Target Marketing Soda & Fast Food: Problems with Business as Usual

Prepared for Communities Creating Healthy Environments (CCHE)

Thanks to Jeff Chester for providing many examples of target marketing, to Sonya Grier and Shiriki Kumanyika for their research, and to the Communities Creating Healthy Environment (CCHE) team and the Praxis Project for their support. This brief was prepared by BMSG for The Praxis Project with support from The Robert Wood Johnson Foundation.

December 2010



Understanding Structural Racism: The Birdcage

Philosopher Marilyn Frye¹ says structural racism is like a bird in a birdcage. We like this image because it illustrates the way racial inequalities operate in our society. The bars work together to trap the bird. Each bar is connected with others—it is the system of bars that traps the bird, just as our system of education, housing, food, and employment interact to form unjust structures that privilege some and hinder opportunities for others. Viewed from this perspective, structural racism is not simply intentional decisions by racist individuals, but the product of overlapping systems and institutions that create and reproduce racial inequalities.

Junk food target marketing is one of the bars on the birdcage of structural racism.

Although the targeted marketing of unhealthy foods to communities of color does not generate as many headlines as policing practices, unequal schools and job opportunities, or recreational and food access, it contributes to our unequal society. In this brief, we explain how target marketing works and why targeting foods and drinks high in sugars, salt, and fats to African Americans and Latinos contributes to racial inequities.

What is target marketing?

One of the main goals of fast food and soda marketing is to make you to feel special, like the product is just for you. The object is to increase the amount of soda or fast food customers currently consuming and keep them coming back for more, to compete for customers of other brands, and create a positive public image. To do this, marketers divide their customers into different groups so they can design campaigns based on the things that make each group distinct, like people's age, income, location, gender, race or ethnicity. This practice is known as target marketing. When marketers segment their audience by race or ethnicity they call it "multicultural marketing," but we will refer to it as target marketing because the point of the marketing isn't to celebrate the multitude of cultures in the U.S., the point is to get certain groups to eat and drink more junk food.

Target marketing works within the four P's of marketing: product, place, price, and promotion:

Product:

This is the item being marketed. Companies create whole product lines to attract specific target markets. Take Coke Zero ("Real Coke Taste, Zero Calories"), created because many men do not like ordering "diet" drinks, which they perceive to be for women who are watching their weight. Coke Zero's no-frills black-and-red bottle has been branded with a large "Z" to evoke masculine taste. In 2007, according to Sports Business Journal, the company spent \$13 million during the NCAA basketball tournament to boost the then-new product. Taking advantage of the latest in digital and social media, PepsiCo's DEWmocracy campaign for Mountain Dew is targeting "the always-on generation of multicultural youth ages 13-24,"3 to create, name, and vote on new Mountain Dew flavors, all examples of changing the product itself to target a specific group.

Place:

This is where products are sold and consumed. Industries always try to get their products into new places. No companies are better at Place marketing than Coca-Cola and Pepsi. No matter where you are on the globe, the companies make sure a Coke or a Pepsi is within reach. Pepsi has a long history of target marketing related to Place: As a result of segregated regiments in WWII, Pepsi-Cola reports that it was the only soft drink available to African-American soldiers. By the end of that war, it was the soft drink of choice among that overseas group. For decades, Pepsi had bragging rights to being first choice of African-Americans. Walter Mack, Pepsi's president during the 1940s, hired a former executive of the National Urban League to increase its sales to the Black community. Edward Boyd, credited by many with being the first to use target marketing, hired a team of 10 African-American salesmen who traveled the country spreading the Pepsi story of equality. At age 7, Ron



Brown, later President Bill Clinton's Secretary of Commerce, was featured in Pepsi's first ad aimed at the Black community.⁴ The "places" Pepsi captured with its marketing were African American neighborhoods across the country.

