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The Lure of School Marketing

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Something bothered Sarah Lipson about the curriculum package she received in the mail, so the young first-grade teacher packed it away in her classroom closet. But other teachers at her elementary school, West Portal School in San Francisco, used the materials-much to their students' delight. "You knew it was going to be well-received," recalls Lipson, who has been teaching just three years. "I was one of the less popular teachers for not passing it out to my kids."

The package was from Jelly Belly, the Herman Goelitz candy company. It included a video tour of the company's manufacturing plant; science, math, and social studies lessons-all with product tie-ins; and 20 little sample packets of jelly beans to give to the children.
A few months later, Lipson stood before the San Francisco Board of Education, arguing in support of the Commercial-Free Schools Act. The sweeping measure, approved in late June by a 5-2 vote, bans teachers from using textbooks or other materials with brand-name advertising, forbids the district from signing exclusive contracts with soda or snack foods companies, and-in response to a student-led initiative-bans the sale of foods by subsidiaries of the tobacco industry.

A growing industry

The package sent to Lipson's school represents just a small part of a growing industry. In schools through-out the country, businesses are working hard to influence the product choices of young people, whether by offering teachers so-called Sponsored Educational Materials (SEMs) like the candy curriculum, by negotiating with districts for exclusive beverage contracts, or by advertising on such curriculum-providers as the television news show Channel One and the Internet firm ZapMe!

At stake for advertisers is a 50-million-strong market of budding consumers, responsible for spending billions of dollars on products and influencing the purchases of billions more by their families. At stake for school board members, teachers, and administrators, say critics of school marketing, is what Consumers Union's Charlotte Baecher calls "the integrity of education."

"As [advertisers] up the ante, they're not being pushed back," says Baecher, publisher of Zillions magazine, which helps children ages 8 and up understand the flood of commercial messages targeted at them. "It's a growing industry," Baecher and other critics say school boards need to set policies on commercial ventures in their districts. But just where do they draw the line? Should schools use SEMs? Accept free televisions or computers in return for allowing advertisements on school property and during school time? What about permitting beverage companies to sponsor events, or negotiating lucrative vending machine contracts with these companies-agreements that can add thousands, even millions, of dollars to school scholarship and activity funds?

Should there be a "wall of separation"-to borrow a term from the church-state debate-between schools and businesses? Critics of school commercialism suggest something close to that when they talk of schools being a "safe harbor" from commercial pressures. These same critics generally support corporate partnerships in which businesses support educational endeavors but demand no advertising in return. Others say that strict separation is unrealistic. Carl Volden, a school board member from Viroqua, Wis., whose district recently negotiated a vending machine contract with PepsiCo that includes soft drinks as well as milk and sandwiches, says it makes no sense to deny students the same sugar-laden drinks they can buy across the street or bring from home in their lunch boxes.

"Our children are faced throughout their entire lives with choices," Volden says. "And they need at the high school and middle school level to make these choices on their own." The choices school board members must make are complicated by the fact that many school districts are under tremendous pressure to do more with less. Communities want qualified teachers, smaller classes, well-appointed buildings and technology labs, and a rich and varied curriculum. It all costs money-money many districts don't have. If the public is demanding all these things but not providing adequate funds to pay for them, some educators argue, schools have no choice but to consider "nontraditional" funding that might expose their students to advertising.

An unprecedented deal

Marketing in schools is nothing new. Many baby boomers can remember the local business that donated their high school scoreboard and then advertised on it. They can probably remember, too, the ads in the back of their yearbooks and in their school newspapers. But the nature of school advertising changed fundamentally in 1990, when Whittle Communications launched Channel One. Says Andrew Hagelshaw, senior program director for the Center for Commercial-Free Public Education in Oakland, Calif., Channel One "opened the schoolhouse door."

Whittle offered an unprecedented deal: It would give schools free TV and video equipment in return for their commitment to show a 12-minute daily news show to their students. Ten minutes of the show would be devoted to national and international news specifically geared towards students; the other two minutes would consist of commercials.

To critics, Channel One illustrates many of the ethical problems found in school marketing programs. They say it takes time away from regular instruction and cedes part of the authority for designing curriculum to for-profit vendors. Impressionable children are required to watch ads that suggest institutional endorsement because they are presented in school. Finally, say the critics, the whole practice advances materialism, something schools have no business promoting.

Channel One spokeswoman Susan Tick says the company, which was sold in 1994 to Primedia, offers a valuable service: news shows created especially for students. The overwhelming number of teachers who have used the program value it, Tick says. According to a recent poll, she adds, 98 percent of teachers whose schools use Channel One want to keep it and would recommend it to other schools. The program now reaches 12,000 high schools and middle schools in 47 States.

