The Commodification of Youth Culture

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INTRODUCTION

In 1955, Disney put together three segments of one of its popular television series into one movie and released it as **Davy Crockett, King of the Wild Frontier**. The movie, starring Fess Parker as the famous frontiersman and Buddy Ebsen as his sidekick, was an immediate box office hit and also created a nationwide phenomenon never witnessed before in the USA, featuring movie merchandising specifically targeting young children. Davy Crockett coonskin caps were everyday apparel for most young boys, while a wide array of other merchandise flooded the market, including flintlock pistols complete with powder horns, Davy Crockett trading cards and lunch pails, as well as Alamo playsets featuring Mexican soldiers and the Texan defenders. While not the first example of marketing to children, the phenomenon certainly drew much more attention to the process.

While several scholars have traced the evolution of marketing to children (Kline, 1993; Seiter, 1993; Cross, 2002; Cook, 2004; Jacobson, 2005), it is obvious that the commodification and commercialization of childhood and youth has accelerated dramatically since the 1950s. Not only are children and youth avid consumers of a growing array of media and other cultural products, but the process of targeting youth for consumption through the media and advertising has become increasingly more developed and sophisticated. New methods of advertising and marketing to children are developing with new forms of communication, while the control of media oriented to young people has been concentrated into a handful of transnational media conglomerates that typically dominate the rest of the media landscape, as well.

While much research has focused on the effects of media use and content on children, these political economic factors...
involved with youth and media are often underplayed or ignored, at least by many academic researchers. This chapter will argue that it is necessary to understand this process more completely to be able to fully explicate the relationship between youth and media.

The approach used in this chapter might be referred to as the political economy of media or communications, which incorporates those characteristics that define political economy generally, as well as its application to the study of media and communications. In *The Political Economy of Communication*, Vincent Mosco has defined this version of political economy as ‘the study of the social relations, particularly power relations, that mutually constitute the production, distribution and consumption of resources’ (Mosco, 1996: 25). He explains that political economy is about survival and control, or how societies are organized to produce what is necessary to survive, and how order is maintained to meet societal goals.

Political economy is crucial to understanding youth culture, where there has been a proliferation of products and new media forms (commodification) and increased advertising of products in a variety of new ways (commercialization). A brief overview of these general tendencies as they have developed in the world of youth culture will be followed by case studies of the Walt Disney Company and Viacom’s Neopets, which exemplify these trends in more detail. And, while there are broader issues such as identity, creativity, participation, etc. involved in assessing contemporary youth culture, this chapter will focus mostly on the processes of commodification and commercialization, providing the underpinning for considering these other important issues. While the commercialization of youth culture is generally growing in many parts of the world, the focus here is mostly on the situation in the USA, which certainly is the most accelerated example, as well as being dependent on resources from other parts of the world to maintain its hyper-consumer culture.

**YOUTH MEDIA/CULTURE INDUSTRY**

While, historically, products have been aimed at children and youth, the development of a youth market grew substantially during the last half of the twentieth century. But until the early 1980s, the marketing of youth products was more or less haphazard.

In the late 1980s, James McNeal (1987) pointed to the significance of the ‘kids’ consumption’ (his term), identifying three focuses: kids as consumers, kids as future consumers, and kids as influences on consumption. Advertising and marketing experts began to get the picture, and the marketing of products for children and youth expanded considerably.

By the beginning of the 21st century, many analysts maintained that children and youth were at the heart of consumer culture (at least, in the USA, as well as many other consumption-oriented countries). Harvard economist Juliet Schor (2004: 9) concluded in her study of ‘the commercialized child’ that, ‘Kids and teens are now the epicenter of American consumer culture’. (Also, see Bogart (2005)). It is not surprising, then, that the media and advertising industries have created more deliberate, elaborate and widespread efforts to tap this increasingly important market.

These days, most American youth have more money for consumption, are consuming more at an earlier age, and have an even stronger influence on family consumption. These roles have been increasingly recognized, as highlighted by one media analyst:

With spending power of $78.5 billion annually, kids are an increasingly vital economic force. A growing number of non-traditional advertisers are moving into kids’ television not only to reach them but to reach their parents in a relevant environment. According to Yankelovich Youth Monitor, 72 percent of kids say commercials influence their purchase decisions and a growing majority of adults admit they are significantly impacted by their children’s requests and recommendations (Myers, 2005).

McNeal estimated that American children aged 4–12 directly influence US$330 billion
of adult purchasing in 2004 and ‘evoked’ another US$340 billion. But this is not just an American phenomenon: global estimates for tween influence (roughly, from first grade to age 12) topped US$1 trillion in 2002 (Schor, 2004: 23).

More commodities, more consumption

With more money to spend, the number and range of commodities aimed at children and teens is considerable. The US market for young people’s products has been estimated at over US$166 billion (Marketresearch.com, 2006). McNeal reports that children aged 4–12 made US$6.1 billion in purchases in 1989, compared with US$30 billion in 2002. Older youth, aged 12–19, spent US$170 billion in 2002.

