Capturing the "Eyeballs" and "E-wallets" of Captive Kids in School: [1] Dot.com Invades Dot.edu

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> **"Selling or providing access to a captive audience in the classroom for commercial purposes is exploitation and a violation of public trust."**
> - National Association of State Boards of Education

As pressure on schools budgets and demand for investments in new technologies increase, a new dot.com business model has emerged. This new model involves the offer of "free" technology resources to schools supported by an online advertising program that involves the collection of market-related personal information from students (online profiling) and targeted marketing of students with banner ads -- within the educational learning environment.

Many educators, parents, and students are unaware of the extent to which dot.com companies can collect and analyze personal information and use this analysis to present banner ads that are targeted to the individual user's demographics and interests. Hungry for the opportunity to provide Internet access and resources to students, schools are accepting these "free" offers with inadequate analysis of the company's activities and inadequate evaluation of the potential impact of students and the learning environment. Schools have an obligation to protect the welfare of their students and ensure the integrity of the learning environment. Allowing dot.com companies to engage in online profiling and targeted marketing of students is exploitation and a violation of public trust.

Educators must carefully analyze any partnerships with dot.com companies to determine whether such partnerships are truly in the best interests of their students and the school's learning environment. This document seeks to provide assistance to educators in this analysis process. The document provides a background on issues and concerns related to online profiling and targeted marketing and a framework for educator analysis of the appropriateness of proposed dot.com/dot.edu partnerships.

Will Internet in schools become the "stealth portal" to the youth market?

In recent years there has been growing concern about the rise of commercialism in schools. As school budgets shrink and financial demands increase, Corporate America has found innovative approaches to get to young consumers through the place that they spend a lot of their time -- in school. Corporate strategies include: The offer of free satellite TV in exchange for 2 minutes a day of advertising for junk

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[1] The title for this report was inspired by a statement in a 12/8.00 WitCapital report on Zapme. The precise quote was "(W)e expect Zapme will attract additional e-commerce partners looking to capture the 'eyeballs' and 'e-wallets' of a captive and attractive demographic." http://www.witcapital.com/research/researchbody.jsp?report=izap_19991208

foods and hip youth consumer items; Cash donations in exchange for an exclusive placement of COKE machines; and Free curriculum materials provided by companies, such as environmental protection materials provided by Exxon and nutrition materials provided by Burger King.

Proponents of advertising argue that corporate involvement with schools is beneficial because it allows schools to supplement dwindling resources. They argue that since ours is a consumer-driven culture, a few advertisements in school are an acceptable trade-off. Opponents counter that corporate attempts to use schools as a means to capture the youth market is unacceptable and contrary to the school's obligation to act in the best interests of its students.

In 1995, the Consumers Union published a report entitled *Captive Kids: A Report on Commercial Pressures on Kids at School*[2]. The Consumers Union concluded, "commercialism in U.S. elementary and secondary schools poses a significant and growing threat to the integrity of education in America." One of the disturbing trends the report noted was "(p)ressure on school administrators, teachers, and students to form partnerships with businesses that turn students into a captive audience for commercial messages, often in exchange for some needed resource."

Three principal forces were identified by the Consumers Union that are converging to support the rise of commercialism in schools. These are:

  "• Chronic school budgetary problems;
  • The ever-growing presence of commercialism in all sectors of society;
  • The growing competition among corporations for the burgeoning "youth" market."

The recent explosion in the use of technology and the Internet in America's schools introduced a new force that is strongly influencing the rise of commercialism in schools: A dot.com business model where Internet content and services are supported primarily by banner ads.

A new dot.com business model is rapidly emerging that should cause every educator to consider the appropriate level of corporate access to students in school. This new model involves the offer of "free" technology resources to schools supported by an online advertising program that involves the collection of market-related personal information from students (online profiling) and targeted marketing of students with banner ads -- within the educational learning environment. The technology resources provided by such companies include: free or reduced prices for computer equipment for schools or for families; district, school, or classroom web pages; educational portals and search systems; online communications services. The educational learning environment may be an environment that the student accesses from school and/or from home.

In addition to these formal dot.com/dot.edu partnerships, dot.com companies are establishing sites that presumably are providing educational materials. Upon closer analysis, the highly entertaining materials are often found to be biased, promotional, and self-serving. Such sites may also ask students to provide personally identifying information to enable the site to profile and target banner ads to the student. Some educational web sites are also relying on corporate advertising to support the development and

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[2] Consumers Union (1995). *Captive Kids: A Report on Commercial Pressures on Kids at School.* http://www.consumersunion.org/other/captivekids/ .index.htm.

maintenance of their site. Inappropriate advertising and placement of ads in locations on the site where they will distract students from concentrating on content are also issues of concern on these sites.

