

Vulnerable AND agentic? The failure of binary constructions of childhood in online games regulation

Lynn Whitaker, University of Glasgow, UK

Keywords: children's online games; children's new media use; children's media literacy; children's digital media

Abstract

This article considers the efficacy of regulating children's online games from a standard protectionist perspective in which the child consumer is constructed as vulnerable to exploitation. It presents original research into children's spending on online games via the monetisation model known as 'in-app purchasing' (IAP). The article proposes that a standard protectionist agenda is ill-suited to dealing with the ethical problems of IAP as it conceptualises protection as being primarily from harm and offence in content that is inappropriate for children, whereas IAP complaints arise in content that is specifically designed for children. However the article also exposes that an anti-protectionist stance – in which the child is constructed as agentic in relation to dedicated content – may simply dodge the ethical issues of fair monetisation. Given the sustained work of Livingstone, Buckingham and others in seeking to value children's engagement with media, it is vital that early years and media education scholars are not afraid to acknowledge and engage with the very real problems of IAP in an era in which the media regulator Ofcom reports widespread 'pressure to buy' in children's online games. If we want children to derive the benefits of agency and autonomy that the online media space affords, then scholars, regulators, parents, policy makers and the games industry alike should not be afraid to face the problems associated with targeting children as consumers. The article discusses parental complaints in the private database of the UK regulator, focusing on those relating to children 0-7, and identifies grave areas of concern relating to IAP. It then maps these parental concerns onto a specific example of parental response to extreme spending by a 7 year old in an online game targeted at children. Using this qualitative data as evidence, and in light of emerging critical literature regarding children's interactions with new media, the article then goes on to evaluate the respective roles of parents and industry in ensuring children are not exploited as digital consumers.

Introduction

In order to better understand children's relationships with media (and the discourses attendant on these relationships), scholars of both media education and early years have long debated the ways in which children and childhood have been constructed; this interest has particular force in relation to new media platforms and content forms. Current children's media scholarship, such as the bodies of work of both David Buckingham and Sonia Livingstone, has distanced itself from protectionist discourses in which a 'knee-jerk reaction' assumes risk and danger to children in the online space; and best practice and policy guidance, such as that suggested by international networks such as Net Children Go Mobile and the COST Action on digital literacy and multimodal practices of young children, would advocate appreciation of the affordances of online media to fully support children's media education, literacy and digital citizenship. In keeping with current best practice and policy therefore, this article offers a critique of protectionist regulatory frameworks whilst nonetheless presenting material evidence that is difficult to reconcile with the discourses diametrically opposed to protectionism.

This article presents research into the specific issue of young children's 'in-app purchasing' (IAP) using qualitative analysis of the complaints held by the UK consumer market regulator relating to children aged seven and under, and featuring a specific example of parental response to extreme spending in an online game by a child aged 7. Children's IAP – whereby children can instantaneously spend real money on virtual items in online games – is an important issue for regulators and parents because of the perceived vulnerability of the child consumer (enshrined in legislation), which can be considered to be especially so in the online space wherein new and often embedded monetisation strategies are emerging for funding content. Ofcom, the UK media regulator, has been tracking the issue of 'pressure to buy' in children's online games as of 2014, with one in four parents concerned about that pressure (albeit less reported with younger age groups) and increasing between 2015 and 2016: 11→13% of 3-4 year olds and 17→19% of 5-7 year olds (Ofcom 2016: 109, 169). Similarly the Advertising Standards Authority has looked into the issue, as has the payphone regulator and the consumer market regulator. As the author had exclusive access to the complaints data of the market regulator (which, as with similar data from other nations, is not in the public domain) the purpose of this research was primarily to discover what the main concerns are that parents have with children's IAP, and from there to open up a policy discussion as to how to regulate children's online space for ethical consumerism. The author, a specialist in children's media research, was granted exclusive outsider access to the complaints data through a process of knowledge exchange with the regulator following invited participation in their investigation into children's IAP. In considering how parental concerns map with the UK regulation of this area, evidence-based research on children's new media use (and policy) is advanced and contextualised within

current critical perspectives.

The article begins by setting out the current UK policy context of children's IAP and explains the main evidence base used in the research: complaints data generated by the Office of Fair Trading (OFT) and now held by the successor regulator, the Competition and Markets Authority (CMA).¹ Complaints analysis is presented under the three main themes that emerge: poor value and unfair pricing; exploitation of childhood; and the accountability of parents and industry. This is followed with a detailed example of parental response to extreme spending by a child aged seven and the article concludes with discussion of what this research contributes to ongoing policy concerns and critical perspectives, particularly in relation to the concept of the vulnerable child consumer and the balance of risks and benefits in children's online interactions.

Policy Context

In April 2013 the OFT – the UK regulator for consumer protection at the time - announced it was investigating the children's online games market with particular regard to what is commonly referred to as 'in-app purchasing' (IAP). The investigation scrutinised whether the commercial practices of IAP were misleading, aggressive or otherwise unfair under existing consumer protection legislation (OFT 2013). Typically the IAP economic model is prevalent in 'free to play' or low cost online games as the main revenue stream for that content: purchases will be for virtual items, features or upgrades within the game itself rather than for tangible goods associated with the brand (Lehdonvirta 2009: 97). However the term IAP is also used as a catch-all in the context of online spending opportunities in console, handheld or PC based games and also in respect of subscription and recurring payments made in online games.

