

**Food, Beverage and Restaurant  
Advertising in 2007**

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**Children's Impressions  
And Expenditures on Children's Programs**

**A Report  
by Georgetown Economic Services  
Washington, D.C.  
September 22, 2008**

# Advertising Viewed by Children and Teens Declined in 2007

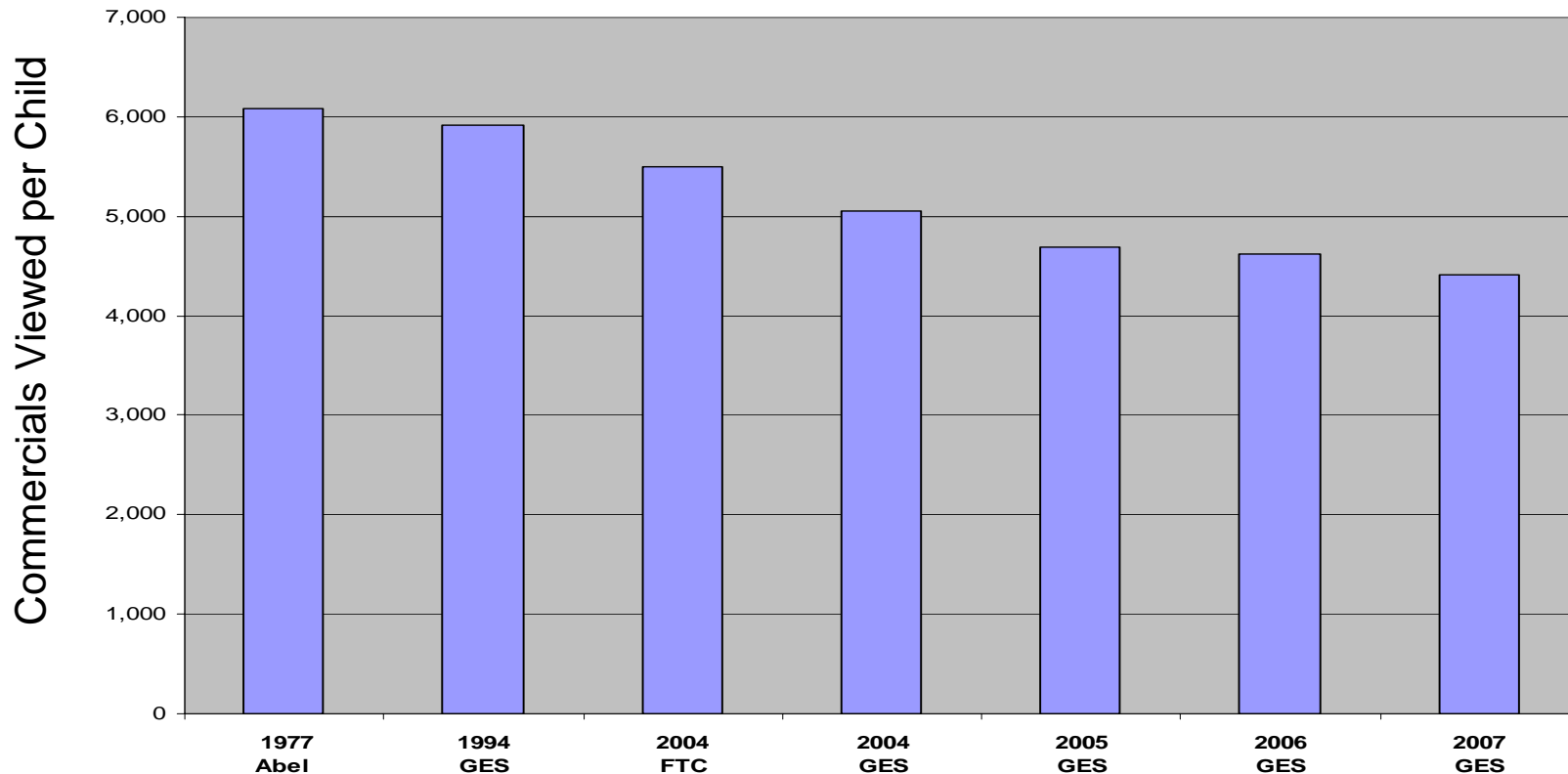
- The typical child saw 10% fewer Food & Beverage Ads on children's TV
  - The decline in F&B\* ads for kids aged 2 to 11 was **9.7% from 2006 – 2007**.
  - On **All TV programming**, the average child saw **6.4% fewer F&B ads**.
- The typical adolescent saw fewer ads in 2007 as well.
  - F&B Ads viewed by the average 12 –17 year-old **dropped by 4.5%**.
- Counting restaurants, the number of ads viewed also dropped.
  - On **Kids' TV**, the typical 2-11 year-old saw **FB&R\*\* ads drop 6.8%**.
    - On **All TV**, that child saw FB&R ads **decline 4.4%**
  - The **typical teen** aged 12- 17 saw a **decrease of 3.2%**.
- Expenditures On Food, Beverage & Restaurant TV Advertising Fell in 2007
  - **Expenditures** on Food Beverage & Restaurant Ads **Fell 6.1% (adjusted for inflation)**

