

2018

# KID & FAMILY TRENDS

*Monthly insights to keep you in the know*



**SMARTY  
PANTS®**

the youth and family experts

**June 2018**

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# The New Speaker of the House



Apple's HomePod, introduced in February 2018

## The data speak volumes

Move over Paul Ryan. There's a new speaker of the house, and he or she most likely sits on the kitchen counter or a bedside table and answers to "Alexa," "Hey Google," or "Hey Siri."

Smart speakers are the fastest growing consumer device of recent years, outpacing AR, VR and wearables. One in five connected homes in the U.S. now has a smart speaker,\* and penetration is set to reach 37% by the end of 2018.\*\*

Percent of Smart Speaker Penetration Among U.S. Wi-Fi Households (Households with Active Devices)



comSCORE

SOURCE: comScore Connect Home via comScore Home Panel

\*Source: comScore Connect Home via comScore Home Panel

**SMARTY PANTS®**

Generically referred to as "agents", "virtual assistants", and "concierges", the **AI-enabled smart speakers that now populate millions of American homes are changing families' behaviors and revolutionizing how young people interact** with the world around them.

Currently at 62% market share, **Amazon Echo** has been the leader of the category since its inception. But **Google Home** and **Apple HomePod** are quickly gaining bigger pieces of the pie at 27% and 4%, respectively.\*\*\*

U.S. Smart Speaker Market Share - May 2018



Voysis  
voicebot.ai

SOURCE: Voicebot AI, Shopping US Consumer Adoption and Attitudes 2018 Report

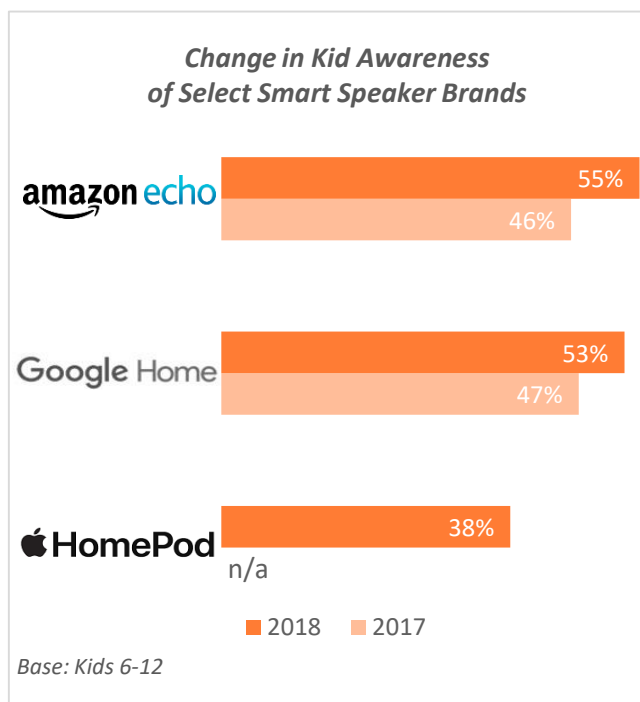
\*\*Source: Accenture Super Myway study

\*\*\*Source: Voicebot

The market will soon become even more crowded, as Microsoft is planning to launch its own Cortana speaker in coming months, and Alibaba's Tmall Genie and Xiaomi's Mi AI speakers are already making waves in China.

