

Children's Perception of YouTube Videos with Product Endorsements: An Exploratory Study

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Abstract

Research on children's advertising literacy needs to keep pace with the emergence of different forms of marketing communication in the digital era. This paper reports on a qualitative study conducted among 30 children aged 10 to 12 to explore how children perceive and respond to YouTube videos that carry product and brand messages. Interviewees were asked to watch an unboxing YouTube video. Afterwards, they were asked about the purposes of this kind of video, similar videos they watched on YouTube, and the perceived influences of these messages on purchase decisions. Results show that interviewees varied tremendously in their understanding of the selling and persuasive intents of these messages. Some interviewees did not consider these videos to be advertisements because of their narrow way of defining advertising. Interviewees learned about brands for children as well as for adults from YouTube videos with product endorsements. They were aware of the persuasive effects of these videos on their brand knowledge and purchase behaviors. Theoretical and marketing implications of these results are discussed.

Keywords: Influencer Marketing; Advertising Literacy; Vlogger; Persuasive Knowledge; Qualitative Method

Introduction

The expansion of the digital landscape has greatly impacted the way marketers and brands relate to child consumers. In a highly developed consumer society such as Hong Kong, household and personal ownership of mobile devices, including smartphones and tablets, is very high. Today, ninety-four percent of young persons in Hong Kong aged 10 to 24 own a smartphone (Hong Kong Census and Statistics Department, 2019). Ninety-nine percent of persons aged 10 to 24 used the Internet during the 12 months before enumeration (Hong Kong Census and Statistics Department, 2019). Furthermore, a large-scale study of 7,585 Hong Kong students aged between six and 10 in elementary schools showed that respondents spend an average of four hours a day of their leisure time on electronic screens (Ng, 2017). Even young children demonstrate high levels of knowledge about certain products and brands because of this wide access to information through smartphones or other digital devices (Bertol, Broilo, Espartel, & Basso, 2017). Correspondingly, marketing to children is switching away from traditional media of television and print advertising to new forms of interactive advertising, including advergames, brand placement, online advertising, event sponsorship (Blades, Oates, Blumberg, & Gunter, 2014), and influencer marketing (Hill, Troshani, & Chandrasekar, 2017). The lines between content and advertising are becoming ambiguous (Raney, Arpan, Pashupati, & Brill, 2003).

Many studies on children's understanding of traditional television commercials found that children around the age of eight are able to differentiate advertising from television content. They are able to identify the source of advertising and its selling intent (John, 1999). Children aged 12 or above are able to identify the selling intentions of advertising as well as to process the information in a critical manner (Livingstone & Helsper, 2006; Nairn, 2014). Another survey showed that at age 12, children's understanding of the selling and persuasive intent of advertising is not comparable to that of adults. Also, children's understanding of the selling intent of advertising develops before their understanding of its persuasive intent (Rozendaal, Buijzen, & Valkenburg, 2010). However, all these studies were based on traditional television advertising.

How children process branded content in the new media era is less well known (Panic, Cauberghe, & De Pelsmacker, 2013). Studies were conducted to understand children's processing of commercial messages in the forms of advergames, brand placement, online advertising, and sponsorship. It was found that children do not consider an advergame as advertising (An, Jin, & Park, 2014). Advertising literacy for advergames is lower than that for television advertising (Hudders, Cauberghe, & Panic, 2016). Most children are not able to identify commercial messages in movies and in-game placements (Owen, Lewis, Auty, & Buijzen, 2013). Children's ability to identify online banner advertisements shows significant progress with age, with respondents aged 10 to 12 able to identify three-quarters of banner ads (Ali, Blades, Oates, & Blumberg, 2009). Children also show low understanding of the commercial intentions of event sponsors (Simoës & Agante, 2014; Grohs, Wagner, & Steiner, 2012). Overall, these studies indicate that children's advertising literacy for new digital formats of advertisements is low.

