



ALCOHOL ADVERTISING: THE EFFECTIVENESS OF CURRENT REGULATORY CODES IN ADDRESSING COMMUNITY CONCERN

DRAFT REPORT

February 2014

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The Australian National Preventive Health Agency

The Australian National Preventive Health Agency (the Agency) was established on 1 January 2011 by the *Australian National Preventive Health Agency Act 2010*, to strengthen Australia's investment in preventive health and help turn the tide on the rising prevalence of preventable chronic diseases.

The Agency supports the development and implementation of evidence-based approaches to preventive health initiatives. Its initial focus, as requested by Commonwealth and state and territory Health Ministers, is to target obesity (including physical inactivity), harmful alcohol consumption and tobacco.

In partnership with all Australian governments, and co-operating with industry, NGOs and health experts, the Agency is driving the national capacity for change and innovation around preventive health policies and programs and is committed to improving health outcomes for all Australians. Further information about the Agency can be obtained at www.anpha.gov.au.

Draft Report

This Draft Report is published to enable stakeholders to input into the Review of the Effectiveness of Current Regulatory Codes on alcohol advertising in addressing community concerns about harmful consumption of alcohol.

This Review of alcohol advertising was agreed by Commonwealth, state and territory Health Ministers in the Agency's Operational Plan 2012-13.

An Issues Paper entitled *Alcohol Advertising: The effectiveness of current regulatory codes in addressing community concerns* was released at the end of 2012 with an invitation for stakeholders to present their views to the Agency. The Issues Paper and submissions are available on the Agency's website (www.anpha.gov.au), while a list of submissions is at Appendix B of this Draft Report. The current Draft Report builds further on the research done to inform the Issues Paper and takes account of the information provided in the submissions received.

Technical expertise on the evidence presented in this Draft Report was provided by members of the Agency's Expert Committee on Alcohol, Chaired by Professor Margaret Hamilton AO. For information, the full list of members of the Expert Committee on Alcohol (ECA) is at Appendix A. It should be noted that all draft recommendations in this Draft Report are those of the Agency, and do not necessarily represent the opinions of ECA members.

This Draft Report does not represent the views of governments who consider the Agency's advice and formulate policy subsequent to a Final Report. The Final Report is due to be provided before June 2014. Once comments on the Draft Report (see above) have been considered, the Agency will provide the Final Report to the Commonwealth Minister for Health.

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How to make a submission

Any interested person or organisation can make a written submission to the Agency by email. Submissions may be long or short and do not have a fixed template. For example, you may wish to provide a short letter outlining your views on the Draft Report or an in-depth document. Supporting documents may be provided as attachments.

It is preferable that all submissions are provided as public documents. However, if requested, the Agency can accept confidential submissions – or parts of submissions (for example: submissions containing sensitive information of a personal or commercially confidential nature). Parts of submissions which are not confidential should not seek to be classed as such and will not be accepted by the Agency. Please contact the Agency prior to sending your confidential submission.

Submissions will be placed on the Agency's website shortly after receipt, unless the Agency has been informed that the submission is confidential. Submissions will remain on the Agency's website indefinitely. For submissions made by individuals, all personal details other than your name and the State or Territory in which you reside will be removed from your submission before it is published on the website. Where relevant, information contained within the submissions may be referred to in the final report.

The Agency is interested to hear your views on the Draft Report. To participate in this consultation please provide a written submission by email.

Due to accessibility requirement please submit your submission in **MS Word format** (a PDF may be provided in addition if desired) to:

Email: alcoholadvertising@anpha.gov.au
Phone enquiries: (02) 6289 2840

Submissions are due by **5pm Friday 21 March 2014.**

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EXECUTIVE SUMMARY

This Draft Report examines all aspects and forms of alcohol advertising and marketing in Australia to assess whether the current complex mix of self-regulatory, co-regulatory and legislative provisions is serving to adequately protect children and adolescents against exposure to unsuitable content. This review analyses regulatory actions within the broader context of the Australian Government's approach to regulation.

Major national reviews (conducted in 2003 and 2009) on the effectiveness of self-regulation of alcohol advertising, under the auspices of the Council of Australian Governments (COAG), identified significant shortcomings; the implementation of these past recommendations is re-assessed in this Draft Report.

The context for alcohol regulation in Australia

Alcohol-related harm to people of any age remains an issue of ongoing concern for the Australian community and a challenging area for public policy response by Australian governments at all levels. The overall social and economic costs of alcohol misuse to the Australian community are estimated to be in excess of \$15 billion per annum.

As in many areas of medicine and public health, research on the harmful effects of alcohol has provided evidence of both the short-term and long-term health risks of harmful alcohol use. The National Health and Medical Research Council (NHMRC) most recently reviewed this evidence in 2009 and published revised [Drinking Guidelines for Australians](#). These Guidelines recommend that for young Australians under the age of 18 not drinking is the safest option. The NHMRC provides further advice to parents of adolescents that delaying the age of drinking initiation, as long as possible, is important to protect the health and wellbeing of young Australians. The NHMRC's evidence review indicates that the earlier a young person commences drinking, increases both the short-term risks of binge drinking as a young person and the lifelong risks of being a heavy or problem drinker as an adult. However, alcohol consumption among Australian adolescents remains prevalent, with about 31% of boys and 14% of girls aged 15 to 17 years exceeding the adult guidelines for single occasion risk.

Regulators at the state and territory level have moved to address this emerging body of evidence on the risks of alcohol consumption for adolescents. The principal regulatory mechanism for controlling the supply of alcohol in Australia is state and territory liquor licensing legislation that establishes a minimum legal purchasing age for alcohol and where, when and how alcohol may be sold. Over the past decade, five State and Territory Governments (NSW, QLD, TAS, NT, and VIC), have also passed 'secondary supply' legislation to support parents to restrict the supply of alcohol to their adolescent children.

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Community concern regarding children's and adolescents' exposure to alcohol advertising

Harm to children and adolescents from alcohol use is of especial concern to the community; and there is considerable concern that the marketing and advertising of alcoholic beverages is influencing Australian children and adolescents, promoting their earlier initiation of alcohol use (i.e. age at first drink) and contributing significantly to patterns of harmful drinking.

Further published evidence that exposure to alcohol advertising and marketing leads to increased risks for adolescents has become available since the 2009 Review. Evidence demonstrates that children and adolescents are vulnerable to, and influenced by, the messages contained in alcohol advertising. A large body of Australian and international research, including several systematic reviews of longitudinal studies, shows that exposure to alcohol advertising and promotions through a range of channels influences adolescents.

An extensive range of surveys indicates that the Australian community is firmly of the view that young Australians should be protected from alcohol-related harms; the community also supports measures to protect Australian children and adolescents from exposure to alcohol advertising and forms of alcohol advertising that appeal to them.

Alcohol advertising and marketing in Australia

Alcohol advertising in Australia is prominent in traditional media (television, print, radio, outdoor billboards), with the majority of advertising expenditure being on television and outdoor advertising. Broader marketing techniques including sponsorships and digital and social media strategies have seen significant investment in the last decade; marketing in the digital and social media space enables alcohol advertisers to engage and interact with consumers in new ways than were feasible with broadcast marketing tools.

Australians are now exposed to an extensive amount of alcohol advertising through a variety of traditional media, digital media, promotional activities and sponsorships. Evidence indicates that Australian adolescents are exposed to almost the same level of alcohol advertising as adults aged 18-24. Adolescents' exposure to alcohol advertising has changed over time with exposure on traditional media continuing and exposure through digital media increasing rapidly.

Current regulatory arrangements for alcohol advertising and marketing in Australia

One primary aim of Australia's regulatory, co-regulatory and self-regulatory framework is to protect children and adolescents from exposure to unsuitable content including alcohol advertising.

There is some regulation of the **placement** (where and when) of alcohol advertising; this occurs primarily in the Children's Television Standards of the Australian Communications and Media Authority (ACMA) and in the Commercial Television Industry Code of Practice (CTICP), a co-regulatory industry code registered by ACMA. There are also placement restrictions in the self-voluntary code of the Outdoor Media Association.

Regulation of the **content** of alcohol advertising is handled primarily by the self-regulatory Alcohol Beverages Advertising (and Packaging) Code (ABAC) initiated by alcohol producers but with the more recent involvement of alcohol retailers.

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Assessment of current regulatory arrangements

Current regulatory arrangements on the **placement** of alcohol advertising are failing to sufficiently protect children and adolescents and in some cases are facilitating their exposure to alcohol advertising. On television, this exposure is largely as a result of the exemption in the CTICP for broadcast of live sporting events on weekends and public holidays.

The Agency can find no public health rationale for exposing children and adolescents to significant alcohol advertising and promotion on free-to-air television, subscription television and in cinemas before 8.30pm and has made draft recommendations to these media industry bodies to amend or develop codes to this effect.

As in prior reviews, the Agency has found that current self-regulatory arrangements for the **content** of alcohol advertising, while improved, are also failing to adequately protect children and adolescents from alcohol marketing which appeals to them.

The Agency has made a draft recommendation to improve the Alcohol Beverages Advertising (and Packaging) Code, by requesting that the ABAC Scheme Ltd seek authorisation of an improved Code and relevant Rules and Procedures from the Australian Competition and Consumer Commission to ensure that this self-regulatory scheme – controlling much of the alcohol marketing content in Australia – is subject to appropriate public scrutiny and improved transparency, and is able to access a range and hierarchy of sanctions for breach of its code of conduct.

Another draft recommendation to improve the ABAC Code is in relation to the ABAC Scheme's interpretation of the Code provision that alcohol advertisements "not have a strong or evident appeal to children or adolescents"; this interpretation should be reformed to exclude the current narrow interpretation of this clause.

A number of further draft recommendations are made to improve the ABAC Code including extending its coverage to alcohol branded merchandise and alcohol sponsorships. Adolescents currently experience a significant level of exposure to alcohol advertising on digital and social media. The ABAC covers the Internet and needs to assert its coverage to make it comprehensive of any alcohol marketing communication. However, digital and social media remain an ongoing challenge for regulatory response.

Additionally, the Agency makes a draft recommendation to the Australian and State/Territory governments for more systematic monitoring, research, and review of, and reporting on, the effectiveness of regulatory performance in protecting children and adolescents.

A full summary of these draft recommendations is appended to this Executive Summary.

In making this assessment and these draft recommendations, the Agency is mindful that a number of recommendations from previous reviews have yet to be addressed and that this has contributed to the current inadequate regulatory framework to protect children and adolescents.

Therefore, the Agency also recommends that a review of the overall regulatory system (the legislative provisions, co-regulatory instruments and self-regulatory elements) be conducted in 2016. At that time, if the system is still failing to respond, then governments should legislate for a new regulatory regime to control alcohol advertising and marketing to protect Australian children and adolescents.

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DRAFT RECOMMENDATIONS

The Agency's draft recommendations are:

Free TV Australia and the free-to-air television industry:

- 1 Apply to ACMA for an amendment to the Commercial Television Industry Code of Practice (CTICP) to remove the exemption for free-to-air television that allows direct advertising of alcohol products before 8.30pm as an accompaniment to live sport broadcasts on public holidays and weekends; and
On balance, the Agency has not drafted a recommendation to remove the current provision where alcohol products may be advertised on school days between 12 noon and 3pm but welcomes public and industry views on this matter.

The Australian Subscription Television and Radio Association (ASTRA) and the subscription television industry;

- 2 Apply to ACMA for an amendment to the Australian Subscription Television Broadcast Code of Practice to restrict direct advertising of alcohol products on subscription television before 8.30pm and after 5.00am.

The cinema industry:

- 3 Establish immediate voluntary arrangements and then work with ACMA and/or the ACCC to establish a mechanism to introduce a restriction on the direct advertising of alcohol products on-screen in cinemas before 8.30pm and after 5.00am.

The Outdoor Media Association (OMA) and the outdoor advertising industry;

- 4 Apply for ACCC authorisation of the Outdoor Media Association's (OMA) Code of Ethics: Alcohol Advertising Guidelines to enable effective sanctions for enforcement of code decisions, particularly in relation to the placement of advertising material near schools.
- 5 Amend the Outdoor Media Association's (OMA) Code of Ethics: Alcohol Advertising Guidelines to increase the distance of advertising from schools from 150m to 500m.

On specific placement issues, for ABAC Scheme Ltd members:

- 6 Review and revise the ABAC Code and Guidance documents to include and provide specific guidance on alcohol branded merchandise.
- 7 Review and revise the ABAC Code and Guidance documents to include and provide specific guidance on sponsorship of sporting events.
- 8 Review and revise the ABAC Code and Guidance documents to include and provide specific guidance on sponsorship of music, cultural and all other events.

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ABAC Scheme Ltd members on ABAC Code, content and other matters:

- 9 Seek authorisation for a revised ABAC Code and associated Rules and Procedures from the ACCC which include improvements to the code provisions as outlined in draft recommendations below.
- 9.1 Appoint an independent chair to the ABAC Management Committee, who is not associated with the alcohol or marketing communications industries, thus exercising the existing option in the Scheme's rules and procedures.
- 9.2 Rationalise the two separate governance entities responsible for the Scheme, by merging the Board and the Management Committee.
- 9.3 Revise ABAC Annual Report statistics to include an indication of whether advertisements that are subject to complaints and adjudication were or were not pre-vetted.
- 9.4 Undertake significant effort to raise community awareness of the ABAC Scheme and report changes against the current baseline research through further independent research in 2015.
- 9.5 Apply the same pre-vetting requirements to the marketing of wine products as for other alcohol products.
- 9.6 Amend the ABAC Code to insert a provision which brings all forms of alcohol marketing communications under the code's remit – including user generated content where an advertiser is able to exercise some control.

On balance, the Agency has not drafted a recommendation that an appeal process be instituted within the ABAC Scheme, but welcomes public and industry views on whether an independent appeal process should be established.
- 9.7 Institute regular periodic monitoring of alcohol marketing, preferably yearly, and publicly report on this monitoring.
- 9.8 Review and revise ABAC Code adjudication processes to enable any Adjudication Panel Member to raise any potential breach of the Code when examining a complaint irrespective of whether that matter was directly raised by the complainant.
- 9.9 Revise the Code adjudication processes to ensure that the interpretation of the Code Part 1b) complies with the spirit of the Code and not a narrow interpretation of the wording: where an advertisement has strong or evident appeal to children or adolescents, then it should be found to be in breach of the Code irrespective of whether the marketing is also appealing to adults or the community generally or whether the advertisement is deemed not to be directed to children.
- 9.10 Review and revise ABAC Guidance documents to reflect to the alcohol industry and marketing communication stakeholders the appropriate guidance in relation to Code Part 1b) and clarify expectations for appropriate content.
- 9.11 Add new provisions to strengthen and improve clarity around the matter of appeal to children. At minimum, specific prohibitions are required in Part 1 in the areas of:
a) identifiable heroes or heroines of the young; b) cartoon characters and animations appealing to children; c) use of childhood motifs or themes; and in Part 2, to prohibit naming and packaging which would lead to confusion with confectionary or soft drinks.
- 9.12 As part of the code review, examine alternatives for an effective range and hierarchy of sanctions for enforcement of ABAC Code decisions including the options of public lists of firms breaching the code and the nature of the breach, adverse publicity orders (published corrections), financial penalties, and recalls for any products found to be in breach of the packaging and naming provisions of the code.

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State and Territory Governments:

The Agency is considering a recommendation that States and Territories should include reporting on their regulation and enforcement issues of alcohol promotion under liquor licensing legislation in the proposed biannual reporting to COAG. On balance, the Agency has not drafted a recommendation that biannual reporting on alcohol promotions be instituted, but welcomes public, industry and particularly State and Territory Government views on this matter.

The Australian and State and Territory Governments:

- 10 Monitor, research and regularly review Australian children's and adolescents' continued exposure to alcohol advertising, particularly on digital media and the effectiveness of self-regulatory, co-regulatory and legislative measures to limit this exposure and report on this research every two years.
- 11 Establish biennial reporting to the relevant COAG Ministerial Council (currently the Standing Council on Health) on Australian children's and adolescents' exposure to alcohol advertising and the effectiveness of self-regulatory, co-regulatory and legislative measures to limit this exposure.

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ACRONYMS

Acronym	Description
AANA	Association of National Advertisers
AAPS	Alcohol Advertising Pre-Vetting Service
AARB	Alcohol Advertising Review Board
ABAC	Alcohol Beverages Advertising (and Packaging) Code
ABS	Australian Bureau of Statistics
ACCC	Australian Consumer and Competition Commission
ACMA	Australian Communications and Media Authority
ADCA	Alcohol and other Drugs Council of Australia
ADMA	Association for Data-driven Marketing and Advertising
ASC	Advertising Standards Canada
AHA	Australian Hotels Association
AHS	Australian Health Survey
AICR	American Institute for Cancer Research
AIHW	Australian Institute of Health and Welfare
ALSA	Australian Liquor Stores Association
AMA	Australian Medical Association
ANCD	Australian National Council on Drugs
ANPHA	Australian National Preventive Health Agency
APEC	Asia-Pacific Economic Cooperation (Forum)
ASB	Advertising Standards Board
ASTRA	Australian Subscription Television and Radio Association
BAANZI	Brewers Association of Australia and New Zealand
CAD	Commercials Advice
COPOLCO	International Organisation for Standardisation Committee on Consumer Policy
CRA	Commercial Radio Australia
CTICP	Commercial Television Industry Code of Practice
CTS	Children's Television Standards 2009
CPI	Consumer Price Index
DSICA	Distilled Spirits Industry Council of Australia
EIDAA	European Interactive Digital Advertising Alliance
EU	European Union
EASA Charter	European Advertising Standards Alliance
FARE	Foundation for Alcohol Research and Education
FASD	Foetal Alcohol Spectrum Disorder
FFAR	Foundation for Advertising Research
GATT	General Agreement on Tariffs and Trade
GST	Goods and Services Tax
IAB	Interactive Advertising Bureau
IGCD	Intergovernmental Committee on Drugs
ICC	International Chamber of Commerce
ISO	International Organisation for Standardisation
LWA	Living With Alcohol program
MCAAY	McCusker Centre for Action on Alcohol and Youth
MCDS	Ministerial Council on Drug Strategy
MLHD	Murrumbidgee Local Health District
NAAA	National Alliance for Action on Alcohol
NABIC	National Alcohol Beverage Industries Council Incorporated
NCETA	National Centre for Education and Training on Addiction

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NHS	National Health Survey
NATSISS	National Aboriginal and Torres Strait Islander Social Survey
NPHT	National Preventative Health Taskforce
NDRI	National Drug Research Institute
NDSHS	National Drug Strategy Household Survey
NHMRC	National Health and Medical Research Council
OECD	Organisation for Economic Cooperation and Development
OMA	Outdoor Media Association
OTC	Over the counter (medicines)
PAAB	Publishers' Advertising Advisory Bureau
PHAA	Public Health Association of Australia
RTD	Ready-to-drink
ScHARR	School of Health and Related Research, University of Sheffield
SRO	Self-Regulatory Organisation
SRP	Social Reference Pricing
The Agency	Australian National Preventive Health Agency
VAADA	Victorian Alcohol and Drug Association
WCRF	World Cancer Research Fund
WFA	Winemakers' Federation of Australia
WHO	World Health Organization

GLOSSARY OF TERMS

A note on age ranges: Where feasible, this report refers to those aged between 14-17 years inclusive as 'adolescents', while those aged less than 14 years are referred to as 'children'. These definitions generally accord with the categories used by the Australian Association of National Advertisers and the ABAC Scheme. Some studies referenced also use various age groupings or definitions, and these may be referred to as 'young people'. 'Minors' is used when specifically referring to the legal purchasing age (i.e. under 18 years of age).

Adspend: The expenditure on advertising for a product.

Advertising: A component of marketing where a message is conveyed to a target audience through various media.

Alcohol pricing: Alcohol (minimum) pricing is a policy where a minimum price is set for a unit of alcohol, below which it cannot be sold.

Below-the-line marketing: Marketing through sponsorship, point-of-sales promotions, and social media and often focusing on short-term incentives.

Burden of disease: Used to assess and compare the relative impact of different diseases and injuries on populations.

Co-regulation: Where industry develops and administers its own arrangements, but government provides legislative backing to enable the arrangements to be enforced.

Digital marketing: Marketing that makes use of electronic devices such as personal computers, smartphones, tablets and game consoles to engage with potential consumers.

Disability-adjusted life years (DALY): The sum of years of potential life lost due to premature mortality and the years of productive life lost due to disability.

Foetal Alcohol Spectrum Disorders (FASD): A term covering a range of adverse, clinically significant effects caused by exposure to alcohol during pregnancy, including but not limited to growth retardation, facial anomalies and development abnormalities of the central nervous system.

Harm minimisation: actions that aim to address alcohol and other drug issues by reducing the harmful effects of alcohol and other drugs on individuals and society.

Harmful consumption of alcohol: Drinking at levels in excess of the National Health and Medical Research Council's Alcohol Guidelines for long-term harm and/or short-term harm.

Initiation: The age when a person first tries alcohol.

Legal purchasing age: The age at which someone is legally allowed to purchase alcohol as specified in the relevant jurisdiction. In all Australian states/territories this is currently 18 years.

Marketing: The action or business of promoting and selling products or services and involves a wide range of ever evolving promotional activities.

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Outdoor advertising: any type of (usually visual) advertising that reaches the consumer when he or she is outside of the home, such as on billboards or public transport.

Point-of-sale promotions: Placement strategies at retail outlets (e.g. buying a prominent location in-store, providing branded equipment, in-store tastings).

Pourage rights: The rights to sell beverages at a licensed venue or event.

Pre-loading: Where people drink large quantities of alcohol before attending a social event or going out with friends.

Print media: Primarily newspapers and magazines.

Product placement: The practice of embedding a product, brand name or service within a medium such as film, television, music lyrics and videos or videogames.

RTD (or Ready-to-drink): In this report, refers to packaged pre-mixed alcoholic beverages (such as alcopops).

Self-regulation: Characterised by industry-formulated rules and codes of conduct, with industry solely responsible for enforcement.

Social media: The creation and sharing of digital content, and associated interaction, through online social networks.