The impetus for the OFT investigation came not only from a growing body of direct complaint but from the wider societal context of concern about IAP.² Class action US lawsuits had attracted media attention, along with local news stories in which young children had run up large bills without parental knowledge – such 'horror stories' readily feeding into protectionist discourses. Note also, that, during this same period from 2012 onwards, smartphone and tablet use was increasing dramatically among children including pre-schoolers (Ofcom 2015: 6, 25, 37, 46). Thus there was a growing scope of the general 'problem' of IAP and questions asked of accountability for that problem. Unlike the US approach wherein redress is sought from the platform provider, the UK approach was to impose binding principles on the games industry, enforceable by law as of 1 April 2014 by the successor of the OFT, the Competition and Markets Authority (CMA).³ These principles have weight in an European context and beyond, having been developed and shared with the (European) Consumer Protection Cooperation and the International Consumer Protection and Enforcement Network;

and thus the UK claims to be an international leader in this emerging policy field relating to children's engagement with new media (OFT 2014a: 2-3).

The OFT adopted a useful concept as to their investigative scope, in stating that it was in respect of games 'likely to appeal to children' (OFT 2014b: 2). This avoided the question of whether or not a game was specifically aimed at children; and removed any exemption that might otherwise have been argued as applying to games accessed through age-restricted social media gateways such as Facebook. Indeed, given the wider societal context in which children's use of social networking sites is frequently constructed as a problem in itself (Livingstone 2014), it was doubly important that such games should not be exempt. IAP is thus situated within the larger context of child internet safety and there are complex social factors bound up in the issue, including emotive ones around parental responsibility and children's rights (Blum-Ross & Livingstone 2016; Mascheroni & Cuman 2014:17; Ofcom 2015: 131,134). Of particular importance is the massive repository of academic research associated with the European research networks led by Sonia Livingstone, LSE: 'Net Children Go Mobile' and 'EU Kids Online': this research challenges protectionist stances by developing evidence based research into children's engagement with media wherein the right to digital participation is equally as valid as the right to be protected from harm.

Central within this discursive context (and corresponding legislation) is the concept of the child consumer as vulnerable by means of age and credulity; and although only four of the 28 UK regulatory provisions that form the legal basis of consumer protection apply exclusively to children (OFT 2014c), the understanding of the child consumer as vulnerable is the central condition of the UK and European regulatory framework:

Children may, for example, be particularly vulnerable to commercial messages contained in online games that are likely to appeal to them. Consumers may also be vulnerable to a practice because of their credulity. This covers groups of consumers who may more readily believe specific claims. The term is neutral, so the effect is to protect members of a group who are for any reason open to be influenced by certain claims. For example, children might believe certain claims more readily than adults (OFT 2014c: 8).

The OFT investigation employed various consultation processes,⁴ which acted both as fact-finding and awareness-raising with stakeholders: it was this consultation process that enabled the author to build a knowledge exchange relationship with the regulator. OFT also conducted a literature review, drawing mainly from research into children's advertising (OFT 2014d), as well as carrying out extensive gameplay of the games noted in complaints data. The

most significant of these processes in terms of direct consumer contact was the establishment of a complaints database: in particular, parents were invited to give notice of the problems experienced in children's IAP. The purpose of this data gathering was to establish the issues encountered by consumers so as to aid the OFT in formulating industry guidelines that would then be developed into binding principles (discussed later). The purpose was not to provide redress or feedback to the individual cases and the data analysis was not qualitative: OFT made note of the platform, the game title, the sums of money involved and the age of the child, as well as the guideline/s that the complaint might be said to relate to. Given that the richness of the data would be otherwise wasted, the OFT granted the author exclusive access to conduct qualitative analysis. Therefore, in utilising exclusive access to data outside the public domain, and bearing in mind that comparative data is not public in other territories, this article makes an important qualitative research contribution to knowledge and understanding of children's IAP as a specific area of media engagement in early childhood.

Research Context

Despite the current centrality of interactive gaming as a form of media entertainment for children (Ofcom 2015: 82), and the associated social, developmental and consumer protection issues that arise thereby, surprisingly little academic research has focused on the particularity of the critical issues of IAP. This paucity of relevant research is noted by the OFT (OFT 2014d: 4-5). Additionally, accurate facts and figures in respect of IAP are often veiled by claims of commercial sensitivity, making this a difficult field to research from the outside. Furthermore there is a marked lack of games industry information relating specifically to children's IAP take-up and much of the understanding of such 'conversion' metrics is generic to e-commerce theory and anecdotal evidence.

Notable industry- evidenced analysis can, however, be found in the work of Wohn (2012), and Wohn and Na (2012), who drew on direct access to the metrics held by the South Korean children's digital game *PuppyRed*; and in the work of Mantymaki and Salo (2011 and 2013) who worked cooperatively with the Finnish game company who publish *Habbo Hotel*, a virtual world aimed at 'twens' and young teens. The individual outputs of Lehdonvirta (e.g. 2009) and of Lovell (e.g. 2014) are also useful as each balances an 'insider' industry perspective with academic and consultancy careers respectively. However the stakeholders in, and the purpose of industry access must always be taken into consideration when thinking about the findings of such research.