Here are some examples of companies that are providing free resources to schools in exchange for the ability to profile and target market students:

Zapme Corporation's brochure for educators states: "We'll give you a free computer lab for your classroom. Here's the catch: You have to let your students use them." There are a few more catches in the Zapme plan. Zapme develops online profiles of individual students linked with the student user names. The profiles enable the company to target their advertiser's banner ads to students with specific profiles. The Zapme Netspace has a 2X4 inch banner ad window that presents multimedia ads to students at all times they are using the computer, even when doing word processing. The ads change every 15 seconds, thus exposing students to approximately 200 ads in a 50-minute class period.

In contrast to the brochure for educators, here is how Zapme describes the benefits of its program to potential sponsors: "Zapme is the ideal brand development medium. No other online marketing vehicle offers the audience targeting and viewing confirmation capabilities of the Zapme! network. The user interface and user registration technologies of Zapme! not only guarantee that all messages will be viewed by your specific target audience, they also enable micro targeting based on one or more criteria, including age, gender, geography, area(s) of interest and time." Zapme brochure for potential advertisers

HiFusion is a company that has just launched its activities. HiFusion will provide free dial-up Internet access for students and parents and is inviting schools to establish HiFusion as the site of the school's Online Learning Community. HiFusion engages in online profiling of students and parents and will be presenting ads to students and parents when they are using the site. HiFusion should receive credit for providing a completely honest and readable privacy policy:

" We may directly collect the following types of Personal Information about Children: name, address, email address, parent's registration information, birthdates, sex, grade level, school name, school location, screen name permissions, parent's credit card information, computer/internet/videogame use preferences and habits, information source and entertainment preferences, household demographics, hobbies, interests, school studies, general preferences, or such other data that may help us to better tailor our Services for each Member. In addition, our servers may collect Personal Information indirectly and automatically about Children's activities while using our Services, including internet sites and web pages visited. Later in the privacy policy it states that the personal information will be used "for marketing directly to the Child."

A clash of two worlds: dot.com and dot.edu

The dot.com world is an advertising-intense environment, where a significant amount of content is supported by banner ads. But other worlds exist on the Internet. The dot.edu world is a world of rich, high quality educational resources and communication activities with an extremely limited amount of banner advertising. Resources available in the dot.edu world have been created by education institutions, informal science, art, and other enrichment centers, non-profit public interest organizations, government agencies, and enlightened corporations that recognize the importance of supporting the education of our nation's children without attempting to peddle products, services, or self-serving ideas.

Dot.com companies believe that the profiling and advertising is simply the model by which the Internet functions. They argue that online profiling and targeted marketing allows them to provide services

without costs to schools and thus the benefit to students outweighs the concerns of invasion of privacy and intrusion of advertising into the learning environment.

A closer analysis of the situation reveals additional motives on the part of some companies:

"Where are all the Fortune 500 Companies heading today? Back to school. Zapme! delivers the future. Children in grades K-12 are arguably the toughest audience for marketers to reach, and quite possibly the most valuable. Now there is a way to connect with this audience at the place they spend a majority of their time. At school.[3]

"(W)e look for education to become the "stealth" portal to over 65 million students and their 50 million parents.[4]"

What is online profiling and targeted marketing?

Online profiling is the collection of information from and about an individual as he or she uses the Internet[5]. Once collected, the information provides a detailed profile of the individual's demographic characteristics, interests, needs, and purchasing habits. This profile enables advertising company computers to deliver banner ads that are targeted to the individual's specific interests. The profile may contain personally identifiable information, the individual's name and address, or may be linked with non-personally identifiable information, such as a screen name or an identifier (a "cookie"). Cookies are tiny bits of code that are placed on an individual's hard drive by the web site or a third party that is delivering ads to the web site. Cookies are generally set without the knowledge of the user. Cookies act as identifiers and also transmit data about the individual's actions on the Web. Additional information may be collected for the profile directly from the individual through registration, surveys, questionnaires, and purchases.

Here is an example of how profiling may work in a school environment:

XYZ school has established an online learning environment with ABC. Jordan, a student at XYZ school, must establish a user account on ABC's web site using a user name (some sites require actual names) to be able to access the learning activities required for his classes. In registering the account, Jordan is asked to provide some basic demographic information, including his age and gender. Jordan's user account forms his initial profile file on ABC's site. To expand its knowledge of Jordan, ABC's computer tracks his activities on its site, as well as his activities on the Internet. ABC frequently posts "Tell us what you think" survey questions. Today's question, "What are your favorite after-school activities?" is followed by a list of typical teen activities. Jordan responds that his favorite activity is playing sports. This interest information is recorded in his profile. The next time Jordan uses the computer to complete his history assignment, he sees an ad for athletic shoes, which he is more inclined to click on than an ad for a bookstore and finds more interested in than his history assignment. ABC's computer records the fact that Jordan has clicked on this ad and will be able to provide the athletic shoe company with data about students who have clicked on their ad.