\* F&B; food & beverage. \*\* FB&R; food, beverage & restaurant.

## 2007 Extended the Long-Term Decline in Food, Beverage & Restaurant Advertising on TV

- Children viewed 25% fewer food, beverage and restaurant ads on children's programming from 2004 to 2007.
- Children are seeing fewer food, beverage and restaurant ads on TV at all times.
  - The number of **FB&R ads** the average 2-11 year-old viewed on all TV programming has **declined 12.5% from 2004 to 2007**.
  - Ads seen by children for all **other products increased 11%** between 2004-2007.
- Since 1994 there has been a 25% decrease in food, beverage and restaurants ads seen on all TV by the average child.
  - **One half** of that decrease came in the last three years.
- No year measured in this decade reaches the level of 30 years ago

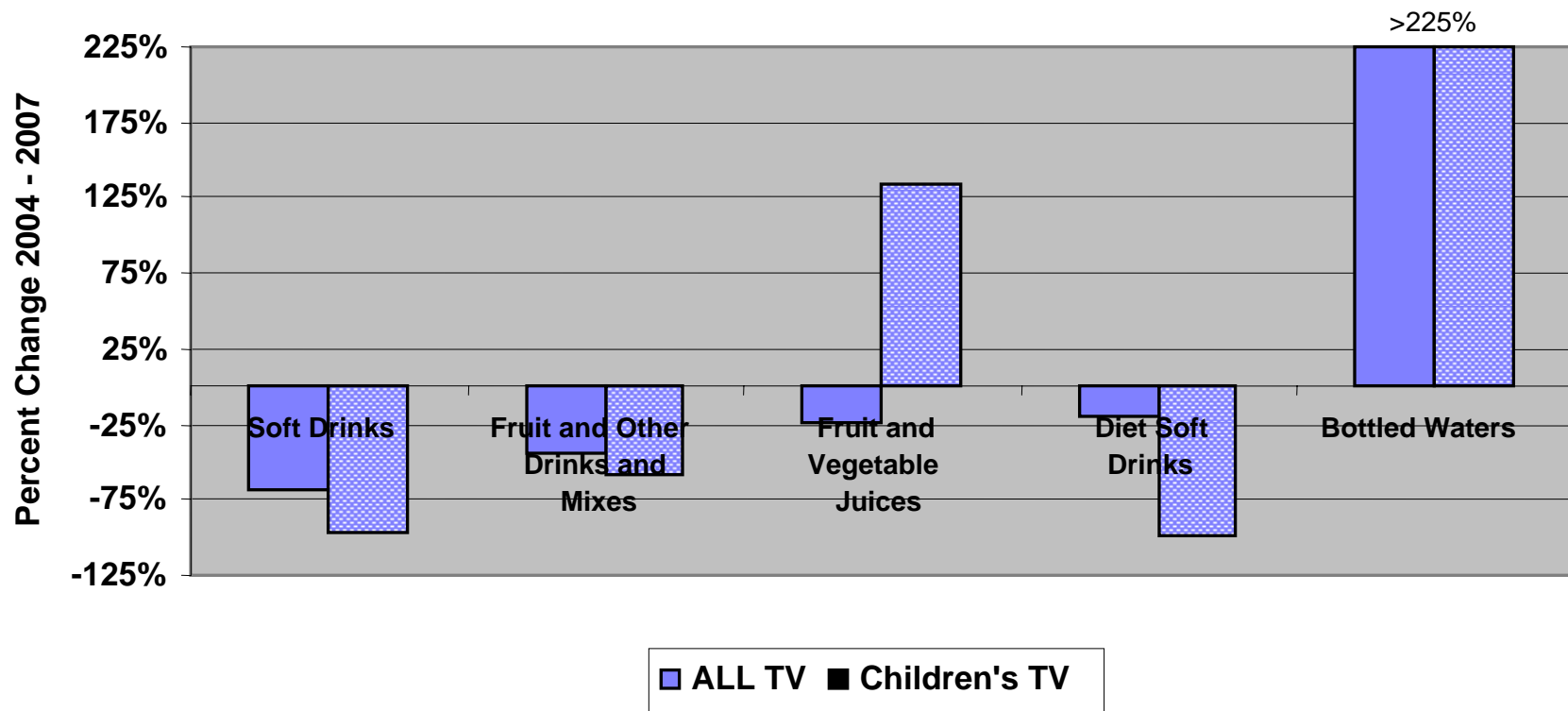
# Food, Beverage & Restaurant Ads Viewed per Average Child (2-11) Declined since 1977



# Kids Saw Fewer Ads for Soft Drinks More for Water and Juice

- When comparing 2007 to 2004 the average child saw:
  - **58% fewer** ads for **Fruit & Other Drink Mixes** on children's TV
    - **44% fewer** ads for Fruit & Other Drink Mixes on all TV
  - **97% fewer** ads for **Soft Drinks** on children's TV
    - **68% fewer** ads for Soft Drinks (regular) on all TV
  - **99% fewer** ads for **Diet Soft Drinks** on children's TV
    - **19% more** ads for Diet Soft Drinks on all TV
  - **135% more** ads for **Fruit & Vegetable Juices** on children's TV
    - **24% more** ads for Fruit & Vegetable Juices on all TV
  - **>250% more** ads for **Bottled Waters** on children's TV
    - **244% more** ads for Bottled Waters on all TV