## Kid engagement is taking off

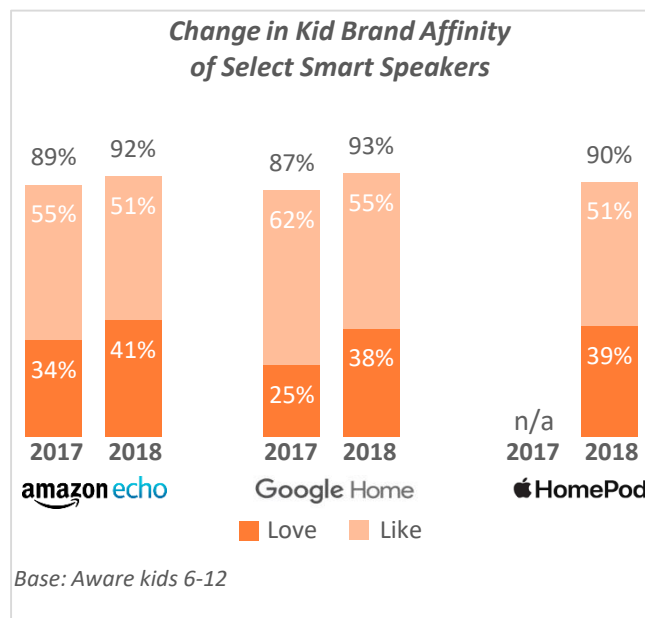
In 2017, less than half of kids ages 6-12 had ever heard of **Amazon Echo** or **Google Home**.<sup>\*</sup> This year's **BRAND LOVE**<sup>®</sup> study shows that **kid awareness of the leading smart speaker brands has surpassed the halfway point**. **Amazon** and **Google**'s smart speakers have virtually identical awareness at 55% and 53%. Apple's **HomePod**, which has only been on the market a few months, is already familiar to 38% of kids. <sup>\*\*</sup>



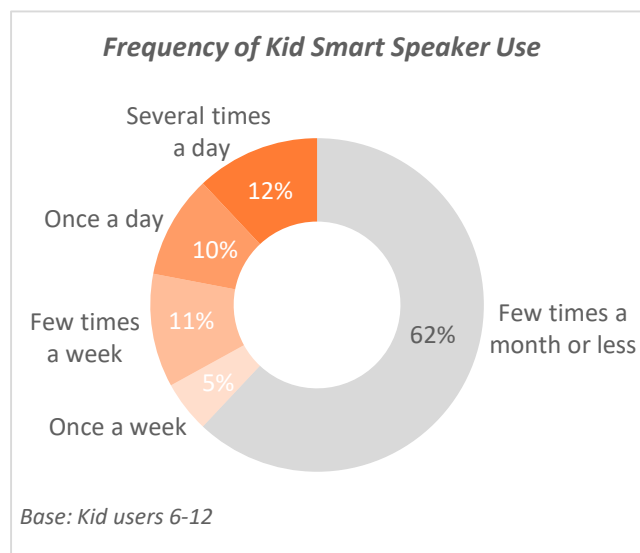
Perhaps most importantly, **nearly all kids who know these smart speaker brands feel positively about them**, with 92%, 93% and 90% of 6-12s saying they *love* or *like* **Amazon Echo**, **Google Home**, and **HomePod**, respectively. <sup>\*\*</sup>

<sup>\*</sup>Source: SMARTY PANTS 2017 BRAND LOVE study

<sup>\*\*</sup>Source: SMARTY PANTS 2018 BRAND LOVE study



Kid affinity for smart speakers is leading to more use. The **BRAND LOVE 2018**<sup>®</sup> study shows that 38% of kids 6-12 now use smart speakers at least weekly, 22% of whom do so at least once a day.



Many U.S. kids now have smart speakers in their bedrooms



Significant growth in popularity perceptions confirms the technology has momentum among kids. While 44% and 43% of kids thought **Amazon Echo** and **Google Home** were *really popular now* in 2017\*, 59% and 53% now say the same.\*\*



Another 28% and 29% say **Amazon Echo** and **Google Home** are *becoming more popular*, respectively, and 40% say that about **HomePod**.\*\*

**40%** of kids say **Apple HomePod** is becoming more popular

## Kidifying the category

Even with the surge in household penetration and positive kid momentum over the last year, **smart speakers remain gadgets used primarily by parents**. While moms ask Alexa to reorder paper towels and dads command Siri to turn off the lights downstairs, **deep kid engagement is still emerging**. Part of the reason is that many **smart speaker features serve functional adult needs**, like shopping, scheduling, news, weather, and notifications. Another key reason is that **speakers aren't great kid listeners**; they still have difficulty understanding kids' immature voices and underdeveloped speech patterns.

Enter the Echo Dot Kids Edition—**Amazon's** response to kids' unmet, voice-based needs. The kid-centric smart speaker was released on May 9<sup>th</sup>, and is a solid attempt at helping kids more easily connect with A.I. In addition to better



understanding kid communication, Alexa has a slightly different personality that is more analogous to how an adult would speak to a child.