YouTube is a popular online video sharing platform. Children view videos posted by

videobloggers (YouTubers) frequently and considered them an important source of entertainment (Ofcom, 2018). Advertisers have developed a new marketing technique of influencer marketing in which they engage popular social media figures, including YouTubers, to influence their audiences' brand knowledge, attitudes, and purchase behaviors (De Veirman, Cauberghe, & Hudders, 2017). A recent study found that social media influencers have been effective in establishing a positive attitude toward the brand, which in turn leads to a higher purchase intention (Lim, Radzol, Cheah, & Wong, 2017). Three common brand content presentation formats on YouTube are "unboxing" (opening the box with the branded product), reviewing and making recommendations for usage or purchase, and hosting games and contests (Folkvord, Bevelander, Rozendaal, & Hermans, 2019). The role of YouTubers in advertising resembles that of media celebrities, except that these influencers are often perceived to be authentic, to be close to their audience, and to have expertise in selected areas (Choi, Lee, & Tsai, 2017).

A recent review of advertising targeting young children called for more studies that focus on children's understanding of the new forms of embedded advertising and their advertising effects (De Jans, de Sompel, Hudders, & Cauberghe, 2019; Clarke & Svanaes, 2012). Vlogging, native advertising, and viral advertising were specifically mentioned as areas in which further studies should be conducted. To our knowledge, there is no study on how children perceive commercial messages in YouTube videos in the Chinese context. Our study was designed to fill this gap.

Literature Review

Theoretical frameworks in explaining children's processing of commercial media content

Age developmental frameworks have been designed to explain children's understanding of advertising and other consumption behaviors with regard to the development of cognitive skills (John, 1999). One such framework considered that advertising does not necessarily influence children through the cognitive route. Instead, advertising could exert influence through the peripheral route, e.g. by providing content that is so enjoyable that children would make a certain consumption decision without much rational thinking (Nairn & Fine, 2008).

In this study, we adopt a dual process model titled "Processing of Commercialized Media Content" proposed by Buijzen, Van Reijmersdal, and Owen (2010). In this model, advertising persuasion processing takes three different forms. The first form is systematic processing of cognitive messages. This occurs when children are motivated to pay close attention to the messages, deliberate on them and make a rational decision afterwards. The second form is heuristic processing. This occurs when children have low to medium levels of motivation and attention to the messages. They have moderate level of cognitive processing and rely on low-effort decision strategies. The third form is automatic processing. This occurs when children have low levels of attention to the messages. Their decision strategies rely mainly on peripheral cues (Buijzen et al., 2010). Based on theories of consumer development as well as cognitive, social, and personal development, it is proposed that persuasion processing among children can be distinguished into four phases (John, 1999;

Valkenburg & Cantor, 2001). Children aged 10-12 (late childhood phase) are expected to acquire the capacity of abstract thinking and reasoning. They are able to process persuasive communication on a more elaborated level and evaluate advertising systematically and critically (Buijzen et al., 2010). In other words, they are more likely to engage in systematic processing of cognitive messages.

Children and brand placement

YouTube videos with product endorsement resemble brand placements in the traditional television medium. Our review of the literature reports that children have difficulty identifying and understanding integrated advertising formats such as product placements (Rozendaal, Slot, & Van Reijmersdal, 2013). One study demonstrated that children aged six to 10 have difficulty in understanding the selling intent of embedded advertising in movies and in-brand placements in video games (Owen et al., 2013). Another study found that product placements in movies were able to impact brand awareness and brand purchase intentions. Moreover, product memory and consumption among children were higher when the character interacted with the product than when the product was merely shown by itself (Naderer, Matthes, & Zeller, 2017). Another qualitative study asked children aged seven to 12 to watch a one-minute video clip of a television drama, in which a man used Glaceau Vitaminwater bottles to build a heart shape on a beach. Results showed that 18 out of 31 interviewees considered this not to be an advertisement because the video mentioned neither brand name nor features of the product (Chan & Huang, 2014). In another survey of children aged nine, 12, and 15, the respondents' comprehension of advertising was higher than that of product placement, with older respondents having more sophisticated comprehension of product placement (Uribe & Fuentes-Garcia, 2017).