All the talk of advertising has overshadowed the fact that Channel One is a unique news source for teenagers, Tick says., Channel One has several young foreign correspondents, two of whom recently reported from Kosovo. "We talked to kids, not the elders," Tick says. "Nobody else is providing that." And, in addition to its regular programming, the company donates] 250 commercial-free hours of core subject broadcasting a year to participating schools.

And what about the ads?

"There's no journalism in the nation-whether it's the New York Times, which schools want to have in their libraries and everyplace else, or Time magazine-that isn't supported by commercials," Tick says.

Channel One solicits advertisers in magazine ads that emphasize its ability to reach 8.1 million teenagers while they sit in class. "We have the undivided attention of millions of teenagers for 12 minutes a day," said a spot last year in Advertising Age magazine that pictured a teenage boy watching will' rapt attention. "That might be a world record."

It's a powerful pitch. While much has been written about the clout of the baby boomers, they are exceeded in sheer numbers by the generation under age 19, says David Walsh, president and founder of the National Institute on Media and the Family in Minneapolis. During the '90s, advertisers began to pay more attention to these students' purchasing power and their ability to influence the buying habits of their parents. Walsh estimates that young people have five to seven times more purchasing influence than purchasing power.

Presented with this enticing market, advertisers are competing to establish brand loyalty at an increasingly younger age regardless of whether those children can actually buy the products. For example, Ford advertises in Sports Illustrated for Kids even though most readers won't be able to purchase a Taurus or Explorer for years.

Schools offer another unique incentive. "School represents a place where this huge demographic group is held captive Walsh says. "There's no other place in the world where an advertiser or marketer can get at a captive audience."

Of course, television producers also market heavily to teens and indeed, the networks' new fall lineup is a veritable Celebration of youth. But even television can't match the classrooms clout, Walsh says, because viewers can mute or switch off the ads. "The remote control," he adds, "drives advertisers crazy."

Ads online

The Internet represents another opportunity for marketing young people, and it has I advantage of interactivity. Following Channel One's lead, a three-year-old company called ZapMe! offers schools computers and an Internet satellite hook-up in exchange for a promise to use the machines at least four hours a day. In the lower left-hand corner of each 17-inch monitor is a box that alternates public service materials with advertising. Students can enter an advertiser's site with a computer mouse. They can also earn "Zap Points" for logging onto the ZapMe! network, publishing on the company's bulletin board, and participating in online quizzes and contests. The points can be traded for clothes, books, CDs, and other merchandise or donated to the students' schools, which can exchange the points for supplies.

Thus far, ZapMe!-so named because it "zaps" information from the satellite connection and sends it to a school's computer-is operating in 200 schools in about a dozen states. The California-based company hopes to be in 2,000 schools by the end of the year. ZapMe! also has an agreement with Sylvan Learning Systems, a private company that provides tutoring and enrichment programs, allowing Sylvan staff members to hold classes in the school's computer facilities during off hours. Critics say this agreement cedes a school's control of its own facilities and further erodes the institution's position as a "safe harbor" from business influences.

Like other business ventures in the schools, ZapMe! Has elicited widely varying responses. Gary Ruskin, director of Commercial Alert, an organization created by consumer advocate Ralph Nader, calls ZapMe! a "corporate predator" and says, "Advertising for kids is not an acceptable activity-particularly in schools."

But some educators welcome the hardware and hookups ZapMe! provides. "When I first heard about this, I asked the ZapMe! people, 'Are you sure your offices are in San Ramon and not the North Pole?'" technology coordinator Theodore F. Maddock told the New York Times after signing up his school, Mt. Diablo High School, which services a largely poor and minority student body in Concord, Calif.

'Pouring rights'

Another way advertising is entering schools is through marketing contracts with beverage companies. Among the more highly publicized agreements is the IO-year, $8 million contract between Coca-Cola and Colorado Springs District II, where a top district official sent letters to administrators urging them to increase Coke sales in their schools. The Colorado Springs agreement and others like it have drawn fire from critics who say schools have no business pushing any soft drinks on students, let alone a particular brand.

But contracts for "pouring rights" remain popular, and recently school districts have become more savvy in marketing themselves to companies and using their clout to get better deals. Carl Volden, the school board member from the 1,300-student Viroqua Area School District in Wisconsin, noted that his board first turned down a deal with Pepsi in a 4-3 vote. That decision was criticized by two former board members in the local newspaper, Volden says. But the board held out, and Pepsi came back with a better deal, agreeing, in addition to the soft drink machines, to supply a $6,000 vending machine that dispenses milk, fruit, and sandwiches.