While these collective bodies of work shed useful light on purchasing patterns and behaviours in games including those that appeal to children, the focus of the analysis does not necessarily extend to the particularity of the issues in respect of *children* as consumers nor does

it automatically take into account the level of autonomy or agency children have in accessing the game or in making purchase decisions. Indeed although children's games may form the case studies of the academic research around purchase decisions, children are frequently treated as if no different to adults in their consumer patterns. Mantymaki and Salo (2011 and 2013), for example, offer analysis of purchasing behaviours in *Habbo Hotel*. They note a contrast in their findings from previous literature on [adult] purchasing behaviours (whereby purchase intention is stronger with ongoing committed use) and offer reasons for this, but their ensuing recommendations are related to the implications for business development rather than any conceptual or ethical dimension related to the titular 'Children's continuous use and purchasing behaviour' (2013: 2094-5).

An important exception however, is provided by Lehdonvirta and Virtanen, who, in also discussing *Habbo Hotel*, analyse the impact of 'child-centric' measures on an adult market: they note that the spending cap imposed by the Finnish regulator (following outcry over children's IAP) was both 'reasonable' but 'quite extraordinary' in that it was applied to adult and child consumers both (2010: 22-23). Lehdonvirta has suggested that the Finnish perspective of children's IAP was that it 'represents taking advantage of children both economically and psychologically' (cited in Lehdonvirta and Virtanen 2010: 23), yet notes the regulation may be interpreted more as parental protection: 'One could say that the purpose of the spending cap was not so much to protect children from Sulake [the games company], but to protect parents from being exploited by their children' (2010: 23). This idea of child 'pester power' can be seen in the UK complaints, prompting questions of the relative accountability of parents and gamemakers in managing children's desires and consumption.

Although unusual in respect of IAP research specifically, it is nonetheless universally posited within broader critical literature that children constitute a specific group of media consumers in need of special protection particularly around commercial messages (Singer and Singer 2012). Indeed Kunkel (2005) predicted a 'renaissance' in children's advertising research through the emergence of new media. Theories developed in relation to television advertising in particular are now applied to evolving embedded techniques in digital screen content including games, websites and social networks. Parry's recent research into children's critical engagement with television advertising is, for example, instructive in evidencing a permeable boundary between the child as a 'text reader' and 'product consumer' that I believe is eminently useful when applied to the liminal online space, as, 'readers of adverts and consumers of products can, therefore, be constructed as social actors, operating with a degree of agency' (2015: 2). Considerable research has been done into the emerging phenomena of 'advergaming' in particular, including by the Advertising Standards Authority (ASA), the sister regulator of the CMA (ASA 2016), with concerns raised over children's ability to recognise and

then process decisions relating to persuasive intent when occurring in an immersive online environment. Such research relies on a construction of the child as vulnerable to hidden or blurred commercial messages, similar to the OFT's construction (OFT 2014c: 8). Reijmersdal et al. argue: 'For a fair and healthy media environment, children need to be aware of when and how they are being targeted as consumers' (2011:40).

Similarly, much of the academic research into advertising practices on children's websites and social games is in respect of recognition of persuasive intent and clarity of commercial content with regard to structural features. Cai and Zhao, for example, assessed 'the availability of warning cues that can help children better differentiate between content and advertising online' (2010: 135). But emerging thought (e.g. Rozendaal et al.) contests this traditional assumption that 'children with low or no persuasion knowledge are less able to critically process the ads they encounter, making them more susceptible to its effects' (2013: 144) and media educators in particular resist this simplification. Instead the role of peer influence, and quality of engagement, are now understood to be greater factors in the effectiveness of new media advertising (Shelton 2010), as is the critical role of game mechanics in driving purchases (Hamari and Lehdonvirta 2010): this developing theory would also fit with the body of research into desire to purchase virtual goods such as that of Ho and Wu (2012). As can be seen now from analysis of complaints data, parental criticism placed little emphasis on whether persuasive intent was clear or not in online games but instead centred on the ethical issues surrounding children's desire to purchase.

Complaints data analysis

The OFT/CMA complaints database contains 101 complaints submitted April-December 2013. At least a third of these complaints (36) relate to children aged 7 and younger with the youngest involving a child aged 2.5. There are however 29 complaints that do not state the age of the child but by inference relate to younger children. My classification of themes was drawn from coding the whole dataset of 101, however my chosen examples within this article are drawn only from the 36 complaints that are explicitly stated as relating to early childhood (up to age 7).

A typical complaint (C) is that purchases were made without parental knowledge in a free game that was specifically targeted at children; often the spending would be for repeated purchases in a short period of time as typified by C93 relating to a pony game played by a 6 year old girl: 'I received over 17 receipts charging me £69.99 a time. The game was supposed to be free. My daughter had spent over £900 in a matter of seconds'. Discovery of the spending was most commonly after a lag of several days or weeks after the spending when parents received a credit card bill or bank statement or indeed found their own transactions declined due to lack of available funds. Complaint reporting took the form of an email letter with a free-

flowing narrative account of the problem and, given therefore the mass of unstructured free text in the data, it is worth noting that coding and classification of concerns was surprisingly straightforward and could be grouped into three ethical themes (T), with which I shall deal with in turn.