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[3] Zapme Corporate Brochure for potential advertisers for its school-based network:

[4] Thomas Weisel Partners (an investment company) report entitled *e-education: ".com Meets .edu."* http://www.tweisel. com/client/index.html.

[5] Federal Trade Commission, *Online Profiling: A Report to Congress*, June 2000 http://www.ftc.gov/os/2000/06/ onlineprofilingreport-june2000.pdf.

READ the Privacy Policy -- then ask questions

In a recent *Education Week* article addressing the same topic as this report, a school technology director who strongly supports HiFusion, which has a well-written privacy policy, reported that "he didn't remember reading in the policy that personal information from children is used for marketing directly to them, but doesn't view it as a problem.[6]" Clearly, it is not acceptable for educators to be endorsing partnerships with dot.com companies if they do not have a complete understanding of all of the ramifications of that relationship. The first place to start is reading the dot.com company's privacy policy.

Unfortunately, many of these policies are written with such "legalese" that the user would require a law degree to truly understand the provisions. Other policies use euphemistic language that does not provide clear information. For example, Zapme's privacy policy reads, "We will use this information to ensure that our user's content and sponsorship experiences are appropriate for them." What this language actually means is, "We use this information to directly target ads to students based on our knowledge of their demographics and interests."

Not all collection of information is bad; Not all school-business partnerships are inappropriate

Online profiling and targeted marketing should be distinguished from two other activities that do not present concerns: The collection of aggregated data by web sites for evaluation purposes; and The collection of personal information from students for the sole purpose of providing an educational service.

All web sites collect data about how their site is used, including quality educational sites. The data allows the web site owner to evaluate how the site is being used so that the quality of the site can be improved. Data is collected in an aggregated manner. Individual user profiles are not created and the data is not used to support marketing.

Some companies providing communication services to schools require the provision of student personal information, such as a requirement for the student's name for the purpose of establishing a web-based e-mail account. As long as the use of student information is limited to the educational service and parental consent is obtained, the provision of such information should not present concerns.

Nothing in this report should be considered criticism of enlightened companies that have taken a long-term perspective of the importance of education of our nations youth and the role that technology can play in this education. Such companies are generously providing resources and support to assist schools in technology planning and implementation and in the development of high quality educational resources on the Web. Examples of this include: The AT&T Learning Network[7], which provides an excellent collection of resources for educators; MCI's Marco Polo which provides standard-based instructional content[8]; the Intel-supported Students Recycling Used Technology Program[9] (STRUT)

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[6] Zehr, M.A. Web sites worry privacy watchdogs. *Education Week*, Vol. 19, number 41, p 1, 20-21.
http://www.edweek.com/ew/ewstory.cfm?slug=41privacy.h19.
[7] http://www.att.com/edresources.
[8] http://www.wcom.com/marcopolo.

which provides refurbished computers for schools and technical training for students; and the CEO Forum on Education and Technology, an organization representing many major technology companies that provides valuable resources for planning and implementing technology in schools[10].

How valid are the arguments in support of accepting online profiling and targeted marketing of students in exchange for free technology resources?

An analysis of statements by corporate executives of the dot.com companies approaching the dot.edu community, as well as statements by educators who have entered into dot.com/ dot.edu partnerships reveals four frequently raised arguments in support of the appropriateness of these partnerships. None of these arguments are supportable.

Argument 1: We protect student privacy because we do not ask for the student's actual name. We use only user names -- pseudonyms.

• This argument is a misleading, deceptive "red herring." Dot.com companies do not need the student's actual name to develop an online profile and use that profile to target advertisements to individual students. All they need is a persistent identifier. The student's user name serves as that persistent identifier.

Argument 2: Internet content is supported primarily by banner advertising, therefore, students are already exposed to lots of banner ads whenever they use the Internet. The additional exposure to banner ads from the dot.com partner simply allows us to receive additional resources.