Target marketing by place works not just for foods and drinks, but also for stores and restaurants. Low income, African-American, and mixed-race neighborhoods have more fast food restaurants than white or high-income neighborhoods, while just the opposite is true of grocery stores.⁵ Access to stores that sell healthy food directly affects the community's health: areas with supermarkets have lower levels of adolescent obesity, while areas with convenience stores have higher levels of overweight adolescents.⁶

Price:

The price of a product may not seem like marketing. But prices also represent strategic corporate decisions that are calculated to reach certain customers. Church's Chicken, for example, rolled out a 99-cent value menu at the same time that it announced its "I know what is good" advertising campaign. According to Church's press release, this campaign "builds on the urban cool platform that Church's Chicken has established, and expresses it in the many voices of their diverse, multicultural customers."

Similarly, McDonald's Dollar Menu is a solid part of the company's marketing strategy, credited with keeping McDonald's profits high even during times of economic strife.⁸

Promotion:

This is what people often think of as marketing because it's the most visible part of marketing. Promotion uses everything from digital marketing to sending discount coupons directly to kids' cell phones to traditional promotions like TV ads, billboards, and point-of-sale advertising. Concerts and sports sponsorships, philanthropic donations for health research, and product



placement such as the Coke glasses raised by the judges on "American Idol" are other typical promotions.

Targeted promotions are big business, and a core part of food and beverage marketing: African-American boys, who have higher rates of obesity, watch more television and are exposed to 1.6 times the number of food ads compared with their peers, with fast food as the most popular category of product marketed to them.9

The 4 P's always work together. Consider the tobacco industry's marketing of menthol cigarettes:

- Menthol cigarettes are a specific product tailored to African Americans based on research showing their preference for menthols.
- Kool has used a jazz-playing penguin named Willie, and Camel has used a hip-hop version of Joe Camel to promote the brands.
- These brands are also placed in African-American magazines, and before the industry agreed not to, were placed on billboards in African-American neighborhoods.
- Certain menthol brands were aggressively priced to make them attractive to young and low-income consumers.

Communities have successfully objected to target marketing. At least twice, local groups stopped multinational corporations from marketing new cigarettes to African Americans. R.J. Reynolds tried to market a new menthol cigarette it called "Uptown" until African American smokers and nonsmokers joined forces in Philadelphia and drove them out of town. The same is true for brand X cigarettes, which were marketed using Afro-centric colors red, green, and black until community resistance shut down the brand. 10

Soda and fast food companies are following tobacco companies' lead and creating products, places, prices, and promotions with the explicit goal of increasing junk food consumption among African Americans and Latinos.

Why do companies use target marketing?

Food and beverage companies use target marketing because it works. Youth of color are coveted target audiences because they are the first to adopt new technologies and they consume more media than their white peers. In the words of Peter Blacker, executive VP of Telemundo's digital media and emerging businesses, "Hispanics are media junkies." Target marketers know this, and exploit it. They target youth of color hoping they'll use the product themselves (and eventually pass on that brand loyalty to their friends and eventually even their future children).

Marketers know that youth of color can make the product itself seem hip. As Yolanda White, Assistant VP of African-American Marketing for Coca-Cola says, "African-American teens, in particular, have proven to be trendsetters in the U.S. Their ability to shape culture is really critical." It is no surprise then that Coke markets to youth through its "Refresh Your Flow" hip-hop tour, using "street teams" to target youth at "teen hot spots"—even promoting shows at Boys & Girls clubs. 14

Target marketing: business as usual or a public health problem?

From a marketer's perspective, targeting is a good thing—marketers identify a desire relevant to a particular consumer, and satisfy it. But it has a downside, especially when it is used to increase the consumption of sugary and salty products like Church's Chicken to populations that suffer most from diabetes and other nutrition-related diseases. Target marketing is a problem when it promotes foods and beverages people should avoid, perpetuates stereotypes, and exploits cultural identities.