Theme one (T1) - poor value and unfair pricing within the games in question (45/101);

Theme two (T2) - the ethics of the IAP model, which was seen as exploitative (71/101); and

Theme three (T3) - the relative accountability of parents and industry (25/101).

Theme One: Poor value and unfair pricing

Having suggested that complaints typically expressed outrage at the volume and cumulative cost of IAP, it is worthwhile to consider the perception of value and pricing referred to in 45/101 complaints. Various interwoven ideas emerge here around the nature of digital products and the expectation of children's content. C25, a case in which a 5 year old ran up a bill of £100+ within an hour, illustrates several of these ideas:

C25: They are blatantly ripping off the consumer as my daughter activated transactions mainly of 69p for this silly game but also two substantial payments – £27.99 and £17.99 for some stupid extra – obviously no-one in their right mind would buy this. You can buy a full Xbox game for around £40.

Here we can see that the idea of 'ripping off' the consumer (other complaints use terms such as 'scam', 'con', 'trick' and 'daylight robbery' to express this notion) lies with the fact that the purchases seem to offer poor value for what they are and what they are perceived to add to gameplay. Both the 'extras' and the game itself are described as 'silly' or 'stupid' and there is clear derision: sane people would never pay that price for such fripperies. Implicit here is the familiar classic construction of the child as irrational in its quest for self-gratification (see Jenks 2005), attendant upon which is a dismissal of children's popular culture (cf. Brooks 2006). Note too the comparison of value between a one off IAP that has limited utility and longevity compared to a console game.

We can see therefore that parents evaluate comparative costs for app/console games bearing in mind that IAP is potentially infinite whereas console games are seen as complete at a one-off price. The distinction is one of fairness as much as value as it is linked to the notion of 'ability to complete the game' at a known price. Spending limitations have never been mooted as a policy by OFT/CMA however, although this was the route chosen in Finland and a measure successfully utilised in the UK to regulate the phone sector for children (see Phonepay Plus 2013).

As well as the issue of fairness/value there is invidious comparison between the quality of paid for and free content and the monetising strategies contingent on each videogame, as can be seen in C78 relating to a 6 year old:

C78: The amount of £70 for a single IAP seems like a deliberate strategy to target accidental purchase. It seems unlikely many parents would consent to £70 for a single IAP in a very basic app game, compared to say £40 for a typical console game.

Furthermore, as indicated above, so acute is the tension between the initial game cost and the IAP costs that there would seem to be incredulity that such purchases would ever be made knowingly in free content, as summed up by C11 (involving a 7 year old) thus: ‘The maximum choice was £69.99. Why would anyone download a free app and spend a fortune to play it?’. This is in keeping with Lehdonvirta and Virtanen’s assertion that the regulator ‘might jump to the conclusion that the only reason why people might buy Sulake’s ‘nonexistent’ furniture [i.e. the virtual items] is that they have been tricked into it’ (2010: 23). Additionally there was, with complaints relating to preschool children, the suggestion that both poor motor and reading skills contributed to the problem, as with C19: ‘it exploits the lack of motor skills my children have and their ability to read such small text’, and C17: ‘my son had no idea what he had done, at 3 he just likes clicking buttons to see what they do’. Children’s perceived lack of understanding of the relative value or cost of items was also a key feature of complaints relating to younger children.

Despite this pervasive concept that virtual items constitute ‘money for nothing’, and that children are duped into buying them, real world game development costs were rarely directly referred to in consideration of value, the exception being C80 (a five year old playing a pony game) and C82 (relating to a 7 year old):

C80: The IAP would cost at least £70 to achieve progress which is a ridiculous amount of money for such a simplistic game. As a game player and software developer myself I know this is very poor value for money. It is clearly aimed at very young children and this is what makes me so angry about it.

C82: My daughter ran up a bill of £400 by continually purchasing virtual goods at the cost of £69.99 per transaction. I would love to hear the justification that games publishers have for deciding to price a virtual item that has no real world development cost that pushes it to that level.

I would suggest that the relative lack of direct criticism of the perceived ‘actual’ costs of items might be explained by the expectation that a video game must offer a sufficient level of age-appropriate difficulty and challenge (‘flow’) in order to engage the player. In criticising pricing and value however some complaints referenced this against the difficulty level of a game as simply being set too high so as to force purchase of additional items for the already invested player. This to me is a significant departure from our understanding of advertising to children in the ‘real world’: IAP works only because children are already invested and engaged with the product. This then brings us onto the still greater concern around ‘exploitation’ of children in T2.

Theme Two, Ethical concerns: exploiting the vulnerable

Building on notions of value and fairness, perhaps the most striking aspect of the complaints data was the question of ethics that was repeatedly raised by parents over the fundamental suitability of the IAP model for children’s content: 71/101 expressed this concern. It was frequently complained that the ‘addictive’ nature of video games, coupled with limitless pay mechanics and inbuilt ‘repeat visit’ rewards, was a recipe for disaster given the perceived propensity of children for instant gratification. While the idea of ‘video game addiction’ has largely been dispelled by academic research on addictive behaviours (e.g. Griffiths 2010) it persists in popular discourses around childhood. Such discourses inform much of the literature around the ‘commercialisation’ and commodification of childhood and have long established roots in the critical literature relating to children’s media (see e.g. Giroux 2000; Kinder 1999; Schor 2004) and find new expression in the current social media discourse of ‘FOMO’ (fear of missing out’).