• The vast majority of high quality educational sites do not have banner ads. Look at the entries of any quality educational portal and this asserting will be clearly demonstrated. This example, provided by the Mid-continent Research for Education and Learning, demonstrates the approach taken by developers of educational portals:

   "We are currently reviewing all the sites to which our sites link; the criteria for this review requires us to determine whether or not there is advertising on the site and if so, whether it is distracting. We reject sites that contain advertising we deem to be distracting. If the advertising is minimal and does not distract the user, then it is not rejected on the basis of advertising. When we finish the review of all the sites, I suspect we will revisit the sites with minimal advertising to consider whether, given the number of quality sites without advertising available to us, we need to include those sites with advertising.[11]"

• If students are being exposed to a great deal of banner advertising in school, they are likely not using the Internet in ways that are supporting their learning. A recent study evaluated sites that students accessed in school for their suitability for academic research and found that only 27% of the sites students accessed were considered to reliable sources of information[12]. The sites visited most frequently, commercial sites, were rated as having the lowest educational value.

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[9] http://www.strut.org.
[10] http://www.ceoforum.org.
[11] (personal communication John Kendall, MCREL 6/12/00).
[12] Ebersole, S., Adolescents' Use of the World-Wide Web in Ten Public Schools: A Uses and Gratifications Approach. 1999 (doctorial dissertation) http://faculty.uscolo.edu/ebersole/diss/pdf_docs.html

- Some good quality educational web sites have a limited amount of banner advertising. These sites are sensitive in the selection of only educationally-appropriate ads, not ads for consumer youth products. Further, the ads do not contain a significant amount of distracting animation and are not placed in locations on the site where they might distract students from focusing on the content. There is a need for greater funding and alternative funding mechanisms for the creation and support of good quality educational sites to enable quality sites to exist without the need to rely on banner advertising.

- A school endorsement of a dot.com partner's web site also acts as an endorsement of the presence of banner advertising in the educational environment. Additionally, the school's endorsement serves as an implied endorsement of the products or services advertised to the children through the dot.com partner's site.

Argument 3: Banner ads are not distracting or intrusive. Students are experts at multitasking and can easily filter out the ads.

- The sole mission in life of a banner ad is to attract attention to itself. Research in human-computer interface research verifies that animated banner ads are intrusive and distract users from the content.

   "Ad agencies aren't stupid . . . they know that adding motion and flashing to a web page is a sure-fire way to attract attention. And it's true -- adding animation is a powerful way to catch a reader's eye. But beware that this can also work against you. Many users complain that animation is too distracting, making it difficult to concentrate on the content of the page.[13]"

- It is more than a little disingenuous for companies whose business model is based on advertising income to claim that the ads are not effective, especially when they are making the exact opposite claim to their sponsors.

- The purpose of doing online profiling is to enable the company to target ads for products or services that are of interest to the user, thus raising the distraction potential of the ad.

- Schools should not be establishing study environments that force children to expend mental energy to filter out the distractions of banner ads6 when the students should be concentrating on the content of what they are studying.

   A market report on Zapme stated: "Based on our observations and discussions with several schools, the ads are not intrusive. Moreover, we must not forget that today's teenagers are expert at multitasking -- often listening to music, watching TV and doing their homework at the same time.[14]"

Not many educators would recommend this kind of a study environment!

Argument 4: The dot.com partner is providing access to a safe, filtered environment so our students are more protected in their use of the Internet.

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[13] J. Niederst, *Web Design in a Nutshell*. Sebastol, Ca: O'Reilly & Associates, Inc. 1999. p. 322.
[14] WitCapital report, IZAP: Broadband Tools for America's Schools, 11/23/99 http://www.witcapital.com/research/ research-body.jsp?Report=izap_19991123

• An environment that supports the collection of personal private information from children and then uses that information to manipulate children for consumer purposes is not a safe environment. Students are not protected from an invasion of their privacy and corporation manipulation for consumer purposes.

Argument 5: It is OK because we have parental consent.

• But only by coercion. The "price" that students and their parents are being expected to pay for involvement in or use of the school's technology learning environment is the invasion of their personal privacy and the distraction and manipulation of advertising.

• And generally without full disclosure. Too frequently, school administrators approve dot.com/dot.edu partnerships without a full and complete understanding of the level of corporate access they are providing to their students. Parents trust school administrators to act in the best interests of their children. Many parents will approve their child's participation based solely on the endorsement of the dot.com company by the school. When administrators enter into partnerships with dot.com companies without a full and complete understanding of the facts and without providing full and complete information to parents, they are failing in their fiduciary duty to protect their students.

Who *really* wins in the online profiling and targeted marketing game?

Dot.com companies argue that it is a wonderful benefit for them to develop individualized market profiles containing a vast array of personal information so they can do a better job of providing individuals with advertisements for products and services that they are likely to be interested in[15]. However, there is widespread and growing concern about current online profiling practices. The principal concerns are that much of the collection is without the individual's knowledge or consent and the use and dissemination of the information is beyond the individual's control.