To get a sense of the way that this market is developing, note this description of a marketing report published by marketresearch.com (and available for US$2,750):

This report analyzes the $166-billion U.S. market for kids’ products, which is being transformed by sweeping changes in kids’ preferences, strong undercurrents of e-commerce and advanced marketing techniques. The report offers a detailed discussion of kid demographics, market size, growth and composition, kids’ behavior as consumers, retail trends and the new fundamentals of marketing to kids. Market projections through 2004 are included. Purchasers can expect a thorough discussion of specific kid-targeted marketing strategies and campaigns that have succeeded in the following product segments: food and beverages, play items, video, apparel, and health and beauty care. Kid-oriented media is comprehensively analyzed, with a special new emphasis on electronic media.

Many observers have noted that this increased consumption of commodities by kids is occurring at the same time as changes in the nature of childhood itself, with earlier involvement by children in the adult world. Consequently, the role that children play in the consumption process has shifted, with children becoming the household experts on the latest products, especially new technologies. Children’s familiarity with an increasing number of brands has also accelerated.

One often-cited study found that the average 10 year old has memorized 300–400 brands (Del Vecchio, 1997).

Advertising and marketing strategies

And the reason that children are familiar with so many brands has a good deal to do with advertising, or the greatly enhanced commercialization of media. Since the 1990s, many would agree that there has been a virtual revolution in youth marketing. Young people with more money and influence, plus more exposure to more forms of media (television, especially) has prompted companies to greatly increase their advertising budgets and marketing efforts directed at this segment of the population.

No matter what ages are included, the advertising expenditures aimed at children are extensive and have grown significantly over the last few decades. McNeal (1987: 21) estimated that, by 2004, total advertising and marketing expenditures directed at US children would reach US$15 billion, compared with only US$100 million in 1983. However, other estimates are even higher, with one source claiming that kids’ advertising represented nearly US$262 billion in 2004 (Weiskott, 2005).

Advertising and marketing companies also have employed armies of researchers, who have developed specialized expertise and produced ‘a deluge of industry-generated research’. A wide range of research methods beyond surveys and polls are used to obtain information about young people, as well as in developing strategies to encourage them to consume. Some of these techniques involve children themselves providing and distributing (peer-to-peer) consumer information (see the Neopets case study later in this chapter).

An example of the glut of marketing expertise and research is the tendency to develop new categories for specific groups of consumers. For instance, ‘tweens’ have recently attracted attention as representing the focal point for consumer trends. Martin Lindstrom, one of the world’s leading
branding gurus, explains that ‘...80 percent of all global brands now requires a tween strategy’ (Schor, 2004: 12). An industry trade magazine writer echoes this point:

...when this pre-teen, toy-abandoning, videogame loving, fashion forward, techno-savvy, fickle consumer demographic makes a move, we all watch while holding our collective breath. Never before has a group of youngsters – with an age span from 8- to 12-years old – wielded so much consumer clout (Weiskott, 2005).

**Media exposure**

The media obviously play key roles in the growing market of commodities to young people. The estimates of children's exposure to media are seemingly endless, produced by the media, marketers and advertisers, as well as public advocacy groups. No matter what the source, the exposure, at least for American youth, is substantial, as has been discussed elsewhere in this volume.

In one of the most comprehensive national public studies ever conducted of young people’s media use, the Kaiser Family Foundation in 1999 found that an average youth in the USA, aged 2–18, spent around 5 hours and 29 minutes each day with a variety of media, or a total of 38 hours per week. The study was based on a nationally representative sample of more than 3,000 children aged 2–18, and examined how much time youth spent watching TV and movies, using computers, playing video games, listening to music, and reading (Kaiser Family Foundation, 1999).

A later study by the Kaiser Family Foundation (2005), however, discovered that children between 8 and 18 spend about eight and a half hours a day with media, indicating increasing use of media as children grow older.

A more recent report from the same foundation reported that parents may use electronic media as babysitters for young children, with 80% of children under age 6 watching an average of 2 hours of TV each day. Also, 60% of babies 1 year old and younger watch TV at least some of the time. The Kaiser study found that 30% of children 6 and under live in homes where the TV is on during most or all meal times (Kaiser Family Foundation, 2006).

Another Kaiser report examined the media use of 3rd through 12th graders and found that they are spending an increasing amount of time using ‘new media’ like computers, the internet and video games, but without cutting back on ‘old media’ like television and music (Kaiser Family Foundation, 2005).

While there are new forms of media that offer commercialized content, there are also advertising messages that ‘infiltrate everyday life’, including product placements in television and movies, ‘real life placement’ (individuals paid to promote products in various everyday settings), in-school media (such as Channel One), ‘advergaming’ (as exemplified by the Neopets case study below), and a wide array of consumer news stories.

While many studies have focused on the effects of exposure to media violence and sexual content on young people, fewer researchers seem as interested in the effect of exposure to a massive quantity of commercial messages and the influence on a consumer or materialistic mentality. Of course, there has been an on-going debate about children (and older people, for that matter) and their ability to interpret cultural materials (including advertising) in their own way. While this has been discussed in other chapters in this volume and will not receive further discussion here, it might be appropriate to recall Dan Cook’s comments:

Granting children magical transformative powers of the imagination, however, only further romanticizes an already oversentimentalized view of childhood. Children are human. Imaginations can be colonized. ... And, as any marketer will tell you, exposure to target market is nine-tenths of the brand battle (Cook, 2001).