For example, instead of giving one-word answers to factual questions, she gives context along with the answer. Her jokes are also age-appropriate, and she can teach kids manners. (see page 7)

Perhaps most noteworthy is the new FreeTime Unlimited service that makes the Echo Dot Kids Edition uniquely for kids. The monthly subscription (\$3 for Prime members, \$5 for non-Prime members) gives families access to over 13,000 kid-friendly books, games, TV shows, movies, and educational apps geared specifically to the 5- to 12-year-old set.



Amazon's marketing for the new Echo Dot Kids Edition demonstrates some of the many ways kids can have fun with it

FreeTime Unlimited also includes robust parental controls. For example, parents can set time limits, pause devices for homework, block certain types of content, and set a "bedtime" when devices shut down. Kids are unable to shop, access third party services like **Spotify** or **Uber**, or ask for news updates (though they can

\*Source: SMARTY PANTS 2017 BRAND LOVE study

\*\*Source: SMARTY PANTS 2018 BRAND LOVE study

get the weather). As an added layer of comfort, the Parent Dashboard allows parents to see everything their kids are accessing via Alexa.

## A new dimension of play

The Echo Dot Kids Edition is an **indication that smart speakers have officially opened the door to a new genre of interactive entertainment for kids**. As long as they can speak, kids of any age can engage—regardless of their spelling, writing, typing, or fine motor skills. In fact, A.I. devices provide a much more intuitive way for kids to interact with technology. And unlike most new tech, smart speakers have the added bonuses of being screen-free and family-friendly.

**BRAND LOVE 2018®** data indicate that over half of kid users engage with **Amazon Echo** and **Google Home** with their entire family (54% and 52%, respectively), substantially more than by themselves or with siblings or friends. Parents and siblings can easily co-listen and join in—a social aspect that is often missing from other forms of digital play.

By nature, many of the activities housed in **smart speakers are more thought-provoking than those that are screen-based**. Choose-your-

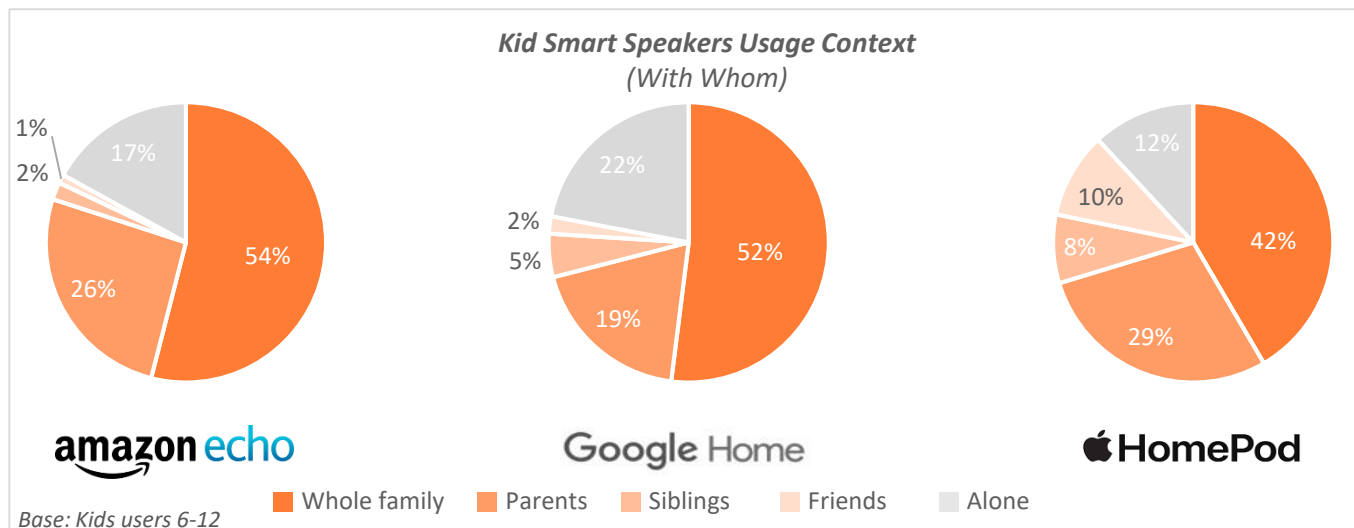
own-adventure stories require kids to use their imaginations; detective-based games involve critical thinking; trivia and memory exercises involve careful attention. Listening-based activities also mean that kids can do things with their hands and bodies at the same time—like coloring, cooking, or dancing. In many respects, **smart speakers provide a middle ground between screen-time and analog play**. They are also more passive, which—for now—means they are less addictive and time-consuming than screen-based experiences.