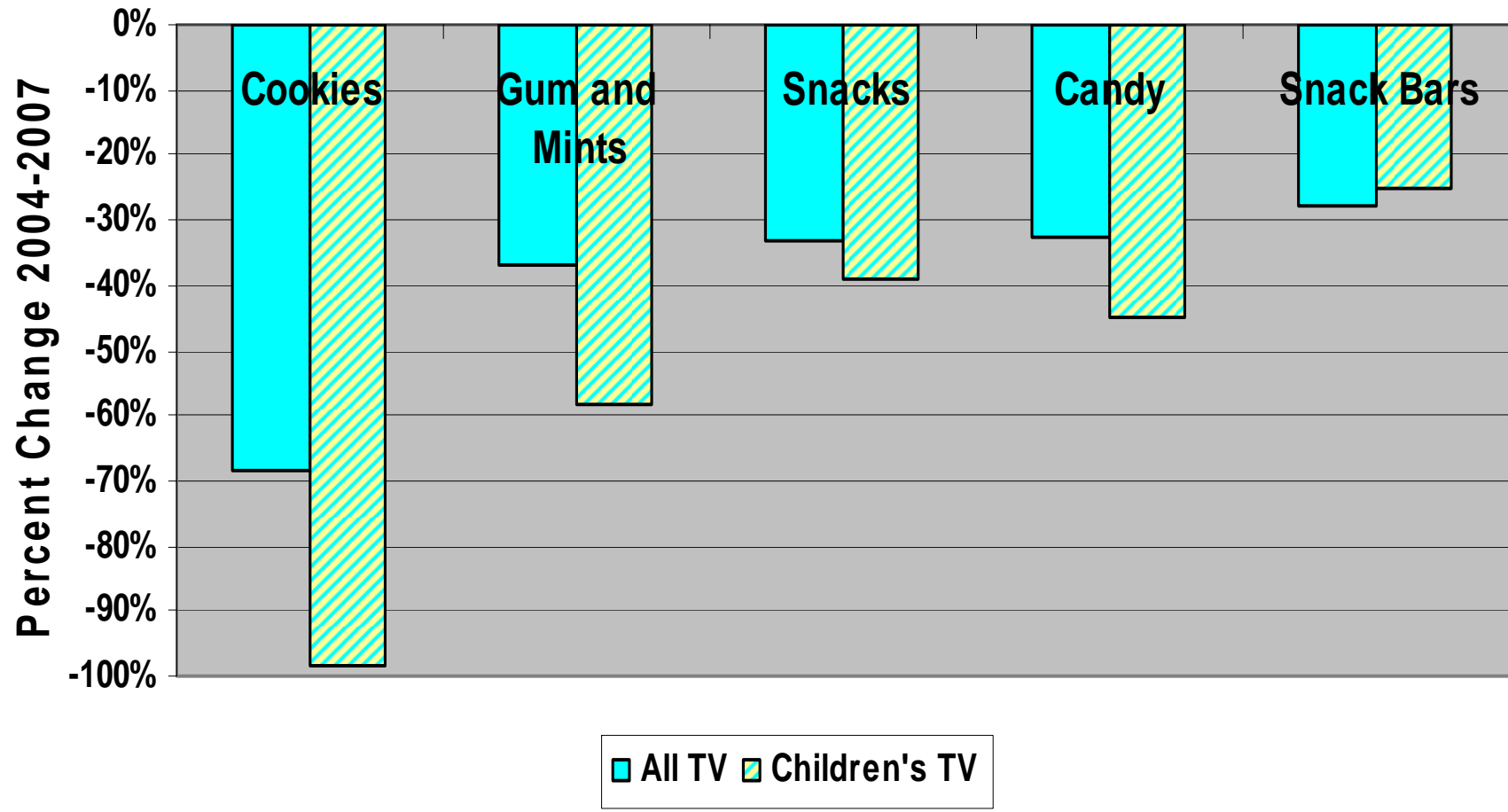
# Percentage Change in TV Ad Views per Average Child (2-11) for Beverages 2004-2007



# Kids Saw Fewer Commercials for Cookies, Snacks, Candy, Gum & Mints, and Snack Bars

- When comparing 2007 to 2004 the average child saw:
  - **98% fewer** ads for **Cookies** on children's TV
    - **68% fewer** ads for Cookies on all TV
  - **39% fewer** ads for **Snacks** on children's TV
    - **33% fewer** ads for Snacks on all TV
  - **45% fewer** ads for **Candy** on children's TV
    - **33% fewer** ads for Candy on all TV
  - **59% fewer** ads for **Gum & Mints** on children's TV
    - **37% fewer** ads for Gum & Mints on all TV
  - **25% fewer** ads for **Snack Bars** on children's TV
    - **28% fewer** ads for Snack Bars on all TV

# Percentage Change in TV Ad Views per Average Child (2-11) for Cookies, Gum & Mints, Snacks, Candy, and Snack Bars, 2004-2007