A recent Business Week/Harris Poll on online privacy found that 89% of consumers are not comfortable having their browsing habits and shopping patterns merged into a profile that is linked to their real name and identity[16]. Sixty-three percent are not comfortable having their online movements tracked even if the data is not linked with their name.

It is unlikely that adult concerns about privacy are going to diminish. Many adults are still unaware that such profiling is occurring. Only 40% of those surveyed in the BW/Harris Poll had even heard of cookies and only 75% of those knew what they were. Further, concerns about privacy reflected in annual BW/Harris Polls have been growing, not diminishing, in recent years.

Unfortunately, the BW/Harris Poll did not ask how comfortable parents are about having the interests and browsing habits of their children collected and used for targeted marketing to their children. But the response would not be hard to predict.

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[15] Federal Trade Commission, *Online Profiling: A Report to Congress*, June 2000 http://www.ftc.gov/os/2000/06/ onlineprofilingreport-june2000.pdf. p. 8.
[16] Business Week/Harris Poll: A Growing Threat, *Business Week*, March 20,2000. http://www.businessweek.com/2000/00_12/b3673010.htm?scriptFramed.

Why are dot.com companies so interested in kids? And why is this not OK?

It is clearly in the interests of the dot-com companies to raise a new generation of online consumers who do not have any "old fashioned" beliefs about the need for personal privacy. Clearly, the future of e-commerce is in school today.

The Washington Post recently reported, "With the number of children in America larger than at the peak of the baby boom, and their purchasing power growing faster than economists can measure it, a vast service industry of market researchers, public relations firms, newsletters, and ad agencies has spring up to lead corporate America to young hearts, minds and piggy banks.[17]" A popular trade publication, *Selling to Kids,* noted that because children are "the generation that spends the most time glued to a computer monitor, online marketing is going to be more important for this group than any previous.[18]"

The National Institute on Media and the Family recently reported:

With children spending or influencing $500 billion worth of purchases, marketing techniques have been turned upside-down. In the past, the most effective way to sell children's products was through Mom and Dad. Not the opposite is true: children are the focal-point for intense advertising pressure seeking to influence billions of dollars in family spending. Advertisers are aware that children influence the purchase of not just kid's products, but everything in the household from cars to toothpaste. …

With children's increasing access to new communication technologies being paired with the fast pace and busy schedules of today's families, parents are less able to filter out the messages from the advertising world."

Advertising agencies are utilizing the services of child psychologists and anthropologists to enable companies to better understand children's behavior when using the Internet. Advertisers have found that the Internet is a perfect vehicle for advertising to children. "There is nothing else that exists like it for advertisers to build relationships with kids.[19]"

Recently, a group of psychologists called upon the American Psychological Association to address concerns about "the sale of psychological expertise to advertisers to manipulate children for commercial gain.[20]" The letter noted, "The use of psychological insight to bypass parents and influence the behavior and desires of children is a crisis for the profession of psychology."

The Center for Media Education, a Washington DC watchgroup has been tracking the activities of the new children's digital media culture. Their assessment is; "With their engaging, interactive properties, the new digital media are likely to have a more profound impact on how children grow and learn, what they value, and who they become, than any medium that has come before.[21]"

A recent survey conducted by the Annenburg Public Policy Center revealed that many children think that it is OK to provide sensitive family information to commercial sites on the Web when enticed with

[17] Russakoff, D. (1999, April 19). Marketers Following Youth Trends to the Bank. *The Washington Post.*
[18] Stark, M. (1999, March 3). Savvy Gen-Y-ers: Challenge, Involve Them. *Selling to Kids*, 4 (4), p.3.
[19] Gruen, E. (1995, October 25). Defining the Digital Con sumer IV Agenda: Digital Kids Pre Conference Seminal. New York. NY.
[20] Letter to Richard Suinn, President of the APA, 9/30/99. http://www.essential.org/alert/psychology/apalet.html.
[21] Montgomery, K.C. (forthcoming). *Digital Kids: The New Online Children's Consumer Culture.* http://www.cme.org.

the offer of a gift[22]. The vast majority of parents reported that they were concerned that their children would provide personal information while using the Internet. The Annenburg study concluded:

> "For media and marketers, information about teens is an increasingly valuable commodity. For logical business reasons they will pursue knowledge about youngsters and their families as aggressively as possible.
>
> The task for a civic society is to set up a counter balance their efforts that establishes norms about what is ethically and legally correct for media and marketers to do." (p. 34)

The report noted that "parents cannot develop norms about family privacy alone" because "they simply do not know enough about the Web to be aware of the way Web sites gather information and what to do about it." (p. 35) Schools and other community groups were encouraged to contribute to the effort to teach children and parents about information privacy on the Internet.

