to children's inability to differentiate between normal programming and advertisements until around age seven, these elements keep children engaged and build the brand loyalty that is so sought after. Another key strategy is catching them at a young age. As mentioned, they target children in that age range where they cannot tell the difference between advertisements and normal TV in order to begin developing that brand loyalty and brand preference. The younger they begin this process, the better the bond will be. When it comes to packaging specific elements that these companies use, mascots or some other sort of character is one of the most used tactics. Many people recognize most of the mascots on cereal boxes, and the bond that is created between the consumer and the character helps build and reinforce brand loyalty once again. As time has gone on, health related concerns have begun to rise, but these companies are taking action. Many company changes have taken places, including no longer using words like "healthy" unless a product is healthy. Also, non-food companies like Disney and Nickelodeon have reduced the amount of food advertising that they allow to play on their platforms. While it might be detrimental to these cereal companies in the moment, it is pushing forward the change that greater society wants to see from these corporations. Overall, the key to marketing to children in the present day is having fun, adventurous characters that can connect with a child either through a TV screen via commercials, or in the cereal aisle itself. By creating a story that a child can engage with, and by capturing their interest from a very early age, these cereal companies are able to build a bond between a child and their brand that could potentially last a lifetime.

Concerns

The US is behind

Other countries have banned unhealthy food marketing targeted at kids under the age of 14. They have also banned the use of cartoon characters and toys in advertising unhealthy food to kids. The difference is in the US, "two-thirds of food, restaurant, and media companies have no policy to limit junk food marketing to kids" (Food Marketing Workgroup, 2022).

Health Concerns

Shockingly, "American children now obtain over 50% of their calories from fat or added sugar" (Story & French, 2004). Nutritional habits developed in youth carry into adulthood. If children are being advertised unhealthy foods from a young age, they will develop a habit of eating foods high in fats and sugars, contributing to health issues later in life. Due to the spending power that children hold, companies are heavily targeting kids. Over the past ten years, there has only been an increase in the amount of advertising that children are engaging with. This is why being conscious of what children are engaging with is more important now than it was previously.