Studies also indicate the effectiveness of vlogs and YouTube influencers on marketing to children. Folkvord et al. (2019) found that children recalled products and brands embedded in vlogs and considered themselves and others to be affected by brand endorsements in these videos. Another study among Swedish children found that influencer marketing through YouTubers was perceived as less irritating than YouTube pop-up advertisements as these did not interrupt the video content (Martinez & Olsson, 2018). Another study indicated that interviewees found that products promoted by YouTubers were more relevant, probably because the products were embedded in media content that children had selected to watch (Martinez, Jarlbro, & Sandberg, 2013). Not all studies found children incapable of recognizing influencer marketing on YouTube. Coates, Hardman, Halford, Christiansen, & Boyland's (2020) study indicated that children understand the persuasive intent of influencer marketing through YouTubers. Some were skeptical of influencers but they were more favourably disposed toward YouTubers who were familiar to them. One laboratory study attempted to study the effects of disclosure of sponsorship of a social media influencer on children's responses to the brand. This study among children aged 8 to 12 found that subjects who correctly recalled the disclosure demonstrated a higher advertising literacy. The disclosure enhanced advertising recognition and brand memory, while at the same time decreasing the desire for the advertised product. Furthermore, among subjects with a strong parasocial relationship with the influencer, advertising literacy did not affect their brand attitudes (Boerman & van Reijmersdal, 2020). To summarize, studies on children and vloggers found that children in general

were appreciative of the media content produced by vloggers. However, a review of literature indicates that there are very few studies in the Asian context that focus on the understanding and perception of videos with product endorsements. There is a research gap apropos of how children perceive and respond to these new forms of brand-embedded media content. Specifically, we do not know how much they engage in cognitive elaboration in processing persuasive communication. We also do not know what schema they have for the concept of advertising. This study was conducted with a view to the consumer policy implications of advertising literacy among children.

Children's understanding and perception of commercial messages on video sharing platforms needs to be explored. With the aim of providing insights into how children make sense of this new form of advertising, two research questions are posed: How do children perceive YouTube videos with product endorsement? How does exposure to these messages affect product and brand knowledge, attitudes, and behaviors?

Research Method

The sample and the procedure

Qualitative methodology was employed as this was an exploratory attempt to gain an understanding of the underlying motivations, views, and experiences of children. A non-probability quota sampling method was adopted. Through personal networks, 30 Chinese children aged 10 to 12 studying in grades 5 and 6 of elementary school were recruited by university students as participants for a course titled "Children as consumers". Among them, 20 participants were male and 10 were female. Approval for the study was obtained from the Research Ethics Committee of the author's university. Written consent was obtained from the participants and their parents/guardians before interviewing. The interviewers had been trained in conducting qualitative interviews. The face-to-face interviews were conducted in public spaces such as after-school tutoring centers, office premises, and residential areas. The interviews were conducted in Cantonese or English and lasted from 11 to 20 minutes.

The study started with a video prompt. Interviewers asked the participants to watch a 65-second YouTube video (<https://www.YouTube.com/watch?v=Ky0zx4qzCss>) featuring a boy unboxing a Talking Buzz Lightyear toy in its packaging. The original video was three minutes and only the first 65 seconds were used as a prompt. The boy was about six years old and his father helped him to open the box. There were words keyed on the screen to indicate certain parts of the script. The video was posted on the Post76 channel and had over 20,000 views. The boy in the video prompt was younger than the participants. We selected it because most of the unboxing videos for older children featured gendered products such as beauty products for girls and video games for boys.

Instrument and data analysis

Participants were asked first to describe how they perceived and interpreted this video prompt. They were also asked to name and describe similar videos that they often

watched. They were then asked whether these videos have influence on their product and brand knowledge, attitudes, and purchase behaviors. They were also asked if these videos with branded content were advertisements. The interviews were audio recorded and later transcribed. Constant comparative method was adopted to analyze and produce categories in order to explore and investigate the phenomenon systematically (Strauss, 1987). The “Processing of Commercialized Media Content” proposed by Buijzen, Van Reijmersdal, and Owen (2010) was adopted to guide data analysis. Both open coding and axial coding methods were used to conduct textual data analysis (Corbin & Strauss, 1990). We first conducted open coding to organize textual data to build concepts. Afterwards, axial coding was adopted to explore the relationship among open codes. Take “selling intention” for the responses to the question “What do you think this video would like people to do after watching it?” as an example. Answers such as “to check it out at shops”, “to tell parents about it”, or “to buy it” were coded as understanding of the selling intent of the YouTube messages. The concepts from the axial coding were identified as themes (Charmaz, 2006). Representative quotes were selected and translated into English.