It is impossible for schools to teach children about the importance of protecting their personal privacy on the Internet, when schools are entering partnerships that require students to agree to the collection of personal information as a condition for use of the technology resources.

The following are the most important paragraphs in this report!

Dot.com companies have an advantage in reaching children. The emergence of an understanding of the appropriate boundaries of personal privacy is clearly a developmental process, tied to the child's emerging cognitive development. Technically proficient children are using the Internet before they have the cognitive ability to appreciate the possible consequences of disclosure of personal information. Dot.com companies can use this to their advantage in seeking to mold the children's perceptions about personal privacy. They are able to accomplish this largely outside of parental influence because most parents do not know about the actions and intentions of these companies.

Dot.com companies are asking children to disclose personal information and then using that information to develop a close relationship with the child for the purpose of influencing consumer behavior. Such companies are working with child psychologists to gain better insight into the thinking of children to improve their ability to manipulate the child for commercial purposes. This is commercial exploitation. But the potential of injury to children from this kind of exploitation may be greater than simply damage to the pocketbook of the child or parent. Children raised in such an environment will likely fail to develop an understanding of the appropriate boundaries of personal privacy. They will be extremely vulnerable to all manner of manipulation and exploitation, not only from corporate marketers, but also from scam artists, cults, and sexual predators. Essentially, stripped of its purpose, there is no difference between the strategy followed by the dot.com companies and that of sexual predators.

There ought to be a law . . . !

Unfortunately, there are no laws, policies, or regulations that specifically address the concerns presented in this report. Nevertheless, school administrators must engage in a careful thorough analysis of the

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[22] Turow, J. (2000, May 16). *The Internet and The Family 2000* http://appcpenn.org/finalrepor_fam.pdf

appropriateness of any involvement with dot.com companies. Guidance in conducting this analysis can be found from a variety of sources.

Constitutional Analysis

States have a constitutional obligation to provide a free, public education. Increasingly, schools have determined that access to educational and communications resources on the Internet are an important component of the educational preparation of children for the 21st century. In light of its constitutional obligations, schools should consider whether it is ethical -- or legal -- to establish a technology-based learning environment that will require students to consent to the collection of their personal private information by a third-party commercial company as a condition for participate in the program.

Schools also have responsibilities grounded in the compulsory attendance laws of the state. As noted in the following section, educators have an obligation to protect the welfare of their students. Entering into a relationship with company whereby the school receives a benefit in exchange for allowing the invasion of student privacy and presence of advertising in the learning environment is exploitation, not protection.]

Education Policies on Commercialism in Schools

In 1998, National Association of State Boards of Education conducted an analysis of issues of commercialism in schools. The membership approved a set of principles to guide state boards in the development of policy regarding corporate involvement in schools. The principles relevant to the present discussion are:

"Corporate Involvement in Schools

School-business relationships based on sound principles can contribute to high quality education. However, compulsory attendance confers on educators an obligation to protect the welfare of their students and the integrity of the learning environment. Therefore, when working together schools and businesses must ensure that educational values are not distorted in the process. Positive school-business relationships should be ethical and structured in accordance with the following principles:

1. Corporate involvement shall not require students to observe, listen to, or read commercial advertising.

2. Selling or providing access to a captive audience in the classroom for commercial purposes is exploitation and a violation of public trust."

It is readily apparent that a district/school that has established policies in accord with the principles approved by NASBE would not approve a partnership with a dot.com company that involves accepting technology resources in exchange for access to captive students for online profiling and targeted marketing.

Federal Policy on the Protection of Human Subjects

Federal law for the protection of human subjects in the context of academic research can provide schools with guidance on standards that are considered necessary to protect the welfare of research subjects[23]. While these rules do not cover research conducted by private corporations, the standards do provide a benchmark for determining protections that are necessary to protect the welfare of students. The requirements under the law are as follows:

• Academic researchers seeking to gather data from students must demonstrate that their research will have a social benefit.

Dot.com companies gathering market research data from children are collection information to enable them to do a better job of enticing children to nag their parents to purchase products. This is not a social benefit. It is important to note that the research activities themselves must be socially beneficial. Receiving free technology resources in exchange for providing information would not meet this standard. Collection of student information by commercial companies solely for the purposes of accomplishing the educational objectives of the site and not for consumer market research presumably would meet the social benefit standard.

• Researchers must provide a detailed human subjects protocol that addresses issues of privacy and confidentiality, potential risks to the subjects, and how those risks will be mitigated.

School districts must have full and complete information about the activities of the company, including information that addresses privacy concerns and any other potential risks to the students. Some companies are up-front and clear about their actions. Unfortunately others use euphemistic language that fails to provide clear information. For example, a statement such as "we use this information to ensure our user's sponsorship experiences are appropriate for them" actually means that the company is engaged in targeted advertising based on the profiles they have developed.