*Families can do hands-on activities while listening to smart speakers*



## Check out my skills

This new dimension of screen-free play is a content developer's dream. **Smart speakers provide endless opportunities to create immersive, engaging, exciting, and unique experiences** the whole family can enjoy without needing anything more than a relatively quiet space.



By the end of 2017, kid content giants **Nick**, **Disney**, and Sesame Workshop had all jumped on the opportunity to develop various fun and educational “skills” designed for kids under 13. Popular games like *The SpongeBob Challenge*, a memory game on **Amazon Echo**, *Mickey Mouse Adventure*, a navigation race against the clock on **Google Home**, and *Elmo Calls*, which allows kids to “call” Elmo and practice the letter of the day, have all gained traction over the last several months.



*The SpongeBob Challenge from Nick was among the first Alexa skills designed specifically for kids*

From choose-your-own adventure stories to trivia games to podcasts, **kid content available through smart speakers is exploding**. Interacting with favorite characters, hearing new books read aloud, and riding along for audio adventures are exciting new opportunities for kids. For marketers, they have the potential to expand touchpoints and connect with families in completely new ways.

*“This is just the beginning of voice experiences for Nickelodeon. Voice opens up tremendous access to Nick shows, characters, and content by lowering that discovery friction found in many screen-based experiences.”*

- Darren Brelesky,  
SVP of product and technology at Nick

## New apprehensions

According to a September 2017 study commissioned by the Family Online Safety Institute, two-thirds of parents are comfortable with their kids interacting with a smart speaker. Among parents who currently own a smart speaker, that number jumps up to 94%!

But as is the case with all new technology, there are lingering concerns. In addition to anxieties about inappropriate content and privacy issues—both of which have been on parents’ radars—smart speakers are bringing about new questions unique to A.I. technology. **Parents, educators, and child advocates have apprehensions about how kids’ interactions with smart speakers impact cognitive development, creativity, parent-child relationships, manners, and more.**

More specifically, there are questions about how virtual assistants interfere with the learning process. How does learning change when kids are simply given an answer rather than following the traditional paths of discovery, exploration, and discussion? Similarly, **there are fears that kids’ imaginations will be stunted** since they can simply say, “Alexa, I’m bored” and be spoon-fed activities. **Other parents wonder how their kids will rethink the value of parents** if a device (or “robot”) on the shelf can better explain their geometry homework or how bodies change during puberty.

**Another major concern among parents is how virtual assistants will impact children’s manners.** By design, kids can bark orders to Siri and her peers, and they will immediately obey. A kid’s words—however loud and demanding—are their command. But what is this teaching kids about how to speak to others? Is it encouraging kids to have rude behavior? Will children miss



out on important life skills, like making eye contact and forming healthy social relationships?

In response to this concern, both **Amazon** and **Google** recently announced that their voice assistants now have the ability to reward kids for punctuating their demands with politeness. Alexa's 'Magic Word' feature offers positive reinforcement when a child asks nicely. For example, "Can you please tell me the capital of Ohio?" will be met not only with the answer, but Alexa will add something like, "By the way, thanks for asking so nicely." Similarly, **Google Home**'s forthcoming 'Pretty Please' feature will remind kids to "say the magic word" before complying with their wishes.

### **The guest speaker**

In nearly 19 million U.S. homes, the newest guest is indeed a speaker. These **smart speakers**

**are changing the ways families listen, shop, inquire, control, play, and consume content** in their homes. And they are becoming increasingly integrated into families' daily routines.

**Opportunities are deep and wide for brands and developers eager to extend IPs and grow relationships** with parents and children. Speakers are, at the end of the day, another media platform and distribution channel ready to house new content and unique experiences that enrich families' lives.

Be forewarned, however, that a litany of privacy and child development questions still exist. While tech giants will continue to evolve in response, marketers will need to embrace the unknown—in much the same way families are.