Sponsorship: financial support given, usually to an entertainment or sporting event, in return for advertising and marketing rights.

Standard drink: A drink containing 10 grams of alcohol (equivalent to 12.5mL of pure alcohol).

Systematic review: A systematic review attempts to identify, appraise and synthesize all the empirical evidence that meets pre-specified eligibility criteria to answer a given research question. Researchers conducting systematic reviews use explicit methods aimed at minimizing bias, in order to produce more reliable findings that can be used to inform decision making.

Traditional media: Free-to-air and subscription television, commercial radio, newspapers, magazines, pamphlets, catalogues; films.

User-generated advertising: Consumer-driven advertising content.

Viral marketing: Where a supplier sends a message to a select number of influential consumers who then pass the message onto others.

CHAPTER 1: ALCOHOL IN AUSTRALIA

Key points

- In 2011-12, four-fifths of Australian adults reported they had consumed alcohol in the past year.
- One in five adults consumed more than two standard drinks per day on average. This level of consumption is associated with a lifetime risk of harm from alcohol-related disease or injury.
- Adults aged 18-24 are more likely to drink at harmful levels than the rest of the adult population and males are more likely to drink at harmful levels than females.
- Just over two thirds of adults aged 18-24 reported they had, on at least one occasion in 2011-12, consumed alcohol at a level placing them at risk of injury in the past year.
- In contrast to single occasion risk episodes, daily drinking rates are higher among older Australian adults than younger Australians.
- Current NHMRC drinking guidelines say that for children and young people under 18 years of age, not drinking alcohol is the safest option.
- However, alcohol consumption among adolescent Australians is prevalent, with about 31% of males and 14% of females aged 15 to 17 years exceeding the adult guidelines for single occasion risk.
- Harmful consumption of alcohol is associated with estimated social and economic costs to the Australian community in excess of \$15 billion annually.

1.1 Introduction

Alcohol in Australia is associated with social and recreational activities, celebration and cultural ceremonies. For example, in 2011-12 about four-fifths of Australians aged 18 years and over had consumed alcohol in the past year.

The total value of alcohol produced in 2009-10 in Australia was \$10,383 million with a value added (i.e. measure of the economic activity involved in an industry) of \$3,356 million. The specific taxes on alcohol raised \$3,853 million in tax in 2009-10, 1.3 per cent of revenue, while the alcohol industry employed over 20,000 people.¹ However, alcohol consumption is associated with a range of adverse effects (and some benefits) which has led to governments enacting various harm-minimisation policies and programs.

This chapter provides an overview of alcohol consumption and alcohol-related harm in Australia as follows:

- Recommended guidelines on alcohol use;
- Current alcohol consumption patterns in Australia;
- The harms (to the individual, society and the economy) resulting from these patterns of use; and
- Current measures to reduce alcohol-related harm.

¹ Richardson, D. (2012) The Liquor Industry, Technical Brief No. ISSN 1836-9014, The Australian Institute - Research that matters, Canberra ACT.

1.2 Alcohol guidelines

The National Health and Medical Research Council (NHMRC) defines the harmful consumption of alcohol as drinking at levels that are more likely to cause injury or ill health. The NHMRC's *Australian Guidelines to Reduce Health Risks from Drinking Alcohol*² are based on calculations of the risk of alcohol-related harm.

The Guidelines (referenced throughout this chapter) recommend that:³

Guideline 1: For healthy men and women, drinking no more than two standard drinks on any day reduces the **lifetime risk** of harm from alcohol-related disease or injury;

Guideline 2: For healthy men and women, drinking no more than four standard drinks on a **single occasion** reduces the risk of alcohol-related injury arising from that occasion;

Guideline 3: For children and young people under 18 years of age, not drinking alcohol is the safest option; and

Guideline 4: For women who are pregnant, planning a pregnancy or breastfeeding, not drinking is the safest option.

1.3 Patterns of harmful consumption

Many drinkers consume alcohol responsibly, however, a substantial proportion of drinkers in Australia consume alcohol at a level that is considered to increase their risk of alcohol-related harm.⁴ The 2011-12 results from the National Health Survey (NHS) component of the Australian Health Survey (AHS) found that:

- 19.4% of adults consumed more than two standard drinks per day on average, exceeding the NHMRC lifetime risk guidelines. This proportion was similar to 2007-08, when 20.9% of Australian adults exceeded the guidelines.⁵
- 44.7% of Australian adults had on a single occasion consumed more than four standard drinks at least once in the past year, exceeding the NHMRC single occasion risk guidelines.
- Males were more likely than females to drink alcohol in a way that increased their risk of harm from a single occasion of drinking.
- Young adults were much more likely than older adults to report consuming more than four standard drinks on a single occasion at least once in the past year, placing them at a higher risk of injury (Figure 1).⁶
- About 75% of males aged 18-24 reported alcohol consumption patterns that placed them at single occasion risk in the past year, compared to 13 per cent of those aged 75 years and older. For females this ranged from almost 60 percent of those aged 18-24 years to only two percent of those aged 75 and over.⁷

² National Health and Medical Research Council (2009) *Australian Guidelines to Reduce Health Risks from Drinking Alcohol*. Canberra: Commonwealth of Australia

³ Ibid.

⁴ Ibid.

⁵ ABS (2013) 4364.0.55.001- *Australian Health Survey: First Results, 2011-12*

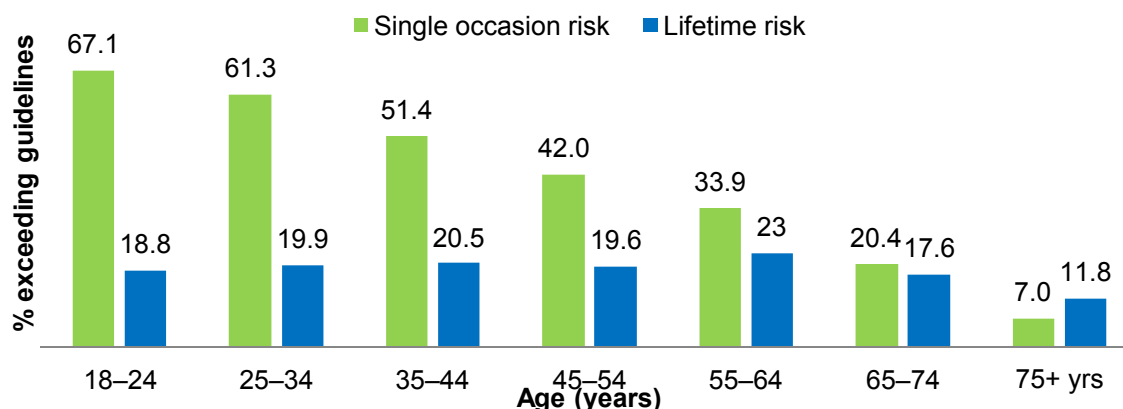
⁶ Ibid.

⁷ Australian National Preventive Health Agency (2013) *State of Preventive Health Report 2013*. Canberra, ANPHA.

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Figure 1: Proportion of people that drank in excess of 2009 NHMRC Guideline 1 for Lifetime risk and Guideline 2 for Single occasion risk, by age, 2011–12 (aged 18+)



Source: Australian Bureau of Statistics⁸

NHMRC alcohol guidelines recommend that for people under 18 years of age, not drinking alcohol is the safest option to reduce the risk of injury and ill health in the short and long term. The NHMRC notes that: “Guideline 3 is based on an assessment of the potential harms of alcohol for this age group, as well as a range of epidemiological research that indicated that alcohol may adversely affect brain development and be linked to alcohol related problems later in life.”⁹

Despite the NHMRC guideline, the most recent survey of alcohol consumption data for school students reported that approximately three in every four Australian secondary students aged between 12 and 17 years had tried alcohol at some time and 51 per cent reported that they had consumed alcohol in the past year.¹⁰

The proportion of adolescents (aged 15 – 17 years) who reported alcohol consumption that placed them at single occasion risk of injury at least once in the past year (2011-12) was about 31 per cent for males and 14 per cent for females.¹¹ This is of concern as the earlier adolescents start drinking increases the risk of heavier alcohol use later in life.¹²

The proportion of current drinkers (reporting alcohol consumption in the seven days prior to the survey) increased with age from eight per cent of 13-year-olds to 37 per cent of 17-year-olds. The proportion of students aged between 12 and 17 years reporting drinking in 2011 was lower than the levels found in the 2008 and 2005 surveys.¹³

⁸ ABS (2013) 4364.0.55.001 - *Australian Health Survey: First Results, 2011-12*

⁹ National Health and Medical Research Council (2009) *Australian Guidelines to Reduce Health Risks from Drinking Alcohol*. Canberra: Commonwealth of Australia

¹⁰ White, V., Bariola, E. (2012). Australian secondary school students' use of tobacco, alcohol, and over-the counter and illicit substances in 2011. Centre for Behavioural Research in Cancer. The Cancer Council Victoria

¹¹ Australian National Preventive Health Agency (2013), *State of Preventive Health 2013*. Canberra: ANPHA.

¹² University of Sheffield (2008) *Independent review of the effects of alcohol pricing*, Project report for the Department of Health

¹³ Australian National Preventive Health Agency (2013), *State of Preventive Health 2013*. Canberra: ANPHA.

The average age of first drinking alcohol for Australians aged 14-24 is 14 years and 8 months. This has remained relatively stable since 2001¹⁴ but is still at odds with the NHMRC guidelines. The majority of people under 18 years report that they were supplied the alcohol by a friend or acquaintance.¹⁵

1.4 Alcohol-related harm among sub-populations

Alcohol provides a range of benefits and costs on both individuals and society more generally. Used responsibly, benefits include the enjoyment and pleasure gained from consumption. However, alcohol consumption is associated with a range of harms that can affect the individual drinker, other people and the wider community (the latter two categories often described as harm to others). Harm to the individual includes impacts on health and wellbeing, while harm to others encompasses a wide range of social impacts including to public safety (drink driving, violence and antisocial behaviour) and to the health and wellbeing of others.

As shown in Figure 1 above, there are substantial differences in harmful drinking patterns by age. Some population groups face disproportionate harms when consuming alcohol as discussed below.

Population-level harm

The World Health Organization states that harmful use of alcohol has a major impact on public health. It is currently ranked as the third leading risk factor for disease and disability in the world,¹⁶ and is responsible for 4.9 million global deaths each year and 5.5 per cent of global disability-adjusted life years.¹⁷

Within Australia, alcohol consumption accounted for 3.2 per cent of the total burden of disease (4.9 per cent in males and 1.6 per cent in females) in 2003, the last year for which a national burden of disease analysis was conducted.¹⁸ The burden of alcohol-related disease among Aboriginal and Torres Strait Islander people was estimated to be almost double the burden experienced by other Australians,^{19,20} although rates of abstinence are slightly higher than among non-Indigenous people²¹.

Alcohol use is associated with a wide range of chronic and acute health harms including: alcohol abuse, cardiovascular disease, cancer, liver disease, diabetes and injuries from assault, falls and other causes.²² Two-thirds of the harms attributable to alcohol were the result of alcohol abuse, road traffic accidents and suicide.²³

¹⁴ Australian Institute of Health and Welfare (AIHW) (2011). *2010 National Drug Strategy Household Survey report*. Drug statistics series no. 25. Cat. no. PHE 145. Canberra: AIHW.

¹⁵ Australian Institute of Health and Welfare (AIHW) (2011). *2010 National Drug Strategy Household Survey report*. Drug statistics series no. 25. Cat. no. PHE 145. Canberra: AIHW.

¹⁶ WHO (2011) Is harmful use of alcohol a public health problem? <http://www.who.int/features/qa/66/en/index.html>

¹⁷ Lim, S.S. *et al* (2012). A comparative risk assessment of burden of disease and injury attributable to 67 risk factors and risk factor clusters in 21 regions, 1990–2010: a systematic analysis for the Global Burden of Disease Study 2010. *Lancet*, 380: 2224–60

¹⁸ Begg, S. *et al*. (2007). *The burden of disease and injury in Australia 2003*. PHE 82. Canberra: AIHW.

¹⁹ ABS (2010) *Apparent Consumption of Alcohol: Extended Time Series, 1944-45 to 2008-09*. Canberra: Australian Bureau of Statistics

²⁰ Wilson, M. *et al*. (2010) *The harmful use of alcohol amongst Indigenous Australians*. Retrieved 19 April 2012 from: <http://www.healthinfonet.ecu.edu.au/health-risks/alcohol/reviews/our-review>

²¹ ABS (2013). 4727.0.55.001 - Australian Aboriginal and Torres Strait Islander Health Survey: First Results, Australia, 2012-13.

²² National Health and Medical Research Council (2009) *Australian Guidelines to Reduce Health Risks from Drinking Alcohol*. Canberra: Commonwealth of Australia

²³ *Ibid*.

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Between 1996 and 2005 an estimated 32,696 Australians aged 15 years and older died from alcohol-attributable injury and disease caused by harmful alcohol use. Over the same period (1996-2005) 813,072 people aged 15 years and older were hospitalised for alcohol-attributable injury and disease. A major cause of death was alcoholic liver cirrhosis, whilst the most common reasons for hospitalisation were alcohol dependence, falls and assaults.²⁴

There is also increasing evidence that low levels of alcohol consumption are associated with other chronic health conditions, such as cancer (see Box 1).

Box 1: Alcohol and cancer

The International Agency for Research on Cancer classifies alcohol as a group 1 carcinogen.²⁵ The most recent comprehensive review of the scientific evidence by the World Cancer Research Fund (WCRF) and the American Institute for Cancer Research (AICR) concluded that there is convincing evidence that alcohol is a cause of cancer of the mouth, pharynx, larynx, oesophagus, bowel (in men) and breast (in women), and probable evidence that alcohol increases the risk of bowel cancer (in women) and liver cancer. Convincing evidence as classified by the WCRF and AICR is the strongest level of evidence and denotes a causal relationship.²⁶

The risk of these cancers has been found to increase with the amount of alcohol consumed, and even low-to-moderate levels of alcohol consumption increase the risk of some cancers (such as breast cancer).^{27,28}

It is estimated that long-term chronic alcohol use contributes to between 2,182 and 6,620 new cases of cancer in Australia each year.²⁹

Harms related to drinking alcohol when pregnant

The NHMRC alcohol Guideline 4 recommends that for women who are pregnant or planning a pregnancy, not drinking is the safest option.³⁰ A recent report³¹ based on data from the 2010 National Drug Strategy Household Survey found that:

- 47 per cent of women drank while pregnant, before knowledge of their pregnancy;
- 20 per cent of women drank while pregnant, after knowledge of their pregnancy; and
- women who were older and with a higher household income were more likely to continue drinking after learning of their pregnancy.

Drinking alcohol during pregnancy has been linked with preterm birth, low birth weight and Foetal Alcohol Spectrum Disorders (FASD).³² FASD is an umbrella term that refers to a

²⁴ Pascal, R., Chikritzhs, T. & Jones, P (2009). Trends in estimated alcohol-attributable deaths and hospitalisations in Australia, 1996 – 2005. *National Alcohol Indicators*, Bulletin No. 12. Perth: National Drug Research Institute, Curtin University of Technology.

²⁵ World Health Organization; International Agency for Research on Cancer. IARC monographs on the evaluation of carcinogenic risks to humans. Vol. 44. Alcohol drinking. Summary of data reported and evaluation. Lyon: IARC, 1988. <http://monographs.iarc.fr/ENG/Monographs/vol44/volume44.pdf>

²⁶ Ibid.

²⁷ World Health Organization (2011) Global status report on alcohol and health. WHO Press: Geneva.

²⁸ Nelson, D.E. *et al* (2013). Alcohol-Attributable Cancer Deaths and Years of Potential Life Lost in the United States. *American Journal of Public Health*, published online 14 February 2013.

²⁹ Cancer Council Australia Position Statement: Alcohol and cancer prevention. Accessed 24 March 2013 via http://wiki.cancer.org.au/prevention/Position_statement_-_Alcohol_and_cancer#bibkey_Winstanley2011

³⁰ National Health and Medical Research Council (2009) *Australian Guidelines to Reduce Health Risks from Drinking Alcohol*. Canberra: Commonwealth of Australia

³¹ Callinan, S and Room, R (2012). *Alcohol consumption during pregnancy: Results from the 2010 National Drug Strategy Household Survey*. Foundation for Alcohol Research and Education.

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range of adverse effects caused by exposure to alcohol during pregnancy. FASD encompasses a range of clinically significant effects, some of which include growth retardation, facial anomalies and development abnormalities of the central nervous system. The risk of FASD increases with greater exposure to alcohol,³³ and although the risks of low-level drinking are likely to be low, a 'safe' or 'no-effect' level has not been established.³⁴ This uncertainty is reflected in the NHMRC Guideline noted above.

Harms related to alcohol use during childhood and adolescence

A wide range of evidence concludes that alcohol use before the age of 18 years is particularly harmful, and increases the risk of a range of alcohol-related harms, from injury to alcohol abuse and health impacts in later life.

Guideline 3 of the NHMRC Alcohol Guidelines recommends that for children and young people under 18 years of age, not drinking alcohol is the safest option. The NHMRC advises that the risk of accidents, injuries, violence and self-harm are high among drinkers aged under 18, and young people who drink are more prone to risky and antisocial behaviour than older drinkers. In addition, the NHMRC notes that "earlier initiation of drinking is related to more frequent and higher quantity alcohol consumption in adolescence, and these patterns are in turn related to the development of alcohol-related harms in adolescence and adulthood".³⁵ The NHMRC Alcohol Guidelines advise that:

- Parents and carers should be advised that children under 15 years of age are at the greatest risk of harm from drinking and that for this age group, not drinking alcohol is especially important.
- For young people aged 15–17 years, the safest option is to delay the initiation of drinking for as long as possible.

Early alcohol initiation (before age 15) and high levels of consumption in adolescence are associated with a range of negative outcomes. In the short-term, negative outcomes include: violence, accidents, reckless driving, physical injury, depression, school absenteeism, decreased academic performance, initiation of drug use, suicide, risky sexual behavior, sexual assault and unplanned pregnancies.^{36,37,38,39}

Longitudinal research has concluded that the younger the age of drinking onset, the greater the chance of alcohol dependence later in life,⁴⁰ as well as greater chance of heavy alcohol use later in life.⁴¹ Adolescents with heavier consumption in their mid-teens tend to be the ones with heavier consumption, alcohol related harm, poorer mental health and poorer education outcomes in adulthood.⁴²

³² Ibid.

³³ Commonwealth of Australia (2012). *FASD: The hidden harm. Inquiry into the prevention, diagnosis and management of Fetal Alcohol Spectrum Disorders*. House of Representatives Standing Committee on Social Policy and Legal Affairs. Canberra

³⁴ Australian Government Preventative Health Taskforce (2009) *Australia: The Healthiest Country by 2020. Technical Report 3, Preventing alcohol-related harm, a window of opportunity*. Commonwealth Government of Australia.

³⁵ National Health and Medical Research Council (2009) *Australian Guidelines to Reduce Health Risks from Drinking Alcohol*. Canberra: Commonwealth of Australia

³⁶ Best, D., et al. (2006). Excessive drinking and other problem behaviours among 14-16 year old children. *Addict Behav.* 31: 1424-1435.

³⁷ Anderson, P., Kochanek, K., and Murphy, R. (2009). Impact of alcohol advertising and other media exposure on adolescent alcohol use: a systematic review of longitudinal studies. *Alcohol and Alcoholism.* 44(3): 229-243

³⁸ Australian Medical Association (2012). *Alcohol Marketing and Young People: Time for a new policy agenda*. Canberra, Australia

³⁹ Bonomo, Y et al.(2001). Adverse outcomes of alcohol use in adolescents. *Addiction* 96: 1485 – 1496.

⁴⁰ Hingson, R. et al. (2006). Age at drinking onset and alcohol dependence: Age at onset, duration, and severity. *Archives of Pediatrics & Adolescent Medicine*, 160(7), 739–46.

⁴¹ Liang, W., Chikritzhs T. (2012) The association between age at first use of alcohol and alcohol consumption levels among adult general drinking population. *Journal of Public Health*, 20(6):615-620. DOI10.1007/s10389-012-0502-2

⁴² Jefferis, B. et al. (2005) 'Adolescent drinking level and adult binge drinking in a national birth cohort.' *Addiction* 100, pp. 543-549.

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Childhood and adolescence are important periods for brain development. During this time the brain is more susceptible to alcohol-induced damage and heavy alcohol consumption can permanently impair brain development.⁴³

Evidence suggests that adolescents' drinking behaviours are difficult to control compared with older drinkers as they have no context or reference point for assessing or regulating their drinking.⁴⁴ Younger adolescents are smaller than adults and will have much higher blood concentrations after drinking small amounts of alcohol when compared to adults who have consumed a similar amount.⁴⁵

Harmful alcohol use among young adults

Young adults (18-24 years) are more likely to consume alcohol in a pattern that places them at risk of short term harm than any other age group. The most recent data indicates that over two thirds of 18-24 year olds report consumption levels that place them at risk of injury at least once in the past year.⁴⁶ Alcohol is associated with many of the causes of mortality and hospitalisations among this age group, including unintentional injuries.⁴⁷

Box 2: Pre-loading

Young people report drinking alcohol prior to going out, which means they may already be intoxicated when they arrive at organised events. This pattern of consumption has become known in both common parlance and the research literature as 'pre-loading'.⁴⁸

Interviews conducted with young drinkers in two recent Australian studies suggest that the price differential between packaged liquor and alcohol purchased in licensed venues is a significant factor influencing pre-loading. For example:

'Interviewees...reported high levels of pre-loading and reported that they did this primarily because of price. (p.170)'⁴⁹. Interview participants explained that they pre-load because it is cheaper to buy alcohol from bottle shops than from clubs and pubs, particularly alcoholic-energy drinks, wine and alcopops.

While there is limited research available on pre-loading in Australia, the available evidence suggests that it is becoming both more common and more intense. A recent Australian study found a "strong relationship between pre-drinking and 'extreme bingeing'", (with 'extreme bingeing' being defined as consuming 11 or more standard drinks in a session at least once a month over the last year). Such extreme bingeing increases the risk of injury and accidents.⁵⁰

⁴³ Hickie, I. (2009). *Alcohol and the Teenage Brain: Safest to keep them apart*. Brain & Mind Research Institute, University of Sydney, Australia.