• The human subjects protocol must be approved by the research institution's Institutional Review Board and then by the individual school district prior to any collection of data from students.

Any potential agreement with a company should be reviewed by an individual who understands in online privacy protection issues.

• Researchers must prepare an informed consent document for parents and older children which outlines the socially beneficial purpose of the research and the provisions for the protection of the child. Both the parent and the child must sign the informed consent document.

Parental notification and consent to information collection is imperative.

• Research conducted in established or commonly accepted educational settings, involving normal educational practices does not require a full human subjects protocol or an informed consent document.

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[23] 45 CFR part 46

Web sites collecting data from users to evaluate and improve the educational quality of the site would appear to meet this criteria. Further, such research would meet the social benefit requirement discussed above.

Family Education Rights and Privacy Act

Any provision of personal information of students by the school must be in compliance with the Family Educational Rights and Privacy Act (FERPA). FERPA would clearly require parental consent before the school could provide students' personally identifiable information to a third party. In accord with the spirit, but not the actual language, of FERPA schools should also provide disclosure and obtain parental consent before allowing or encouraging students to provide personally identifiable information on a web site while at school.

Children's Online Privacy Protection Act

Schools also must be aware of how they might be impacted by the Children's Online Privacy Protection Act of 1999 (COPPA)[24]. COPPA, effective April 21, 2000, applies to the online collection of personal information by commercial web sites from children under 13. The new rules spell out what a web site operator must include in a privacy policy, when and how to seek verifiable consent from a parent and what responsibilities an operator has to protect children's privacy and safety online. COPPA applies to individually identifiable information about a child that is collected online, such as full name, home address, email address, telephone number or any other information that would allow someone to identify or contact the child. COPPA also covers other types of information -- for example, hobbies, interests and information collected through cookies or other types of tracking mechanisms -- when they are tied to individually identifiable information.

Several companies responding to the request for comments by the Federal Trade Commission argued that schools ought to be able to obtain blanket permission from parents that would enable individual teachers to allow students to provide personal information on commercial web sites. This practice would be ill-advised for several reasons:

• The vast majority of commercial sites are not suitable educational resources.

• The fact that a commercial site, especially one with banner advertising, is requesting personal information from a child is a strong indicator that the site will be engaged in online profiling of that child. Schools should be teaching information privacy, not encouraging information disclosure.

• Schools do not request blanket permission from parents to allow academic researchers who are collecting socially beneficial research and who have developed a detailed plan to protect the rights students. There is absolutely no rationale to justify a lower level of parental involvement when the issue involves corporations collecting market research from children.

• There are commercial sites that have a legitimate educational purpose and meet an identified educational need for schools. Prior to approving any involvement with such sites, schools should analyze the privacy provisions of such sites to determine that the provision of personal information by

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[24] 16 C.F.R. Part 312

students is solely for the purpose of using the educational services on the site, such as establishing an e-mail account, and that no online profiling for advertising purposes will occur. After this analysis is conducted, parents should be fully informed and their consent should be required before any student provides personal information.

Recommended Principles for a School Policy on Commercialism on the Internet

- Providing access to a captive audience in the school's technology learning environment, whether accessed in school or from home, for commercial purposes, including specifically online profiling and/or advertising, is exploitation and a violation of public trust.

- Requiring students to subject themselves to online profiling and advertising as a condition for participation in a school's technology learning environment is exploitation and a violation the right of students to a free and public education.

- Students should generally not be permitted to provide personally identifiable information, such as name, address or other contact information, on the Internet. There may be occasions where the provision of information can be justified as serving an educational purpose.

- The collection of anonymous data from students using a web site for the purposes of evaluation and improvement of the educational quality of a web site is considered appropriate and acceptable.

- In any case where a school/teacher desires to use the services of a web site and such services require the disclosure of personally identifiable information or the establishment of a student account either with an actual name or a username, the school/teacher must provide a written request for approval from the district. The following standards should apply:

  - Educational mission and purpose. The site or service must be providing an educational service that meets an identified educational need. There should no targeted advertising and no advertising for youth consumer items on the site. Non-distracting, educationally appropriate sponsorship notices that are located on "pass-through" locations, such as portals or home pages, are acceptable.

  - Limited provision of student information for educational purposes only. The site should request the minimum amount of student information necessary to accomplish the educational objectives of the site. Information should not be collected for the purposes of developing a consumer profile or directing advertising. Disclosure of student information to third parties should be strictly prohibited. The site should indemnify the district for any violations of confidentiality protections that result in the disclosure of student information.

