

CARU and FTC Express Concerns about Advertising to Kids in the Metaverse

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Earlier this year, CARU's new [Advertising Guidelines](#) went into effect, including [various updates](#) that were designed to apply to digital advertising. This week, CARU issued a [warning](#) to put "advertisers, brands, influencers and endorsers, developers, and others on notice that CARU's Advertising Guidelines apply to advertising in the metaverse" and that "CARU will strictly enforce its Guidelines against metaverse advertising."

CARU is concerned that in the metaverse – as well as augmented reality and virtual reality worlds – the lines between ads and content can easily get blurred. These problems are "escalated by the fact that children can directly engage in activities and interactions with character avatars and influencers, potentially creating a sense of personal connection to and trust in the messages." This creates a "risk of manipulating children into unwittingly viewing ads or making purchases."

To avoid this type of "manipulation," CARU requires advertisers to ensure that they clearly disclose when something is an ad – or when someone is an influencer – in a manner that is tailored to children in the intended audience. For example, disclosures should be "unambiguous, easily noticeable, and appear in appropriate locations, with sufficient frequency, and on multiple platforms so that children are likely to see, hear, and understand them."

In a related development, this week, the FTC [announced](#) that it was seeking "public comment on how children are affected by digital advertising and marketing messages that may blur the line between ads and entertainment." This is related to an October 19, 2022 event on "[Protecting Kids from Stealth Advertising in Digital Media](#)" that will examine these topics, including what advertisers should do in order to distinguish ads from other content.