⁴⁴ Livingston, M., & Room, R. (2009) 'Variations by age and sex in alcohol-related problematic behaviour per drinking volume and heavier drinking occasion', Drug and Alcohol Dependence, vol. 101, no. 3. pp. 169–175.

⁴⁵ National Institute on Alcohol Abuse and Alcoholism (2011) *Alcohol Screening and Brief Intervention for Youth, A Practitioners Guide*, National Institute of Health, Department of Health and Human Services, USA.

⁴⁶ Australian National Preventive Health Agency 2013. *State of Preventive Health Report 2013*. Canberra, ANPHA.

⁴⁷ AIHW (2011). *2010 National Drug Strategy Household Survey report*. Drug statistics series no. 25. Cat. no. PHE 145. Canberra: AIHW.

⁴⁸ Miller P (2013) Patron Offending and Intoxication in Night-Time Entertainment Districts (POINTED). NDLERF Monograph Series No. 46. http://www.ndlerf.gov.au/pub/Monograph_46.pdf.

⁴⁹ National Drug Law Enforcement Research Fund (NDLERF) (2012). Dealing with alcohol-related harm and the night-time economy – Final Report. Accessed 17 March 2013, http://www.ndlerf.gov.au/pub/Monograph_43.pdf

⁵⁰ Turning Point Alcohol and Drug Centre (2012). *Preloading booze danger*. Media release, accessed 17 March 2013, http://www.turningpoint.org.au/Media-Centre/Latest_News/Experts-warn-against-alcohol-preloading.aspx

Harmful alcohol use among older people

The incidence of daily drinking generally increases with age, with those aged 70 and older the most likely to drink daily (18 per cent of males and 12 per cent of females).⁵¹ While older drinkers may derive some health benefits from light to moderate alcohol consumption (one to two drinks per day), some individuals may be at increased risk from alcohol consumption.⁵² Older people may be less tolerant of alcohol, may have the presence of co-morbid conditions and may experience adverse interactions with medication. Further, alcohol can increase the risk of falls and fall-related injury.⁵³

1.5 Community concerns about alcohol related harm

The harmful consumption of alcohol does not only impact on the individual drinker. Harmful alcohol consumption impacts on families and the wider community through behaviour that can be exacerbated by alcohol intoxication. Alcohol intoxication is associated with increased public violence and anti-social behaviour. Intoxication has also been associated with increased vandalism, child abuse, domestic violence, road accidents, and decreased workplace productivity.⁵⁴ There is significant evidence that these harms to others are of concern. For example:

- A survey found that 70 per cent of Australians felt affected by a stranger's drinking in the previous 12 months, experiencing nuisance, fear or abuse. Thirty per cent reported negative effects from the drinking of someone close to them. Young adults were more likely to be negatively affected than other groups.⁵⁵
- Australian research estimates that a significant proportion of assaults involve alcohol (ranging from 23 to as much as 73 per cent of all assaults).⁵⁶ One estimate indicates that in 2005, 70,000 Australians were victims of alcohol-related assault, of which 24,000 were victims of domestic violence.⁵⁷
- The 2010 National Drug Strategy Household Survey reported that between 2007 and 2010 there was a statistically significant increase in the proportions of victims of alcohol-related physical abuse (from 4.5% to 8.1%) and of being 'put in fear' by someone affected by alcohol (from 14.1 per cent in 2007 to 15.8 per cent in 2010).⁵⁸ Further, it was reported that recent drinkers were more likely to experience verbal abuse (26.5 per cent) and physical abuse (8.9 per cent) by someone under the influence of alcohol.

1.6 Economic costs of harmful alcohol consumption

A range of costs and benefits are associated with alcohol consumption. For example, the economic benefit of alcohol is articulated by the WHO as follows:

"Production, distribution, marketing and sales of alcohol create employment and generate considerable income for economic operators and tax revenue for

⁵¹ AIHW (2011). *2010 National Drug Strategy Household Survey report*. Drug statistics series no. 25. Cat. no. PHE 145. Canberra: AIHW.

⁵² National Health and Medical Research Council (2009) *Australian Guidelines to Reduce Health Risks from Drinking Alcohol*. Canberra: Commonwealth of Australia

⁵³ Ibid.

⁵⁴ Tobin, C., et al. (2011) A review of public opinion towards alcohol controls in Australia. *BMC Public Health*. 11:58

⁵⁵ Laslett, A-M, et al (2011). Surveying the range and magnitude of alcohol's harm to others in Australia. *Addiction* 106: 1603-1611

⁵⁶ Australian Institute of Criminology. (2009) *Key issues in alcohol-related violence*. Research in practice no. 4. Canberra

⁵⁷ Laslett, A-M, et al (2011). Surveying the range and magnitude of alcohol's harm to others in Australia. *Addiction* 106: 1603-1611

⁵⁸ AIHW (2011). *2010 National Drug Strategy Household Survey report*. Drug statistics series no. 25. Cat. no. PHE 145. Canberra: AIHW.

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*governments at different levels. Public health measures to reduce harmful use of alcohol are sometimes judged to be in conflict with other goals like free markets and consumer choice and can be seen as harming economic interests and reducing government revenues. Policy-makers face the challenge of giving an appropriate priority to the promotion and protection of population health while taking into account other goals, obligations, including international legal obligations, and interests”.*⁵⁹

However, harmful consumption of alcohol is also associated with economic costs to the Australian community. In 2008 a study by Collins and Lapsley (funded by the Australian government) estimated an annual cost of \$15.3 billion.⁶⁰ However, industry submissions to the Agency have argued that this estimate is unreliable, with the Brewers Association of Australia and New Zealand citing a figure of \$3.8 billion derived in 2011 by Crampton, Burgess and Taylor (funded in part by the National Alcohol Beverage Industries Council).⁶¹ In contrast, some alcohol researchers consider the cost to be much higher at around \$36 billion, attributable to the additional costs resulting from occasional or weekend excessive drinking which was not included in Collins and Lapsley’s \$15 billion estimate, and which is known to pose the greatest risk in relation to alcohol-related violence, accidents and injury.⁶²

Analysis of the differing assumptions and value judgements underpinning these figures commissioned by the Agency for its report *Exploring the Public Interest Case for a Minimum (Floor) Price for Alcohol*,⁶³ concluded that the policy relevant costs of harmful alcohol are in excess of \$15 billion annually.

Further evidence was provided in the Henry Review (2010), which made recommendations about potential changes to Australia’s tax system, and noted that:

*“Spillover costs of alcohol abuse include foetal damage and child abuse, domestic violence, road accidents, crime and violence, increased mortality and a range of diseases and medical conditions. These costs can arise directly (for example, in the form of costs on victims of alcohol-related violence) and indirectly (for example, in the form of the cost to the community of additional demand on a publicly-funded health care system)”.*⁶⁴

1.7 Measures to reduce alcohol-related harm

Australian governments use a range of measures to minimise alcohol-related harm in the community, including taxation, placing restrictions on the times and places that alcohol can be purchased, regulating promotion and advertising, providing education and information, and supporting treatment programs. Community-level organisations play a key role in delivering public awareness campaigns and researchers study harm minimisation strategies. The alcohol industry also supports a range of harm minimisation initiatives. The following

⁵⁹ World Health Organization. (2010). Global strategy to reduce the harmful use of alcohol. Geneva. Retrieved from http://www.who.int/entity/substance_abuse/alcoholstratenglishfinal.pdf

⁶⁰ Collins, D.J., and Lapsley, H.M. (2008). *The costs of tobacco, alcohol and illicit drug abuse to Australian society in 2004/05*. Canberra: Australian Department of Health and Ageing.

⁶¹ BAAZ Submission to ANPHA Issues Paper: *Exploring the Public Interest Case for a Minimum (Floor) Price for Alcohol*. Submission #18, p.6.

⁶² Alcohol and Other Drugs Council of Australia Submission to ANPHA Issues Paper: *Exploring the Public Interest Case for a Minimum (Floor) Price for Alcohol*. Submission #2, p.2-3)

⁶³ ANPHA (2013). *Exploring the Public Interest Case for a Minimum (Floor) Price for Alcohol*. Canberra: Commonwealth of Australia.

⁶⁴ Department of Treasury (2010) *Australia’s future tax system: Report to the Treasurer, part two: detailed analysis, volume 2 of 2*. Canberra: Commonwealth of Australia, p.435

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section will provide key examples of mechanisms to reduce alcohol-related harm in Australia in these different areas.

Government policy on alcohol

National policy

The Intergovernmental Committee on Drugs (IGCD) provides policy advice to relevant ministers on drug-related matters (including alcohol), and is responsible for implementing policies and programs under the National Drug Strategy 2010-2015 (which covers alcohol) and the National Alcohol Strategy 2006-2011, with the latter currently under review for updating. The IGCD is a cross-jurisdictional forum comprising Commonwealth, state and territory, and New Zealand senior government officers who represent health and law enforcement agencies.

The National Drug Strategy framework focuses on demand reduction, supply reduction and harm reduction with prevention an integral theme across these areas.⁶⁵ Strategy Objectives that are of particular relevance to the issues discussed in this report include:

1. Prevent uptake and delay onset of drug use (which includes alcohol); and
2. Control and manage the supply of alcohol, tobacco and other legal drugs (which covers the promotion of legal drugs).

The National Alcohol Strategy 2006-2011 also highlighted actions that provide context to this report, particularly its aim to: *“Facilitate safer and healthier drinking cultures by developing community understanding about the special properties of alcohol and through regulation of its availability”*.⁶⁶ The strategy recommended monitoring and annual reporting on the advertising and promotion of alcohol as a response to support safer and healthier drinking cultures.

State and territory policy

To complement the national policy framework, all states and territories have developed alcohol strategies and plans to address alcohol issues in their own jurisdictions. These strategies include:

- Western Australia - *Drug and Alcohol Interagency Strategic Framework for Western Australia 2011-2015*
- New South Wales – *Drug and Alcohol Plan 2006–2010*
- Queensland – *2011-2012 Queensland Drug Action Plan*
- Victoria - *Reducing the alcohol and drug toll. Victoria’s plan 2013 – 2017*
- Australian Capital Territory - *ACT Alcohol, Tobacco and Other Drug Strategy 2010-2014*
- Tasmania - *The Tasmanian Alcohol Action Framework 2010-2015*
- South Australia – *South Australian Alcohol and Other Drug Strategy 2011-2016*.

State and Territory liquor licensing legislation

The sale, supply and consumption of alcohol is regulated through liquor licensing legislation which is enacted independently in each jurisdiction (see Appendix C). This has resulted in common features across liquor licensing legislation in states and territories but also considerable diversity and variation. Additionally, legislation is continually changing to reflect changes in commercial and community needs, priorities and concerns.⁶⁷ This section does

⁶⁵ Ministerial Council on Drug Strategy (MCDS) (2001), *National Drug Strategy 2010-2015*. Canberra: Commonwealth of Australia

⁶⁶ Available from <http://www.alcohol.gov.au/internet/alcohol/publishing.nsf/Content/nas-06-09>

⁶⁷ Trifonoff, A., et al. (2011). *Liquor Licensing Legislation in Australia: An Overview*. National Centre for Education and Training on Addiction (NCETA). Flinders University. Adelaide, SA.

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not attempt to provide comprehensive information of such regulatory approaches as this has been done elsewhere.⁶⁸

All Australian states and territories have legislation in place that regulates:

- who may sell and supply alcohol;
- the commercial practices of licensed premises;
- who is responsible for ensuring compliance with the regulations;
- who may consume and access alcohol;
- where alcohol may or may not be consumed; and
- the offences, disciplinary procedures, and penalties applicable to those who fail to adequately comply with their statutory obligations.⁶⁹

While Australia does not have a minimum drinking age, there is a minimum purchase age of 18 in all state and territory liquor acts. States and territories, with the exception of Tasmania, have incorporated harm minimisation principles and objectives into their liquor acts (such as lockouts or mandatory responsible service of alcohol training for bar staff).⁷⁰

Secondary supply laws enacted in a number of states and territories seek to limit who can supply people aged under 18 ('minors') alcohol, as well as how alcohol is supplied to them. Selling or supplying alcohol to minors on licensed premises or public areas is prohibited in all states and territories. In premises not subject to regulation, minors are not prohibited from consuming alcohol.⁷¹

It is an offence to provide alcohol to a minor in Queensland, New South Wales, the Northern Territory, Tasmania and Victoria without the permission of the minor's parents or guardian. In Queensland, the Northern Territory and Tasmania those who supply minors with alcohol must do so responsibly and are also required to supervise the consumption.⁷²

Liquor promotion guidelines are supplementary to liquor licensing legislation in most states and territories. These guidelines set clear standards for the conduct of licensees in relation to responsible advertising and point-of-sale promotions. The guidelines also emphasise the importance of responsible attitudes towards the promotion and advertising of liquor and minimising the harm associated with liquor consumption. These are discussed further in Chapter 4 – *Regulation of alcohol advertising*.

Community-level approaches

Liquor accords are local community-based initiatives that can be viewed as a complementary strategy to liquor licensing legislation. Accords involve a written agreement or other arrangements between stakeholders that sets out practical harm minimisation strategies to reduce anti-social behaviour and alcohol-related violence in and around licensed venues.^{73 74} Liquor accords are usually voluntary agreements and encourage

⁶⁸ National Drug Research Institute (contributing authors: Chikritzhs, T., Gray, D., Lyons, Z. & Siggers, S.) (2007). *Restrictions on the sale and supply of alcohol: Evidence and Outcomes*. NDRI Monograph. Perth: National Drug Research Institute, Curtin University of Technology. ISBN:1740675339

⁶⁹ Roche, et al. (2013). *Key features of liquor licensing legislation in Australia*. National Centre for Education and Training on Addiction (NCETA). Flinders University. Adelaide, SA.

⁷⁰ Ibid.

⁷¹ Roche, A.M. and Steenson, T. (2013). *Secondary Supply: What the legislation says about supplying alcohol to young people*. National Centre for Education and Training on Addiction (NCETA). Flinders University. Adelaide, SA.

⁷² Ibid.

⁷³ National Drug Research Institute (2007). *Restrictions on the Sale and Supply of Alcohol: Evidence and Outcomes*. Perth: National Drug Research Institute, Curtin University of Technology.

⁷⁴ Babor, T. et al (2010). *Alcohol: No Ordinary Commodity, Research and Public Policy*, 2nd Edition, UK: Oxford University Press.

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collaboration between a variety of stakeholders such as licensed premises, businesses, councils, police, government departments and other community organisations.

Dry zones or dry areas have been created by some local councils, often to manage problematic public areas such as reserves, main shopping precincts, car parks and foreshores that have frequently been affected by anti-social behaviour associated with excessive alcohol consumption.

A number of **advocacy groups** have been established in recent years in response to community concern about harmful drinking in the community. For example, the National Alliance for Action on Alcohol was formed in 2009 as a national coalition of over 75 health and community organisations from across Australia; one of their goals is reducing alcohol-related harm through influencing change in the three priority areas of alcohol pricing and taxation, marketing and promotion, and availability. There are also state-based groups with similar aims, such as the Alcohol Policy Coalition in Victoria.⁷⁵

Industry initiatives

Established in 2005 by the alcohol industry, DrinkWise Australia is a not-for-profit organisation focused on promoting change towards a healthier and safer drinking culture in Australia. It aims to effect generational change in the way all Australians consume alcohol, and to increase the age that adolescents are first introduced to alcohol, as the evidence emerges of the impact that alcohol has on a developing adolescent brain.⁷⁶

It works through the development and implementation of national information and education campaigns. DrinkWise Australia is governed by a board of seven community and six industry representatives.

DrinkWise's Labelling Initiative supports the development of consumer information messages for voluntary inclusion on alcohol labels to support consumers to better understand the issues around alcohol consumption. Consumer Information Messages encourages consumers to 'Get the Facts' from the DrinkWise website which provides evidence based information on alcohol. In addition to the 'Get the Facts' logo, producers have the option of adopting the following issue specific consumer information:

- *Kids and Alcohol Don't Mix*
- *Is Your Drinking Harming Yourself or Others?*
- *It is Safest Not to Drink While Pregnant.*

1.8 Conclusion

Alcohol is a widely used product that is a part of Australia's social and economic fabric. While the majority of Australians drink at low risk levels, harmful alcohol use is directly attributed to a significant proportion of the national burden of disease, and is associated with high social and financial costs to the community.

Current national guidelines recommend no alcohol before the age of 18. The risk of accidents, injuries, violence and self-harm is high among underage drinkers. Additionally, childhood and adolescence are important periods for brain development, and the brain is more susceptible to permanent alcohol-induced damage. Despite this, 31% of adolescent males and 14% of adolescent females exceed the adult guidelines for single occasion risk; levels significantly beyond the NHMRC guidelines.

⁷⁵ <http://www.alcoholpolicycoalition.org.au>. Accessed on 12 February 2014.

⁷⁶ DrinkWise website <http://www.drinkwise.org.au/> Accessed on 13 November 2013

CHAPTER 2: ALCOHOL ADVERTISING IN AUSTRALIA

Key Points

- The alcoholic beverages industry is increasingly globalised, with a handful of major multinational companies dominant across the world market including the Australian market.
- The globalisation of the alcohol industry has changed production and distribution patterns.
- The alcohol industry operates a wide range of sophisticated, strategic and multifaceted marketing strategies.
- Alcohol advertising in Australia is prominent in traditional media (television, print, radio, outdoor billboards), with the majority of advertising expenditure being on television and outdoor advertising.
- Broader marketing techniques, including sponsorships and digital and social media strategies, enable the alcohol industry to engage and interact with consumers, and to tailor marketing campaigns to different target audiences.
- Australians are exposed to an extensive amount of alcohol advertising through a variety of traditional media, digital media, promotional activities and sponsorships.

2.1 Introduction

This chapter provides an illustration of the various methods and types of advertising currently being used by the alcohol industry, with a focus on the rapidly increasing use of digital media advertising in Australia.

Advertising has a substantial role in Australia's economy. The Australian Association of National Advertisers (AANA) states that the advertising, marketing and media industry contributes in excess of \$30 billion annually to the national economy.⁷⁷ In 2011, total advertising expenditure in Australian media (including online advertising) was \$12.3 billion. Television advertising made up the largest share of media expenditure (28.7%), followed by online (21.5%) and newspaper advertising (21%).⁷⁸ A report commissioned by the Interactive Advertising Bureau values the online advertising market's GDP contribution at \$17.1 billion and forecasts that it will rise to \$26.5 billion by 2017. The report also estimates that online advertising will be worth \$26.5 billion by 2017, reflecting a compound average annual growth rate of 7.5 per cent.⁷⁹

⁷⁷ AANA submission to ANPHA Issues Paper, #18, p.3

⁷⁸ Commercial Economic Advisory Service of Australia (2011) cited by Free TV http://www.thinktv.com.au/media/Stats_&_Graphs/Advertising_Expenditure_in_Main_Media_2011.pdf

⁷⁹ *Australia's online advertising market valued at \$17.1bn*. Available from: http://www.cmo.com.au/article/466022/australia_online_advertising_market_valued_17_1bn/

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Defining methods of advertising

Advertising campaigns usually include a range of media strategies, with broader marketing and branding activities crossing and interlinking between media. Different methods of advertising are described in Table 1.

Table 1: Methods of advertising	
Category	What does it cover?
Television, Radio, Print Cinema (Traditional advertising)	Brand/product advertisements broadcasted on free-to-air and subscription television, and commercial radio; advertisements in newspapers, magazines, pamphlets, catalogues; advertisements featured before films.
Outdoor	Billboards located within public transport infrastructure (roadside, airports, railways/bus stations, on buses/trams), other public venues (shopping centres, petrol stations)
Digital media	Official brand websites: Features include interactive competitions (free merchandise and co-development of new products), sports and music sections, listing of upcoming events, games, free audio-visual downloads (branded screensavers, interviews with celebrities, mobile phone apps promoting alcoholic beverages), and links to community-building forums in social media platforms. Social media platforms (e.g. Facebook) which offer the opportunity to create and share digital content, as well as offer advertising space. User-generated advertising (brand advocates) on social networking sites (Facebook, Twitter, Friendfeed, YouTube, Blogs, Podcasts). Also referred to a buzz/viral/word-of-mouth marketing. Mobile phone applications: promoting various products through engaging users via personalised input/outputs (e.g. text messages)
Product placement	Brand/product imbedded on TV programs, films, music (brands mentioned in lyrics of popular songs), video clips, and videogames
Branded merchandise	Branded clothing, food, cosmetics etc.
Sponsorship	Product promotion at cultural, music and sporting events. Personalities sponsored to act as brand ambassadors (popular singers/bands or sport people). Sponsorship buys naming rights of events & teams, branding of merchandise and event venues (uniforms, equipment, fencing and signage), free promotional merchandise to attendees (T-shirts, hats, watches, glassware).
Point-of-sale promotions	Placement strategies at retail outlets (e.g. buying a prominent location in-store, providing branded equipment, in-store tastings). Non-price promotions (gifts with purchase, entry in competitions) and price-based promotions (sale prices, price discount for bulk purchases, 'happy hour' discounts)

2.2 Alcohol advertising: general marketing techniques

The alcoholic beverages industry is increasingly globalised, with a few large, multinational companies dominant in the market. These companies have access to significant resources to assist in marketing their products.⁸⁰ As this chapter demonstrates, the marketing of alcoholic beverages is sophisticated, strategic and multifaceted. Products are marketed

⁸⁰ Jernigan, D.H. (2009). The global alcohol industry: an overview. *Addiction*. 104: (Suppl.1), 6-12.