Results

Altogether six themes were identified. The first three themes were related to the understanding of the selling and persuasive intention of these videos. The other three themes were related to the perceived effects of these videos. This section articulates each of the six themes and provides examples of representative quotes.

Theme 1: Product placement is evaluated based on entertainment value

Most of the interviewees found the video prompt boring and meaningless. They reported that the unboxing process took too long. Some commented that the video was designed for small kids and they had already grown out of interest in Buzz Lightyear. As the video segment showed how the dad was helping out with the unboxing, the interviewees said they would rather see the boy opening the toy by himself or playing with the toy. The following is a representative quote:

“It’s not interesting. I want to see him unboxing without the help of his dad. It would be more interesting and convincing” (female, age 12).

Nevertheless, several interviewees liked the video for different reasons. Some found the boy cute. Some found the script funny, especially the repeated use of the phrase “sticky, sticky” in the video. A few interviewees commented that they liked to see others unboxing, as they could feel the excitement just by watching the video. The following is a representative quote:

“I like the part where he pulls out the toy from the box; I feel like I was there opening the box too. But I don’t like the toy, it’s too childish” (male, age 11).

Interviewees found the video prompt unattractive mainly because it was not age-appropriate for them. Even so, they were still able to appreciate certain elements of the video. Some interviewees expressed that they liked unboxing videos as they were interested in sharing the excitement other children showed when unboxing.

Theme 2: Understanding of the selling intention of product placement

Results indicate that understanding of the selling intention of the video prompt varied significantly in this sample. Nearly two thirds of the sample (19 out of 30 interviewees) were aware of the selling intention of such videos. They reported that these videos would encourage the audience to know about the toy, to check it out in shops, to tell parents about it, or to buy it. Among them, six interviewees mentioned that the message was meant for “other small kids”, which illustrates that the interviewees had some idea about specific age-targeted messages. Several interviewees were able to articulate not only the selling intention, but also the process of influencing the target audience through the YouTube channel. Some interviewees even articulated the profit motives of the boy. They explained the mechanism with marketing phrases such as ‘YouTuber’, ‘sponsorship’, ‘subscribing’, ‘hits’, ‘product placement’, and ‘making profits’. Here are two representative quotes:

“This video encourages the audience to like it, subscribe to the channel, and share the video with others. They want other small kids to buy this toy. I think this toy was given to him by a sponsor. The sponsor wants him to produce the video and put it on YouTube” (male, age 12).

“The video will encourage the audience to visit Toys“R”Us to check out the toy. I think this video is for small kids aged three to six. The video will induce them to buy more toys. The boy uploaded the video to YouTube because he wanted to get more hits. Eventually, the toy company will invite him to appear on their commercials. He can earn money from it” (male, age 12).

The other 11 interviewees demonstrated a limited understanding of the selling intention of these videos. Some reported that the boy wanted to share his excitement about the toy. Some thought that he wanted to show off his toys to make others jealous of him. Some reported that the boy was seeking comments on his toy. Here are two representative quotes:

“He wants to share with other kids and he wants others to think that he’s cool. He wants others to give comments” (male, age 11).

“He wants other kids to know about the toy, and pay attention not to buy toys in tightly bound packaging. He wants to share his new toy and recommend the toy to others” (male, age 11).