**Youth media**

Media aimed at children and teens have been important for the development and growth of the youth commodity markets in a number of ways. Children’s media programs are commodities themselves that are bought and sold in an ever-expanding marketplace.
But these media are often commercialized, with advertising playing a key role in promoting other products, both through commercial breaks or product placements and with content itself serving as an advertisement for some products (see Pecora (2002) for a good discussion of this development in US television). As one trade paper writer points out: ‘Children’s programming has been quite simply the engine that drives young customers and their parents to the toy and video game and apparel markets’ (Brennan, 2000: 1).

**Television**

In most countries, television has always attracted children, both through specifically targeted programming, but also as viewers of adult programming. As Norma Pecora (2002) illustrated in her study, *The Business of Children’s Entertainment*, children’s television in the USA must be analyzed in relation to manufacturers of children’s products, especially the toy industry, which virtually subsidized children’s television for decades. For quite awhile, this type of children’s programming was scheduled at specific periods of time (afternoons and Saturday mornings) on television networks and channels that included a wide range of programs.

But since the introduction of MTV in 1981, there has been an explosion of electronic media outlets aimed specifically at children and teens (see Kunkel and Gantz (1991), McGrath (1996) and Banks (1996)). While MTV appealed directly to the teen market, Nickelodeon has developed into the leading children’s channel in the USA, as well as becoming a significant franchise embracing a wide range of media and product lines (see Hendershot (2004)).

An extensive review of channels around the world that targeted children in 1999 reported 87 channels, with 50 having launched during the previous 3 years (*Screen Digest*, 1999: 105–111). While the growth in channels is explained by the expansion of multichannel television, the development of the youth market must also be a contributing factor in this rapid growth.

More recently, the introduction of BabyFirstTV in May 2006 has expanded the focus even beyond the children and teen market. As the channel’s website boasts:

Welcome to BabyFirstTV – the nation’s first channel for babies! The channel offers 24/7 DVD-quality programs with a unique parent co-viewing experience for only $9.99 a month, less than a single baby DVD.

The cable and satellite channel is aimed at children ages 6 months through 3 years, offering a variety of programming, including shows meant to teach colors, counting and shapes. Shows, which vary from 2 to 7 minutes in length, are often accompanied by cheerful songs, classical music or soothing sounds meant to help babies relax. ‘It’s all about facing reality’, explained BabyFirstTV co-founder Sharon Rechter, who referred to the Kaiser Family Foundation (2006) study when she quipped that ‘four out of 10 babies under 2 are watching television anyway’ (Churnin, 2006).

**Video/computer games**

In addition to broadcast/cable channels, additional media commodities are continuously introduced and aimed at the youth market. Video and computer games have developed into important and lucrative products that rely a good deal on children and youth.

In 2005, US$7.4 billion were spent on computer and video games in the USA for more than 228.5 million units. This does not include spending on hardware, books, and other merchandise (Entertainment Software Association, 2006). According to another source, roughly US$10.5 billion was spent on hardware in the USA (Sinclair and Feldman, 2006). Globally, the industry has grown dramatically as well, reporting US$32.6 billion in sales in 2005 (Gamustra.com, 2006). Meanwhile, the 2005 Kaiser report found that young people aged 8–18 spent almost an hour of each day (49 minutes on average) with video games.
**The internet**

Online activities are emerging as a significant influence on youth culture and attracting a good deal of attention from researchers and policy-makers. Much of the attention is directed at the online porn business, which is said to generate US$12 billion dollars in annual revenue – larger than the combined annual revenues of ABC, NBC and CBS (Family Safe Media, 2006). And, the largest group of viewers of internet porn is claimed to be children between ages 12 and 17 (Family Safe Media, 2005).

Meanwhile, other activities continue to attract children and teens. For instance, online gaming is an increasingly important part of youth media marketplace, and includes a growing number of MMOGs, or ‘massively multi-player online games’, that are sometimes connected to other media outlets (for instance, Disney’s Toontown). Not only is the internet attracting children and teens to a myriad of online sources and activities, it is developing into a unique marketing tool for the growing commodity market of children’s products. Advertising expenditures for the internet continue to grow, as over US$8.3 billion was spent in 2005, compared with US$7.3 billion in 2004 (TNS Media Intelligence, 2006). While nowhere near the advertising spending for other media (for instance, local newspapers still attract over US$25 billion per year), the internet is evolving into a somewhat unique medium for marketing efforts. Kathryn Montgomery (2001) has identified several recent developments that point to new strategies used in online marketing as it relates to children:

- Integration of advertising and content (as exemplified in the case study to follow on Neopets).
- Viral marketing that takes full advantage of instant messaging and other peer-to-peer forms of digital communication popular with children and teens.
- Branded environments, where you can spend hours interacting with the product.
- Web-based cross promotions that are designed to ‘drive’ kids to advertising sites on the Web.
- Cell phone and text messaging advertising.

