

YouTube Kidfluencers Are Becoming Minefields for Google

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By Mark Bergen and Bloomberg

On Feb. 13, JoJo Siwa posted a YouTube video from a Target store, detailing her plan to buy “every single item of JoJo merch” inside. She starts with clothes, piling her own trademarked shirts and dresses into a cart. “I literally got one of everything I could find!” Siwa says to the camera. “Now, let’s go see if they’ve got toys.”

5 Siwa encapsulates many of the things that made YouTube the world’s most-watched video site. She dances, sings and screams excitedly into the camera, drawing millions of viewers, mostly young girls. The 15-year-old kidfluencer also highlights how YouTube’s success with children has created an ethical and perhaps even legal minefield for its owner, Alphabet Inc.’s Google.

10 In addition to shooting quirky videos, Siwa cuts endorsement deals and sells two branded apparel lines with Target Corp., the second-largest U.S. retailer. When she posts clips from the company’s stores, she’s creating content that is difficult to distinguish from advertising and will likely be watched by hundreds of thousands of impressionable kids.

15 Since it was founded in 2005, YouTube has operated beyond the reach of rules that govern advertising on traditional television. But the site has grown so large and influential that the days of light-touch regulation may soon be over. Kids’ programming is where the crackdown is most likely. The problem with sponsored content is that it’s not always clear what’s an ad. Kids are particularly vulnerable to being manipulated by paid clips that masquerade as legitimate content. On TV, the ground rules are clearer: Ads come when the show takes a break.

20 “The uptick in sponsored content and child influencers is very overwhelming,” said Dona Fraser, director of the Children’s Advertising Review Unit, an industry watchdog funded by companies including Google. “This has exploded in front of our eyes. How do you now wrangle every child influencer out there?”

The Federal Trade Commission warned dozens of Instagram influencers in 2017 that they weren’t disclosing properly when a company was paying them to peddle a product.

25 “YouTube content creators are responsible for ensuring their content complies with local laws, regulations and YouTube Community Guidelines, including paid product placements,” YouTube said in a statement. “If content is found to violate these policies, we take action, which can include removing content.”

30 YouTube removed one video featuring Siwa shopping at Target, after Bloomberg News asked about it on Tuesday.

Some video creators are loath to disclose clearly that their YouTube videos are sponsored. Kristine Pack runs “Family Fun Pack,” a channel with close to 8 million subscribers that posts sponsored clips. She says some major marketers demand such assertive disclosure – giant “paid for by” text

35 that runs on the video – that it ends up turning off viewers. “I wouldn’t even want to watch that video,” she said about one clip she made with her kids. “It’s literally nothing but an ad.” Pack stresses that she always discloses paid content.

For viewers, deciphering when a video crosses the line into marketing is not always easy. [...]