

Calls to scrap Instagram for Kids threatens Facebook's largest user growth area

Article

State attorneys general from 44 states and territories **sent** a letter to Mark Zuckerberg this week urging him to scrap **plans** for a version of Instagram aimed at children younger than 13.

Citing a litany of privacy and developmental health data, the letter claimed Facebook's plan to create a platform where children are encouraged to share content online would run counter to children's interests. The state AGs also expressed concern over the type of content shared on such a platform and said young users do not have "a developed understanding of privacy." The letter comes on the heels of similar letters from child safety **advocates** and Democratic **lawmakers** expressing "serious concerns" over Facebook's ability to protect the privacy and health of users.

Lawmakers and advocates claim social media aimed at children can have a deleterious effect on children's mental health. A 2019 article **published** in The Lancet studying English children between ages 13–16 determined frequent social media use predicted lower levels of well-being, especially among young girls. Another more recent study of US adolescents from the University of Georgia **suggests** increased time spent on social media may be linked to increased cyberbullying. Although Facebook technically **prohibits** children under 13 from creating profiles on its apps, the company's own **research** has shown 81% of US parents claim their children begin using social media between ages 8–13.

Young users are Instagram's fastest-growing demographic, which presents Facebook with an enticing solution to its shrinking growth opportunities. Despite **reporting** an increase in total monthly active users across its family of apps over the last quarter, Facebook and Instagram have both watched their user bases **slow** down or **decline** in recent years. Instagram is running out of new users: It's already reached 76.2% penetration for users ages 25–34, its largest demographic pool, **per** eMarketer's forecast, and penetration in its second-largest pool, users 18–24, is lower but still fairly high at 52.4%. Meanwhile, Instagram's user penetration among children under the age of 11 is less than 5%—however, that same group **grew** by 8.9% in 2020, the largest growth of any age cohort. Looking to the future, this youngest demographic represents one of the last areas from which Instagram can fuel new user growth.

However, Facebook's deteriorating consumer trust and scrutiny from regulators may force it to ditch Instagram for Kids and explore new, non-user-based growth models. Just 3.4% of US adults **surveyed** by eMarketer and Bizrate last June said they would trust Facebook with their personal information. This pervasive lack of trust has accompanied a wave of regulatory scrutiny which together could bury the child version of Instagram long before it even launches. If that happens, Facebook may find itself forced to double down its efforts to explore new areas for growth—like **hardware** and **XR**—that aren't dependent on increasing its platforms' user base.

Instagram User Penetration, by Age

US, 2021

% of Population

0-11



12-17



18-24



25-34



35-44



Source: eMarketer, April 2021

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