Theme 3: Product endorsement is not necessarily perceived as advertising

Interviewees were asked about their exposure to other videos with product and brand content. Afterwards, they were asked if these videos were advertisements. Twenty out of 30 interviewees did not consider the videos to be advertisements. All nine interviewees who failed to identify the selling intent of the video prompt considered the videos not to be advertisements. Even among the interviewees who showed understanding of the selling intent of the video prompt, 11 did not consider those videos with product and brand content to be advertisements. Four interviewees said that the boy in the video prompt was just sharing his comments about the toy. Since

he did not explicitly ask people to buy it, it was not an advertisement. The other interviewees reported that the video did not contain common attributes that they expect from a television commercial, such as a storyline, price information, unique features, close-up shots, special effects, celebrity endorsement, repeated mention of the brand name, or explicit recommendations. As a result, these videos were not advertisements. Here are two representative quotes:

“It’s not an advertisement. An ad should have a story and music. There should be a group of actors. The content should be more exaggerated. In the video you showed me, the boy is unboxing a new toy. He wants to share something he likes. Therefore, it’s not an ad” (male, age 12).

“I don’t think it’s an advertisement because the boy did not describe the brand in detail. The video did not tell you where you can buy the toy, or where the toy is made, or tell you the price. It’s only a sharing” (male, age 12).

Two interviewees commented that some of the YouTubers they watched would occasionally give negative comments about the brands they were sharing. They believed these YouTubers were just testing or reviewing the product; therefore, their videos were not advertisements.

Altogether only eight out of 30 interviewees perceived that these videos were advertisements. Most of them did not refer to the unboxing video prompt and instead referred to videos with product endorsements in general. They perceived that these videos show the products and the brand names clearly, make the product appealing, or attract people to buy the brands. Furthermore, interviewees perceived that YouTubers were paid to endorse the products. Here is a representative quote:

“Yes, they’re trying to promote the products. They say that the games are so very attractive. They demonstrate it, and say buy so many items and get one free. All these tricks are trying to attract people to buy it. So, I think these videos are advertisements” (male, age 12).

The remaining two interviewees were not sure. They said those videos that asked people to buy the products were advertisements. Those without such a sales pitch were not.

The next three themes summarize how interviewees perceived the influence of videos with product endorsements.

Theme 4: Product endorsement as a source of product information and entertainment

Most of the interviewees had no difficulty in identifying YouTube channels or Facebook sites that they often visited for videos similar to the video prompt. Boys reported that they often visited YouTube videos about games, including online games, game gadgets, computer games, war games, racing cars, and card games. They mentioned brands such as Beyblade GAIA, Beyblade Burst, Fireman Sam, I Won computer game, PlayStation Classic, Thomas the Train toys, PlayerUnknown’s Battlegrounds, Transformers, Lego Minecraft blocks, Lego Technic cars, and

construction toys. Four male interviewees reported that they often watched videos posted at the Smilingboris YouTuber channel. Girls reported that they often viewed videos about Disney toys, stationery, food, Playdoh, Hot Wheels, Num Noms Snackable Slime, and cosmetics.

The videos watched by interviewees were gender-specific. None of the boys watched videos with female YouTubers. The girls watched videos mainly posted by females, although two girls reported that they watched videos with male YouTubers. Both male and female interviewees reported that they found these videos entertaining, up to date, and funny. Watching such YouTube content seems to be an individual activity since co-viewing was not reported. Furthermore, none of the interviewees mentioned that they consumed the YouTube videos for social conversation. Here are three representative quotes:

“I like to watch videos about mobile phones, food, cosmetics, and games. I can know more about the products that I’m interested in. For example, I can learn about the price, color, and product design of cosmetics. When others talk about food in the videos, I can learn whether it’s tasty. Those videos about games let me know if they’re enjoyable. I may want to buy it if it looks great” (female, age 12).

“I used to watch a lot of unboxing videos of Beyblade Burst. Now it’s out of fashion. My friends don’t play it now. I learned that this toy is from Japan, made by Takara Tomy” (male, age 11).

“This is a video that I like a lot. This YouTuber, Smilingboris, went to many places. In this video, he travelled to Korea to locate all sorts of interesting Claw machines. Like this special one, it operates with a hammer. If you get the same number, you win.” (male, age 11).