Target marketers perpetuate stereotypes. Target marketing perpetuates misleading stereotypes when it exploits cultural symbols. One of the most successful examples of target marketing exploiting racial stereotypes is Miles Thirst—a pitchman with a Chris Rock-like attitude who appeared on a series of



Sprite ads starting in 2004. With his afro, gold chains, baggy jeans, and fur-trimmed coats, Thirst ("The Sprite Guy") ended each commercial with, "Show 'em my motto." The motto—"Obey Your Thirst"—was the slogan for Sprite, a Coca-Cola product. Thirst toured NBA rookie star LeBron James' crib (apartment) and became so popular that a 10-inch vinyl doll with his

likeness became a collectors' item. 15

Junk food marketers exploit cultural identities. Ethnic media channels help marketers tap into groups' cultural identities. According to Manolo Almagro, a mobile marketing consultant, advertising targeted to the Hispanic community typically incorporates "key components of the Hispanic culture, such as promoting the 'family meal time', a big-time event for most Hispanics, as it offers them a chance to be together to hear what is happening in each member's lives." "It's important for us to reach young Latinos with messaging that is relevant and authentic because obviously they are the future for us," explained Martha Bermudez, senior manager of multicultural marketing at Pepsi-Cola North America. 17

Target marketing is so effective—and dangerous—because it taps into ideas about what it means to be a member of an ethnic or racial group in a majority white nation. Thus target marketers "recommend embedding cultural relevance—for example the 'sweet 15' milestone Mis Quince, an age that marks the onset of womanhood for Latina girls—into campaigns and tying them to compelling celebrities, content and cultural traditions." As marketing professor Sonya Grier put it, "Advertisers use cues such as...ethnic symbols, linguistic styles, and music to link cultural values, beliefs, and norms with the consumption of specific food products."

When these ads target young people, they reach them at a time when their identity is susceptible to outside influences, including powerful media imagery. This period of upheaval during adolescence is especially important when it



comes to marketing messages, as youth from communities of color often use consumption as a means to counteract experiences of social and economic marginalization.²⁰ This means that target marketing presents a serious challenge to youth: not only do marketers promote unhealthy foods, but they also exploit symbols of cultural relevance, even affecting young people's developing identities to do so.

Junk food companies will say that target marketing is just smart business practice. They'll say they are just giving consumers what they want. But we don't think any group wants more than its share of diabetes, hypertension, or heart disease. Target marketing of unhealthy food and beverages contributes to racial inequities by promoting high fat, sugary, salty foods to communities where the rates of childhood obesity are highest and growing the fastest. Hhile marketing is not the only thing creating this inequity, it strongly affects what people eat and drink. Reducing—or even eliminating—target marketing is a crucial part of the fight to create healthy communities.

What can be done?

The target marketing seems to be working, as people of color tend to drink, for instance, more soda than other groups.²³ But target marketers do not hold all the power. Far from it—youth of color are some of the most sophisticated media users, and are wise to marketers' intentions. Yet challenging these campaigns is hard because they are often taken down in response to bad publicity, while new ads pop up again after the public's attention has shifted.



Consider this example. To promote its \$5-footlong sandwich deal, Subway featured a picture of a "blinged-out" Abraham Lincoln on a promotional website. Lincoln's headband declared, "Home of da \$5 footlong," followed by his assertion, "Five dollar foot longs everyday. Now that's something to holla about." The ad prompted accusations of racism in African-American media. The ad was taken down, though Subway claims it was not due to the outcry.

Exposing the marketing is important. BMSG and the Center for Digital Democracy monitor food marketing targeting children and youth at http://www.digitalads.org where viewers can search on individual companies,



products, "African American" or "Latino," youth, and other categories to see the latest target marketing. But when campaigns are targeted well it means that those outside the target market may never see them. So young people must be at the forefront of exposing targeting marketing for junk food and sugary beverages.