**SP**



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# More Than S'mores



*Coding and  
robotics camps  
surge in 2018*

More than 14 million kids will soon head off to summer camp 2018. According to the American Camp Association, there are roughly 8,400 overnight camps and 5,600 day camps in the U.S. eagerly waiting to host them! A majority of these camps are at capacity, and 82% report increased enrollments since 2013.\* It's a clear sign of the **growing investment parents are making in keeping their children active, socially connected, intellectually stimulated, and emotionally fulfilled.**

Across the country, **camps are rapidly evolving** to meet the unique demands of Millennial and Gen X parents and their kids. No longer satisfied with taking a swim in the regional lake or making s'mores by the campfire, **parents are sending their children to camps that are differentiated by their academic credentials, hyper-specialized themes, inclusive focuses, luxury amenities, and branded experiences.**

The result: summer camp is now an \$18 billion

Families spend

**\$18B**

on summer  
camp

industry—with healthy growth projections over the next five years.\* Most importantly, the category is **rife with opportunities for IPs, brands, and content creators.**

To follow is a close-up on the **five leading ways camps are transforming**, and what these changes mean for marketers.

## Smarter summers

While summer remains kids' favorite time of year, **teachers and parents worry about the "summer slide"** in academic skills that can take place during the three-month break. This potential regression is particularly worrisome to parents with plans to send their children to selective colleges and universities.

To maintain a competitive advantage, combat summer idleness, and thwart "brain drain", **a growing number of kids and teens are**

*\*Source: American Camp Association*



***“I refuse to let my  
boys be horizontal  
all summer, playing  
Fortnite and  
watching YouTube.  
Oh, they WILL  
go to camp.”***

*- Mom of 11-year-old twin boys*



**attending camps that promise an academic edge**—even at a very young age.

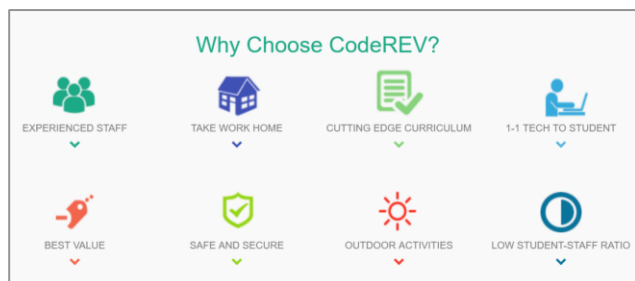
In 2018, many of these camps are STEM-focused, covering topics ranging from forensics to oceanography. More specifically, a growing number are dedicated to **robotics and coding**.



*Tweens at Launch® Math + Science Centers camp show off the robots they built during the summer*

iD Tech, for instance, touts that it is “held at an unparalleled lineup of 150 prestigious campuses. From Stanford and NYU to The University of Hong Kong, your student will get inspired and start out on their long-term skill development pathway in coding, game development, robotics, or design.” Promotional literature reminds families that “dream careers start here”—for \$1300/week.

CodeREV tech camps are another STEM-based summer learning option for kids ages 6-14, with 41 locations across the U.S. At half the price of most educational camps, CodeREV offers kids “an affordable way to explore STEM-related tracks.” Campers and families are assured that



*STEM camp differentiators heralded on CodeREV’s website*

“the amazing program, teachers, and STEM approach make CodeREV tech camps the memorable AND educational experience kids crave all year round.” CodeREV even tests its curriculum in schools throughout the year to ensure that it is offering attendees a best-in-class experience.

While the focus of these smarter summer camps is on career readiness and nurturing tech and engineering passions, they must also stay competitive and differentiated.

To keep their STEM content fresh and alluring, **many camps are customizing their curricula to include a video game and/or app development focus**. Popular games like **Minecraft**, **Roblox** and **Fortnite** (loved by 54%, 37% and 24% of kids 6-12, respectively\*) are being used as tools to teach game design courses where campers learn basic coding, level design, 3D animation and more. This **gaming overlay presents unique opportunities for marketers of digital and cross-platform content**, giving kids and teens a chance to truly immerse themselves in brands and connect with IPs in new ways.

## Hyper-specialized experiences

For kids who prefer cartwheels over coding, there’s a camp for that, too. At gymnastics and cheer camps like Camp Woodward, campers can enjoy “world-class facilities, professional instructors, and guest Olympians, creating the ultimate environment for progression and fun.”