Theme 5: Effect of product placement on brand knowledge and purchase behavior

Only a few interviewees reported that they did not like these videos and could not recall learning about any product or brand by watching them. The remaining interviewees reported that they did learn about products or brand names from these videos. Most of the brand names recalled were those of toys, soft drinks, snacks, clothing, and games, including Nintendo Switch games. A few interviewees had requested their parents to buy them products or brands they saw on these videos. Two said that they would study hard to get good grades and would ask their parents to buy them the products as rewards. One had saved up money to buy the brands featured in the videos. They also reported that they knew more about the brands from these videos. For example, one girl said she knew where to buy cheaper Lego blocks, and how to repair broken Lego items. One boy said the videos taught him how to assemble a Beyblade Burst, and which accessories were more powerful. Another boy mentioned he learned that a Taiwanese brand of toy gun was renowned for its durability.

In addition to the toys and cosmetics brands mentioned, several interviewees reported that they learned about products and brands for adults, such as Red Bull energy drink,

Money Monkey personal loan, ASUS mobile phone, BMW, Ferrari, and Prince Jewelry and Watch Company. They recalled these brands either because the videos were entertaining or the products were appealing to them. Here is a representative quote:

“I like this video about Money Monkey personal loan. It shows a monkey jumping into a car and there’s paper money falling from the sky. It has a slogan saying ‘you are responsible for repaying the loan and don’t use an agent’. The slogan is repeated many times” (female, age 10).

Theme 6: Product endorsement triggers purchase request

Participants often reported that they would ask their parents to buy a product or brand after seeing it in a video. Most of these product requests were related to toys and clothing. Much of the time, respondents were able to negotiate with parents and influence purchase decisions by fulfilling certain conditions, e.g., getting a higher grade at school. Also, they perceived that the product should not be considered too expensive or too impractical. Some interviewees were able to persuade parents to buy certain products because of their superior product knowledge. For example, one girl learned where to buy cheaper Lego blocks from the YouTube videos and persuaded her mother to buy from that source. Another boy learned about the newest Switch game and asked his parents to buy it. Parental mediation was reported mainly with respect to purchases. No interviewees reported any discussion with parents about the embedded branded media content from YouTubers. Here is a representative quote:

“I like the transformer toys. I asked my dad to bring me to Toys”R”Us when I scored more than 90 marks” (male, age 11).

Interviewees also reported that these videos would encourage other children to have a better attitude toward the brand or would ask their parents to buy the product. They perceived that if the products in the videos were appealing, other children would like to have them. They also learned from experience that their friends requested the products after watching these videos. Here is a representative quote:

“Yes, my friends saw some pretty stationery on those videos and asked their parents to buy it for them. They also knew more about how to play with the toy and the unique features of the toy through these videos” (female, age 10).

Discussion

A qualitative study was conducted to explore children’s perception of YouTube videos with product endorsement. Contrary to what was expected from the late childhood developmental stage of the Processing Commercialized Media Contents model, a majority of the interviewees did not demonstrate systematic processing of persuasive messages. Out of the sample of 30 children aged 10 to 12, 20 demonstrated automatic persuasive processing of YouTube videos with product endorsements. They either considered these videos to be personal sharing or considered them not to be advertisements because they lacked the attributes of a traditional television commercial. They focused on how the content was presented and used traditional advertising presentation formats as a benchmark for making judgement. Even though

they reported that the video prompt attempted to sell toys, they did not consider it an advertisement. This illustrates that to them, selling and persuasive intention are not the criteria used in making judgement about advertisements. They demonstrated a minimal level of cognitive elaboration. Only five demonstrated systematic processing of the YouTube messages with product endorsements. They discerned the intention of uploading these kinds of video, personal financial and reputational gain involved in uploading these videos, and how these videos would eventually influence consumers' attitudes and purchase decisions. They were familiar with marketing terms such as 'YouTuber', 'unboxing', and 'sponsorship'. The remaining five children demonstrated medium level of cognitive elaboration of these videos with product endorsements. They were confused and could not tell definitely whether these videos were advertisements.

A majority of the interviewees perceived that traditional television advertising with common advertising executions was the only form of advertising. All other persuasive messages deviating from traditional storytelling skills on television were not considered as advertising. The referral to television advertising formats when deciding whether a video was an advertisement echoes Chan and Huang's (2014) finding of product placements in television dramas. In that study, children reported that since the brand name was not mentioned or product features were not described explicitly, product placements were not advertisements.