It can work. In 2010, KFC ran an ad in Australia that showed KFC and Pepsi Max products being used to quiet a rowdy crowd of Black cricket fans. The ad went viral in the U.S., where viewers generated so much outcry that KFC pulled the ad in Australia.26

Join us in monitoring target marketing. If you, or someone you know, have been targeted by a campaign you want to expose, let us know. Contact Communities Creating Healthy Environments or the Berkeley Media Studies Group, and tell us about the marketing.

We are working together with the national Food Marketing to Children Working Group to alert regulators at the Federal Trade Commission (FTC) about target marketing abuses (https://www.FTCComplaintAssistant.gov/) and the food industry directly through the Council of Better Business Bureaus Children's Food and Beverage Advertising Initiative http://www.bbb.org/us/children-foodbeverage-advertising-initiative/.

Including communities of color in marketing can be a good thing. But when the food and drinks targeted to African-American and Latino communities are almost always unhealthy, it's not. Especially when kids are involved, promotions rarely feature the product, but only show the brand or popular characters like Ronald McDonald.²⁷ This means that marketers are trying to create life-long loyalty among young people, not meet the needs of America's low income communities.

Marketer's own words drive home the point that dollars, not diversity, are the bottom line of target marketing: "Hispanic consumers' behavior patterns, along with their adoption of technology and media consumption trends, makes it clear there is a goldmine of opportunity" in advertising to them. 28 It's simply too profitable, and their first duty is to make money for shareholders. Marketers won't stop targeting African American and Latino youth with products that make them at risk for disease unless we insist that they do.

Endnotes

- ¹ Frye, Marilyn. 1983. "Oppression." Pp 1-17 in *Politics of Reality: Essays in Feminist Theory*. Trumansburg, N.Y.: The Crossing Press.
- ² Kotler P, Armstrong G. 2003. *Principles of Marketing*. 10th ed. Upper Saddle River, NJ: Prentice-Hall.
- ³ iLoop Mobile. Twist. Text. Get. Sprite 'Under The Cap' Mobile Rewards Campaign. http://www.iloopmobile.com/index.php/plain_site/Campaigns/Coca-Cola. Accessed Dec 1, 2010.
- ⁴ PepsiCo. Timeline of Diversity. http://www.pepsico.com/PEP_Diversity/timeline/index.cfm. Accessed on November 17, 2008.
- ⁵ Powell LM, Chaloupka FJ, Bao Y. 2007. The availability of fast-food and full service restaurants in the United States: associations with neighborhood characteristics. *Am J Prev Med*: 33(4S):S240 –S245.
- ⁶ Powell LM, Auld MC, Chaloupka F, O'Malley PM, and Johnston LD. 2007. Associations between access to food stores and adolescent body mass index. *Am J Prev Med*: 33(4S):S301–S307.
- ⁷ Church's Chicken. April 24, 2007. "Church's Launches New Ad Campaign" http://www.churchs.com/company-press.html Accessed Dec 1, 2010.
- ⁸ Chapman, Michelle. McDonald's value menu entices customers in first quarter. Associated Press. April 21, 2010. http://www.deseretnews.com/article/700026257/McDonalds-value-menu-entices-
- http://www.deseretnews.com/article/700026257/McDonalds-value-menu-entices-customers-in-first-quarter.html Accessed Dec 1, 2010.
- ⁹ Powell LM, Szczypka G, Chaloupka FJ. 2007. Adolescent exposure to food advertising on television. *Am J Prev Med*: 33(4S):S251–S256.
- ¹⁰ Balbach, Edith et al. 2003. R.J. Reynolds' Targeting of African-Americans 1988-2000. AJPH 93(5):822-9. See also
- http://www.determined to quit.com/how to quit/methods of quitting/faithbased methods/ltn materials/Target AAmerican Community.pdf
- ¹¹ Grier, Sonya. 2009. African American & Hispanic Youth Vulnerability to Target Marketing: Implications for Understanding the Effects of Digital Marketing. The Second NPLAN/BMSG Meeting on Digital Media and Marketing to Children.
- http://www.nplanonline.org/system/files/Targeted_marketing_to_Hisp_and_AA_youth.pdf

Endnotes, continued

- ¹² Chang, Rita. January 26, 2009. Mobile Marketers Target Receptive Hispanic Audience. *Advertising Age*. http://adage.com/digital/article?article_id=134036. Accessed Dec 1, 2010.
- ¹³ Zmuda, Natalie. July 1, 2009. How Coke Is Targeting Black Consumers. *Advertising Age.*

http://adage.com/bigtent/post?article_id=137716. Accessed Dec 1, 2010.