However, in paradoxical tandem to the notion of the child’s desire for instant gratification, there was repeated criticism and disgust that the addictive nature of the game (and the desire to spend money) was a natural consequence of a child’s desire to look after and care for the cute animated characters and communities of the game be it teddy bears, fairies, dragons, pets etc., as shown in C4 regarding a dragon game: ‘It creates a feverish desire within the child... it cynically exploits children in that it is free to download... but sets up a feeling of urgency and encourages the spending of real money to get things that can’t be won realistically within the game.’ The more serious criticism therefore is that games are unethical in exploiting children’s natural nurturing empathy. With those complaints therefore it was the perceived threat to childhood innocence and ‘goodness’ that was repugnant. In particular animal and community building games were often criticised and indeed the complaints relating to children 7 and under most commonly relate to such games:

C66: Her horse was sick and she had to complete a certain challenge. But she couldn't do this without having paid for passes. So she felt she was leaving her horse to die. She also felt guilty when she went for a day or two without playing, as the game would punish her by making her horses sicken or run low on love and care.

C74: [On cancelling the game subscription my child] could no longer virtually feed her pet and it actually began to get thin and look sad as it followed her around the website. Eventually it turned to bones and died. I couldn't believe that a company could use such awful tactics. My daughter was traumatised into thinking by not subscribing she was killing and being cruel to animals.

The methods by which such emotional manipulation was achieved were heavily embedded in game techniques and several parents had included screen grabs or a narrative description of gameplay which demanded a sophisticated level of textual analysis or engagement. Parents frequently asked that the gamemakers should consider the emotional consequences because such techniques were perceived as damaging to a child's wellbeing. Furthermore the upset and distress caused by such tactics – and by the damage done to the family – was seen as entirely disproportionate to any pleasure that the game itself might offer. Nonetheless parents commended the potential of these games to teach children valuable lessons in husbanding resources and assuming responsibility for the wellbeing of the characters and communities. Put another way, even disgruntled parents could recognise the opportunities and affordances of the games as valuable resources in a child's life and development.

In teasing out these ethical issues of exploitation it leads logically to considerations of accountability of gamemakers and of parents which I shall now discuss under T3.

Theme Three: Accountability of industry (and parents)

Another key area of concern emerging from analysis of the complaints data is lack of accountability on the part of the games companies. This concern was raised both defensively and reflexively in questioning the accountability of parents themselves; nonetheless most complainants felt that the game companies had to be more responsible:

C25: I know as a parent we should take responsibility for the actions of our child (aged 5) but these games companies should equally take some responsibility.

C14: While I understand that they need to make money, and it is my responsibility to say 'no' to my children, I consider that the pressure put on young children (aged 6) is unfair.

In particular, several complaints voiced that, no matter how vigilant and responsible, parents cannot fight a threat they cannot imagine exists in children's content:

C27: Because it was a children's FAIRY game and it was free in the first place you think 'what could go wrong?'. We obviously didn't sit next to our child (aged 4) when she played the game. We think the way they tricked little children into paying so much extra REAL money [£300] is nasty!

C46: I usually think it's the parents' fault when I read these stories in the press as I never let my child (aged 4) use these games alone but even with supervision a game like this leaves the parent and child at the mercy of the game developers and both the parent and child's emotions are being used.

In the quotes above we can see too the recurring criticism that IAP encourages pester power but also exemplified is the belief that parents have a reasonable expectation that children's content should be 'safe' for children and that young children should not therefore be exposed to such aggressive pressure to buy in dedicated children's content. This would seem to me to lie very much at the crux of the matter as parents consistently expressed incredulity, shock and outrage that such practices existed at all in children's content. It raises the question of the degree of agency and autonomy that is seemingly being offered to a child through IAP, as epitomised in C59: 'they provide a platform where my son is enabled to steal my money and they induce him to do that'.

Given the damning picture of IAP that is painted by parental concerns in the complaints data I want to explore the theme of relative accountability further in a specific example of parental response to children's IAP.⁵

Parental response: detailed example

To explore further the idea of accountability for children's IAP I wish now to look at a case concerning a 7 year old boy's extreme spending in an online game over the Christmas holiday period. The particular issue I wish to flag up is that of the intention, agency and autonomy of the child as perceived by the parent. The material quoted here is drawn from extensive

interviews with the father. As related by the father, the child had started with a few small purchases (at £2.50 and £7.50 price points) to 'test the water' in the run up to the school holiday and then, around Christmas itself, made repeated £69.99 purchases (£800 on Christmas day) resulting in total expenditure of approximately £2500 in one week. The father describes the credit card statement as running into pages of transactions: 'it was like a drug addict, there is no doubt this was a frenzy... he had obviously got himself into some absolute, addicted, addled stage'. Unlike many of the complaints data examples in which purchase is unwitting by young children, the father's anger was that the child had made these purchases intentionally, knowing that they were linked to real money albeit not fully understanding the value of the sums involved. But this anger at the child was mixed with impotent anger against the games company and the nature of the content that drove the purchasing:

What annoyed me was that it had those levels of money within that [children's] game. It was anger against him as I knew he had done it and done it intentionally but at the same time he didn't quite know what he was doing... I don't think he knew what £70 was. He knew what he was doing but he didn't have any idea of the consequences. I think that, in his frenzy, he lost all sense of consequence so it was a moment of pure and utter expenditure. It was a pleasure and it was a transgression. I knew he had been duped by the game but also that he understood the parameters of what he was doing... I think the games are totally unfair because they are skewed: this was a game for youngsters: my elder son would never play that game. It was a game for kids, the graphics were for kids... So for me there was anger about the way these games really are cocaine for kids... it's insane. There's no responsibility: it's just purchasing, purchasing, purchasing... there will always be another purchase.