Interestingly, the last development on the list involves yet another commodity that has become a staple for many young people. The cell or mobile phone phenomenon is worldwide, as the global mobile phone market is expected to rise to 850 million units, roughly double 2002’s level and up 5% from the 810 million shipped the previous year. This compares with a television set market of 200 million units a year, with handsets the single biggest consumer electronics category in the world (Sandoval, 2006).

By the end of 2005, one-third of youths aged 11 to 17 had their own cell phones, and it was expected that half would have them within the next 2 years (English, 2005). Cell phones are increasingly being linked to other media and advertising sources, thus becoming an important part of the commercialization of youth culture.

**Corporate power**

While the proliferation of young people’s media is often emphasized in research, it is important to acknowledge and understand the power behind these media activities. Four major transnational companies (Disney, Viacom, News Corp, and Time Warner) are especially active in children’s media and entertainment markets, as well as dominating many other media activities. In addition to these entertainment conglomerates, a handful of other large multinationals dominate the business of toys, video games, candy, soft drinks and food.

The Big Four in children’s television have also spread their influence globally, drawing on their financial muscle and extensive program libraries (see *Screen Digest* (1999)). Certainly, there are also local competitors that are challenging these dominant global corporations, but they still hold a good deal of power over much of the media that children inhabit. In the next section, we will look more closely at one of the Big Four to understand more fully some of the corporate strategies for exploiting youth culture.
CASE STUDIES

Disney: the quintessential ‘family’ media corporation

The Disney Company has played a key role in the commodification and commercialization of youth culture for many years, not only in the USA, but also around the world. While the company no longer has a unique monopoly over certain areas of the children’s market, Disney is still a powerful and significant force in the marketing and promotion of products to young people. Disney represents an example of the deliberate and ongoing efforts to introduce new commodities to the youth market and promote them systematically through various means. People don’t often realize the scope of the Disney empire and its intensive contribution to the commercialization of youth culture. Thus, looking more closely at this one company provides an illustration of the character of the companies that dominate the youth market, plus some of the strategies that are used.

The Disney Company’s Studio Entertainment division includes a wide range of entertainment products, including animated and live-action films under the Walt Disney label, as well as the Touchstone, Hollywood, Miramax and Merchant-Ivory labels that appeal to other than ‘family’ markets. The company has also recently taken over Pixar, the co-producer of some of the most successful children’s or family films over the past decade. Disney’s home video business and interactive products are distributed around the world; the company led the global sales of children’s home video for many years.

Disney’s television business is similarly diversified, with a variety of programming produced and distributed under the ABC, Buena Vista, Touchstone and Walt Disney labels. Disney also produces theatrical versions of successful animated films, as well as offering audio and musical products related to their films and television properties.

Disney’s merchandising activities are legendary in terms of their historical precedence as well as more recent strategies. The company is still the foremost merchandising company in Hollywood and produces or licenses a seemingly endless array of products or commodities, many aimed directly at the children’s or youth market. Disney Consumer Products is one of the largest licensors in the world. Indeed, the Licensing Letter, a key publication for the entertainment merchandising industry, has reported that ‘Children are the dominant consuming audience of licensed entertainment/character properties’ (Youth Markets Alert, 2002).

It is especially important to recognize Disney’s dominance in the baby and toddler merchandise markets, where parents often find that the company’s numerous products are difficult to avoid. Disney merchandise is marketed at retail outlets around the world, as well as through its own outlets at the theme parks, through online sites, by way of the Disney Catalogue and at Disney Stores around the world. The Disney brand is commonly recognized worldwide and often associated with youth (see Wasko et al. (2001)).

In addition, Disney Publishing is the world’s number one children’s publisher. At the end of 1998, the company claimed that their print products were published in 37 languages and distributed in more than 100 countries. The company claims to lead all other publishers in the world in the area of children’s books and magazines.

Meanwhile, Disney OnLine creates and distributes content for online services, interactive software, interactive television and internet websites: www.disney.com is consistently rated as one of the Web’s most popular sites.

The Disney empire includes six major theme parks: Disneyland, Walt Disney World Destination Resort, Tokyo Disneyland, Disneyland Paris and Hong Kong Disneyland. The role of these theme parks cannot be overstated in terms of reinforcing the impact of other Disney commodities, such as films and television programming, but also serving as the ultimate leisure activity for children and families around the world. Visits to the Disney theme parks have become cultural pilgrimages that are considered mandatory.
for many young people, who may consider themselves deprived if they haven’t been to one of the sites.

Since 1995, Disney has firmly established its role as one of the dominant players in the US media industry. The ABC television network provides abundant opportunities to promote Disney-produced programming and other businesses, as well as exploiting ABC’s more popular programs throughout the rest of the Disney empire.