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through a combination of traditional media alongside sponsorship of sport and music events, social media, SMS, mobile phone applications, product placement and point-of-sale promotions (gift with purchase, competitions, price discount for bulk purchases), alcohol-branded merchandise, alcohol-flavoured and branded foods (pretzels, chips, chocolate biscuits), and cosmetics (cocktail-inspired lip-gloss).^{81,82,83,84} It is now estimated that the majority of international alcohol marketing is carried out via these broader marketing strategies that are commonly referred to as *below-the-line media*.⁸⁵

Alcohol marketing strategy

Alcohol marketing strategy – of which advertising is a key component – is commonly analysed through the ‘four Ps’ of the marketing mix: product, price, place and promotion.⁸⁶

- **Product** design involves market research and product development to appeal to target audiences.
- **Pricing** strategies include general price point decisions, as well as on-premises discounts, ‘happy hours’ and discounts on bulk purchases.⁸⁷ There is evidence to suggest that when people purchase greater quantities of alcohol through volume based promotions, they increase their consumption levels.⁸⁸
- **Place** refers to the distribution of the finished product to target consumers and has an impact on the number and volume of alcohol purchases. Alcohol availability is a known factor in harmful consumption patterns, as recognised in state and territory liquor licensing laws which regulate where and when alcohol can be sold.⁸⁹ In Australia, sales of alcoholic drinks are dominated by the two major grocery retailers, who receive an estimated 50% of Australia’s liquor market expenditure.^{90 91}
- **Promotion** activities combine advertising, sales promotions, sponsorships and public relations to create brand awareness. This multi-component strategy produces a cohesive message and achieves mass coverage to reach different target groups.⁹²

The purpose of alcohol marketing is defined by the alcohol industry as follows:

*The advertisers’ objectives are to encourage customers to switch to their brand and to create or maintain brand loyalty. Thus, advertisers gain market share at the expense of other producers, who lose market share.*⁹³

It is worth noting, however, that alcohol marketing has a cumulative effect with hundreds of alcohol brands being marketed simultaneously through multiple media channels, all with the purpose of gaining market share (this is discussed further in Chapter 3).

⁸¹ Australian Medical Association, (2012) [Alcohol marketing and young people: time for a new policy agenda](#).

⁸² Jernigan, D.H., (2009). The global alcohol industry: an overview. *Addiction*, 104: (Suppl. 1), 6–12

⁸³ Alcohol Policy Coalition Position Statement – Marketing and promotion of alcohol (2011).

http://alcoholpolicycoalition.org.au/http://alcoholpolicycoalition.org.au/wp-content/uploads/2009/11/Marketing-and-Promotion-of-Alcohol_FINAL_210611.pdf

⁸⁴ Australian Medical Association (2012). Alcohol Marketing and Young People: Time for a new policy agenda. Canberra, Australia.

⁸⁵ Casswell, S. (2012). Current status of alcohol marketing policy – an urgent challenge for global governance. *Addiction*, 107: 478–485

⁸⁶ Munro, G. & De Wever (2008) [Culture clash: alcohol marketing and public health aspirations](#), *Drug and Alcohol Review*, 27:2, 204–211

⁸⁷ *Ibid.*

⁸⁸ Institute of Alcohol Studies, [What is Alcohol Marketing? The Four Ps](#), Accessed 18 November 2013.

⁸⁹ Munro, G. & De Wever (2008) [Culture clash: alcohol marketing and public health aspirations](#), *Drug and Alcohol Review*, 27:2, 204–211

⁹⁰ *Ibid.*

⁹¹ Wilson et al. (2012) *A historical analysis of alcohol advertising in print media 1989–2009*. VicHealth: Carlton.

⁹² Uzunoğlu E. & Öksüz B. (2012) New opportunities in social media for ad-restricted alcohol products: The case of ‘Yeni Raki’, *Journal of Marketing Communications*, 156 Published online: 03 Jul 2012.

⁹³ Distilled Spirits Industry Council of Australia submission to ANPHA Issues Paper, p.9

2.3 The Australian alcohol advertising landscape

The last published estimate for total alcohol advertising expenditure in Australia was \$128 million in 2007.⁹⁴ However, this figure is dated and likely to be conservative as expenditure on below-the-line media, such as sponsorship, point-of-sales promotions, and social media have not been captured.^{95,96} Alcohol advertising follows a seasonal pattern, with advertising expenditure (adspend) peaking in the final quarter of the year.⁹⁷

Australians are exposed to alcohol advertising in a variety of ways with television being the most common source (65% of exposure), followed by sporting events (49%), newspapers and magazines (47%), and pamphlets and catalogues (41%). Men are more likely than women to come across alcohol advertising and sponsorship at sporting events, while women are more likely to come across alcohol advertising and sponsorship in catalogues.⁹⁸

The main methods of alcohol advertising exposure in Australia are summarised below.

Television

Television alcohol advertising is restricted to being broadcast after 8.30pm and before 5:00am, and can also be broadcast between 12.00pm – 3.00pm on schooldays, in order to reduce children's exposure. However, an exemption is provided to allow alcohol advertising at any time during a live sport broadcast on weekends and public holidays. Alcohol companies' advertising expenditure and the level of exposure achieved make television a key component of alcohol marketing strategy in Australia. An average 2,419,000 Australians view television after 8.30pm daily.⁹⁹ Live sport broadcasts also attract a large viewing audience, for example, a 2013-14 Ashes Fifth Test cricket match broadcast (which aired before 8.30pm) attracted 1,761,000 viewers in five metropolitan cities alone.¹⁰⁰

Alcohol advertising ranks in the top ten advertisers on free-to-air television by expenditure. For example, alcohol producer Lion spent \$33.7million on television advertising in 2012 (the largest amount of any alcohol producer),¹⁰¹ while a total of \$15.8 million was spent on metropolitan television alcohol advertising over just two months in 2012.¹⁰² Television accounted for the largest proportion of adspend (44%) by media outlet (including radio, magazines and newspapers, cinema and outdoor advertising) in 2007.¹⁰³

Outdoor advertising

Outdoor advertising is important in the alcohol advertising landscape and features on roadsides, airports, railway/bus stations, buses/trams and shopping centres. In 2012, alcohol advertising was the fifth outdoor advertiser category by expenditure, spending \$39.4 million on advertising.¹⁰⁴ Outdoor advertising expenditure rose from 21% to 32% of total adspend

⁹⁴ Australian Government Preventative Health Taskforce (2009) Australia: The Healthiest Country by 2020. Technical Report 3, Preventing alcohol-related harm, a window of opportunity. Commonwealth Government of Australia.

⁹⁵ Foundation for Alcohol Research and Education (2012). Alcohol Advertising (webpage): <http://www.fare.org.au/research-development/community-polling/annual-alcohol-poll-2012/alcohol-advertising/> accessed 10 December 2012

⁹⁶ de Bruijn, A. (2012). The impact of alcohol marketing, in *Alcohol in the European Union: Consumption, harm and policy approaches*. World Health Organization.

⁹⁷ Victorian Department of Human Services (2009) *Alcohol beverage advertising in mainstream Australian media 2005-2007: Expenditure and exposure*.

⁹⁸ FARE (2013) Annual Alcohol Poll 2012 <http://www.fare.org.au/research-development/community-polling/annual-alcohol-poll-2012/alcohol-advertising/> Accessed on 25 November 2013

⁹⁹ AANA submission to ANPHA Issues Paper, submission #18, p.8.

¹⁰⁰ OzTam (2014) <http://www.oztam.com.au/documents/2014/OzTAM-20140105-EMetFTARankSumCons.pdf> Accessed on 22 January 2014

¹⁰¹ http://www.thinktv.com.au/media/Stats_&_Graphs/Advertising_Expenditure/Top_TV_Advertisers_2012.pdf

¹⁰² Pettigrew, S, Roberts, M, Pescud, M, Chapman, K, Quester, P, Miller, C. (2012). The extent and nature of alcohol advertising on Australian television. *Drug and Alcohol Review* 2012;31:797-802

¹⁰³ Victorian Department of Human Services (2009) *Alcohol beverage advertising in mainstream Australian media 2005-2007: Expenditure and exposure*.

¹⁰⁴ Outdoor Media Association, [Annual Report 2012](#), Accessed 10 December 2013

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between 2005 and 2007, which placed it almost on par with television advertising at 34% of alcohol advertising expenditure.¹⁰⁵

Print media

Alcohol advertising is prominent in Australian print media, with advertisements for alcohol found in two-thirds of a sample of 93 magazines,¹⁰⁶ and found to take up entire pages of national newspapers.¹⁰⁷ While print media only accounts for a small proportion of alcohol adspend,¹⁰⁸ it is frequently and predominantly used by the major alcohol retailers.¹⁰⁹ Daily national newspapers also attract a substantial number of readers, with over 950,000 people reading the weekend editions of *The Age* and *The Sun Herald*. Wilson et al. (2012) note that newspapers are an important advertising medium, “because consumers give newspapers their undivided attention...it’s the ideal environment for advertising messages to influence consumer behavior”.¹¹⁰

Social media

As discussed in more detail later in this chapter, most Australian alcohol companies and brands have a dedicated website and alcohol advertising has a prominent place in the Australian social media environment. As at June 2013, official Facebook pages for Australian alcohol brands (beer, wine, cider and spirits combined) attracted over 3.8 million fans. This is over a million more fans than for Australian non-alcoholic beverages (2.6 million) and automotive Facebook pages (2.1 million).¹¹¹

Sponsorship of sports

Although there is increasing alcohol sponsorship of music and cultural events, the principal form of alcohol sponsorship in Australia is in sport. Alcohol has long been intertwined with Australia’s sporting culture from the elite to the grassroots levels, and sport is a key setting for the promotion of alcohol.¹¹² Alcohol companies sponsor Australia’s most popular national sporting competitions and events, including the Australian Rules Football League (AFL), National Rugby League (NRL), Melbourne Cup, the Australian Grand Prix and V8 Supercars series, and the Cricket Australia competitions, as demonstrated by their websites.

The benefits for companies include: naming rights of events and teams, which raises awareness of the brand; signage on clothing and sports grounds; promotional products and pourage rights. Sponsorship of live sport also enables companies to take advantage of exemptions that allow alcohol advertising to be shown during televised sporting events.¹¹³

While there are no published estimates on the total expenditure for alcohol industry sponsorship of sport, evidence shows that alcohol companies are often the major sponsors of national and community sporting competitions. For example:

¹⁰⁵ Ibid.

¹⁰⁶ Donovan K et al. (2007). Magazine alcohol advertising compliance with the Australian Alcoholic Beverages Advertising Code. *Drug and Alcohol Review* 26:73–81.

¹⁰⁷ Wilson et al. (2012) *A historical analysis of alcohol advertising in print media 1989-2009*. VicHealth: Carlton.

¹⁰⁸ Victorian Department of Human Services (2009) *Alcohol beverage advertising in mainstream Australian media 2005-2007: Expenditure and exposure*.

¹⁰⁹ Australian Medical Association, (2012) [Alcohol marketing and young people: time for a new policy agenda](#).

¹¹⁰ Wilson et al. (2012) *A historical analysis of alcohol advertising in print media 1989-2009*. VicHealth: Carlton.

¹¹¹ Online Circle (2013) *Australian Facebook Performance report June 2013* <http://theonlinecircle.com/australian-facebook-performance-report-june-2013/> Accessed on 25 November 2013

¹¹² Lindsay et al. (ND) [“What a great night”: The cultural drivers of drinking practices among 14-24 year old Australians](#).

¹¹³ Fitzgerald, R & Jordon, T. (2009) *Under the influence, a history of alcohol in Australia*, HarperCollins Publishers, Australia

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- According to the Australian Sports Commission, some sports (and in particular the professional codes) receive approximately 25% of their income from alcohol beverage sponsorship agreements or associated income.¹¹⁴
- It has been estimated that in Australia each year, \$50 million of sponsorship for major sporting events comes from alcohol companies, with 80% invested by three companies: Fosters, Lion Nathan and Diageo.¹¹⁵
- 95% of sponsorship received by a sample of Australian sportspeople over 18 years was from the alcohol industry, with 194 people receiving alcohol industry sponsorship out of the 204 people who received some form of sponsorship.¹¹⁶
- The Australian Drug Foundation notes that “most major sporting competitions and teams promote and advertise alcohol consumption and many sports clubs have a tradition of heavy drinking. A large number of clubs depend on revenue from alcohol to finance club activities”.¹¹⁷

The 2012 Annual Alcohol Poll conducted by the Foundation for Alcohol Research and Education (FARE) found that 49% of people surveyed recalled being exposed to alcohol advertising through sports.¹¹⁸ Viewers' exposure to alcohol branding during alcohol-sponsored sports events can be difficult to avoid, and this includes children and adolescents. For example, beer branding was visible for 74% of a beach cricket match television broadcast on a Sunday, featuring on players' uniforms and equipment, on fencing and signage, and on spectators' promotional merchandise.¹¹⁹

Sponsorship has the potential to be a powerful advertising tool, as it allows sponsors to associate their brand with an already engaging event or celebrity, which can create positive associations and emotional connections with the brand.^{120,121} Sport sponsorship can also create an association between the sponsor and the promotion of community health and wellbeing. For example, Roche et al. (2007) suggest that:

*“Sponsorship by alcohol companies also enhances the perception that the alcohol industry is ‘a good corporate citizen’, with a genuine interest in promoting a healthy sports-oriented lifestyle”.*¹²²

Point-of-sale promotions

Point-of-sale strategies are a prominent marketing tool for alcohol products. In a sample of 24 hotel bottle shops and liquor stores across Sydney and Perth, an average of 33 promotions featured per outlet. Just over 50% were classified as 'non-price' promotions (e.g. giveaways and competitions).

Spirits were the most commonly promoted type of alcohol. Alcohol outlets that were part of supermarket chains had a higher number of promotions, more price-based promotions, and required a greater quantity of alcohol to be purchased to participate in the promotion.¹²³

¹¹⁴ ASC submission to Senate Inquiry into the Alcohol Toll Reduction Bill 2007. Available from: http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Community_Affairs/Completed_inquiries/2008-10/alcohol_reduction/submissions/sublist

¹¹⁵ Lee J. [Alcohol empire strikes back](#), *Sydney Morning Herald* (online) 15 March 2008

¹¹⁶ O'Brien, K et al. (2011) Alcohol industry and non-alcohol industry sponsorship of sportspeople and drinking. *Alcohol and Alcoholism* 2012; 46(2): 210-213

¹¹⁷ Cited by Lindsay et al. (ND) “What a great night”: The cultural drivers of drinking practices among 14-24 year old Australians.

¹¹⁸ FARE (2013) Annual Alcohol Poll 2012 <http://www.fare.org.au/research-development/community-polling/annual-alcohol-poll-2012/alcohol-advertising/>. Accessed on 25 November 2013

¹¹⁹ Sheriff et al. (2009) Cricket: notching up runs for food and alcohol companies? *Australian and New Zealand Journal of Public Health* 2009; 34 (1): 19-23

¹²⁰ Babor T, et al.(2010). *Alcohol: No Ordinary Commodity in Research and Public Policy*, 2nd Edition, UK: Oxford University Press.

¹²¹ Hastings, G, (2009). “*They’ll Drink Bucket Loads of the Stuff*”: An Analysis of Internal Alcohol Industry Advertising Documents. Memorandum to the House of Commons Health Committee Report on Alcohol, Session 2009-10: London

¹²² Roche, A.M., Bywood, P.T., Borlagdan, J., Lunnay, B., Freeman, T., Lawton, L., Tovell, A. & Nicholas, R. (2007) [Young people and alcohol: The role of cultural influences](#). National Centre for Education and Training on Addiction, Adelaide.

2.4 The changing advertising landscape

While advertising is still prominent in traditional media, it is expanding into more interactive methods and appearing in social media – including platforms such as Facebook and Twitter – as well as other digital media such as blogs, podcasts, internet games, mobile phone applications, point-of-sale promotions, sport sponsorship and entertainment events. Indirect forms of advertising (such as product placement) and consumer-driven advertising strategies (user-generated advertising) are also becoming more common.

Product placement

Product placement or integration is the practice of embedding a product, brand name or service within a medium such as film, television, music lyrics and videos or videogames.^{124,125} Product integration can range from a casual mention in a scene to a brand being a major presence in a movie supported by joint advertising and promotional activities. For example, an estimated \$45 million was spent by Heineken in the latest James Bond film 'Skyfall'. It was reported that this amount covered almost one third of the film's budget and that the sponsorship was necessary for the film's production and release.¹²⁶ Attitudes towards product placement seem to be less negative and the general public more tolerant of the practice.¹²⁷ The non-commercial and somewhat hidden, secondary nature of product placement makes it inherently different from traditional advertising and this suggests that viewers may process the message differently.¹²⁸

User-generated advertising

Consumers are increasingly being encouraged to become active participants in producing marketing messages, with various techniques being employed by advertisers to encourage what can be broadly described as user-generated advertising. *Word-of-mouth* marketing refers to companies strategically harnessing “the act of consumers providing information to other consumers” (p.779), with evidence demonstrating that individual consumers who are influential in the social media landscape can have a large impact on other consumers' choices. *Viral marketing* refers to a similar approach, where a supplier sends a message to a select number of consumers to pass on the message to others. *Buzz marketing* is a less explicit process, defined broadly as “contagious talk about a brand, service, product, or idea” (p. 780).¹²⁹ Advertising industry documents often refer to these approaches as ‘seeding’.¹³⁰

The rise of social media

Social media and user-generated advertising has become a particularly significant marketing tool, and is reflected in the increased focus and investment in internet-based media advertising by the alcohol advertising industry globally. For instance:

¹²³ Jones S, Barrie L, Robinson L, Allsop S, Chikritzhs T. 31 (2012) [Point-of-sale alcohol promotions in the Perth and Sydney metropolitan areas](#) *Drug Alcohol Review* 2012 (6):803-8.

¹²⁴ Australian Medical Association (2012). *Alcohol Marketing and Young People: Time for a new policy agenda*. Canberra, Australia.

¹²⁵ Shrum, L.J. (ed.) (2012) *The psychology of entertainment media, blurring the lines between entertainment and persuasion*, 2nd edition, Routledge, New York

¹²⁶ Business Insider <http://www.businessinsider.com/heres-how-james-bonds-relationship-with-product-placement-has-changed-2012-10?op=1#ixzz2Etdqpb3D>

¹²⁷ Shrum, L.J. (ed.) (2012) *ibid*

¹²⁸ Lowry, T & Helm (2009) *Blasting away at product placement*. Business Week, October 26, 4152, p.9

¹²⁹ Freeman B & Chapman S (2008). *Gone viral? Heard the buzz? A guide for public health practitioners and researchers on how Web 2.0 can subvert advertising restrictions and spread health information*. J. Epidemiol. Community Health 62: 778-782.

¹³⁰ Gerard, H. (2009) *“They’ll drink bucket loads of the stuff”: An analysis of internal alcohol industry advertising documents*. The Alcohol Education and Research Council.

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ALCOHOL ADVERTISING: THE EFFECTIVENESS OF CURRENT REGULATORY CODES IN ADDRESSING COMMUNITY CONCERN

- Alcohol brands utilise a wide range of Internet applications. In addition to their own websites, companies are also represented in many social networks, such as Facebook (see Box 3), Friendfeed and Twitter.¹³¹
- As of 30 April 2012 alcohol brands were among the highest engaging¹³² industries on Facebook, second only to automobiles.¹³³
- In January 2011, Bacardi announced that *'it would shift up to 90% of its digital spend to Facebook as it no longer deems dotcom sites relevant.'*¹³⁴

Box 3: The reach of social media: the Facebook example

In 2012, Australia had over 19 million Internet users, representing 9 out of 10 Australians (88.8 %).¹³⁵ The reach of social media is extensive, with Facebook having well over 1 billion regular users internationally¹³⁶, and over 11 million users in Australia.¹³⁷ The number of people accessing the internet through mobile devices now exceeds computer-based users. In 2012, Facebook reported 680 million mobile users, representing an increase of 57% year-over-year.¹³⁸

Facebook offers advertising space that companies can purchase to advertise products, sponsored events and brand-related content, while also offering opportunities to interact with people directly through fan pages, competitions and games; all of which are free and easy to use.¹³⁹ Numerous alcohol companies are engaging in this space.

The alcohol industry is investing strategically in social media, for example, in 2011 international alcohol producer Diageo secured a multimillion dollar partnership with Facebook anticipated to “drive unprecedented levels of integration and joint business planning and experimentation between the two companies”. The partnership enables Diageo to access metrics collected by Facebook *“to help Diageo define ROI [return-on-investment] and performance across its priority brands”*.¹⁴⁰ Diageo’s strategy has proven to be highly effective and demonstrates the power of social media to drive alcohol promotion, with five key brands in the US alone showing a 20% increase in sales as a result of Facebook activity.¹⁴¹

2.5 Conclusion

The alcohol industry coordinates sophisticated, strategic and multifaceted marketing strategies, which focus on product, price, place and promotion, to produce a cohesive message, reach different target groups, in order to achieve brand loyalty and increased market share. Alcohol advertising has a cumulative effect with hundreds of alcohol brands being marketed simultaneously through multiple media channels.

¹³¹ Uzunoğlu E. & Öksüz B. (2012) New opportunities in social media for ad-restricted alcohol products: The case of ‘Yeni Raki’, *Journal of Marketing Communications*, 156 Published online: 03 Jul 2012.

¹³² Socialbakers measures the Engagement Rate as the average number of Likes, Comments and Shares per post on a given day divided by the total number of Fans for the page. It reflects the percentage of the Fan base that interacts on average with a post.

¹³³ Socialbakers (2012). [Finally here! The Biggest Global Social Media Report on Facebook Industries](#). Accessed 1 May 2012.

¹³⁴ Socialbakers (2012). [Finally here! The Biggest Global Social Media Report on Facebook Industries](#). Accessed 1 May 2012.

¹³⁵ <http://www.internetsociety.org/internet/what-internet/facts-and-figures>

¹³⁶ Facebook Reports. *Fourth Quarter and Full Year 2012 Results*. <http://investor.fb.com/>

¹³⁷ <http://www.internetsociety.org/internet/what-internet/facts-and-figures>

¹³⁸ Ibid.

¹³⁹ Ibid.

¹⁴⁰ Nicholls, J. (2012). Everyday, Everywhere: Alcohol Marketing and Social Media – Current Trends. *Alcohol and Alcoholism*. Advance accessed published 23 April 2012.