Here we see then the child's pleasure in the game constructed as 'transgressive' and an addiction: it is not the game per se that is evil but its inherent culture of rampant consumerism for which nobody is accountable. The gamespace in which a child makes their own decisions – literally controlling their virtual world – and in which IAP empowers and enhances that feeling of control can therefore co-opt discourses of childhood resistance into consumerist goals as argued in Libby Brooks's polemic on childhood culture over a decade ago:

By subverting the notion of children as sophisticated critical consumers, the idea of empowerment has been hijacked in order to sell more products. If children's sense of mastery of consumer culture is being used to sell products back to them, then their power would appear to be voided. (2006:153)

Discussion

I wish now to discuss what the parental concerns expressed in the complaints and research interview might mean for policy and regulation in this area. Regulation currently takes the form of binding principles for the games industry: the principles, available in full online, are themselves lengthy and offer ‘worked examples’ of good and bad industry practice (OFT 2014e). Of particular relevance is Principle 6:

Games should not include practices that are aggressive, or which otherwise have the potential to exploit a child’s inherent inexperience, vulnerability or credulity or to place undue influence or pressure on a child to make a purchase. The younger a child is, the greater the likely impact those practices will have, and the language, presentation, design and structure of the game should take account of that (OFT 2014e: 13).

Here we see that Principle 6, invoking the central concept of the child consumer as vulnerable, *could* readily be applied to the content and practices noted in the research however no cases have been pursued under this principle, only the more narrow principle that is Principle 7:

A game should not include direct exhortations to children to make a purchase or persuade others to make purchases for them (OFT 2014e: 15).

It can be concluded therefore that, although the principles *might* give some scope for addressing the concerns of parents, the tried cases to date would suggest that only the more narrow concern of Principle 7 - ‘direct exhortation to buy’ - can be relied on.

Furthermore it is important to note that the CMA has not, of itself, made rulings but instead referred cases on to the ASA: three rulings have been made to date on the issue of children’s IAP, two of which were upheld and one not. The two upheld rulings, issued in 2015, related to the ‘virtual worlds’ of *Moshi Monsters* and *Bin Weevils* respectively: both games with a core audience of children aged 4-9 and which have a basic ‘free to play’ model accompanied by optional subscription memberships. The 2015 rulings upheld the complaint of direct exhortation to buy as a contravention of Principle 7 because of the use, placement and/or sequence of specific words in gameplay (ASA 2015a, 2015b). In contrast with these two, the 2014 decision of Hasbro’s *Littlest Pet Shop* app (which features the children’s toys popular with 4-9 year olds) ruled that there was no direct exhortation:

We considered that those in-game notices provided factual information about what users could purchase ... We therefore considered that the in-game notices were not a direct exhortation, but rather a mechanism for purchase' (ASA 2014).

A detailed reading of the three rulings is instructive in revealing the combination of specific wordings and structural elements that constitute breach (or not) of Principle 7. However these rulings bear no trace at all of the bigger ethical issues outlined by parents as the main concerns with IAP for children; it is merely the transparency of the persuasive intent that is evaluated, as per the traditional literature on advertising to children. In so doing the concept of 'vulnerability' is interpreted only as a narrow media literacy concept of (not) understanding advertising when really the true vulnerability of the child is that they wish to play and fully engage autonomously in the game, its communities and its characters and IAP offers them greater tools to do that with. A child may or may not understand that they are being advertised to but still greatly desire the product. Likewise if a game centres around particular tasks and challenges children will wish to engage with those tasks and challenges whether or not they understand the funding model or its real life consequences. This is exemplified in C55: 'I checked the cash value of the game currency and 300 donuts cost something insane like £30. It costs 150 donuts to create a building in a city building game where the entire point is to populate your city with buildings!'. It is therefore up to industry to ensure the funding model offers value, fairness and proportionality to the child consumer and offers responsible purchase decisions in keeping with the child's autonomy and agency in real world purchase decisions such as how to spend pocket money.

Conclusion

This article has analysed the main concerns of parents regarding IAP for children, showing them to be ethical considerations of value and pricing, exploitation and accountability. It argues that these concerns are not fully addressed within the current regulatory decisions despite existing scope for this in the industry principles. The emphasis of decision making is on structural features that signal persuasive intent and constitute direct exhortation to buy. This emphasis on structural features is in keeping with the traditional body of literature on advertising to children based on a particular notion of the child as a vulnerable consumer in need of protection. Without decisions made on the basis of principle 6 however it is hard to see how this concept of vulnerability can be said to offer meaningful protection via enforcement and therefore neither protectionist or digital rights based agendas would seem to offer a meaningful construction of the child consumer in this new media context. There has been no policy discussion about whether the price and ready availability of IAP is exploitative

of children's desire, nor any evaluation of whether and/or when the cumulative cost of IAP might itself be considered exploitative. Content perceived by consumers as overpriced and emotionally manipulative can therefore continue to be offered to children as long as the way that it is framed is structurally clear in its persuasive intent. Without some mechanism of proportionality – such as a cumulative spending cap or one off price limit mechanism – the model will continue to be seen as unsuitable and exploitative in the eyes of parents and, paradoxically, play into protectionist discourses in which children's engagement with even their own dedicated media is constructed around risk.