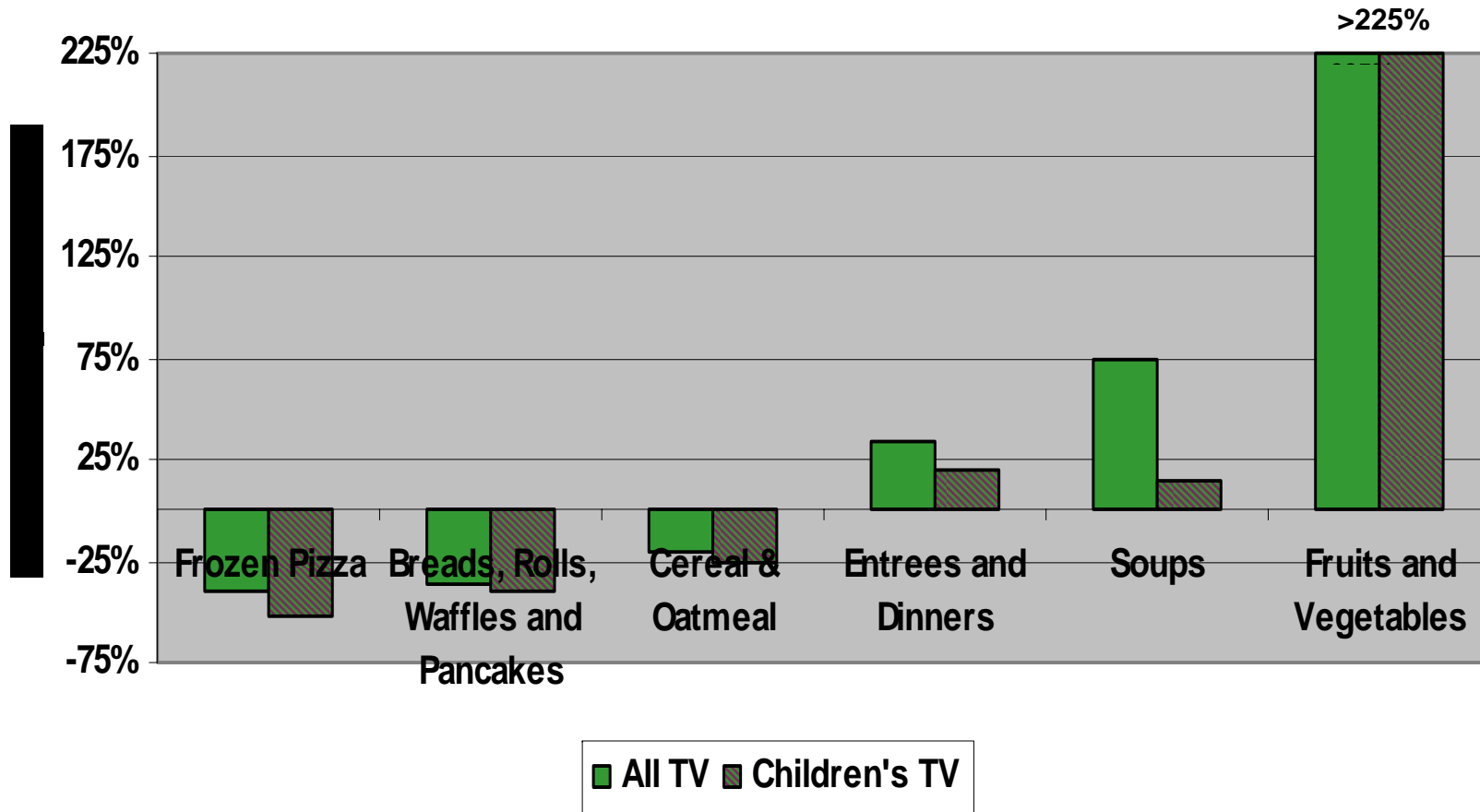
Source: Nielsen Media Research, Inc.