*Gymnasts get serious at specialized camps like Camp Woodward in Pennsylvania*



*\*Source: SMARTY PANTS 2018 BRAND LOVE study*

Those who want a taste of military life can head off to the Army and Navy Academy's oceanfront camp in Southern California. Kids looking to spend their summer "with the joy of God's Living Word" can pack up for Rock-N-Water Christian Camp in Northern California, or Camp Green Cove in the mountains of North Carolina.

But what if a kid wants to learn Swahili, or practice emergency medicine? There are camps that meet those needs as well. In fact, **hyper-specialization is a big trend in camping. Niche camps have popped up to cater to virtually every hobby and passion.** Beyond the sports, cooking, and arts camps that were once a novel concept, there are now hyper-focused camps ranging from language camps where kids can learn Spanish (or, yes, Swahili), to atheist camps for young freethinkers, to emergency medicine programs where young kids can learn how to respond to trauma situations.

Zingerman's (gourmet deli and online food shop) even offers a 5-day camp for young bacon lovers to get educated and learn to taste bacon like an expert! With guest speakers like celebrity chef Rick Bayless and visits to the World of Bacon, it's a young carnivore's dream come true.



*Camp Bacon is an example of a highly-specialized summer camp*

From MagiCamp in Florida for young jugglers and illusionists, to Who Dunnit? camp in Pennsylvania for budding secret agents, **young people will be feeding their unique passions during summer 2018.** These structured oppor-

*\*Source: American Camp Association*

tunities comfort parents and fill kids' minds, bodies, and hearts. And they speak volumes of the trend in **meeting young consumers' needs in highly-personalized ways.**

## ◆ Sensitive and inclusive getaways

Almost half of all U.S. camps (44%) offer specialized programs for those with disabilities, and 93% offer some form of financial assistance to children who are from economically-disadvantaged families, have special medical needs, or have situations that might preclude them from attending camp.\*

Having designated slots at interest-based camps isn't where the real change is taking place, though. Instead, there is a **growing trend in "accessible" and "inclusive" stand-alone camps designed for those who often feel marginalized** during the school year. For example, there are camps for kids with learning differences and physical disabilities, kids struggling with identity and self-confidence, and even kids whose parents are incarcerated. In 2018, these inclusive camps invite kids to "now enjoy a traditional summer experience."

Camp Laurel, for instance, is the country's first free summer camp for transgender youth. It is the epitome of an inclusive and accessible destination—complete with lakefront activities and workshops on transgender rights.



*A happy camper at Camp Laurel, the first free summer camp for transgender youth*



The conversations, counselors, and resources are designed to make campers feel safe, comfortable, and happy. It's similar to the approach used at Camp Lee Mar for kids with learning and developmental challenges, at Camp K'aana for tweens and young teens with BMIs above the 95<sup>th</sup> percentile, and the hundreds more that seek to meet personalized needs and “normalize” kids’ summers.

These **sensitivity-themed camps are helping kids boost confidence, motivation, and skills** in a relaxed setting alongside others with similar lifestyles and situations. At a time when bullying is still an issue—and arguably compounded by social media—this evolution in camping is a welcome treat to thousands of U.S. families.



### **Pampered campers**

While some camps are embracing inclusivity, others are unabashedly anchored in exclusivity. Financial exclusivity, that is. The rebound of **the economy has given families more disposable income and allowed for elite camps to become even more high-end and exclusive**. These camps, with summer tuition as high as \$15,000, boast luxury facilities and best-in-class activities. European excursions, private yacht trips, pro-level sports instruction, and educational workshops led by some of the best and

brightest minds in the nation are just some of the perks for kids whose parents can foot the bill.

Like Ivy League colleges, **many upscale camps come with long waitlists and give preference to an A-list of kids whose families have legacies and connections**. Much like competitive preschools in NYC, waitlists for some of these camps start before kids can even walk!

At \$13,000 for a seven-week session, Raquette Lake Camp (dubbed the “Harvard of summer camps”) is just one of the many sleepaway camps that costs more than a semester at a state college. While the majority of campers are grandfathered in by siblings and parents, 10-12 new campers are admitted each summer—but only after making it through the rigorous application process. Those who are lucky enough to get in will enjoy the multi-million-dollar, state-of-the-art facilities on 100 miles of lakefront property, an on-site chef who makes everything fresh on premises, and former Olympic coaches for daily one-on-one sports lessons.