This research contributes to the field by adding materially to the scant body of worldwide published evidence on children's IAP by exposing documented parental concerns in the UK. It identifies a problem in the seeming autonomy and agency offered to the child by IAP that is at odds with the child's agency and autonomy to make real world purchase decisions. Finally this research addresses what constitutes the vulnerability of the child consumer in the context of new media, arguing that, despite legislative scope, the current enforcement does not protect children and families from the potentially devastating and disproportionate consequences of what is, after all, merely a game: one small element of a child's life and leisure. This is not to advocate an overly protectionist stance against children's interactions with new media; it must be stressed that the key researchers in the wider field have worked hard to ensure that policy discourses reflect both the challenges and opportunities of such online interactions (Global Kids Online 2016). Nevertheless, we as children's media researchers cannot ignore the problems, challenges and responsibilities associated with IAP in our desire to promote the opportunities and rights of digital citizenship and participation. Regardless of the platform, processes and structural mechanisms that may constrain IAP, its fundamental purpose is to get children to spend money in an unfettered way: it constructs and exploits them as having agency and autonomy in a way that is intrinsically at odds with the concept of their actual vulnerability as an online consumer and their financial interdependence with their parents and mixes the seeming freedom of play-based actions that control the game with real life financial choices that are far beyond a child's agency in the real world.

This research was supported by the Royal Society of Edinburgh and the Carnegie Trust for the Universities of Scotland

Notes

1. The Office of Fair Trading (OFT) regulated this area until 1 April 2014 when it was superseded by the new, combined regulator, the Competition and Markets Authority (CMA).

2. Assertions as to OFT processes are based on my meetings with the children's IAP team, led by Marie Southgate, on four occasions in the 2013/14 period.
3. The regulatory principles are available at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/288360/oft1519.pdf (accessed 31 March 2017).
4. The respondents to the OFT consultation exercise are detailed in the consultation response document (OFT 2014a: 14).
5. Additional complaints data was generated through schools-based research in which parents and children were asked to share their experiences of children's IAP through focus groups and interview. The case study data here is drawn from a 90 minute interview with a parent in March 2016.

References

- ASA (2014). *Ruling on Hasbro International Inc (Littlest Pet Shop)*. Available at: https://www.asa.org.uk/Rulings/Adjudications/2014/12/Hasbro-International-Inc/SHP_ADJ_235612.aspx#.V44p1E0UWUk (Accessed 31 March 2017).
- ASA (2015a). *Ruling on Mind Candy Ltd t/a Moshi Monsters*. Available at: https://www.asa.org.uk/Rulings/Adjudications/2015/8/Mind-Candy-Ltd/SHP_ADJ_305018.aspx#.V44mNU0UWUI (Accessed 31 March 2017).
- ASA (2015b). *Ruling on 55 Pixels Ltd t/a Bin Weevils*. Available at: https://www.asa.org.uk/Rulings/Adjudications/2015/8/55-Pixels-Ltd/SHP_ADJ_305045.aspx#.V44nrU0UWUI (Accessed 31 March 2017).
- ASA (2016). *Remit: Advergames (Advice online)*. Available at: <https://www.asa.org.uk/advice-online/remit-advergames.html> (Accessed 31 March 2017).
- Blum-Ross, A. and Livingstone, S. (2016). 'Families and screen time: current advice and emerging research. LSE Media Policy Project', *Media Policy Brief 17*. The London School of Economics and Political Science, London, UK. Available at: <http://eprints.lse.ac.uk/66927/> (Accessed 31 March 2017).
- Brooks, L. (2006). *The Story of Childhood: Growing up in Modern Britain*. London: Bloomsbury.
- Cai, X. and Zhao, X. (2010). 'Click here, Kids! Online Advertising Practices on Popular Children's Websites' in *Journal of Children and Media* 4 (2), 135-154.
- Giroux, H. (2000). *Stealing Innocence: Corporate Culture's War on Children*. New York: Palgrave.
- Global Kids Online (2016). *Research Synthesis Report 2015/16*. Available at: <http://blogs.lse.ac.uk/gko/synthesis-report/> (Accessed 31 March 2017).
- Griffiths, M., 2010. 'Online video gaming: What should educational psychologists know?' in *Educational Psychology in Practice* 26 (1), 35-40.