# Kids Saw Fewer Ads for Cereal, Pancakes and Waffles; More for Fruits, Vegetables and Meals

- When comparing 2007 to 2004 the average child saw:
  - **26% fewer** ads for **Cereal** on children's TV
    - **20% fewer** ads for Cereal on all TV
  - **39% fewer** ads for **Breads, Waffles & Pancakes** on children's TV
    - **37% fewer** ads for Breads, Waffles & Pancakes on all TV
  - **52% fewer** ads for **Frozen Pizza** on children's TV
    - **40% fewer** ads for Frozen Pizza on all TV
  - **>400% more** ads for **Fruits & Vegetables** on children's TV
    - **> 400% more** ads for Fruits & Vegetables on all TV
  - **14% more** ads for **Soups** on children's TV
    - **75% more** ads for Soups on all TV
  - **20% more** ads for **Entrees & Dinners** on children's TV
    - **33% more** ads for Entrees & Dinners on all TV

# Percentage Change in TV Ad Views per Average Child (2-11) for Meal Components, 2004-2007



Source: Nielsen Media Research, Inc.

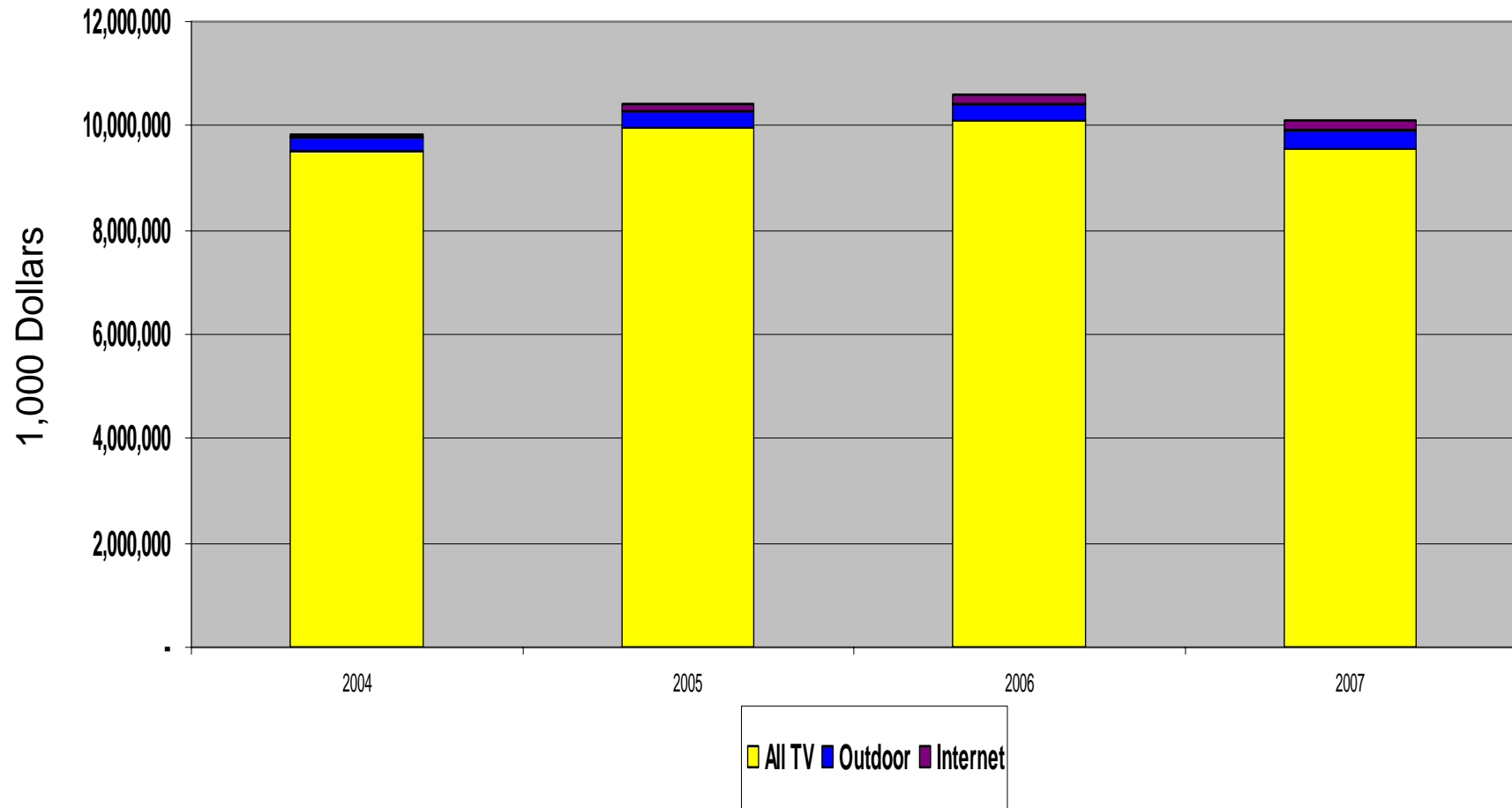
## The Mix Continues to Shift

- Advertising continues to grow in foods with fewer calories and more nutrients.
  - Fruits and vegetables, and bottled water (small categories) have risen dramatically in three years.
  - Fruit and vegetable juices and soups also increased sharply.
- Advertising continues to shrink most in sweeter products.
  - Cookies, gum & mints and snacks had the largest drops.
  - These were large categories in 2004.

## Television Continues to Dominate Advertising Expenditures Across Media

- Television remains the dominant medium for the food, beverage and restaurant ad category.
- In 2007, expenditures on paid internet advertising were approximately 2% of the expenditures on food, beverage and restaurant advertising on TV.
- Expenditures on outdoor advertising measured 3% of the expenditures on TV in 2007 for this category.

# Expenditures Across Media on Food, Beverage and Restaurant Advertising



Source: Nielsen Media Research, Inc.