The similarly priced all-girls Lake Bryn Mawr Camp in rural PA boasts a cooking studio, seven soccer fields, two swimming pools, an equestrian center with 40 horses, a 15,000sf



*An aerial view of part of Lake Bryn Mawr Camp's nearly 300-acre grounds in Honesdale, PA.*

gymnastics facility, and 15 tennis courts.

Camps of this caliber—most of which are located throughout the Northeast—cater to the extravagant “needs” of their campers (and their pampering parents), with gluten-free kitchens, spin classes, and immaculate housing facilities with en suite bathrooms and air conditioning. Oh, and some kids even arrive by private jet.

Though the small subset of kids who attend these exclusive retreats may not be “roughing it” or learning survival skills, these camps give them the opportunity to leave their electronics at home, take a break from their over-scheduled lives, and enjoy the “simple” pleasures of being a kid. At the same time, these camps continue to **raise the bar for mainstream camps that vie for families’ summer dollars.**

## Branded summers

Most camps require that attendees relinquish their personal devices and embrace a content- and commercial-free experience. But in a time when everything from sports stadiums to libraries are sponsored and branded, it’s not surprising that **brands have made their way onto the camp scene** as well.

**In 2018, camps with programs rooted in kids’ favorite brands are trending, as are entire camps created around the most popular IPs.**

There are specialty camps that offer **Pokémon** training, **Frozen**-themed musical theater, American Ninja Warrior obstacles, and **Teenage**



*Frozen camps exist across the country, but they aren’t Disney approved*

*\*Source: SMARTY PANTS 2018 BRAND LOVE study*

**Mutant Ninja Turtles** karate. Their **branding makes them more compelling** than generic karate or theater camps.

There are camps that cater to the 66% of kids ages 6-12 who *love or like*\* **Harry Potter**. Campers get to “enter the Hogwarts School of Witchcraft and Wizardry as a student” and make wands, duel, create potions, and compete in Quidditch matches, according to camp literature.



*Campers learn how to sand, stain, and drill magic wands at one of many Harry Potter camps*

The 70% of young kids and tweens who are 2018 **Star Wars** fans (*love or like*)\* can spend weeks practicing Jedi training and strategizing how to infiltrate battle stations.



*A martial arts school in LA offers a Star Wars-themed summer camp*

Because there are so many, parents can shop for the best **Star Wars**-themed camps on sites ranging from **Pinterest** to Summercamps.com.

In years past, Lucasfilm tapped this opportunity and created a toolkit specifically designed for camps that are looking to add the franchise’s wonder to their programming.



**Most IP-driven camps, however, are not licensed.** As the LEGO-based Bricks 4 Kidz camp franchise reminds families on its site: “LEGO® and DUPLO® are registered trademarks of the LEGO® Group of companies which does not sponsor, authorize or endorse these programs or this web site.” But most camps don’t even include these disclaimers.

Branded camps are a clever way for camp creators to inspire kids and generate revenue. They are also **a great opportunity for brands to create a memorable connection** with young fans and their families. There is **considerable whitespace for camp gear, supplies, apparel, content, and, most importantly, brand-building experiences.** At bare minimum, there is **opportunity for companies to better control the use of owned IPs and drive incremental revenue** via bundled camp solutions.



### **No time for a vacation**

Understanding the evolution of summer camps provides marketers with a snapshot of **what kids and families value** and **how they are willing to spend** their money. In 2018, **camp trends reveal**

**desires for intellectual growth, hyper-personalized experiences, inclusivity, pampering, and brand endorsements.**

The growth in day and overnight camps also speaks to **families’ desires to keep kids stimulated and connected all year round.**

For marketers, **a litany of opportunities exists to create products and programs** that delight kids and families during the summer months. **Summer is perhaps an even bigger opportunity for brands than holiday or back-to-school, as the competitive “noise” is lower and the immersive opportunities are greater.**

Brands are encouraged to **rethink youth and family marketing models that assume back-to-school and holiday heavy-ups and summer dormancy.** There’s a **growing summertime shopping season** as kids gear up for and attend camp. And creating content and experiences for camps is a **brilliant way to build a lasting connection** with a highly captive audience—one that has not only opted in to a brand relationship but is willing to pay for it.

**SP**