The use of television advertising as the reference point for interviewees making decisions about whether embedded brand messages are advertisements suggests that children have a better comprehension of traditional advertising than of product placement. This result is therefore consistent with that found in the literature (e.g., Uribe & Fuentes-Garcia, 2017). This again raises the issue about the regulation of advertising aimed at children under the age of 12. With the current television advertising standard, product placement in Hong Kong children's television programs is not allowed in order to avoid such programs becoming too commercialized (Communications Authority, 2018). However, there is no mandatory requirement for disclosure of sponsorship for branded content contributed by YouTubers that target children in Hong Kong. The lack of regulation of new forms of advertising targeting children will make this population vulnerable to marketing influences.

Other than the few boys who reported that they often watched videos posted by the local YouTuber Smilingboris, none of the interviewees showed strong bonding with him or any other YouTubers. Female participants reported Eh Bee family vlog about make-up and NyoNyoTV vlog from Taiwan. None of the girls reported watching any videos posted by a Hong Kong YouTuber. This is not surprising as other than Smilingboris occupying 16th position in local YouTube rankings, no local YouTuber makes the top 50 positions (Social Blade, 2020). The finding differs from a recent study that some respondents developed a parasocial relationship with YouTubers (Boerman & Van Reijmersdal, 2020). It suggests that Hong Kong lacks a strong influencer marketing effort aimed at children. This may be because Hong Kong is considered small fry compared with the mainland Chinese toy and entertainment market. While influencer marketing may be strong in the US and Western markets (Nelson, 2018), it has not yet been fully developed in Hong Kong. There is evidence that exposure to product endorsements in YouTube leads to an increase in brand knowledge and purchase intention. The result echoes a previous study among children

exposed to product placements in advergaming (Agante & Pascoal, 2019).

The use of information as a strategy and parental appreciation of the strategy within family limits echoes a similar result reported among young children (Bertol et al., 2017). The lack of parental mediation in the discussion of media experiences in this study is in line with a previous study suggesting that parents seldom co-view or discuss advertising with children (Chan & McNeal, 2003). Some parents are not aware of advertising formats other than television advertising that target their children (Evans, Carlson, & Hoy, 2013; Newman & Oates, 2014). It is therefore expected that minimal advertising literacy training takes place at home.

Most of the interviewees were not interested in unboxing videos of toys for small kids. They were interested in online games, clothing, cosmetics, and products for adults. Interviewees varied widely in their understanding of the selling intentions of these messages. Some demonstrated sophisticated elaboration of how YouTubers make profits through endorsing products and services as well as developing high volumes of audience traffic to their channels. Videos with product endorsements were popular among interviewees as a source of information about new products. There was no evidence of the presence of a strong influencer marketing effort in Hong Kong. None of the interviewees demonstrated parasocial relationships with YouTubers. Most of the interviewees did not consider videos with brand endorsements to be advertising. Their judgement was based on a narrow definition of advertising based on message executions.

Theoretical Contribution

A theoretical contribution of the current study is the identification of the object schema of traditional television advertising in which children focus on what advertising is and how it works. The existing “traditional television advertising” schema may need to be altered or a new schema formed for a child to gain understanding of the new forms of advertising. These findings are understandable as children have more experience with the traditional form of “advertising as disruption” model. They may not be familiar with the new forms of persuasive messages embedded in the media content.

Why do children at late childhood phase demonstrate heuristic and automatic processing? It is suggested that other factors such as insufficient marketplace experience, lack of consumption autonomy, and low advertising literacy could be possible reasons. Children’s receptiveness to emotional content and entertainment-based content styles are also possible reasons to account for low motivation in cognitive elaboration and processing (Buijzen et al., 2010). Further study is needed to explore what conditions trigger children to engage in systematic processing of persuasive communication.

Further Research Directions

As this study draws conclusion from a small and non-probability sample, further studies can triangulate the results by using experimental designs or sampling surveys.

