United States Senate

February 26, 2021

The Honorable Rebecca Slaughter Acting Chair Federal Trade Commission 600 Pennsylvania Avenue, NW Washington, DC 20580

The Honorable Rohit Chopra Commissioner Federal Trade Commission 600 Pennsylvania Avenue, NW Washington, DC 20580 The Honorable Noah Phillips Commissioner Federal Trade Commission 600 Pennsylvania Avenue, NW Washington, DC 20580

The Honorable Christine Wilson Commissioner Federal Trade Commission 600 Pennsylvania Avenue, NW Washington, DC 20580

Dear Acting Chair Slaughter, Commissioner Phillips, Commissioner Chopra, and Commissioner Wilson:

As children increasingly turn to online learning applications during the coronavirus pandemic, education technology companies have greater opportunities to take advantage of them and their families for commercial gain. Children are a uniquely vulnerable population online, and the Federal Trade Commission (FTC) must use all of its authority to protect young internet users, particularly during this period of heavy reliance on distance learning. We write to urge the FTC to investigate evidence that the education technology company Prodigy Education is violating Section 5 of the FTC Act by misleadingly marketing its product as free; manipulating children and families into making purchases; and publishing unsupported claims about its product's educational benefits.¹

Evidence suggests that Prodigy Education deceptively markets its Prodigy Math Game ("Prodigy Math") as free, while bombarding students with advertisements that promote a premium membership, which is not free.² Prodigy Math, which allows users to craft customized characters and "battle" opponents by solving math problems in a fantasy world, is designed for first-through eighth-grade students to play in school and at home. Language on Prodigy Education's website describes the game as "free for students and schools, forever,"³ a statement that appears inconsistent with Prodigy Education's actual business model. Students using the free version of the game are repeatedly prompted to upgrade to the premium version at a yearly price of \$59.88,

¹ *Request for Investigation of Deceptive and Unfair Practices by the Edtech Platform Prodigy*, Submitted to the Federal Trade Commission by the Campaign for a Commercial-Free Childhood (Feb.18, 2021).

 $^{^{2}}$ Id.

³ Main page of Prodigy's website, PRODIGY, https://www.prodigygame.com/main-en/ (last visited Feb. 21, 2021).

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if paid all at once, or \$107.40, if paid in monthly installments.⁴ Though Prodigy Education states that the educational content is the same for premium members and non-premium members, there are fundamental differences between the experiences of students who use the free version instead of the premium version of the platform. For example, according to experts, students without a premium membership can see up to four times more advertisements than math problems during their time playing the game.⁵ Because educators see a version of the platform without advertisements, they may unknowingly assign students to use a platform that applies commercial pressure on students and their parents, and delivers many more advertisements. Prodigy Education markets Prodigy Math as a free platform, but this claim appears to be incomplete, misleading, and inconsistent with the company's business practices.

Additionally, Prodigy Education appears to unfairly manipulate its young users into pressuring their parents to pay for a premium membership by employing design features that persuade and even shame children. While using Prodigy Math, students can see who has a premium membership and who does not. Prodigy Math appears to apply social pressure on children by constantly showing students without a membership the items their friends with a membership are purchasing and by prompting students to buy a membership in order to "keep up."⁶ Students can easily see who has a premium membership and who does not, based on the avatars in the game. The avatar of a student with a premium membership floats on a cloud and has the letter "M" by the username, while the avatar of a student without a membership walks on a dirt path.⁷ Prodigy Math also allows students without a membership are less capable at solving math problems than are students with a membership.⁸ These manipulative features are particularly concerning given that they are part of a platform that purports to be educational and enriching for children.

Relatedly, while Prodigy Education advertises its platform as an effective math teaching tool that improves students' math scores, recent investigations find that the company's claims may be misleading. Prodigy Education characterizes Prodigy Math as "a powerful platform for math instruction and supplementation."⁹ However, research from Johns Hopkins University found a "lack of remediation and actual teaching provided by Prodigy."¹⁰ Prodigy Math apparently does not instruct students in math; rather, it only provides math questions, casting doubt on the company's claim that it is an effective teaching tool. Moreover, Prodigy Education makes several claims that would reasonably lead a parent or teacher to attribute educational gains to

⁴ *Request for Investigation, supra* note 1, at 1.

⁵ *Id*. at 8.

⁶ *Id*. at 13.

 $^{^{7}}$ *Id.* at 12-13.

⁸ Id.

⁹ "Learn more" page under the "Administrators" tab, PRODIGY, https://www.prodigygame.com/main-en/admin/ (last visited Feb. 21, 2021).

¹⁰ Jennifer Morrison et al., *An Evaluation of Prodigy: A Case-Study Approach to Implementation and Student Achievement Outcomes*, JOHNS HOPKINS (Jan. 2020), http://jhir.library.jhu.edu/handle/1774.2/62841.

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students' use of the platform.¹¹ However, Prodigy Education does not appear to have sufficient basis for these assertions due to a lack of reliable scientific evidence.¹² For instance, in support of a claim that "Texas schools saw an average 12.39-point improvement on standardized test scores — double the improvement seen in those who did not use Prodigy,"¹³ Prodigy Education provided a case study based on its own analysis that apparently did not control for other factors that could have resulted in improved test scores.¹⁴ Prodigy Education appears to consistently lead consumers to draw stronger conclusions about Prodigy Math's effectiveness than the evidence supports and buries important caveats and qualifications about its claims. These apparent misrepresentations warrant investigation by the Commission.

The FTC has a statutory obligation to protect consumers from unfair and deceptive practices. That responsibility is all the more urgent when the potential victims of such practices are children. We request that you initiate an investigation into Prodigy Education as soon as possible. Thank you for your attention to this matter.

Sincerely,

Edward J. Markey United States Senator Kathy Castor Member of Congress

¹¹ *Request for Investigation, supra* note 1, at 15-20.

¹² Id.

¹³ "Research" page under the "Administrators" tab, PRODIGY, https://www.prodigygame.com/main-en/research (last visited Feb. 21, 2021).

¹⁴ How Prodigy helped more Texas students succeed, PRODIGY (May 10, 2018), https://prodigy-

website.cdn.prismic.io/prodigy-website/c290f944-43d1-4406-853a-8913e3db73f9_Prodigy-Case-Study.pdf (last visited Feb. 21, 2021).