¹⁴¹ Diageo (2011) Media Release: *Diageo takes multi-million dollar global partnership with Facebook to the next level* <http://www.diageo.com/en-row/newsmedia/pages/resource.aspx?resourceid=1072> Accessed on 28 November 2013

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Alcohol advertising is increasingly occurring in below-the-line media: social media including platforms such as Facebook, Twitter and blogs, podcasts, internet games, mobile phone applications and text messages, product placement, point-of-sale promotions, sport sponsorship and entertainment events.

In addition, consumers are increasingly being encouraged to become active participants in producing marketing messages, and social media has become a particularly significant marketing tool, with increased investment in internet-based media advertising by the alcohol advertising industry, and Australian Facebook pages for alcohol brands attracting millions of fans. The use and promotion of alcohol is particularly prominent in some Australian settings, such as in sport.

CHAPTER 3: ALCOHOL ADVERTISING AND ITS INFLUENCE ON ADOLESCENTS

Key Points

- Evidence indicates that Australian adolescents are exposed to almost the same level of alcohol advertising as adults aged 18-24.
- This early and cumulative exposure to alcohol advertising contributes to both an earlier initiation of alcohol use (i.e. younger age of first drink) and more frequent and heavy drinking by young Australians, and patterns of harmful drinking later in life.
- Adolescents' exposure to alcohol advertising has increased over time, with exposure on television and traditional media continuing and exposure through digital media increasing rapidly.
- While some population level measures of alcohol-related consumption for adolescent Australians are showing downward trends over time, significant harms are still occurring.

3.1 Introduction

One of the key purposes of the alcohol regulatory and self-regulatory framework (described in the next chapter) is to ensure that adolescents are not exposed to alcohol marketing and advertising. For example, the Commercial Television Industry Code of Practice states that advertisements for alcoholic drinks may not be broadcast during children's programming (section 6.9).¹⁴²

Although alcohol products are only supposed to be advertised and promoted to Australians aged 18 years and over, this chapter illustrates evidence that adolescents are exposed to significant levels of alcohol marketing and advertising, and in many situations, at levels equivalent to adults. The alcohol industry maintains that alcohol marketing is not being intentionally *targeted* to adolescents, but it is clear from the evidence that the messages contained in alcohol advertising are reaching children and adolescents below the legal purchasing age and that this advertising is having an influence on behaviour.¹⁴³

Australian research on alcohol advertising has predominantly focused on the extent of adolescents' exposure to traditional media, with a number of studies also aimed at measuring its impact. In addition, a large body of international research from similar English-speaking countries provides further insight into the impact of alcohol advertising on adolescents. These studies offer strong evidence to show that adolescents are influenced by alcohol marketing strategies across a range of exposure channels. The international research is increasingly relevant for Australia given the globalisation of alcohol companies and their adoption of transnational marketing practices and investments.

¹⁴² http://www.freetv.com.au/content_common/pg-code-of-practice.seo

¹⁴³ Roche, A.M., Bywood, P.T., Borlagdan, J., Lunnay, B., Freeman, T., Lawton, L., Tovell, A. & Nicholas, R. (2007) *Young people and alcohol: The role of cultural influences*. National Centre for Education and Training on Addiction, Adelaide.

3.2 Young peoples' susceptibility to alcohol advertising messages

There is evidence that certain biological and psychosocial attributes make children and adolescents more vulnerable to advertising strategies than adults.

A 2007 report into Australian television advertising to children by the Australian Communications and Media Authority (ACMA) concluded the following based on the published evidence:

- Young children (2-6 years) have a limited capacity to distinguish between advertising and program content as well as a limited ability to think sceptically about what they watch, noting that “before the age of six, children do not understand the selling intent of advertising... and are likely to see television advertising as an information source”.
- Even as children grow older (around 6-11 years) they may not respond critically to advertising without prompting.
- Children’s “*cognitive capacity to process advertising messages remains unchanged in the new media environment*” and the distinction between content and advertising is becoming progressively blurred.
- Children requesting or nagging their parents for certain items while shopping, known as ‘pester power’ is observed from two years of age, indicating that advertising is influencing their preferences and behaviour.
- Repeated exposures are necessary to communicate advertising messages to children.

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Research has found that adolescents are particularly susceptible to advertising messages. For example, the Australian Medical Association notes that the neurological changes during adolescence increase young people’s susceptibility to marketing, and that adolescence is characterised by novelty seeking, impulsivity, social adaptation, emotionality (self-consciousness and self-doubt during the transition into adulthood) and risky behavior.¹⁴⁵

Leslie et al.¹⁴⁶ note that adolescents are more receptive to some forms of advertising than adults or children, as they look for adult-only products and activities that help them project a mature and positive self-image to boost their self-esteem. The authors argue that adolescents are prone to making poor decisions, overweighting benefits versus costs when emotionally aroused; and noting that digital marketing techniques, in particular, take place in circumstances that produce high emotional arousal among adolescents: namely, social or peer-to-peer interactions.

3.3 Exposure to alcohol advertising through multiple channels

The available evidence shows that Australians, including those below the legal purchasing age, are exposed to alcohol promotions through a range of media channels, both directly (television and print media, official brand websites and alcohol sponsorship of sports and cultural events) and indirectly (product placement in films, music videos and television

¹⁴⁴ Australian Communications and Media Authority (2007) *Television advertising to children: A review of contemporary research on the influence of television advertising directed to children*. Canberra: Commonwealth Government of Australia.

¹⁴⁵ Australian Medical Association, (2012) [Alcohol marketing and young people: time for a new policy agenda](#).

¹⁴⁶ Leslie, F. Levine, L. Loughlin, S. & Pechmann, C. 2009 Adolescents' Psychological & Neurobiological Development: Implications for Digital Marketing, Memo prepared for the Second NPLAN/BMSG Meeting on Digital Media and Marketing to Children, Berkeley, CA, June 29-30, 2009. Cited in Chester, J. Montgomery, K., Dorfman, L. (2013) [Alcohol marketing in the digital age](#), Digital ads, exposing how marketers target youth, Accessed 3 December 2013.

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programs, social media and in-store promotions).^{147,148,149} This exposure is increasing due to the expansion of alcohol advertising into digital media¹⁵⁰ (see Chapter 2), and via globalised platforms, and is likely to have a cumulative effect.¹⁵¹

A 2011 cross-sectional survey of 1,113 Australian adolescents aged 12-17 years showed the majority had been exposed to alcohol advertising through a range of media channels, with television being the highest (94%) 75% in magazines, 61% on a billboard or poster, 55% on the Internet, 53% in a newspaper and 51% as promotional material. This study also argued that the current levels of adolescents' exposure to alcohol advertising in Australia are strongly associated with drinking patterns among this age group.¹⁵²

Thus, adolescents in Australia are exposed to many sources of alcohol advertising at various times. The section below examines some measures of exposure by the specific advertising sources introduced in Chapter 2. Internationally, researchers observe that the measured level of exposure among adolescents is an underestimation due to difficulties in accurately measuring exposure.¹⁵³

Television advertising

Free-to-air television is a far-reaching advertising medium for adolescents. A recent national survey showed that 96% of Australian children aged 5-14 years watched television, DVDs or videos, and spent more time doing so than in any of the other selected recreational activities (an average of 15 hours outside of school hours in a fortnight, followed by 10 hours on other screen-based activities).¹⁵⁴

While television alcohol advertising is restricted to being shown after 8.30pm to reduce adolescents' exposure, an estimated 9.2% (223,000 people) of Australians that view television after 8.30pm daily are aged 0-17 years¹⁵⁵ (for context, just over 20% of the Australian population is aged 0-17 years).

Alcohol advertising is also permitted during a live sports broadcast at any time on weekends and public holidays and also when "the sporting event is broadcast simultaneously across a number of license areas and ... in the license area in which the event is held or, if the event is held outside Australia, direct advertisements for alcoholic drinks are permitted in a majority of the metropolitan license areas in which the event is simulcast".¹⁵⁶ Available figures for the viewing audience of adolescents during live sports show it is higher than the audience of adolescents after 8.30pm. For example, figures supplied by the Brewers Association suggest that children and adolescents comprised an average 11.7% of the viewing audience for the National Rugby League season in 2012.¹⁵⁷ Research has found that almost half of all alcohol

¹⁴⁷ Jones, S & Gordon, R (2013) [Regulation of alcohol advertising: Policy options for Australia](#), *Evidence Base*, issue 2

¹⁴⁸ Smith, L.A and Foxcroft, D, R. (2009). [The effect of alcohol advertising, marketing and portrayal on drinking behaviour in young people: a systematic review of prospective cohort studies](#). *BMC Public Health*,9:51

¹⁴⁹ Roche, A.M., Bywood, P.T., Borlagdan, J., Lunnay, B., Freeman, T., Lawton, L., Tovell, A. & Nicholas, R. (2007) [Young people and alcohol: The role of cultural influences](#). National Centre for Education and Training on Addiction, Adelaide.

¹⁵⁰ Australian Medical Association, (2012) [Alcohol marketing and young people: time for a new policy agenda](#).

¹⁵¹ Roche, A.M., et al. (2007) *ibid*

¹⁵² Jones, S.C & Magee, C.A. (2011). [Exposure to Alcohol Advertising and Alcohol Consumption among Australian Adolescents](#). *Alcohol and Alcoholism*. 46 (5): 630-637.

¹⁵³ Anderson, P., Kochanek, K., and Murphy, R. (2009). [Impact of alcohol advertising and other media exposure on adolescent alcohol use: a systematic review of longitudinal studies](#). *Alcohol and Alcoholism*. 44(3): 229-243

¹⁵⁴ Australian Bureau of Statistics (2013). *Children's Participation in Cultural and Leisure Activities, Australia, Apr 2012*. ABS catalogue no.4901.0

¹⁵⁵ AANA submission to ANPHA Issues Paper, submission #18, p.8.

¹⁵⁶ Commercial Television Industry Code of Practice 2010:

www.freetv.com.au/media/Code_of_Practice/2010_Commercial_Television_Industry_Code_of_Practice_July%202013.pdf

¹⁵⁷ Brewers Association submission to ANPHA Issues Paper, #13, p.21

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advertising airs during the day as part of a live sport broadcast.¹⁵⁸ The implications for these findings are further addressed in Chapter 6.

Several studies also show that adolescents in Australia are currently exposed to similar levels of alcohol advertising on television as adults:

- A study measuring exposure levels to 156 different alcohol advertisements over 12 months (March 2005 to February 2006) in Sydney showed that adolescents (13-17 years) were exposed to the same amount of alcohol advertising on free-to-air television as young adults (18-24 years); and children (0-12 years) were exposed to one-third of alcohol advertising seen by adults.^{159 160}
- A 2007 study found that adolescents in Sydney and Melbourne were exposed to advertising for beer and wine at between 72-84% of the rate of exposure for 18-29 year olds. In Melbourne, four of the thirty top spend brands generated the same or greater exposure with 13-17 year olds compared with those aged 18-29 years (three of these four brands were for beer).¹⁶¹

Outdoor advertising

A 2011 Australian parliamentary inquiry into outdoor and billboard advertising noted that “outdoor advertising... is visible to all audiences and cannot be avoided”, and that “all people, including children, do not have a choice about viewing it”.¹⁶² The report noted that adolescents are particularly likely to be exposed to outdoor advertising, as this age group are often users of public transport where some of this advertising is displayed.¹⁶³ While outdoor alcohol advertising is restricted from being displayed within 150 metres of a school, except at a licenced premises or alcohol retailer, it has been found on billboards directly opposite schools in breach of these restrictions.¹⁶⁴ As noted in Chapter 2, the alcohol industry is among the top ten spenders for outdoor advertising in Australia which features in a wide range of public spaces, and it can be assumed that adolescents see the same outdoor alcohol advertising that is targeted at adults.

Print media

Adolescents are exposed to alcohol advertising in print media, although the extent to which this is the case is hard to gauge, partly because print media represents “a very small proportion of the advertising spend for the alcohol industry”.¹⁶⁵ For example, one study showed a steady growth in the advertising of RTD products in daily newspapers in Victoria over a 20-year period.¹⁶⁶ Another study of 93 magazines popular with adolescents in Australia found that over two-thirds featured alcohol advertising and promotion. The study

¹⁵⁸ Victorian Department of Human Services (2009) [Alcohol beverage advertising in mainstream Australian media 2005 to 2007: Expenditure and Exposure](#), Report commissioned by the Commonwealth Department of Health

¹⁵⁹ Winter, M, Donovan, R, Fielder, L, (2008). Exposure of children and adolescents to alcohol advertising on television in Australia. *Journal of Studies on Alcohol and Drugs* 69(5):676-683

¹⁶⁰ Fielder L, Donovan RJ, Ouschan R. (2009) Exposure of children and adolescents to alcohol advertising on Australian metropolitan free-to-air television, *Addiction*. Jul;104(7):1157-65.

¹⁶¹ Victorian Department of Human Services (2009) [Alcohol beverage advertising in mainstream Australian media 2005 to 2007: Expenditure and Exposure](#), Report commissioned by the Commonwealth Department of Health

¹⁶² Australian House of Representatives (2011). *Reclaiming Public Space: Inquiry into the regulation of billboard and outdoor advertising*. p.41. Available from: http://www.aph.gov.au/parliamentary_business/committees/house_of_representatives_committees?url=spla/outdoor_advertising/report/index.htm.

¹⁶³ Ibid.

¹⁶⁴ Alcohol Advertising Review Board, [Outdoor alcohol advertising near schools](#), Accessed 10 December 2013

¹⁶⁵ VicHealth 2012. A historical analysis of alcohol advertising in print media 1989-2009. Final report by Ingrid Wilson, Geoff Munro, Bodean Hedwards & Sally Cameron for the Victorian Health Promotion Foundation (VicHealth), Carlton, Australia.

¹⁶⁶ Ibid.

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found that 34% of items had a strong appeal to adolescents, and 28% promoted positive social, sexual and psychological expectancies of consumption.¹⁶⁷

Indirect exposure through product placement

Product placement and alcohol use is widespread in films. For example, a study of over 500 high-grossing United States (US) films found that 83% depicted alcohol use (including 57% of G or PG-rated movies), with 52% referencing specific brands.¹⁶⁸ Technologies such as film downloads from the Internet increase access to films, bypassing the rating system and leading to unsupervised viewing.¹⁶⁹

Music is another established medium for alcohol product placement. It is estimated that the average adolescent in the US is exposed to 34 alcohol references in popular music daily.¹⁷⁰ Another US study noted that 23% of the 720 most popular songs in 2009, 2010 and 2011 included an alcohol mention, and a further 6.4% included an alcohol brand mention in a positive context.¹⁷¹ Audiences listen to songs through radio or watch music videos on YouTube, media which are used to advertise alcohol, thereby enabling repeated exposure to branded products.¹⁷² Adolescents are likely to be influenced by product placement to some extent, as adolescents seek to identify with celebrity role models and desire to emulate behaviour portrayed in the media.¹⁷³

Digital marketing

As noted in Chapter 2, the alcohol industry is increasingly utilising digital media to interact with target audiences and expand its reach through sophisticated global marketing strategies. Despite a lack of evidence on Australian adolescents' level of exposure to digital alcohol advertising, it is known that most Australian children use information technology frequently as a source of information, entertainment and social communication.¹⁷⁴ For example:

- The ABS found that Internet access by children aged 5-14 years has steadily increased in recent years, from 65% in 2006; to 79% in 2009; and 90% in 2012. The proportion of children accessing the Internet increased with age (accessed by 79% of 5-8 year olds; 96% of 9-11 year olds; and 98% of 12-14 year olds).^{175,176}
- A recent AU Kids Online study found that, compared with 25 European nations, Australian children were amongst the youngest to start using the Internet at just under 8 years of age.¹⁷⁷
- The majority of Australian children (63% of 9-16 year olds)¹⁷⁸ and adolescents (88% of 15-17 year olds)¹⁷⁹ use the Internet for social networking.

¹⁶⁷ Donovan K, Donovan R, Howat P, Weller N. (2007) Magazine alcohol advertising compliance with the Australian Alcoholic Beverages Advertising Code. *Drug Alcohol Review*. 26(1):73-81.

¹⁶⁸ Dal Cin, S, Worth, K, Dalton, M, Sargent, J. (2008). Youth exposure to alcohol use and brand appearances in popular contemporary movies. *Addiction* 103(12):1925-1932.

¹⁶⁹ Roche, A.M., Bywood, P.T., Borlagdan, J., Lunnay, B., Freeman, T., Lawton, L., Tovell, A. & Nicholas, R. (2007) [Young people and alcohol: The role of cultural influences](#). National Centre for Education and Training on Addiction, Adelaide.

¹⁷⁰ Primack BA, Nuzzo E, Rice KR, Sargent JD. Alcohol brand appearances in US popular music. *Addiction*. 2012 Mar;107(3):557-66.

¹⁷¹ Siegel M, Johnson RM, Tyagi K, Power K, Lohsen MC, Ayers AJ, Jernigan DH. Alcohol brand references in US Popular music, 2009-2011. *Substance Use & Misuse*, 2013 Dec; 48(14):1475-84.

¹⁷² Australian Medical Association, (2012) [Alcohol marketing and young people: time for a new policy agenda](#).

¹⁷³ Roche, A.M., et al. (2007) *ibid*

¹⁷⁴ Australian Bureau of Statistics, [Australian Social Trends June 2011; children of the digital revolution](#), ABS catalogue no. 4102.0 ISSN 1321-1781

¹⁷⁵ Australian Bureau of Statistics, [Square eyes and couch potatoes children's participation in physical activity and screen-based activities](#), 4156.0.55.001 - Perspectives on Sport, June 2013

¹⁷⁶ Australian Bureau of Statistics, [Children's Participation in Cultural and Leisure Activities](#), Australia, Apr 2012. ABS catalogue no.4901.0

¹⁷⁷ Green, L., Brady, D., Olafsson, K., Hartley, J. and Lumby, C., 2011, [Risks and safety for Australian children on the Internet: Full findings from the AU Kids Online survey of 9-16 year olds and their parents](#), AU Kids Online, Accessed 26 November 2013.

¹⁷⁸ *Ibid*.

However, as noted in a 2012 European Commission report, alcohol advertising in digital media is so pervasive that it is almost impossible to assess the true level of exposure among adolescents, who are among the highest users of such media.¹⁸⁰

Mobile phone applications

Adolescents are among the growing population using mobile phones to access the Internet, with 60% of Australian children aged 9-16 years old found to access the Internet via a mobile phone device in 2011.¹⁸¹ Mobile phone use contributes to alcohol advertising exposure, as numerous alcohol promotional activities are downloadable as mobile phone applications (smartphone apps).¹⁸² A recent Australian study of 384 alcohol-related smartphone apps available to download found that 50% of these apps were categorised as entertainment apps, rather than health apps, and endorsed or encouraged alcohol consumption.¹⁸³ As result of this study, Google and Apple have been recently “urged to launch an urgent investigation into irresponsible drinking games, sold through their international online apps markets, that could fuel drink-related health problems and anti-social behavior” by a British politician.¹⁸⁴

3.4 Raising product and brand awareness

The alcohol industry asserts that it does not advertise to adolescents.¹⁸⁵ Nevertheless, the research evidence demonstrates (see below) that there is significant brand awareness related to alcohol among adolescents. There is also some evidence that certain features of alcohol advertising are appealing to adolescents.

Features of alcohol advertising that appeal to adolescents

Several Australian reports exploring the exposure of adolescents to alcohol advertising have noted the use of features such as real-life and animated characters.^{186,187,188} In particular, the AMA (2012) noted the following:

*“... alcohol marketing frequently deploys images, messages and elements that appeal to young people. Empirical studies have shown young people are drawn to music, characters, story and humour, and find the quirky, playful, and subversive elements of alcohol advertising appealing. The use of animal characters is known to engage children and younger audiences, and memorable animal characters such as the Bundy Bear (associated with Bundaberg Rum), Bud Frogs (Budweiser) and the charming lizard team of Frank and Louie (Budweiser) illustrate how alcohol companies have successfully deployed this strategy to promote their products.”*¹⁸⁹

¹⁷⁹ Australian Bureau of Statistics, [Nearly three-quarters of Australian households now have broadband](#), Media Release 162/2011, 15 December 2011

¹⁸⁰ Winpenny, E., Patil, S., Elliott, M., Villaba van Dijk, L., Hinrichs, S., Marteau, T and Nolte, E 2012. [Assessment of Young People's Exposure to Alcohol Marketing in Audiovisual and Online Media](#), Brussels: RAND Europe.

¹⁸¹ Green, L., Brady, D., Olafsson, K., Hartley, J. and Lumby, C., 2011, [Risks and safety for Australian children on the Internet: Full findings from the AU Kids Online survey of 9-16 year olds and their parents](#), AU Kids Online, Accessed 26 November 2013.

¹⁸² Roche, A.M., Bywood, P.T., Borlagdan, J., Lunnay, B., Freeman, T., Lawton, L., Tovell, A. & Nicholas, R. (2007) [Young people and alcohol: The role of cultural influences](#). National Centre for Education and Training on Addiction, Adelaide.

¹⁸³ Weaver, E., Horyniak, D., Jenkinson, R., Dietze, P., Lim M. (2013) ["Let's get Wasted!" and Other Apps: Characteristics, Acceptability, and Use of Alcohol-Related Smartphone Applications](#), *Journal of Medical Internet Research* 2013;1(1):e9 doi:10.2196/mhealth.2709

¹⁸⁴ [Apps fuel drinking Concerns](#). Adelaide Advertiser, Adelaide 11 Nov 2013.

¹⁸⁵ Roche, A.M., Bywood, P.T., Borlagdan, J., Lunnay, B., Freeman, T., Lawton, L., Tovell, A. & Nicholas, R. (2007) [Young people and alcohol: The role of cultural influences](#). National Centre for Education and Training on Addiction, Adelaide

¹⁸⁶ Australian Communications and Media Authority (2007) *Television advertising to children: A review of contemporary research on the influence of television advertising directed to children*. Canberra: Commonwealth Government of Australia.

¹⁸⁷ Roche, A.M., et al. (2007) *ibid*.

¹⁸⁸ Carter, O., Phan, T., Donovan, R. (2010). [Three-quarters of Australian children recognise Bundy R. Bear: alcohol advertising restrictions are not working](#). *Australian and New Zealand Journal of Public Health* 34(6):635-636.