In addition, Disney owns television and radio stations, including the Radio Disney network, which features special radio programming for children. A description of the network on their website indicates the aim and global reach:

"Created and produced by ABC Radio Networks, Radio Disney reaches millions of kids, tweens and families through great music, out-of-this-world prizing and brand extensions like the best selling Radio Disney Jams CDs, as well as the Radio Disney apparel line found in Kohl’s Department Stores nationwide. Internationally, Radio Disney can be heard in Japan, the UK, Poland, Argentina, Paraguay, Guatemala, Uruguay and the Dominican Republic (http://radio.disney.go.com/media/generalinfo.html).

Other Disney’s media activities aimed at young people include the Disney Channel (including international channels) and Toon Disney (with recycled Disney programming). Meanwhile, the ESPN franchise, an extensive global group of cable networks, radio, internet, retail, print and location-based dining and entertainment, is also popular with some of the youth market.

The Disney/ABC presence in television is significant. As explained by Tricia Wilbur, an executive for the Disney/ABC Cable Networks Group:

...the strength of the Disney/ABC kids’ platforms is the ability to deliver targeted kids. If they’re looking for targeted audiences we offer the most efficient ways to deliver them. ... Plus, the uncluttered environment of Disney Channel is a place where marketers are breaking through and making emotional connections with kids (quoted in Myers (2005)).

Disney and youth

It is clear that the Disney company today represents a dominant player in the media and entertainment business – a sector that, at least in the USA, has become increasingly more concentrated over the last few decades, as corporations have moved or converged across industry lines to form diversified, transnational conglomerates. Several of these media giants look very much like Disney: The News Corp., Time Warner Inc., and Viacom Inc.

But Disney still represents the entertainment brand that is associated most closely with young people and families, having built a strong and enduring reputation that is almost ‘naturally’ associated with children. The brand continues to be carefully developed, with an integration of commodities that are built and coordinated to maintain the Disney name. Disney’s ‘synergy’ is legendary and is built on the exploitation of a franchise or characters across various businesses within the company discussed previously.

While the company’s brand is most often associated with children, the company profile above indicates that many of Disney’s businesses are not aimed purely at young people. While it seems clear that exposure to Disney-branded products has been found to be typically strongest during childhood, the company’s products cut across age groups in assorted ways. Of course, targeting ‘families’ immediately means appealing to different age groups, not just children, and the company carefully constructs and coordinates such attractions. One example is Disney’s Winnie the Pooh franchise, which the company acquired in the 1960s. As a Disney spokesman explained:

...Disney now has three distinct Pooh lines, each targeted at a different market. Each line is aimed at a distinct demographic and market, but even within a product line there’s segmentation. Individuals and even groups tend to make a connection to particular characters. Eeyore, for example, is most popular with teens, possibly because he is a little different from the others. But teens seem to be attracted to characters that are a little different (Hirsch, 1999).

With over 100 companies producing Pooh products, plus the promotion of Pooh across...
the company’s other business sectors, the Pooh characters now apparently outsell Mickey, Minnie and friends. As an industry trade journal reported: ‘Disney has done a magnificent job overall with Pooh, licensing and marketing products that appeal to a lot of different audiences and demographics’ (Hirsch, 1999).

The important point here is to acknowledge the company’s efforts in developing a wide range of markets that provide unique exposure to Disney products at different periods of people’s lives. But while the generational attraction to Disney is legendary, the essential foundation of this strategy, however, is the appeal to consumers at the earliest age possible.

In addition, Disney has consistently adjusted its marketing strategies to produce and distribute commodities that appeal to global audiences. This sometimes involves adjusting product design and marketing techniques for specific markets (see Wasko (2001)). While this is a tricky business and sometimes does not succeed, Disney’s brand is still highly valued in many parts of the world and often represents the ultimate producer of commodities aimed at youth (see Wasko et al. (2001)).

**Neopets: a neophyte entertainment franchise**

This section explores the Neopets site or franchise as another example of commodified and commercialized children’s culture, as well as reinforcement of consumer ideology. The popular site is an example of the new ways that advertising appeals are developing, especially those directed at youth. It also represents an example of how the concept of consumption is taken for granted and even taught to young people.

**Neopets grows: the birth of a franchise**

Neopets.com is a ‘virtual pet site’ that can be described as a combination of Tamagotchi (the virtual pet craze of the mid-1990s), The Sims, and Pokemon, with a little bit of Disney thrown in. It is a ‘free site’ supported by advertising – lots of advertising, which is also integrated into the site. Members are allowed to create or adopt up to four pets from a wide array of unique animal species. The pets must then be fed and entertained. Although this sounds simple enough, the site is quite complex and includes a wide range of activities.

There are 10 different themed lands around Neopia, such as Faerieland, Mystery Island, the Lost World, etc. These include a wide range of features, including stores and shops where you can buy food and other items (toys, books, clothes, weapons, etc.) for your pets using Neopoints. Neopia has its own post office, newspaper, hotel, concert hall, restaurants and bank. Pets can own their own pets, called PetPets.

Communication is possible through the neoboard and neomail, greetings and other forms of messaging. There are guilds (which are actually clubs with different themes). Other interactive features include members’ art work, poetry, coloring pages, etc. In this sense, the site boasts that ‘Neopet members are not merely passive visitors...’. Many of these features are organized as competitions, including beauty contests, caption contests, pet contests, Neohome competitions, etc. And then there are the games: over 160 different games revolving around manufacturing, competitive battles, puzzles, luck/chance or action activities. (More on these features of the site follows.)