# CONCLUSIONS

- The average child aged 2-11 viewed fewer food, beverage and restaurant advertisements on television in 2007 than in any recent year, continuing the previously reported historical trend.
  - The decline has accelerated in the last three years.
  - Meanwhile the number of advertisements on TV for all products seen by the average child changed little.
    - Advertising is shifting away from FB&R to other categories.
- The mix of advertising continues to shift.
  - Advertising is growing fastest for **bottled water and fruits and vegetables**.
  - Advertising is shrinking fastest for **cookies, gum & mints and snacks**.
- Non-television media continues to grow.
  - But these media still carry too little food, beverage and restaurant advertising to affect the television trends.

# Sources and Acknowledgment

- GMA and the Association of National Advertisers commissioned Georgetown Economic Services (“GES”) to update its 2004-2006 study of data from Nielsen Media Research on food, beverage and restaurant ads
- 1977 and 2004 Advertising Estimates
  - Richard P. Adler, et al., *Research on the Effects of Television Advertising on Children*, Washington, DC: National Science Foundation (1977);
  - John D. Abel, *The Child Audience for Network Television Programming and Advertising* for Children's Advertising Rulemaking Comment, Submitted to the Federal Trade Commission (1978);
  - Howard J. Beales, *An Analysis of Exposure to Non-network Television Advertising*, for Children's Advertising Rulemaking Comment, Submitted to the Federal Trade Commission (1978);
  - Federal Trade Commission, *Children's Exposure to TV Advertising in 1977 and 2004: Information for the Obesity Debate* (2007);
- 1994, 2004, 2005, 2006, and 2007 Advertising Estimates
  - Georgetown Economic Services Report to GMA/FPA citing data from Nielsen Media Research, Inc. (2005);
  - Georgetown Economic Services Report to GMA/FPA citing data from Nielsen Media Research, Inc. (2007).