¹⁸⁹ Australian Medical Association, (2012) [Alcohol marketing and young people: time for a new policy agenda](#).

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A 2009 study which examined 30 alcohol advertisements in Australia found that all contained at least one element known to appeal to adolescents, with 23 of those containing two or more such elements.¹⁹⁰ A 2012 Australian study examined 2,810 alcohol advertisements aired on television over 2 months, and found that 50% appeared during viewing times when children were regularly watching; these were 7.00-9.00am and 3.30-10.30pm on weekdays and 7.30-10.30am and 3.30-10.30pm on weekends.¹⁹¹

Brand recall/recognition

Research shows that most young people aged 15-24 exposed to alcohol advertising attend to it sufficiently well to enable them to recall the alcohol brand.¹⁹² A 2010 Western Australian study found that 75% of 155 children aged 9-15 years recognised Bundy Bear (associated with Bundaberg Rum) and correctly associated it with the alcoholic product.¹⁹³ Another Australian study found that adolescents have a high level of awareness of alcohol advertisements in the magazines they read.¹⁹⁴ In a 2007 report on the effects of television alcohol advertising on children, the ACMA noted that a literature review found that exposure leads to increased awareness and predicts more positive attitudes to drinking.¹⁹⁵

3.5 Influencing beliefs about alcohol

Alcohol advertising contributes to the cultural context that shapes the meanings adolescents construct around alcohol, and to the consolidation of social norms around drinking.¹⁹⁶ The role of advertising in shaping cultural norms includes associating alcohol with positive experiences and personal outcomes, and embedding alcohol into celebrations and social events. All of these factors contribute to the development of adolescents' beliefs about alcohol.

The context of alcohol use within Australian culture

Alcohol is widely used and socially acceptable in Australia, with researchers arguing that consumption, including alcohol consumption, has become central to the leisure experience. "Excessive consumption of various forms – extending well beyond just alcohol – has become normative in contemporary consumer society".¹⁹⁷ Additionally, "consumption of alcohol in the social context of status-defining and image enhancing has become a popular leisure activity in itself, an important element of socialisation, and a source of identity within friendship groups".¹⁹⁸

An exploratory study looking at the cultural drivers of alcohol consumption among 14-24 year olds found alcohol consumption is a central feature in Australian culture and identity particularly for young people.¹⁹⁹ Roche et al²⁰⁰ suggest that the alcohol industry exploits this pathway from youth to adulthood.

¹⁹⁰ Fielder L, Donovan RJ, Ouschan R. (2009) Exposure of children and adolescents to alcohol advertising on Australian metropolitan free-to-air television, *Addiction*. Jul;104(7):1157-65.

¹⁹¹ Pettigrew, S, Roberts, M, Pescud, M, Chapman, K, Quester, P, Miller, C, (2012). The extent and nature of alcohol advertising on Australian television. *Drug and Alcohol Review* 2012;31:797-802

¹⁹² Jones, S, Gregory, P, Munro, G, (2009). [Adolescent and young adult perceptions of Australian alcohol advertisements](#). *Journal of Substance Use*. 14(6):335-352.

¹⁹³ Carter, O, Phan, T, Donovan, R, (2010). [Three-quarters of Australian children recognise Bundy R. Bear: alcohol advertising restrictions are not working](#). *Australian and New Zealand Journal of Public Health* 34(6):635-636.

¹⁹⁴ Jones, S.C & Magee, C.A. (2011). [Exposure to Alcohol Advertising and Alcohol Consumption among Australian Adolescents](#). *Alcohol and Alcoholism*. 46 (5): 630-637.

¹⁹⁵ Australian Communications and Media Authority (2007) [Television advertising to children, a review of contemporary research on the influence of television advertising directed to children](#).

¹⁹⁶ Roche, A.M., Bywood, P.T., Borlagdan, J., Lunnay, B., Freeman, T., Lawton, L., Tovell, A. & Nicholas, R. (2007) [Young people and alcohol: The role of cultural influences](#). National Centre for Education and Training on Addiction, Adelaide.

¹⁹⁷ Roche, A.M. [Alcohol and Culture Change: Current Challenges and Conundrums](#), paper is based on a presentation given at the Thinking Drinking 3 Conference in Brisbane in August 2009. National Centre for Education and Training on Addiction.

¹⁹⁸ Ibid.

¹⁹⁹ Lindsay, J., Kelly, P., Harrison, L., Hickey, C., Advocat, J., Cormack, S. (2008) ['What a great night': the cultural drivers of drinking practices among 14-24 year-old Australians](#), Report commissioned by Drinkwise Australia Ltd.

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Developing positive portrayals of alcohol use and drinking expectancies

Both adolescents and adults are regularly exposed to advertisements that depict alcohol consumption as fun, social and inexpensive.²⁰¹ Such messages are likely to reinforce existing alcohol-related cultural norms.²⁰² For adolescents who have not started to drink, expectations about drinking are influenced by normative assumptions as well as the observation of drinking by parents, peers and role models in the mass media.

Research has linked exposure to portrayals of alcohol use in the mass media with the development of positive drinking expectancies by children and adolescents.²⁰³ For example:

- A 2009 Australian study found that over two-thirds of 287 young people aged 15-24 years perceived that selected print and TV alcohol advertisements suggested that consuming the product would help them have a great time.²⁰⁴
- A 2013 longitudinal survey in Los Angeles that followed 3,890 students from 12 to 16 years of age who were exposed to television alcohol advertising found that liking of those advertisements at age 12 was predictive of later alcohol use.²⁰⁵
- A cross-sectional survey of 273 US children aged 8-14 years linked exposure to portrayals of alcohol use in the mass media with the development of positive drinking expectancies, suggesting that the media can make children more vulnerable to alcohol experimentation. Positive social benefits perceived to be associated with drinking alcohol increased with age, particularly between 11 and 14 years.²⁰⁶
- The depiction of intoxication in popular television shows and movies has been linked with positive alcohol-related expectancies, intentions to drink and normative beliefs around drinking, as well as alcohol use and early-onset drinking.²⁰⁷

Linking alcohol to social celebrations and positive experiences

Alcohol sponsorship of sports, music and cultural events is a marketing strategy that embeds alcohol products into leisure activities,²⁰⁸ associating the brand with positive experiences, lifestyles and/or role models that are often highly valued by adolescents.²⁰⁹

Alcohol companies seek sponsorship opportunities that are reflective of their target audience.^{210,211} For example, music festivals which generally attract a large number of adolescents. An Australian example is the 'Big Day Out' music festival which has received sponsorship from a number of alcohol companies.²¹² The high frequency of adolescents

²⁰⁰ Roche, A.M., Bywood, P.T., Borlagdan, J., Lunnay, B., Freeman, T., Lawton, L., Tovell, A. & Nicholas, R. (2007) [Young people and alcohol: The role of cultural influences](#). National Centre for Education and Training on Addiction, Adelaide.

²⁰¹ Pettigrew, S, Roberts, M, Pescud, M, Chapman, K, Qvester, P, Miller, C. (2012). The extent and nature of alcohol advertising on Australian television. *Drug and Alcohol Review* 2012;31:797–802

²⁰² Ibid.

²⁰³ Austen, E., and Knaus, c. (2000) Predicting the potential for risky behaviour among those 'too young' to drink as the result of appealing advertising.

²⁰⁴ Jones, S, Gregory, P, Munro, G. (2009). [Adolescent and young adult perceptions of Australian alcohol advertisements](#). *Journal of Substance Use*. 14(6):335–352.

²⁰⁵ Grenard, J., Dent, C. & Stacy, A. (2013). [Exposure to Alcohol Advertisements and Teenage Alcohol-Related Problems](#) *Pediatrics* 2013;131:e369–e379

²⁰⁶ Austen, E. & Knaus, C. (2000) *ibid*

²⁰⁷ Roche, A.M., Bywood, P.T., Borlagdan, J., Lunnay, B., Freeman, T., Lawton, L., Tovell, A. & Nicholas, R. (2007) [Young people and alcohol: The role of cultural influences](#). National Centre for Education and Training on Addiction, Adelaide.

²⁰⁸ Babor T, et al. (2010). *Alcohol: No Ordinary Commodity in Research and Public Policy*, 2nd Edition, UK: Oxford University Press.

²⁰⁹ Borlagdan, J., Freeman, T., Duvnjak, A., Lunnay, B., Bywood, P.T., Roche, A.M. (2010). [From Ideal to Reality: Cultural contradictions and young people's drinking](#). National Centre for Education and Training on Addiction, Flinders University, Adelaide.

²¹⁰ Borlagdan, J., Freeman, T., Duvnjak, A., Lunnay, B., Bywood, P.T., Roche, A.M. (2010). [From Ideal to Reality: Cultural contradictions and young people's drinking](#). National Centre for Education and Training on Addiction, Flinders University, Adelaide.

²¹¹ Hastings, G. (2009). "They'll Drink Bucket Loads of the Stuff": An Analysis of Internal Alcohol Industry Advertising Documents. Memorandum to the House of Commons Health Committee Report on Alcohol, Session 2009-10: London

²¹² Australian Medical Association (2012). *Alcohol Marketing and Young People: Time for a new policy agenda*. Canberra, Australia.

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participating in organised sport and other cultural events highlights the potentially significant reach of alcohol promotion through sponsorship,²¹³ as discussed in Box 4 in relation to alcohol advertising in sport.

Box 4: Alcohol advertising in sport: reaching adolescents

Evidence shows that sport is one of the primary settings in Australia for the marketing of alcohol products.^{214,215,216} Given that children and adolescents are spectators and participants of sporting events, it can be assumed that they are exposed to the alcohol promotion strategies at these events as are adults. For example, an estimated 117,000 people aged 5-17 watched the television broadcast of the Bathurst 1000 V8 car race. A total of 35 minutes of alcohol marketing featured during the broadcast (including visual alcohol branding during the race).²¹⁷ Children and adolescents are also exposed to the cumulative effect achieved by alcohol sponsorship of sports series, such as the National Rugby League (NRL) and Australian Football League (AFL) and cricket,^{218,219} which take place over many months and are often aired on daytime television.

Although there is limited evidence on Australian young people's exposure to alcohol advertising in sport, the available studies show that young people are aware of and recall alcohol advertising during sport. For example:

- A small sample of children aged 10-12 years (12 children) had a high awareness of the alcohol sponsors and alcohol brands advertised during sporting telecasts, and associated these products with sport and with positive personal characteristics and outcomes.²²⁰
- 76% of 164 children (aged 5-12 years) in a Western Australian study linked at least one sponsor (food or alcohol) with the relevant sport.²²¹

Sponsorship can create an association between the sponsor and sports celebrities who are commonly revered by children and adolescents. As Jones et al. (2010) state, "the potential impact of the 'branding' of sport by alcohol marketers could create powerful emotional associations between the physical product, the sport and the 'sporting heroes' who are required to wear the branded merchandise of the alcohol sponsor and often feature in the associated commercials"²²².

This association between sports celebrities and alcohol has the potential to promote both positive and negative messages about alcohol use to adolescents. Researchers have noted that "Sports celebrities are also influential in shaping young people's behaviours. They act as powerful role models, setting up standards for young people's behaviour".²²³

²¹³ Kellya, B., Baumanb, A., Baurb, L. (2013) Population estimates of Australian children's exposure to food and beverage sponsorship of sports clubs, *Journal of Science and Medicine in Sport*

²¹⁴ O'Brien K., Miller P., Kolt G., Martens M., Webber A. (2011) Alcohol industry and non-alcohol industry sponsorship of sportspeople and drinking, *Alcohol and Alcoholism*. 2011 Mar-Apr: 46(2):210-3.

²¹⁵ Pettigrew, S., Rosenberg, M., Ferguson, R., Houghton, S. & Wood (2013). Game on: do children absorb sports sponsorship messages? *Journal of Public Health Nutrition* 1-8 doi:10.1017/S1368980012005435

²¹⁶ Jones, S, Phillipson, L, Barrie, L. (2010). [Most men drink... especially like when they play sports – alcohol advertising during sporting broadcasts and the potential impact on child audiences](#). *Journal of Public Affairs* 10(1-2):59-73.

²¹⁷ Davoren, S.L and Sinclair, C.A (2012) Children and adolescent exposure to alcohol advertising during Bathurst 1000. *Australian and New Zealand Journal of Public Health* 2012: 36 (1):90-1

²¹⁸ Pettigrew, S., Rosenberg, M., Ferguson, R., Houghton, S. & Wood (2013). Game on: do children absorb sports sponsorship messages? *Journal of Public Health Nutrition* 1-8 doi:10.1017/S1368980012005435

²¹⁹ Jones, S, Phillipson, L, Barrie, L. (2010). [Most men drink... especially like when they play sports – alcohol advertising during sporting broadcasts and the potential impact on child audiences](#). *Journal of Public Affairs* 10(1-2):59-73.

²²⁰ Ibid.

²²¹ Pettigrew, S., Rosenberg, M., Ferguson, R., Houghton, S. & Wood (2013). Game on: do children absorb sports sponsorship messages? *Journal of Public Health Nutrition* 1-8 doi:10.1017/S1368980012005435

²²² Jones, S, Phillipson, L, Barrie, L. (2010). [Most men drink... especially like when they play sports – alcohol advertising during sporting broadcasts and the potential impact on child audiences](#). *Journal of Public Affairs* 10(1-2):59-73.

²²³ Roche, A.M., Bywood, P.T., Borlagdan, J., Lunnay, B., Freeman, T., Lawton, L., Tovell, A. & Nicholas, R. (2007) [Young people and alcohol: The role of cultural influences](#). National Centre for Education and Training on Addiction, Adelaide.

3.6 Engaging the youth market

In general, the alcohol industry states that it does not target children or those under the legal purchasing age with its marketing strategies.

There is limited research in this area; however, a 2009 United Kingdom House of Commons Health Select Committee inquiry into the conduct of the alcohol industry provides some information. The review accessed internal marketing documents from alcohol producers and advertising agencies, concluding that adolescents are a key target group for alcohol advertisers, noting that “*market research data on 15 and 16 year olds is used to guide campaign development and deployment, and there is a clear acknowledgment that particular products appeal to children*”²²⁴ (note that in England and Wales adolescents aged 16 and 17 can drink beer, cider or wine with a meal at a table in a bar or restaurant, as long as they’re accompanied by someone aged 18 or over²²⁵).

The investigation of internal documents by the House of Commons Health Select Committee found multiple references to the need to recruit new drinkers and establish loyalty to a particular brand. It also showed that the youth market is engaged through a mix of strategies, which increasingly includes interactive digital marketing techniques such as “seeding” alcohol products onto private social media pages and inviting users to generate advertising content.²²⁶

Some researchers, even without access to internal alcohol industry documents, are persuaded that alcohol marketing to adolescents is intentional, suggesting that alcohol marketing contributes to the ongoing recruitment of adolescents to replace older drinkers,²²⁷ and to prepare the next cohort of potential drinkers.²²⁸ It is argued that adolescents are an unspoken part of the alcohol market, since heavier drinking patterns are concentrated in the late teenage years and young adulthood.²²⁹

In Australia, researchers have argued that ready-to-drink beverages (RTDs) are marketed to younger drinkers in particular.²³⁰ Box 4 examines how the four elements of the marketing mix detailed in Chapter 2 (product, price, place, promotion) are used in the marketing of RTDs, and the impact of these strategies on reaching young consumers.

²²⁴ Hastings, G., Brooks, O., Stead, M., Angus, K., Anker, T., and Farrell, T. (2010) [“They’ll Drink Bucket Loads of the Stuff”: An Analysis of Internal Alcohol Industry Advertising Documents](#). Project Report. Alcohol Education Research Council

²²⁵ <http://www.nhs.uk/chq/Pages/2602.aspx?CategoryID=62>

²²⁶ Hastings, G., Brooks, O., Stead, M., Angus, K., Anker, T., and Farrell, T. (2010) [“They’ll Drink Bucket Loads of the Stuff”: An Analysis of Internal Alcohol Industry Advertising Documents](#). Project Report. Alcohol Education Research Council.

²²⁷ Babor, T (2010) [Alcohol: No Ordinary Commodity – a summary of the second edition](#), *Addiction*, 105, 769-779

²²⁸ Roche, A.M., Bywood, P.T., Borlagdan, J., Lunnay, B., Freeman, T., Lawton, L., Tovell, A. & Nicholas, R. (2007) [Young people and alcohol: The role of cultural influences](#). National Centre for Education and Training on Addiction, Adelaide.

²²⁹ Casswell, S. (2004) [Alcohol brands in young peoples’ everyday lives: new developments in marketing](#), *Alcohol & Alcoholism*, 39 (6) 471-476

²³⁰ Jones, S. & Barrie, L (2011) [RTDs in Australia: Extensive designer drinks or cheap rocket fuel?](#) Drug and Alcohol Review. January 2011 30, 4-11.

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ALCOHOL ADVERTISING: THE EFFECTIVENESS OF CURRENT REGULATORY CODES IN ADDRESSING COMMUNITY CONCERN

Box 4: Marketing RTDs to young people in Australia

Product: RTDs (also known as designer drinks or alcopops) are sweet flavored and brightly colored alcoholic drinks, with numerous brands available on the market and some brand names blurring the distinction between soft drinks and alcohol (“Hard Lemonade”, “Hard Cola”).²³¹ Evidence shows that young people under 15 years of age have a stronger preference for sweet flavours compared to those aged over 19 years, and the sweet taste of RTDs masks the alcohol taste, making it more appealing to inexperienced drinkers.²³²

Price per alcohol volume: A decade ago, RTDs were seen as sophisticated, low strength, sweet flavoured drinks (the early generation of RTDs contained about 5% alcohol by volume (ABV) equating to 1 standard drink) targeted to young females. However, the alcohol industry has been increasing their alcoholic strength (the new generation of RTDs contain from 7% to 9% ABV, comprising 2 to 2.7 standard drinks per bottle/can) and decreasing its cost per standard drink, expanding its target market towards young males.²³³ A NSW study found 150 individual RTD products across 52 bottle shops in 2011, ranging from 4.8% to 7.5% ABV (1 to 2.7 standard drinks per unit). When purchased in multipacks (4 or 6 units) the cost per standard drink ranged from \$1.95 to \$3.70. When on special, the cost per unit dropped to \$1.22.²³⁴

Place: A NSW-based study found that 40% of glass-door display fridges at a sample of alcohol retailers were dedicated to RTDs, with fridges supplied by the alcohol industry for the exclusive display of their products in a prominent position.²³⁵ The alcohol industry notes in regards to RTDs that “*the best proven overtime promotion that has the best pulling power without any doubt is the in-store tasting...price specials (discounting) comes second*”.²³⁶

Promotion: The brand values of RTDs appeal to a younger market, and this is supported by a range of industry statements:

- RTDs are “a sophisticated but affordable drink that will appeal to young people on a budget who want to get drunk very quickly”²³⁷
- RTDs are “one of the few drinks where you don’t necessarily know you are drinking alcohol, and that’s a conscious effort to make these drinks more appealing to young people”²³⁸
- “the biggest challenge is to effectively communicate our offer to the primary RTD consumer (18 to 24 year olds) which can be difficult given this age segment is not a big user of traditional media”.²³⁹

It is also argued that the packaging of RTDs is youth-oriented, including sexualized images.²⁴⁰

The AMA notes that RTD promotional campaigns are more likely to use online formats and youth-oriented events than traditional media, and use innovative approaches such as

²³¹ Cocktail times, [Ready-To-Drink \(RTD\) Cocktails Fact Sheet](#). Accessed 18 November 2013

²³² Roche, A.M., Bywood, P.T., Borlagdan, J., Lunnay, B., Freeman, T., Lawton, L., Tovell, A. & Nicholas, R. (2007) *ibid*.

²³³ Munro, G. & De Wever (2008) [Culture clash: alcohol marketing and public health aspirations](#), *Drug and Alcohol Review*, 27:2, 204-211

²³⁴ Jones, S. & Barrie, L (2011) [RTDs in Australia: Extensive designer drinks or cheap rocket fuel?](#) *Drug and Alcohol Review*. January 2011 30, 4-11

²³⁵ Roche, A.M et al. (2007) *Young people and alcohol: The role of cultural influences*. National Centre for Education and Training on Addition: Adelaide.

²³⁶ Drink Trade, [Ready, steady, grow](#), Issue 03 Feb-Mar 08

²³⁷ Quoted in Munro, G. & De Wever (2008) [Culture clash: alcohol marketing and public health aspirations](#), *Drug and Alcohol Review*, 27:2, 204-211

²³⁸ *Ibid*.

²³⁹ Drink Trade, [Ready, steady, grow](#), Issue 03 Feb-Mar 08

²⁴⁰ Roche, A.M., Bywood, P.T., Borlagdan, J., Lunnay, B., Freeman, T., Lawton, L., Tovell, A. & Nicholas, R. (2007) *ibid*.

product co-development competitions that interact with customers to create new flavours which are promoted through websites, social media and mobile messaging.²⁴¹

Impact of marketing strategies

RTD marketing strategies appear to be effective in reaching Australia's youth market in particular,²⁴² as demonstrated by the following research:

- The 2010 National Drug Strategy Household Survey (NDSHS) showed that RTDs are the main drink consumed among Australians aged 14 to 19 years (50% of persons, and 62% of females). However, the main drink consumed had changed by the 20-29 year age group to beer among males (44%) and bottled spirits/liqueurs among females (25.3%).²⁴³
- A 2011 NSW study of 1,263 adolescents aged 12-17 years found that RTDs appeal to this group for a number of reasons, including taste, alcohol strength and cost. Other important factors were the physical appearance and the ease of carrying and concealing. Both non-drinkers and experimental drinkers reported that advertising was a key influencer.²⁴⁴
- According to the AMA (2012) "young Australians are among the most prolific RTD drinkers in the world... These beverages have also become the drink of choice for high-risk drinkers under the age of 25... The packaging and promotional elements of RTD beverages, in addition to the sweet taste and low price, have been central in heightening the popularity of RTDs among teenagers and new drinkers".²⁴⁵

Interactive digital marketing

Digital media provide an effective communication platform for companies to engage with adolescents through virtual communities, social networks and mobile phone apps. The emergence of platforms such as Facebook, Twitter and YouTube has fundamentally changed the nature of digital marketing. Digital media also enables repeated exposures through different digital platforms and increases the opportunities for individuals to view, share, 'go viral', and interact with advertising campaigns.^{246,247}

It has been suggested that the primary aim of alcohol marketing via social media is not necessarily to increase consumption of alcohol beverages initially, rather to 'normalise' alcohol and drinking among adolescents²⁴⁸ by embedding brands "in the lives and lifestyles of consumers, creating an intimate relationship and sense of kinship between the brand and the user".²⁴⁹

Recent papers and reviews suggest that the alcohol advertising industry is using digital marketing as a forum for promoting products to build up brand recognition with adolescents in particular. Official branded websites target adolescents by using images, language and content that resonates with youth culture, for example, through interactive competitions and games, sports and music sections, free prizes, audiovisual downloads (e.g. branded screensavers), community-building forums, and providing links to other social networking sites.^{250,251,252}

²⁴¹ Vodka Cruiser [Pick Your Party, Make Your Mix competition](#), accessed 25 November 2013

²⁴² Jones C a& Donovan R (2001). *Messages in alcohol advertising targeted to youth*. Australian and New Zealand Journal of Public Health. 25(2): 126-131.