Neopets is free, but includes advertising in various forms (to be discussed later). The emphasis is on ‘safe and friendly’ entertainment, with various safeguards in place for protecting young children. The company boasts that it adheres to government regulations of children’s sites, and is proud of its monitoring of language use, etc.

The website was created in November 1999 by Adam Powell and Donna Williams, sometimes described as two ‘bored’ British college students.³ Doug Dohring, described as ‘a marketing executive’, bought the site a few months later, and formed Neopets Inc. in February 2000. Only a few months later (April 2000), Neopets, Inc., a privately held
corporation based in Glendale, California, began business operations as the owner and operator of Neopets.com. By July of the same year, the company was said to have ‘reached profitability’, with annual revenue of ‘eight figures’ from advertising (60%) and merchandising (40%).

Neopets includes sites translated into Japanese, Chinese (both traditional and simplified), Korean, Spanish, German, French, Italian, Portuguese and Dutch. Interestingly, they explain that these sites will ‘increase cross-border communication and understanding by young people everywhere’. They also acknowledge that one of their ‘core missions’ is to be the largest online youth community in the world.

Neopets membership has continued to climb, with the site claiming over 70 million individual members at the end of 2006. The demographics of members around this time were reported as follows: under 13 years old, 39%; 13–17 years old, 40%; 18 and older, 21%. Around 57% of the members are female and 43% are male. Neopets is claimed to be ‘the stickiest site in the world’, enticing its members to remain at the site for long periods of time. According to one source, members spend an average of 6 hours 15 minutes per month at the site, and was ranked second on the entire internet.

Neopets matures: ownership and diversification

The Neopet company’s goal is stated clearly in its press material: ‘Continue development as the largest global youth entertainment network on the Internet, and further its revenue generation through opportunistic offline ventures’.

As NeoPets Chairman and CEO Doug Dohring explained:

Since early 2000, when we founded the company, I felt that we could create a strong connection between the youth of the world and our NeoPets-created characters and storylines, which we would ultimately extend into television, movies, merchandise, publishing and other offline vehicles in a very significant way.

In March 2005, Neopets made a deal with Warner Bros. Pictures to develop Neopets characters and stories into several feature films. A few months later, in June 2005, Viacom purchased the Neopets company for US$160 million.

Viacom is a huge diversified conglomerate, with revenues of over US$9.6 billion and net earnings of US$1.3 billion in 2005. The company describes itself like this:

Fuelled by our world-class brands, including BET, Famous Music, MTV Networks – MTV, VH1, Nickelodeon, Nick at Nite, Comedy Central, CMT: Country Music Television, Spike TV, TV Land and more than 120 networks around the world, Paramount Pictures and Paramount Home Entertainment, we are among the world’s leading creators of programming and content across all media platforms.

A month after the sale of Neopets, Nickelodeon launched TurboNick, a broadband video platform available on Nick.com that, for the first time, allows children to watch full-length shows online at any time. The company explained:

As the first kid’s network to provide full length video programming online, combined with the recent acquisition of Neopets® a global online entertainment network ... Nickelodeon now offers more multiplatform experiences than any other kid’s entertainment company.

But Viacom is not the only company making moves into internet territory. Indeed, there is a growing trend by media owners to buy successful online companies. News Corporation recently bought videogame and movie website company IGN Entertainment (which owns GameSpy and Rotten Tomatoes) and Intermix Media (owner of myspace.com) as part of a US$2 billion internet spending spree. Viacom also recently bought the popular websites iFilm.com and gametrailers.com.

Neopets and commercialization

The Neopets company claims to have pioneered the idea of ‘immersive advertising’ – ‘customized activities and scenarios’, or ‘creative programs that integrate the advertisers’ commercial products, services, brands and names into existing or customized
activities and scenarios within the site, thereby making the product an important part of the activity or game. There are also sponsored locations and sponsored games. Not all games are sponsored, but a significant number are. For instance, McDonald's, Disney and General Mills sponsor a number of ongoing features (games and locations in Neopia), while other games appear periodically that are connected to current films or television programs, or other sponsors (examples: Limited Too Clothes, Universal Studios, Reebok, etc.). While the company admits that this is an evolution of the concept of traditional product placement, it is debatable whether or not Neopets invented the idea, as there are other examples known as 'advergames' or 'in-game marketing'.

The company typically downplays the effects of immersive advertising, but their company press material boasts that the process ‘...produces lasting awareness, retention and brand affinity, with impressions that effectively and repeatedly convey the advertiser’s message to the intended consumer’. Advertisers seem to have responded positively to Neopets. For instance, Courtney Lune, Director of Mattel Girls Online, explains: ‘It becomes addictive, ... It has tremendous stickiness, and that helps us gain the exposure we need’. The ‘immersive advertising’ feature of the site seems to attract the most attention and criticism, as discussed by Seiter (2005) and Montgomery (2005). However, there are other features that might be considered worrisome, as well.