¹⁴ Greenberg, Karl. July 21, 2008. Coke Launches Tour With Hip-Hopper Lupe Fiasco. Media Post.

https://www.mediapost.com/publications/index.cfm?fa=Articles.showArticle&art_aid=8 6916&passFuseAction=PublicationsSearch.showSearchResIts&art_searched=teens&pa ge_number=3. Accessed Dec 1, 2010.

- ¹⁵ TV Acres. Advertising Mascots Objects. http://www.tvacres.com/admascots_sprite.htm. Accessed on November 17, 2008.
- Digital Hispanics in a Physical World. Adcentricity White Paper. http://www.adcentricity.com/RESOURCES/Digital_Hispanics/ [Registration required]. Accessed June 30, 2010. Emphasis added.
- ¹⁷ De Lafuente, Della. April 21, 2008. Research: Report: McD's, Pepsi Score Best With Young Hispanics. Brandweek.com. http://www.brandweek.com/bw/magazine/current/article_display.jsp?vnu_content_id= 1003791582. Accessed November 14, 2008.
- ¹⁸ Chang, Rita. January 26, 2009. Mobile Marketers Target Receptive Hispanic Audience. *Advertising Age*. http://adage.com/digital/article?article_id=134036. Accessed Dec 1, 2010.
- ¹⁹ Grier, Sonya. 2009. African American & Hispanic Youth Vulnerability to Target Marketing: Implications for Understanding the Effects of Digital Marketing. The Second NPLAN/BMSG Meeting on Digital Media and Marketing to Children. http://www.nplanonline.org/system/files/Targeted_marketing_to_Hisp_and_AA_youth.pdf
- ²⁰ Nightingale, C.H. 1993. On the Edge: A History of Poor Black Children and Their American Dreams. New York: Basic Books.
- ²¹ Ogden, C. L., M. D. Carroll, et al. 2008. "High Body Mass Index for Age Among US Children and Adolescents, 2003-2006." *JAMA* 299(20): 2401-2405.
- ²² McGinnis JM, Gootman JA, Kraak VI. 2006. Food marketing to children and youth: threat or opportunity? Washington DC: Institute of Medicine.

Endnotes, continued

- ²³ Rehm CD, Mutte TD, Van Wye G, Young C, Frieden TR. 2008. Demographic and behavioral factors associated with daily sugar-sweetened soda consumption in New York City adults. *Journal of Urban Health*. 85(3): 375-385.
- ²⁴ Subway. http://www.subwayfreshbuzz.com/ Accessed Dec. 1, 2010.
- 25 Subway. Subway: The \$5 Racist? October 9, 2008. Blackweb 2.0. http://www.blackweb20.com/2008/10/09/subway-the-5-racists. Accessed Dec 1, 2010.
- ²⁶ Sabloff, Nicholas. January 5, 2010. KFC's Racist Ad? Australian Advert Accused Of Being Offensive. Huffington Post. http://www.huffingtonpost.com/2010/01/05/kfcs-racist-ad-australian_n_412002.html. Accessed Dec 1, 2010.
- ²⁷ Fast Food F.A.C.T.S. 2010. Yale Rudd Center for Obesity and Food Policy. www.fastfoodmarketing.org.
- ²⁸ Digital Hispanics in a Physical World. Adcentricity White Paper. http://www.adcentricity.com/RESOURCES/Digital_Hispanics/ [Registration required]. Accessed June 30, 2010. Emphasis added.