²⁴³ AIHW (2011) *2010 National Drug Strategy Household Survey Report*. Cat. No. PHE 145. AIHW: Canberra.

²⁴⁴ Jones, S & Reis, S. (2011) [Not just the taste: why adolescents drink alcopops](#), Health Education, 112:1 61-74.

²⁴⁵ Australian Medical Association, (2012) [Alcohol marketing and young people: time for a new policy agenda](#).

²⁴⁶ Casswell, S. (2012). Current status of alcohol marketing policy – an urgent challenge for global governance. *Addiction*, 107: 478-485

²⁴⁷ Nicholls, J. (2012). Everyday, Everywhere: Alcohol Marketing and Social Media – Current Trends *Alcohol and Alcoholism* 47 (4): 486-493.

²⁴⁸ Ibid.

²⁴⁹ Jernigan, D.H. (2009). The global alcohol industry: an overview. *Addiction*. 104: (Suppl.1), 6-12.

²⁵⁰ Gordon R. (2010) [An audit of alcohol brand websites](#), *Drug Alcohol Review*, 30:638-644

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The alcohol industry utilises digital media to engage younger consumers with innovative techniques such as the co-design and promotion of products.²⁵³ For example, alcohol producers run competitions to design new products, using Facebook to track entries and voting patterns of friends, encouraging a dialogue with the audience and expanding a campaign's reach.²⁵⁴ Digital media also gives the alcohol industry the opportunity to influence the communication that brand advocates (ordinary people who like the brand) have with other consumers in order to expand the brand's reach.²⁵⁵

Research shows that digital marketing through social media is particularly effective in engaging adolescents due to its socially interactive nature. According to one study,²⁵⁶ users are prompted to make decisions about alcohol consumption under high emotional arousal, exacerbating adolescents' already high risk of making poor consumption decisions, playing on their tendency to believe that their peers drink more frequently and that they approve more of drinking. An Australian exploratory study of official alcohol brand websites noted that they often feature content forbidden in traditional media channels, such as sexual references or encouraging excessive drinking. Participants of focus groups stated that the content of these sites encouraged them to think about the brands they were exposed to and about consuming alcohol generally.²⁵⁷

These sites may not only appeal to adolescents but are readily accessible due to low-level security measures which are not an enforceable deterrent to block those under the legal purchasing age from accessing them, for example, by asking the user to enter their date of birth.²⁵⁸ A 2014 Australian analysis of a selected sample of 25 alcohol brand found that they had inefficient filter systems for preventing entry of underage persons, as only half of the websites reviewed required the user to provide a date of birth, and none had any means of preventing users from trying again. Even the most effective commercial internet filters (software installed on computers to prevent access to specific content) allowed access to one-third of the sites examined.²⁵⁹

As noted previously, the majority of adolescents in Australia participate in social networking on the Internet.^{260,261} Many of the alcohol-related fan, event and group pages on Facebook are accessible to users of any age. While Facebook advertising guidelines include 'age-gating' techniques to restrict underage users, it has been noted that these are neither

²⁵¹ Australian Medical Association (2012). Alcohol Marketing and Young People: Time for a new policy agenda. Canberra, Australia.

²⁵² Australian Medical Association (2012). Alcohol Marketing and Young People: Time for a new policy agenda. Canberra, Australia.

²⁵³ Roche, A.M., Bywood, P.T., Borlagdan, J., Lunnay, B., Freeman, T., Lawton, L., Tovell, A. & Nicholas, R. (2007) [Young people and alcohol: The role of cultural influences](#). National Centre for Education and Training on Addiction, Adelaide.

²⁵⁴ Australian Medical Association (2012). Alcohol Marketing and Young People: Time for a new policy agenda. Canberra, Australia.

²⁵⁵ Uzunoğlu E. & Öksüz B. (2012) [New opportunities in social media for ad-restricted alcohol products: The case of 'Yeni Rakı'](#), *Journal of Marketing Communications*, 156 Published online: 03 Jul 2012.

²⁵⁶ Leslie, F. Levine, L. Loughlin, S. & Pechmann, C. 2009 Adolescents' Psychological & Neurobiological Development: Implications for Digital Marketing, Memo prepared for the Second NPLAN/BMSG Meeting on Digital Media and Marketing to Children, Berkeley, CA, June 29-30, 2009. Cited in Chester, J. Montgomery, K., Dorfman, L. (2013) *Alcohol marketing in the digital age, Digital ads, exposing how marketers target youth*. <http://digitalads.org/how-youre-targeted/publications/alcohol-marketing-digital-age-1>

²⁵⁷ Barrie, L., Gordon, R. & Jones, S. C. (2012). [Alcohol brand websites: Implications for social marketing](#). In K. Kubacki & S. Rundle-Thiele (Eds.), 2012 International social marketing conference (ISM): conference proceedings (pp. 30-33). Brisbane, Queensland: Department of Marketing, Griffith University.

²⁵⁸ Mart, S (2011) Alcohol Marketing in the 21st Century: New Methods, Old Problems, Substance Use and Misuse, 46:889-892

²⁵⁹ Jones, S, Thom, J, Davoren, S & Barrie, L (2014) [Internet filters and entry pages do not protect children from online alcohol marketing](#), *Journal of Public Health Policy* 35, 75–90.

²⁶⁰ Australian Bureau of Statistics, [Nearly three-quarters of Australian households now have broadband](#), Media Release 162/2011, 15 December 2011

²⁶¹ Green, L., Brady, D., Ólafsson, K., Hartley, J. and Lumby, C., 2011, [Risks and safety for Australian children on the Internet: Full findings from the AU Kids Online survey of 9-16 year olds and their parents](#), AU Kids Online, Accessed 26 November 2013.

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enforced nor monitored.²⁶² As Facebook pages can be created by both alcohol companies and third parties (including individuals) it may be difficult to enforce these guidelines.

It has been suggested that the alcohol advertising industry is using social media to bypass advertising guidelines in order to promote alcohol products to all ages on social network sites such as Facebook, including through marketing campaigns that promote a binge drinking culture, for example through sharing photos depicting adolescents drinking alcohol excessively.²⁶³

A 2012 survey conducted in the United Kingdom found that 51% of the adolescents did not recognise official alcohol product Facebook groups as digital alcohol marketing,²⁶⁴ and another study shows that portraying oneself as a drinker was considered to be a socially desirable component of one's identity in the social networking environment.²⁶⁵

Although research on the impact of digital marketing is scarce, emerging evidence suggests that alcohol marketing messages in digital media could be having an impact on adolescents' drinking patterns, and that the intensity of access to communication technologies might be related to harmful drinking.²⁶⁶

Branded merchandise

Alcohol branded merchandise has expanded to include T-shirts, hats, watches and glassware bearing alcohol industry logos and is associated with numerous major sports such as cricket, rugby and motor racing. For example, Jack Daniel's branded hats and T-shirts were designed to look like racing shirts and these were worn by many adolescents at the Clipsal 500 Adelaide, which is Australia's largest domestic motor sport event.²⁶⁷

Research has found that alcohol branded items reach adolescents, and that this increases their likelihood of early initiation to alcohol use as well as the prevalence of drinking.²⁶⁸ There is strong international evidence demonstrating a relationship between ownership of alcohol-branded promotional items and drinking patterns among adolescents, particularly underage drinkers and binge drinkers,^{269,270,271,272} and the intensity of involvement with alcohol brands has been strongly associated with drinking patterns.²⁷³ For example:

²⁶² Mart, S (2011) Alcohol Marketing in the 21st Century: New Methods, Old Problems, Substance Use and Misuse, 46:889-892

²⁶³ Keller, C. (2010) Alcohol ads target teens on Facebook, The Advertiser, published on 24 August 2010

²⁶⁴ Alcohol Concern (2012) [Overexposed and overlooked: Young people's views on the regulation of alcohol promotion](#). Accessed 26 April 2012.

²⁶⁵ Ridout, B., Campbell, A. & Ellis, L. (2012) 'Off your Face (book)': Alcohol in online social identity construction and its relation to problem drinking in university students. Drug and Alcohol Review, Jan, 31, 20-26.

²⁶⁶ Roche, A.M., Bywood, P.T., Borlagdan, J., Lunnay, B., Freeman, T., Lawton, L., Tovell, A. & Nicholas, R. (2007) [Young people and alcohol: The role of cultural influences](#). National Centre for Education and Training on Addiction, Adelaide.

²⁶⁷ Borlagdan, J., Freeman, T., Duvnjak, A., Lunnay, B., Bywood, P.T., Roche, A.M. (2010). [From Ideal to Reality: Cultural contradictions and young people's drinking](#). National Centre for Education and Training on Addiction, Flinders University, Adelaide.

²⁶⁸ Hurtz, S.Q., et al (2007). [The relationship between exposure to alcohol advertising in stores, owning alcohol promotional items, and adolescent alcohol use](#). Alcohol and Alcoholism 42:2 143 – 149.

²⁶⁹ Fisher, L.B., Williams Miles, I., Austin, B., Camargo Jr, C.A., Colditz, G.A. (2007). Predictors of Initiation of Alcohol Use among US Adolescents. Findings from a prospective cohort study. Arch Pediatr Adolesc Med. 161(10): 959-966

²⁷⁰ McClure, A.C., Stoolmiller, M., Tanski, S.E., Worth, K.A., Sargent, J.D. (2009). Alcohol-Branded Merchandise and it's Association with Drinking Attitudes and Outcomes in US Adolescents. Arch Pediatr Adolesc Med. 163(3):211-217

²⁷¹ de Bruijn, A. (2012). The impact of alcohol marketing, in *Alcohol in the European Union: Consumption, harm and policy approaches*. World Health Organization.

²⁷² University of Sheffield (2008) Independent review of the effects of alcohol pricing, Project report for the Department of Health

²⁷³ Lin, E.-Y., Caswell, S., You, R.Q., Huckle, T. (2012). Engagement with alcohol marketing and early brand allegiance in relation to early years of drinking. Addiction Research. 20 (4): 329-338

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- A 2012 cross-sectional survey of 2,538 adolescents aged 13 to 14 years in New Zealand found that:
 - exposure to all forms of alcohol marketing was associated with drinking;
 - the level of impact was correlated with the level of active engagement, for example, owning merchandise and downloading screensavers are stronger predictors of drinking;
 - engagement with web-based marketing increased the odds of being a drinker by 98%;
 - engagement with traditional marketing increased the odds of being a drinker by 51%;
 - awareness of each alcohol marketing channel increased the odds of being a drinker by 8%;
 - establishing a brand loyalty at age 13 to 14 years was related to future drinking intentions and to consuming larger quantities. Brand loyalty was also associated with more frequent alcohol consumption (1.65 times more drinking occasions per year) and 86% more alcohol consumed on a typical occasion.²⁷⁴
- A 2007 cross-sectional survey of 2,125 US students aged 11-13 years found that ownership of alcohol branded promotional items among adolescents increased the likelihood of drinking. Students who owned at least one alcohol promotional item were 3 times more likely to have ever tried drinking and 1.5 times more likely to report current drinking than students without such items.²⁷⁵
- A 2012 longitudinal US study of 6,522 adolescents aged 10 to 14 years found that ownership of alcohol-branded merchandise was independently associated with attitudinal susceptibility to, as well as with initiation of, drinking and binge drinking.²⁷⁶

3.7 Promoting the purchase of alcohol

Marketing at the point-of-sale has become increasingly widespread with the expansion of alcohol sales into more retail outlets, with the number of outlets themselves increasing significantly in Australia over the past decade. Examples of point-of-sale promotions include free gifts with purchase, prominent signage, competitions, price discounts for bulk purchases (e.g. 3 for the price of 2), and sale prices.^{277,278} Point-of-sale marketing also occurs in pubs and clubs, often in the form of 'happy hours' or free merchandise with drink purchases. Such advertising in licensed premises may be regulated by state/territory liquor licensing legislation.

Research has found that point-of-sale promotions involving price or volume discounts can have a strong impact on young people, and are particularly effective in encouraging the purchase of increased volumes of alcohol. For example, in a focus group study of 85 Australians aged 16-25 years, most subjects demonstrated a strong recall of previous in-store promotions and almost all participants indicated they had been influenced to buy more or a particular brand of alcohol because of an in-store promotion.²⁷⁹ A UK independent review of the effects of alcohol promotion, which explored the results of 12 studies conducted in US, the UK, New Zealand and Australia, concluded that there is moderate and

²⁷⁴ Lin, E-Y., Caswell, S., You, R.Q., Huckle, T. (2012). Engagement with alcohol marketing and early brand allegiance in relation to early years of drinking. *Addiction Research*. 20 (4): 329-338.

²⁷⁵ Hurtz, S.Q., et al (2007). [The relationship between exposure to alcohol advertising in stores, owning alcohol promotional items, and adolescent alcohol use](#). *Alcohol and Alcoholism* 42:2 143 – 149.

²⁷⁶ McClure AC, Stoolmiller M, Tanski SE, Worth KA, Sargent JD. (2012) *ibid*.

²⁷⁷ Jones, S.C, and Lynch, M. (2007). Non-advertising alcohol promotions in licensed premises: does the Code of Practice ensure responsible promotion of alcohol? *Drug and Alcohol Review*, 26: 477-485

²⁷⁸ Australian Medical Association (2012). *Alcohol Marketing and Young People: Time for a new policy agenda*. Canberra, Australia.

²⁷⁹ Jones, S, Smith, K, (2012). [The effect of point of sale promotions on the alcohol purchasing behaviour of young people in metropolitan, regional and rural Australia](#). *Journal of Youth Studies* 14(8):885-900.

consistent evidence to suggest that point-of-sale promotions are likely to affect the overall consumption of underage drinkers, binge drinkers and regular drinkers.²⁸⁰

While Australian adolescents are prohibited from purchasing alcohol under liquor licensing legislation, recent evidence indicates that alcohol consumption among adolescents is linked to alcohol availability and supply through retailers. The advertising of alcohol at retail outlets is proposed as a contributing factor. A 2013 cross-sectional survey of 10,143 Victorian adolescents aged 12 to 17 years found that increased alcohol availability (measured through higher density of alcohol sales outlets), was associated with an increased risk of alcohol consumption for those aged 12 to 14 years.²⁸¹ The researchers suggested that adolescents living near alcohol retailers were more likely to drink as it had become normalised, and also due to higher levels of exposure to alcohol advertising.²⁸²

3.8 Influencing alcohol-related behaviours and consumption

Research suggests that the cumulative nature of alcohol advertising in its various forms significantly influences adolescents' decisions about drinking and their expectancies related to alcohol use.²⁸³ These include their perceptions of alcohol, their initiation to drinking, what they drink, how much and how often they drink, where and with whom they drink.²⁸⁴ As one study noted: "The effects of exposure seem cumulative and, in markets with greater availability of alcohol advertising, young people are likely to continue to increase their drinking as they move into their mid-20s, whereas drinking decreases at an earlier age in people who are less exposed to it."²⁸⁵

The research methods used to investigate the effects of alcohol advertising are summarised in Box 5.

Box 5: Econometric research, cross-sectional studies, and longitudinal studies

In both published research and submissions to the Agency, the alcohol industry quotes econometric studies considering the relationship between alcohol advertising expenditure and total alcohol sales or per capita alcohol consumption, which suggests that alcohol advertising has an effect on brand choice but little or no effect on consumption.^{286,287} An exception is a meta-analysis of 132 econometric studies mostly undertaken in the US from 1945 to 2003 which noted that there is conclusive evidence of a small but consistent association of alcohol advertising with population level consumption.²⁸⁸

However, the methodologies used in these econometric studies are problematic. They exclude expenditure on below-the-line advertising, underestimating the advertising effort

²⁸⁰ University of Sheffield (2008) Independent review of the effects of alcohol pricing, Project report for the Department of Health

²⁸¹ B. Rowland, J.W. Toumbourou, L. Satyena, G. Tooley, J. Hall, M. Livingston, J. Williams, (2013) Associations between alcohol outlet densities and adolescent alcohol consumption: A study in Australian students, *Addictive Behaviors*, published online 10 Oct 2013.

²⁸² Ibid.

²⁸³ Roche, A.M., Bywood, P.T., Borlagdan, J., Lunnay, B., Freeman, T., Lawton, L., Tovell, A. & Nicholas, R. (2007) [Young people and alcohol: The role of cultural influences](#). National Centre for Education and Training on Addiction, Adelaide.

²⁸⁴ Ibid.

²⁸⁵ Anderson, P., Chisholm, D., & Fuhr, D. C. (2009). Effectiveness and cost-effectiveness of policies and programmes to reduce the harm caused by alcohol. *Lancet*, 373(9682), 2234–46, p.2238.

²⁸⁶ Hastings, G., Anderson, S., Cooke, E. and Gordon, R. (2005). Alcohol Marketing and Young People's Drinking: A Review of the Research. *Journal of Public Health Policy*. 26: 296-311.

²⁸⁷ Saffer, H., Dave, D. (2006). Alcohol advertising and alcohol consumption by adolescents. *Health Economics*, 15: 617-637

²⁸⁸ Gallet, C.A. (2007). The demand for alcohol: a meta-analysis of elasticities. *The Australian Journal of Agricultural and Resource Economics*. 51: 121 – 135.

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since much alcohol advertising expenditure has shifted to channels such as digital media and sponsorship.^{289,290} Secondly, they focus on the total population, concealing the differential effect that alcohol advertising may have on vulnerable population subgroups such as adolescents.^{291,292}

Cross-sectional studies observe the exposure to and/or attitudes towards alcohol advertising and alcohol drinking behavior on a population subgroup at one specific point in time.²⁹³ While these studies tend to demonstrate a positive association between exposure to alcohol advertising and consumption, they do not demonstrate causality, as they cannot show whether exposure preceded drinking uptake.²⁹⁴

Longitudinal studies measure the exposure and/or attitudes to alcohol advertising at time A and how this relates to alcohol drinking outcomes at time B. Longitudinal studies are particularly susceptible to the effects of chance, bias and confounders, although these can be minimised at both the design and analysis stage of a study.²⁹⁵ Provided that longitudinal studies are well designed, conducted and analysed (and systematic reviews ensure that only the results of these studies are considered) they can demonstrate probable relationships, providing the strongest evidence about the long-term effects of exposure to alcohol advertising on drinking behavior among adolescents.²⁹⁶

Longitudinal and cross-sectional studies to date provide increasingly compelling evidence that exposure to alcohol advertising through traditional channels is associated with adolescents' drinking behaviour through early initiation of alcohol use as well as more frequent and heavy drinking. While the evidence base is less developed regarding advertising through digital and other emerging media, there are indications of its influential effects on alcohol-related behaviours.²⁹⁷

The range and reach of both traditional and emerging advertising strategies suggest a cumulative impact on adolescents's drinking which should be further investigated through longitudinal research.

Early initiation age for alcohol consumption

Alcohol advertising through a range of media channels has been found to be associated with actual drinking behaviour among adolescents.²⁹⁸ A 2011 cross-sectional survey of 1,113 Australians aged 12-17 years showed levels of exposure to alcohol advertising through a range of media channels ranging from 94% on television to 51% as promotional material. This study concluded that the current levels of adolescent exposure to alcohol advertising in Australia are associated with drinking patterns: 60% of adolescents exposed had initiated alcohol consumption; 38% indicated that they had regularly consumed alcohol in the previous 12 months; and 44% had consumed alcohol recently.²⁹⁹

²⁸⁹ Babor T, et al. (2010). Alcohol: No Ordinary Commodity in *Research and Public Policy*, 2nd Edition, UK: Oxford University Press.

²⁹⁰ Anderson, P., Kochanek, K., and Murphy, R. (2009). [Impact of alcohol advertising and other media exposure on adolescent alcohol use: a systematic review of longitudinal studies](#). *Alcohol and Alcoholism*. 44(3): 229-243

²⁹¹ Australian Medical Association, (2012) [Alcohol marketing and young people: time for a new policy agenda](#)

²⁹² Hastings, G., Anderson, S., Cooke, E. and Gordon, R. (2005). Alcohol Marketing and Young People's Drinking: A Review of the Research. *Journal of Public Health Policy*. 26: 296-311.

²⁹³ Anderson, P., Kochanek, K., and Murphy, R. (2009). Ibid.

²⁹⁴ Smith, L.A and Foxcroft, D, R. (2009). [The effect of alcohol advertising, marketing and portrayal on drinking behaviour in young people: systematic review of prospective cohort studies](#). *BMC Public Health*,9:51

²⁹⁵ Anderson, P., Kochanek, K., and Murphy, R. (2009). Ibid

²⁹⁶ University of Sheffield (2008) Independent review of the effects of alcohol pricing, Project report for the Department of Health

²⁹⁷ Gordon R, Hastings, G, Moodie G (2010) Alcohol marketing and young people's drinking: what the evidence base suggests for policy, *Journal of Public Affairs* 10 (1-2) 88–101

²⁹⁸ Roche, A.M., Bywood, P.T., Borlagdan, J., Lunnay, B., Freeman, T., Lawton, L., Tovell, A. & Nicholas, R. (2007) [Young people and alcohol: The role of cultural influences](#). National Centre for Education and Training on Addiction, Adelaide.