**Neopets and commodification**

The Neopets site has developed rather quickly as the base for an entertainment franchise. A franchise, in this sense, can be defined as copyrightable properties or concepts that can be repeated or continuously remade in multiple media platforms/outlets with merchandising and tie-in potentials.

The site promotes and sells a wide variety of merchandise and the franchise has indeed expanded into other outlets and commodities beyond the internet, including hand-held games, mobile phones, trading cards (and magazine) and video games. Tie-ins are frequent and include McDonald’s, Disney, Limited Too, and others. Also recall the deal with Warner Bros. for Neopets films. With various global activities, including translation of the site into 10 different languages, the ‘free’ Neopets site has indeed expanded into other commodities and media outlets. Neopets has developed as an entertainment franchise that works especially well with Viacom’s other franchises (MTV, Rugrats, etc.), and seems likely to continue to expand.

**Neopets’ ideology**

The Neopets site is not just about adopting and caring for a pet – it easily can be interpreted as a training ground or ‘grooming’ for capitalist or consumer culture. Neopia is obviously organized as a capitalist society. There are some obvious signs: the bank and stock market, as well as the game ‘Plushie Tycoon’ where one can become a successful manufacturing tycoon.

And there are lots and lots of shops: 63 created by the site, plus members are encouraged to open their own shops, which become huge, and sometimes come together as malls and various forms of markets. Overall, there is an overt emphasis on materialism and consumption, as players are encouraged to acquire (buy) items and sell them for Neopoints. The company explains that ‘through smart purchases and trades with others, members can turn a “virtual” profit, increase the size of their shops, and thereby increase their visibility on the site’.

A huge number of ‘neomalls’ are available (for a price), with over 17,300 items accounted for on one of the fan’s sites that itemizes them. When pets do not ‘own’ anything, they are portrayed as desperately sad and dejected (often crying), and encourage their owners to purchase something. Even when one feeds or plays with pets, they may still request the owner to buy something else.

To participate in many of the activities on the site, one must pay. Players can own their own home (for a fee) and furnish it with items purchased with Neopoints, as well as paying to attend concerts, or visit restaurants.
and pubs. Even when a pet comes down with a disease, the hospital diagnoses the problem and sends the owner to the pharmacy where drugs and cures must be paid for with a significant amount of Neopoints. No socialized medicine here.

Games of luck and chance are prominently featured, including some overt gambling activities such as slot machines and games of chance. And lots of activities are organized around competitions, including those interactive features. The battledecks is an attraction for many members, who purchase various kinds of weapons or strengths to wage battles with other members. There are also ongoing narratives that are featured on the site, often involving wars between different lands, complete with heroes and villains.

Overall, the company claims that '...the only limitation of the site is the member’s own imagination'. However, the site appears quite a lot like the ‘real world’, with many boundaries set and numerous limits on imaginative activities. (This is also reminiscent of Disney and its theme parks, where imagination is promoted, but limited by a variety of control mechanisms (see Wasko (2001)).

**Market research**

There are numerous offers on the Neopets site for earning Neopoints by filling out surveys for Neopets, as well as for other companies. A ‘Survey Shack’ has recently been added to one of the marketplaces, featuring a ‘youth panel’ feature and games related to the panel.

While Neopets revenue has been mostly from advertising and merchandising, the company has recently reported that market research has become a source of revenues. Indeed, the Neopets company has become somewhat of an expert in market research through its relationship with OpinionSurveys.com, the online marketing research division of The Dohring Company, and other marketing research companies. Founded by Doug C. Dohring, Chair/CEO of Neopets, The Dohring Company has been listed recently as one of the top 100 market research firms in North America in *Advertising Age* magazine’s list of the largest research companies in the USA. More specifically, Neopets’ annual youth survey is now used by numerous companies and publications, including *Advertising Age* and other marketing publications.

**Summary**

This section has discussed the Neopets site/franchise as an example of commodified and commercialized children’s culture, as well as reinforcement for consumer ideology. While this development may not be surprising to many, maybe that is the point. The popularity of Neopets, as well as its imitative sites (and there are many), feed into the naturalization of commodification and commercialization that are at the core of advanced capitalism. Though the internet is currently still open for the development of commercial-free, open and truly interactive sites, the potential of yet another new technology is increasingly being harnessed for commercial purposes, as well as promoting and teaching consumption to young people. Sites like Neopets may provide ‘safe’ and ‘free’ entertainment that is embraced by parents and educators, but this type of entertainment comes with a price, and it’s not payable in Neopoints.

Neopets represents an example of the new media that are attracting the attention of policy makers and media reformists in the USA. As Kathryn Montgomery (2005), founder of the Center for Media Education, explained during a recent policy gathering:

The forms of advertising, marketing, and selling that are emerging as part of the new media depart in significant ways from the more familiar commercial advertising and promotion in children’s television. The interactive media are ushering in an entirely new set of relationships, breaking down the traditional barriers between ‘content and commerce’, and creating unprecedented intimacies between children and marketers. Much of the new digital advertising takes place under the radar of parents and teachers. It is consciously designed to tap into the developmental needs of children, tweens, and teens, and to follow them everywhere in their journeys through the digital landscape.