Asking the following questions will assist in gaining the information necessary to conduct a knowledgeable analysis of the site or service:

What is the educational purpose of the use of the site?
How does the use of this site meet an identified educational need?
What information will be collected directly or indirectly from the student as they use the site?
What is the purpose of the collection of information?

Does the site have any banner ads? If so, what is the relationship of the collection of data to the presence of banner advertising?

Does anyone else, other than the site, have the ability to collect information directly or indirectly from the student? If so, who and for what purpose?

Will student's personal information be disseminated to any other party? If so, under what conditions and for what purposes?

What security provisions have been established to ensure the confidentiality of student's personal information?

What provisions have been made for the students and/or their parents to review and delete personal information from the company's files?

- Schools should carefully guide the research activities of students to limit student exposure to banner advertising. Students should receive instruction on research strategies that will enable them to find high-quality, educational resources to support their learning.

- If teachers are selecting sites for student research, the sites should first be analyzed for the quality, appropriateness, and suitability of the educational materials present on the site. The site should also be reviewed for the presence of banner ads. The following are questions and guidelines for an evaluation of the appropriateness of the advertising on a site:

How intrusive and distracting are the banner ads visually? Animation or other forms of movement are highly distracting to the viewer.

Are the ads placed in locations where the students should be concentrating on the content of what they are studying? Students should not be required to expend mental energy to filter out ads. Ads are to be expected on search portals and news sites. Ads may be considered acceptable if they appear only on home pages of otherwise good quality educational sites.

Are the ads for youth consumer items or are they public service announcements/educational products or services?

If students click on the banner ads, is what is presented to them considered appropriate in the educational environment?

Is advertising the vehicle to support the delivery of high quality educational resource or has the educational resource been established for the purpose of advertising, brand promotion, or corporate promotion?

- All involvement with corporations for the provision of technology resources should be evaluated in terms of the following criteria:

What is the educational quality of the proposed technology resource?

How the proposed technology resource will assist the school in achieving a stated educational objective?

How will the school provide for the additional resources or activities, including professional development, necessary to ensure the appropriate and effective use of the proposed technology resource to improve student learning?

What impacts will the proposed technology resource have on the existing and future technology infrastructure of the district or school?

What impacts will the proposed technology resource be on the reputation of the district/school regarding the provision of high quality educational services to students?

Must-Read Reports for Education Decision-makers

Consumers Union (1995). *Captive Kids: A Report on Commercial Pressures on Kids at School.*
http://www.consumersunion.org/other/captivekids/ .index.htm.

Federal Trade Commission, *Online Profiling: A Report to Congress*, June 2000.
http://www.ftc.gov/os/2000/06/onlineprofilingreportjune2000.pdf.

Montgomery, K.C. (forthcoming). *Digital Kids: The New Online Children's Consumer Culture*.
http://www.cme.org.

Montgomery, K.C. (1996) "Web of Deception: Threats to Children from Online Marketing.
http://www.cme.org/children/marketing/deception.pdf.

Turow, J. (2000, May 16). *The Internet and The Family 2000.* http://appcpenn.org/finalrepor_fam.pdf.

Web Resources

Center for Commercial Free Education. http://www.commercialfree.org.

Center for Media Education
http://www.cme.org

Commercial Alert
http://www.essential.org/alert

Federal Trade Commission
Privacy Initiatives http://www.ftc.gov/privacy/index.html
Kids Privacy
http://www.ftc.gov/bcp/conline/edcams/kidzprivacy/index.html

Responsible Netizen

Responsible Netizen is a new initiative of the Center for Advanced Technology in Education (CATE), University of Oregon College of Education. Responsible Netizen will develop effective strategies to assist young people in gaining the knowledge, decision-making skills, motivation, and self-control to behave in a safe, responsible, legal, and ethical manner when using the Internet and other information technologies and disseminate these strategies to schools, libraries, parents, policy-makers, and others.
http://netizen.uoregon.edu.

About the author: Nancy Willard has a BS in Elementary Education, a MS in Special Education, and a Doctor of Jurisprudence. She has taught children with behavior difficulties and has practiced law in areas of computer law and copyright. In 1995, Willard published *Legal and Ethical Issues Related to K-12 Internet Use Policies*, which has become a widely recognized resource for educators. Willard has also assisted many districts in the State of Oregon develop their district technology plans. In 1999, Willard became associated with the Center for Advanced Technology in Education. She has received 2 NSF grants. One to investigate how high school students make decisions about ethical use of the Internet and the other to coordinate a workshop with other researchers and practitioners to develop a recommended research agenda around issues of the social dimensions of the use of interactive technologies by young people. Willard is the mother of three children.