- Hamari, J. and Lehdonvirta, V. (2010). 'Game design as marketing: How game mechanics create demand for virtual goods', in *International Journal of Business Science and Applied Management* 5 (1), 14-29.
- Ho, C. and Wu, T. (2012). 'Factors affecting intent to purchase virtual goods in online games', in *International Journal of Electronic Business Management* 10 (3), 204-212.
- Jenks, C. (2005). *Childhood*. 2nd ed. Abingdon: Routledge.
- Kinder, M. (ed.) (1999). *Kids' Media Culture*. Durham and London: Duke University Press.
- Kunkel, D. (2005). 'Predicting a renaissance for children and advertising research', in *International Journal of Advertising* 24 (3), 401-405.
- Lehdonvirta, V. (2009). 'Virtual Item Sales as a Revenue Model: Identifying attributes that drive purchase decisions' in *Electronic Commerce Research* 9 (1), 97-113.
- Lehdonvirta, V. and Virtanen, P. (2010). 'A New Frontier in Digital Content Policy: Case Studies in the Regulation of Virtual Goods and Artificial Scarcity', in *Policy & Internet* 2 (3), 7-29.
- Livingstone, S. (2014). 'Developing social media literacy: How children learn to interpret risky opportunities on social network sites' in *Communications: The European Journal of Communication Research* 39 (3), 283-303.
- Lovell, N. (2014). *The Curve: Turning Followers into Superfans*. London: Penguin.
- Mantymaki, M. and Salo, J. (2011). 'Teenagers in Social Virtual Worlds: continuous use and purchasing behaviour in Habbo Hotel', in *Computers in Human Behaviour* 27 (6), 2088-2097.
- Mantymaki, M. and Salo, J. (2013). 'Purchasing Behavior in Social Virtual Worlds: an examination of Habbo Hotel' in *International Journal of Information Management* 33 (2), 282-290.
- Mascheroni, G. and Cuman, A. (2014). *Net Children Go Mobile*. Final Report, November 2014. Available at: <http://netchildrengomobile.eu/reports/> (Accessed 31 March 2017).
- Ofcom (2015). *Children's Media Use and Attitudes Report*. Available at: <http://stakeholders.ofcom.org.uk/market-data-research/other/research-publications/childrens/children-parents-nov-15/> (Accessed 31 March 2017).
- Ofcom (2016). *Children's Media Use and Attitudes Report*. Available at: https://www.ofcom.org.uk/__data/assets/pdf_file/0034/93976/Children-Parents-Media-Use-Attitudes-Report-2016.pdf (Accessed 30 September 2017).
- OFT (2013). *Press release: 'OFT investigates free children's web and app-based games'*. Available at: <http://webarchive.nationalarchives.gov.uk/20140402142426/http://www.oft.gov.uk/news-and-updates/press/2013/33-13> (Accessed 31 March 2017).

- OFT (2014a). *Children's Online Games: Response to the Consultation*. Available at: <https://assets.publishing.service.gov.uk/media/53330c0440f0b62e99000003/oft1517.pdf> (Accessed 31 March 2017).
- OFT (2014b). *Children's Online Games: Report and Consultation*. Available at: http://webarchive.nationalarchives.gov.uk/20140402142426/http://www.oft.gov.uk/shared_oft/consumer-enforcement/oft1506.pdf (Accessed 31 March 2017).
- OFT (2014c). *Annexe to the OFT's Principles for online and app-based games - relevant legislative provisions*. Available at: http://webarchive.nationalarchives.gov.uk/20140402142426/http://www.oft.gov.uk/shared_oft/consumer-enforcement/oft1519a.pdf (Accessed 31 March 2017).
- OFT (2014d). *Children's Online Games: A Survey of the Literature*. Available at: <https://assets.publishing.service.gov.uk/media/53330bf4ed915d6938000007/oft1518.pdf> (Accessed 31 March 2017).
- OFT (2014e). *The OFT's Principles for online and app-based games*. Available at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/288360/oft1519.pdf (Accessed 31 March 2017).
- Parry, B. (2015). 'Reading ads, reading the world', in *Education 3-13: International Journal of Primary, Elementary and Early Years Education*, 2015.
- Phonepay Plus (2013). *The impact of the spending caps review on premium rate services aimed at children*. Available at: http://www.phonepayplus.org.uk/~media/Files/PhonepayPlus/Consultation-PRSPDFs/2013_Code_Review/2014_Code_review_Research__Children.pdf (Accessed 31 March 2017).
- Rozendaal, E., Slot, N., van Reijmersdal, E. and Buijzen, M. (2013). 'Children's Responses to advertising in Social Games', in *Journal of Advertising* 42 (2-3), 142-154.
- Schor, J. (2004). *Born to Buy: The Commercialized Child and the New Consumer Culture*. New York: Scribner.
- Shelton, A. (2010). 'Defining the lines between virtual and real world purchases: Second Life sells, but who's buying?', in *Computers in Human Behaviour* 26 (6), 1223-1227.
- Singer, D. and Singer, J. (2012). *Handbook of Children and Media* (2nd ed). Los Angeles: Sage.
- Van Reijmersdal, EA., Rozendaal, E. and Buijzen, M. (2011). 'Effects of Prominence, Involvement, and Persuasion Knowledge on Children's Cognitive and Affective Responses to Advergaming' in *Journal of Interactive Marketing* 26 (1), 33-42.
- Wohn, DY. (2012). *Spending Real Money: Purchasing Patterns of Virtual Goods in an Online Social Game*. CHI 2014, One of a CHIInd, Toronto.
- Wohn, DY. and Na, E. (2012). *Virtual Item Purchasing Patterns in a Social Game: Differences between High and Low Spenders*. Proceedings of iConference 2012, University of Toronto.