As discussed in this section, Neopets represents an obvious example of these trends.
And, while it might be argued that Disney long ago broke down the barriers of content and commerce (through their theme parks, for instance), the Disney Company also has moved aggressively into new media where content and commerce increasingly mingle. Disney continues to use its sophisticated marketing techniques and products aimed at the youth market in a wide range of online activities and computer products, as discussed previously. Not only does Disney advertise on the Neopets site (as well as others), the company’s own website (www.disney.com) integrates a wide range of products and interactive gaming activity. The popular Disney’s Toontown Online might be seen as a kind of imitator of Neopets, although gamers pay a user’s fee (thus, avoiding the criticism about ‘immersive advertising’).

Again, both of these case studies represent the increasingly commercial use of new media. Disney has been an ongoing and strong contributor to consumer culture generally, and the commodification and commercialization of youth culture in particular. Viacom’s ownership of Neopets indicates that the successful site will continue to develop along these lines, as well. In addition, both Disney and Neopets represent examples of how media and marketing are influencing youth culture in many parts of the world. Both the Disney Company and Neopets/Viacom are global efforts that involve the commercialization of media aimed at youth, as well as the production of a myriad of commodities that are marketed to children and young people.

CONCLUSIONS

This chapter has presented a political economic analysis of some of the recent developments in youth culture, pointing to the increasing commodification and commercialization, particularly in the USA. The case studies of the Disney Corporation and the Neopets site represent the historic and ongoing development of these trends, with new technologies such as the internet often developing in similar ways as previous media technologies. While these cases may represent enjoyable and popular activities that appeal to young people (as well as adults), it is important to use political economic analysis to look behind the compelling pixels to identify these troubling trends.

Such analysis also reveals that companies such as Disney and Viacom currently control much of the media that comprises a good chunk of youth culture. And it is the marketing and consumption of commodities that have become primary aims of these media resources. While the internet may offer new, alluring and more interactive activities for youth, the Neopets example demonstrates how some of the most successful sites have relatively quickly become part of larger entertainment conglomerates, contributing to a concentrated, commercial media landscape.

Attempts to reduce the amount of advertising, to limit exposure of children to certain kinds of content and to moderate the concentrated power of the media conglomerates are ongoing, and sometimes these efforts succeed. However, the question of commercialized youth culture also is related to consumerism generally, and there seem to be few efforts to curb the excessive consumption that is rampant in many societies.

It is important to repeat that overconsumption affects different parts of the world in different ways, as might be indicated in a more careful political economic analysis of the distribution of global resources. As Anup Shah (2003) concludes on the Global Issues.org website:

... the effects of things like mass consumption, the intense advertising, and targeting to children and its emphasis over so many aspects of daily lives is of concern. That is, the effects of constantly buying things, while discarding older but often functioning things, increasing demands on the world’s resources for this consumption, managing more waste, exploiting other people to labor over this, and so on. And all this while many still go hungry and poor because their lands are being used to export away food and other resources for producing products to be consumed elsewhere. It is in this way that the pressure and drive for profits has led to an over-commercialized consumerism, which has wider effects around the world and on the unseen majority peoples of the world...
Although this chapter has focused on the (perhaps) unique situation in the USA, it may provide an example of future overconsumption and commercialization that may come to pass in other cultures, especially if commercialized and commodified media are accepted as an inevitable and ‘natural’ development. More international research that contrasts different cultural settings would be helpful, especially focusing on the unequal production and distribution of resources related to youth culture. Nordicom’s International Clearinghouse on Children, Youth & Media (http://www.nordicom.gu.se/clearinghouse.php) is an excellent example of this type of effort. It might also be helpful if international organizations, such as UNICEF or UNESCO, were to focus more attention on this issue through international research projects and, ultimately, global initiatives.

In addition, research related to youth culture would benefit from linking some of the political economic forces discussed in this chapter with studies of young people’s media reception. The Global Disney Audience project (Wasko et al., 2001) represented an attempt to connect the study of market forces and audience reception worldwide, although not necessarily limited to children or teens. While this type of research presents serious challenges related to resources and expertise, the situation described in this chapter would seem to demand this type of integrated research effort.

NOTES

1 Scholarly work on children and media that employed strong political economic analysis would include Kapur (2005), Fecora (2002), Schor (2004), and Steinberg and Kincheloe (1997), while many other researchers regularly incorporate such elements in their work, including, but not limited to, Seiter (1993), Buckingham (2000), Buckingham and Selton-Green (2003), and Montgomery (2001). Also see Ward et al. (1997) and Wantela (1995).

2 This analysis draws on Grimes and Shade (2005) and Seiter (2005).

3 The information describing business aspects of Neopets is taken from the press kit, offered online at http://info.neopets.com/presskit/press01.html.

4 Towards the end of 2006, Top Web Games, one of the sites that lists online games, included 99 games for the pet game genre — everything from AlleyPets to Zetapets. See http://www.topwebgames.com/cat.asp?name=pet (accessed 26 November 2006).

REFERENCES