In addition, the Pepsi contract is not "exclusive"; it merely extends the company's current edge in school sales (about 60 percent) into the future. "We didn't want to lock out other vendors," Volden says. "We want kids to have choices."

Pepsi will provide the district $64,900 over an eight-year period, and it will supply an advertising-free scoreboard. "There's no Pepsi signage at all," says Superintendent Wayne Sherry. "Continued sales is all they got out of it."

An even more ambitious contract was negotiated with Coca- Cola recently on behalf of 17 school systems in the Kent (Mich.) Independent School District. The deal is one of the first signed by a consortium of school districts, according to Associate Superintendent Gerald Hunsburger. He says a committee spent more than a year developing bid specifications before soliciting proposals. What the schools ended up with was a 20-year contract that gives them $10 a year for each of their 95,000 students, plus a percentage of sales. All totaled, the agreement is expected to bring the consortium $4 million to $5 million a year, Hunsburger says.

The schools had several demands, including an understanding that they, not Coca-Cola, would determine the number of vending machines, the times the machines would be in use, the prices charged, and the specific items among Coke's many products that would be offered. The consortium did its homework and found that cups with logos were far more expensive than those without, so it told the company, "If you want your logo on the cup, you pay for it," Hunsburger says. He says the most popular logos aren't Coke's, but those on bottled water that tout mascots such as the Grandville Bulldogs and the East Grand Rapids Pioneers.

"Water's a huge seller," Hunsburger says. "People have been going nuts over water."

But the advantages of Kent's contract don't impress Alex Molnar, director of the Center for the Analysis of Commercialism in Education at the University of Wisconsin-Milwaukee. The fact remains, he says, that districts like Kent are pushing Coca-Cola, even if they offer more nutritious alternatives. They are allowing a corporation to advertise to their students. And that corporation is presenting messages that contradict the very messages the schools are offering in their own health and nutrition classes. The fact that students can buy soft drinks on their own, outside of school, is irrelevant, Molnar says.

"My response is, 'So what?'" says Molnar, who believes vending machines don't belong in schools anyway. "That's the kind of logic a parent wouldn't accept from a 7-year-old. Why should we accept it from a school district or school board members?"

Wrestling with questions

In addition to advertising and product placement, school districts are also being offered sponsored curriculum materials from various corporations. Recently, West Virginia public schools accepted a three-year, $4.5 million offer from the Philip Morris and Brown & Williamson tobacco companies to fund a statewide antismoking and anti-drug program called Life Skills Training. While the program has been endorsed by the U.S. Department of Education and the Centers for Disease Control, the funding source riles groups like the National Center for Tobacco-Free Kids in Washington, D.C. And like marketing ventures aimed at students, sponsored curriculum materials raise serious questions for school leaders to consider.

The tobacco companies maintain that they want to discourage people under 18 from smoking and that their regular cigarette advertising is targeted at adults, not children. But Carlea Bauman, a spokeswoman for Tobacco-Free Kids, disagrees. "This gives the industry this veneer of legitimacy," she says. "They take this veneer and pretend that they're part of the solution. instead of the original problem."

West Virginia State Superintendent Hank Marockie says his state couldn't raise the $4.5 million from other sources and needed the Life Skills program to combat West Virginia's high rate of tobacco use. He notes that part of the national tobacco settlement will require cigarette companies to fund prevention programs like the kind West Virginia is starting this fall.

"What's the difference between settlement money going to prevention and the grant we have going to prevention?" Marockie asks. "I have difficulty understanding that."

The Denver Public Schools, which has not been shy about signing marketing contracts with other corporations, nonetheless rejected Philip Morris' offer to fund the

Life Skills curriculum and is looking for other ways to pay for it.

"They more or less said to us, You tell us what it will take to have this curriculum,'" says John Leslie, Denver's chief officer for student services. "Our feeling was, people probably would link the funding source to the effort, and we didn't want to even have the appearance of conflict of interest, or impropriety, or a mixed message for the young people."

Was West Virginia right to accept money from the tobacco companies? Or was Denver right to refuse it? Does it matter if the company's logo doesn't appear on the materials, as in the Life Skills curriculum, or if it's boldly festooned across school bulletin boards? Does the nature of the business make any difference? Or just the nature of the advertising? What if a company is offering valuable resources for students who sorely need them? What if it's offering a good program? How do you make the tradeoff? Where do you draw the line?

Different school boards are answering these questions differently, but one thing is clear: As the "echo-boom" generation continues to swell, marketers will look increasingly toward schools to reach that emerging audience, an audience that advertising's critics label "captive." School boards need to be aware of this trend-and be ready with well-thought-out policies.

"I think it's really important for school boards to start wrestling with these questions," says Walsh, of the National Institute on Media and the Family. "Because I don't think anyone has the answer yet."

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