This study can be repeated among teenagers to see if there is age progression in level of processing of persuasive communication, as well as change in perceptions and attitudes toward branded media content. Parental understanding of these new advertising formats and their views on regulating these messages to children can also be studied. It is also possible to conduct action research to see if children's advertising literacy improves with intervention measures.

Practical Implications for Asian Business

The current study finds that children are able to learn about products, services, and brands through YouTube videos. This indicates that marketers and advertisers are able to use this medium for educating children about brands and other sustainable consumption behaviors. The lack of strong influencer marketing efforts for children suggests that there is much room for marketers to play a role. Asian businesses can develop their own young key opinion leaders (KOLs) to leverage such influencer marketing efforts. Children are interested in particular in new product information. Brand managers can employ influencer marketing in introducing new products for the children's market.

This study finds that some children make specific purchase requests after exposure to videos with branded content. They also negotiate with parents to materialize their purchase requests by striving for academic progress and achievements. Asian businesses can capture this consumer insight to advertise a brand as an incentive for good academic performances or other achievements.

The study also finds that children are interested in products and services for adults, including clothing, cosmetics, or even jewelry. Asian businesses should consider how to establish brand relations with children so as to grow them into the future market segment. Many renowned global fashion brands have been active in creating child and youth product lines. Brands for adults may consider employing events and promotional activities that aim at families and starting to build bridges to get access to the youth market.

The study shows that overall speaking, there is a low level of understanding of the persuasive intention of videos with product endorsement among children aged 10 to 12 in Hong Kong. Parents do not actively support children in providing consumer skills to identify the selling and persuasive intents of product endorsements in video publishing platforms such as YouTube. As a result, children are vulnerable to these messages. To act as socially responsible advertisers, brands need to consider disclosing their sponsorship role explicitly in content that targets children. They should not be seen as exploiting the undue trust of children. A recent study found that a disclosure of sponsored content resulted in less positive brand attitudes among children who had a low to moderate parasocial relationship with an influencer. However, among those with strong parasocial relations with an influencer, sponsorship disclosure did not affect their attitudes toward the brands (Boerman & Van Reijmersdal, 2020). Asian businesses can support advertising literacy programs for children as well as parents in order to fulfill their corporate social responsibilities. Intervention to improve children's advertising literacy should aim at dissociating media presentation formats from the intentions of the messages. Advertising literacy programs for children should help them to identify the persuasive nature of targeted content that can come in different forms.

Childhood obesity has been identified by the World Health Organization as a serious public health issue (World Health Organization, 2016). Food and beverage marketers have been criticized for their irresponsible efforts in marketing unhealthy food and beverages to children (Institute of Medicine, 2006). For example, Unilever designed the *Responsibly Made for Kids' Promise* in 2020 that the company would not market

and advertise foods and beverages to children under the age of 12 using traditional media, and below 13 using social media channels. The company also pledged to place strict controls on product placement and would not use influencers, celebrities or social media KOLs to appeal to children under 12 (Unilever, 2020). Asian food and beverage advertisers should establish similar ethical standards and practices to establish brand reputation and an image of corporate social responsibility.

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Appendix

Appendix 1: English translation of the questions asked

1. Please describe what the child is doing in this video.
2. Do you like this video? Which parts you like and which parts do you not like?
3. What do you think this video would encourage people to do after watching it?
4. Why do you think the child uploads this video on YouTube?
5. How often do you watch this kind of video?
6. Could you show me a video similar to this one that you remember seeing before?
 1. (ask him/her to find the video on the computer, record the link of the video)
7. What is the product and the brand featured in the video that you just showed me?
8. Have you ever bought a product or a brand appearing in this type of video? If yes, what is the product/brand?
9. Do you ask your parents to buy a product or the brand after you have seen it in a video? If yes, what is the product/brand?
10. Do you know certain brands because you have seen them in a video? If yes, what is the product/brand?
11. Do you think other people would buy the products or brands because they saw them in a video?
12. Do you think other kids would like products or brands more because they saw them in a video?
13. Do you consider this type of video as advertisement? Why or why not?

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