²⁹⁹ Jones, S.C & Magee, C.A. (2011). [Exposure to Alcohol Advertising and Alcohol Consumption among Australian Adolescents](#). *Alcohol and Alcoholism*. 46 (5): 630-637.

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International evidence also shows that exposure to repeated high levels of alcohol advertising among adolescents promotes earlier ages of alcohol initiation and increases the likelihood of heavy drinking both as a young person and across the life cycle.³⁰⁰ A UK independent review of the effects of alcohol promotion³⁰¹ noted the following:

- Based on a review of 31 studies conducted in several countries, there is evidence, including from the 10 longitudinal studies included in this review, that exposure to broadcast media alcohol advertising (television, films, radio, music and music video as well as the Internet) is associated with early initiation of drinking as well as drinking patterns.
- The results of 10 US cross-sectional studies indicate that print media and outdoor alcohol advertising increases the likelihood of early onset of alcohol drinking and influences the level of drinking.
- Four US cross-sectional studies show that ownership of alcohol-branded merchandise is associated with initiation or current drinking.

The review's overall conclusion was that: "There is increasing evidence that alcohol advertising seen by young people is associated with initiation of drinking and with heavy drinking. Much of the evidence comes in the form of cohort studies from USA and New Zealand. However, there is sufficient consistency of effect across a wide range of advertising media to suggest the need for preventative measures".³⁰²

Another UK report noted that the unintended effects of otherwise legitimate alcohol marketing strategies include "*underage drinkers starting to drink, regular young drinkers becoming prone to binge drinking patterns and established young drinkers accruing a heavy level of consumption which can place them at risk of harms*".³⁰³

Increased alcohol consumption and other drinking patterns

The results from two systematic reviews, which identified only those longitudinal studies that were well designed, conducted and analysed, provide the strongest evidence of the long-term effects of exposure to alcohol advertising on the drinking behaviour of young people, as follows:

1. Smith and Foxcroft's 2009 review of 7 longitudinal studies from several countries, which followed up 13,255 young people aged 10 to 26 years, concluded that there is consistent evidence of the association of direct and indirect alcohol advertising exposure with initiation, consumption and heavy drinking. The authors noted that:
"baseline non-drinkers were more likely to have become a drinker at follow-up with greater exposure to alcohol advertisements, and in studies of mixed populations of drinkers and non-drinkers, increased exposure at baseline lead to significant increased risk of drinking at follow-up. Two of these studies demonstrated a dose-response relationship".³⁰⁴

³⁰⁰ Babor T, Caetano R, Casswell S. et al. (2003) Alcohol: no ordinary commodity. Oxford University Press.

³⁰¹ University of Sheffield (2008) Independent review of the effects of alcohol pricing, Project report for the Department of Health

³⁰² Ibid. p.93

³⁰³ Academy of Medical Sciences. (2004) Calling Time. The Nation's Drinking as a Major Health Issue. A Report from the Academy of Medical Sciences. London.

³⁰⁴ Smith, L.A and Foxcroft, D, R. (2009). [The effect of alcohol advertising, marketing and portrayal on drinking behaviour in young people: systematic review of prospective cohort studies](#). *BMC Public Health*,9:51

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2. Anderson et al's 2009 review of 13 longitudinal studies noted that:
*"based on the strength of this association, the consistency of findings across numerous observational studies, temporality of exposure and drinking behaviours observed, dose-response relationships, as well as the theoretical plausibility regarding the impact of this exposure, [it can be concluded that] alcohol advertising and promotion increases the likelihood that adolescents will start to use alcohol, and to drink more if they are already using alcohol."*³⁰⁵

The details and specific findings of these reviews of longitudinal studies are presented in Appendix D.

3.9 Conclusion

Evidence shows that most alcohol marketing strategies currently used in Australia reach adolescents, and that adolescents are exposed to about the same level of alcohol advertising as are young adults. The multiple strategies used in alcohol advertising – both traditional media and digital media - make it difficult to measure total exposure; existing measures are likely to be an underestimation of the total advertising effort.

Adolescents are exposed to a wide range of direct and indirect alcohol advertising. In contrast, adolescents in Australia are not consistently exposed to health promotion campaigns regarding the risks and harmful effects of alcohol. A substantial number of adolescents see alcohol advertising on television, particularly during live sport television broadcasts, as well as in print and other media. Adolescents are also among the audiences exposed to alcohol sponsorship of sports and events, as well as to product placement in films and music. Increasingly sophisticated digital marketing methods are targeted at, and effective at engaging, the youth market.

Social media now plays an important role in consolidating social norms around drinking. Given that adolescents are susceptible to alcohol advertising messages, there is a need to consider how alcohol companies use social media, and the likely consequences associated with its use.

Evidence demonstrates that children and adolescents are vulnerable to, and influenced by, the messages contained in alcohol advertising. A large body of Australian and international research, including several systematic reviews of longitudinal studies, shows that exposure to alcohol advertising and promotions through a range of channels influences adolescents. These range from increasing alcohol brand awareness; creating positive attitudes and expectations towards alcohol use and intentions to drink; engaging with the brand and increasing alcohol availability to early initiation of alcohol consumption; and a greater risk of harmful drinking in adolescence and beyond.

³⁰⁵ Anderson, P., Kochanek, K., and Murphy, R. (2009). [Impact of alcohol advertising and other media exposure on adolescent alcohol use: a systematic review of longitudinal studies](#). *Alcohol and Alcoholism*. 44(3): 229-243

CHAPTER 4: REGULATION OF ADVERTISING AND ALCOHOL ADVERTISING IN AUSTRALIA

Key Points

- The framework for Australia's advertising conduct, including for alcohol, has regulatory, co-regulatory and self-regulatory elements.
- The self-regulation of advertising, including alcohol advertising, is largely undertaken through a range of industry codes of practice; many of these codes are based on a common foundation created internationally.
- Complaints about the content of alcohol advertising is handled primarily by the Alcohol Beverages Advertising (and Packaging) Code (ABAC) but content issues relating more broadly to matters such as taste and decency are separately and concurrently considered by the Advertising Standards Bureau (ASB).
- There is limited regulation of the placement (where and when) of alcohol advertising. There are some placement restrictions in the Children's Television Standards of the Australian Communications and Media Authority (ACMA) and in the Commercial Television Industry Code of Practice (CTICP), a co-regulatory industry code registered by ACMA.
- A primary aim of Australia's regulatory, co-regulatory and self-regulatory framework is to protect children and adolescents from exposure to unsuitable content such as alcohol advertising.

4.1 Introduction

Regulation is present in our society in a number of different forms, commonly to regulate economic relationships between individuals and corporations, between one or more corporations, or relationships between governments and corporations and/or individuals. Regulation may limit or prohibit conduct, including in areas of business licensing, environment and hazard management, and employment. Regulation may also regulate the availability or promotion of products or services, which citizens (primarily through their government) have deemed to be harmful or conducive to harm. For example, certain products or activities have been prohibited entirely for supply or promotion purposes; others have their advertising and availability to consumers restricted – such as Schedule 4 drugs (prescription drugs), gambling or alcohol.

The 2013 Australian Government Best Practice Handbook³⁰⁶ defines the different forms of regulation as follows:

Self-regulation – characterised by industry-formulated rules and codes of conduct, with industry solely responsible for enforcement.

³⁰⁶ Australian Government (2013) [Best Practice Regulation Handbook: Glossary](#) Accessed 10 February 2014.

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Co-regulation – industry develops and administers its own arrangements, but government provides legislative backing to enable the arrangements to be enforced.

Regulation – any ‘rule’ endorsed by government where there is an expectation of compliance.

Alcohol advertising sits within the overall framework of advertising controls within Australia which are a combination of regulatory (mandated by government), co-regulatory and self-regulatory approaches. This chapter describes the different modes of advertising regulation, to provide context for the recommendations made in Chapter 6. Section 4.5 of the chapter describes the most important self-regulatory code – the Alcohol Beverages Advertising (and Packaging) Code (ABAC) – which is also further addressed in Chapter 6.

The bulk of Australia’s alcohol advertising regulatory framework might well be described as quasi-regulatory - ‘a wide range of rules or arrangements where governments influence businesses to comply, but which do not form part of explicit government regulation’.³⁰⁷ However, in essence this is a system of self-regulatory codes and complaints structures, administered by industry bodies, which at various times Government seeks to influence either through some form of government approval and/or registration of the code, possibly a nominee on a relevant management committee, and/or through periodical government review.

4.2 International standards and guidelines on advertising and self-regulation

The International Chamber of Commerce (ICC) Consolidated Code of Advertising and Marketing Communication Practice forms the basis of the self-regulation advertising codes by industry advertising standards organisations in over 35 countries.³⁰⁸

The ICC Code covers all forms of advertising and marketing in all media and is intended to achieve the following objectives:

- to demonstrate responsibility and good practice in advertising and marketing communications across the world;
- to enhance overall public confidence in marketing communications;
- to respect privacy and consumer preferences;
- to ensure special responsibility as regards marketing communications and young people;
- to safeguard the freedom of expression of those engaged in marketing communications (as embodied in article 19 of the United Nations International Covenant of Civil and Political Rights);
- to provide effective practical and flexible solutions; to minimise the need for detailed governmental and/or inter-governmental legislation or regulations.³⁰⁹

The ICC has defined advertising and marketing broadly as well as the scope of messages intended to be covered by its Code:

“the term ‘*marketing communications*’ includes advertising as well as other techniques, such as promotions, sponsorships and direct marketing, and should be interpreted

³⁰⁷ Australian Government (2013) [Best Practice Regulation Handbook: Glossary](#) Accessed 10 February 2014.

³⁰⁸ International Chamber of Commerce (ICC) website, [ICC Commission on Marketing and Advertising](#) Accessed 10 February 2014.

³⁰⁹ International Chamber of Commerce (ICC) website, [Consolidated ICC Code of Advertising and Marketing Communication Practice](#) Accessed on 28 October 2014

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broadly to mean any communications produced directly by or on behalf of marketers intended primarily to promote products or to influence consumer behaviour.”³¹⁰

Importantly for the credibility of marketing self-regulation, the ICC has not delineated any media specificity in its definition; this position on ‘media neutrality’ as a result automatically picks up the newer forms of digital marketing, such as on Facebook, in which advertisers are operating. Stephen Loerke, Managing Director of the World Federation of Advertisers, has reaffirmed this universality of coverage of marketing communications in an editorial arising from an Australian self-regulatory determination of a complaint about Diageo and Facebook:

I believe that this case has fundamental lessons for us all and helps highlight the key challenges that we need to address.

First, social media is becoming a test case for the continued credibility of self-regulation. Consumers and policy makers won't believe that we are serious about self-regulation unless we can demonstrate that the same standards we apply to traditional media also apply to evolving channels such as social media.

*That basic principle is enshrined in the global marketing code of the International Chamber of Commerce, which clearly establishes that self-regulation applies to “all advertising and other marketing communications” – no exceptions.*³¹¹

The International Centre for Alcohol Policies, which is supported by major international alcoholic beverage producers, has developed *Guiding Principles: Self-Regulation of Marketing Communications for Beverage Alcohol*, which is similar in content to the ABAC.³¹² The ICC Commission on Marketing and Advertising is currently developing a new framework for alcohol advertising, “to increase existing confidence in the self-regulatory approach even further, and ensure that it reaches across all markets... demonstrate responsibility via strong and coherent industry rules”. The draft framework has been based on the ICAP Guiding Principles referenced above.³¹³

In Australia, the advertising industry’s main self-regulatory complaints-handling organisation, the Advertising Standards Bureau (ASB), administers a variety of self-regulatory codes of the Australian Association of National Advertisers (AANA), such as the AANA Code of Ethics and AANA Code for Advertising & Marketing Communications to Children.³¹⁴ While not explicit in all instances, many of the AANA Codes are aligned to the ICC’s international work.

ASB is a member of the European Advertising Standards Alliance (EASA). EASA describes itself as “the single authoritative voice on advertising self-regulation issues”.³¹⁵ Twenty-four national European-based industry bodies are members of EASA, as well as 7 non-European ones (from Canada, New Zealand, South Africa, Brazil, Chile, India and Australia).³¹⁶ EASA has also established the International Council on Advertising Self-Regulation.³¹⁷

The EASA provides a range of best practice guides for industry self-regulatory advertising schemes such as how complaints structures should be established for handling public

³¹⁰ International Chamber of Commerce (ICC), [Advertising and marketing Communication Practice, Consolidated ICC Code](#) Accessed 10 February 2014.

³¹¹ World Federation of Advertisers website, [There are no exceptions](#) Accessed January 14 2014

³¹² International Centre for Alcohol Policies, [Guiding Principles self-regulation of marketing communications for beverage alcohol](#) Accessed on 28 October 2013

³¹³ International Chamber of Commerce (ICC) website, [Experts developing frame work for responsible marketing of alcohol](#) Accessed on 28 October 2013.

³¹⁴ Advertising Standards Bureau website, [Administered Codes and Initiatives](#) Accessed on 18 November 2013.

³¹⁵ European Advertising Standards Alliance (EASA) website, [What is EASA?](#) Accessed on 28 October 2013.

³¹⁶ Ibid.

³¹⁷ European Advertising Standards Alliance (EASA) website, [International Council on Advertising Self-Regulation](#) Accessed on 28 October 2013

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complaints on advertisements that allegedly do not adhere to the industry standards, effective sanctions and enforcement including the publication of decisions, provision of advice and training to industry practitioners in order to raise standards, pre-emptive monitoring of marketing, pre-clearance services and promotion of the self-regulatory system.

The EASA formally committed itself, in the EASA Charter in 2004, to the following principles:³¹⁸

1. Comprehensive coverage by self-regulatory systems of all forms of advertising and all practitioners.
2. Adequate and sustained funding by the advertising industry proportionate to advertising expenditure in each country.
3. Comprehensive and effective codes of advertising practice based on the globally accepted codes of marketing and advertising practice of the International Chamber of Commerce (ICC) applicable to all forms of advertising.
4. Broad consultation with interested parties during code development.
5. Due consideration of the involvement of independent, non-governmental lay persons in the complaint adjudication process.
6. Efficient and resourced administration of codes and handling of complaints thereon in an independent and impartial manner by a self-regulatory body set up for the purpose.
7. Prompt and efficient complaint handling at no cost to the consumer.
8. Provision of advice and training to industry practitioners in order to raise standards.
9. Effective sanctions and enforcement, including the publication of decisions, combined with efficient compliance work and monitoring of codes.
10. Effective awareness of the self-regulatory system by industry and consumers.

These principles are given effect in the EASA Best Practice Self-Regulatory Model,³¹⁹ though principle 4 – broad consultation with interested parties in code development – is de-emphasised in the model.

In 2006, DG-SANCO (the European Union Health and Consumer Protection Directorate-General) held a Round Table of NGO, government and EASA representatives to discuss the EASA self-regulation model and to arrive at a clearer definition of such a model. A variety of determinants of effectiveness are outlined in the report of the Round Table including the need for sanctions (the minimum sanction being withdrawal of advertising copy), coverage (which must include all marketing communications in any medium or distribution channel), and independence (which the meeting suggested deserved reinforced attention by EASA including the 'effective contribution of the stakeholders to the elaboration of codes' and the need for independent persons on the adjudication bodies).³²⁰

The EASA best practice model formed the basis of a regional APEC dialogue in 2012 entitled Dialogue on Advertising Standards – Principles and Practice,³²¹ the dialogue was an initiative of the Australian Standards Bureau.

³¹⁸ European Advertising Standards Alliance (EASA) website, [EASA Charter](#) Accessed 28 October 2013

³¹⁹ European Advertising Standards Alliance (EASA), 2004 [Appendix 3: The EASA Best Practice Self-Regulatory Model](#) Accessed 28 October 2013

³²⁰ 2006 [Self-Regulation in the EU Advertising Sector: A report of some discussion among interested parties](#) Accessed 28 October 2013

³²¹ [Dialogue on advertising standards - principles and practice](#), Hanoi, 7-8 November 2012, Report to the APEC Committee on Trade and Investment Accessed 28 October 2013

4.3 International alcohol advertising regulation

Globally, countries use a wide range of policies to control alcohol advertising and marketing.³²² Approaches in other jurisdictions span the full spectrum of regulatory approaches from outright bans and statutory regulations, to co-regulation and industry self-regulation. Of 132 countries reporting to the World Health Organization in 2008, 72 reported some restriction on alcohol advertising, with 60 reporting no restrictions. The greatest restrictions were in Eastern Mediterranean, Nordic and South-East Asian countries.³²³ Few countries have a complete ban on alcohol advertising and promotion, however there are a number of jurisdictions in which legislation restricts advertising in specific media and/or of particular beverages. In an examination of 106 countries surveyed, there was a statistically significant shift towards more restrictive marketing measures between 2002 - 2008.³²⁴

Restrictions include: bans on product placement, either on public or private television; complete or partial restrictions on industry sponsorship of sporting events; and restrictions on sales promotion in the form of sales below cost. Restrictions on alcohol sponsorship of sporting events were slightly less common than other marketing restrictions. Of all WHO Member States, 27% indicated they had either a full or partial ban on alcohol industry sponsorship of sport for at least one beverage category, 5% reported self-regulation, and 44% reported no regulation.³²⁵

Models of alcohol advertising regulation internationally

Some countries have significant regulation or prohibition of elements of alcohol advertising. A system of co-regulation is common in much of Europe including the UK, and to a lesser extent in the US, New Zealand and Canada where practices rely more on a self-regulation framework. The difference in approaches is particularly evident in relation to sanctions where the self-regulatory structures have mainly (or only) withdrawal or modification of marketing as their available tool.

Examples of government regulation

Many European countries have enacted legislation that restricts alcohol advertising to varying degrees. For example, Austria, Belgium, Finland, France, Germany and Ireland have banned the advertising of spirits on television.³²⁶ France's alcohol advertising legislation, Loi Évin, is one of the more restrictive schemes in Europe and bans alcohol sponsorship and advertisements on television and cinema. The legislation restricts alcohol advertising to billboards, some radio and print media for adults, and applies to alcohol advertising on the internet.³²⁷ Targeting of young people is prohibited. The advertisements must only contain information about the product, such as its strength and place of production, and a health warning must be included. There are significant monetary sanctions for infringements of the law.³²⁸

³²² World Health Organization (2011). [Global Status Report on Alcohol and Health](#) WHO Library Cataloging-in-Publication Data
³²³ Ibid.

³²⁴ Babor T, et al.(2010). *Alcohol: No Ordinary Commodity in Research and Public Policy*, 2nd Edition, UK: Oxford University Press

³²⁵ World Health Organization (2011). [Global Status Report on Alcohol and Health](#) WHO Library Cataloging-in-Publication Data

³²⁶ Institute of Alcohol Studies website, [Alcohol advertising in the European Union](#) Accessed on 28 October 2013

³²⁷ <http://www.worldipreview.com/article/loi-evin-20-years-on>. Accessed on 11 February 2014.

³²⁸ World Health Organization (2011). [Global Status Report on Alcohol and Health](#) WHO Library Cataloging-in-Publication Data

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Examples of combined self- and co-regulation

The **United Kingdom** (UK) Advertising Standards Authority (ASA) is responsible for enforcing the UK Code of Non-Broadcast Advertising, Sales Promotion and Direct Marketing Code (which is self-regulatory) and the UK Code of Broadcast Advertising (which is co-regulatory).³²⁹ The United Kingdom's Office of Communication (Ofcom) is the regulatory body responsible for broadcast media but relies on the ASA to enforce the broadcast advertising codes. For broadcast advertisements, the responsibility to withdraw, change or reschedule a commercial lies with the broadcasters and it is a condition of their broadcast licences to enforce ASA rulings. In cases of persistent non-compliance, broadcasters risk being referred to Ofcom which can impose fines and even withdraw their license to broadcast.³³⁰

The ASA has a range of sanctions available to it. In the first instance, the publishing of an adjudication is generally sufficient for ensuring compliance (removal or modification of an advertisement). Through the Committee of Advertising Practice (CAP), which maintains the Codes, the ASA or CAP can: include the advertiser on **Ad Alerts** which requests media outlets to refuse advertisements by the advertiser; be removed by a CAP member from certain trading privileges (for example the Royal Mail can withdraw its bulk mail discount making a direct marketing campaigns prohibitive); require the advertiser to have its advertisements pre-vetted; and/or add the advertiser to its public list of non-compliant on-line advertisers.³³¹

The content of the Alcohol components of both the Non-Broadcast and Broadcast advertising codes is not dissimilar to the Alcohol Beverages Advertising Code in Australia. In addition, the UK's Portman Group (established by alcohol producers) is an industry-run self-regulatory body dealing with a variety of matters not covered by the ASA or Ofcom; its *"Code of Practice on the Naming, Packaging and Promotion of Alcoholic Drinks"* covers marketing practice that falls outside of the codes detailed above.³³²

Additionally, the UK has developed a voluntary labelling scheme (the first in Europe) in conjunction with Health officials. A target was set (by December 2013) for drinks companies to display the number of units (standard drinks), the alcohol guidelines (equivalent to the Australian NHMRC Guidelines) and a pregnancy warning on 80% of drinks containers on shelves in off-trade retailers.³³³ No assessment of the scheme is yet available.

Canada's scheme is also a mixed regulatory arrangement. The Canadian Radio-Television and Telecommunication Commission has a Code for Broadcast Advertising of Alcohol Beverages while provincial governments have separate and distinct legislation controlling alcohol advertising more broadly (for example, the Province of Ontario's Guidelines set out by the Alcohol and Gaming Commission, which also governs the minimum prices set in that province).³³⁴ ³³⁵ Advertising Standards Canada (an industry body) adjudicates on alcohol advertising complaints in relation to the broadcast code. Like Australia, the scheme largely operates in a self-regulatory manner, with Advertising Standards Canada offering a voluntary pre-vetting service and reviewing advertisements only in the event of a complaint.³³⁶

³²⁹ Advertising Standards Authority (ASA) website, [Co-regulation of broadcast advertising](#) Accessed 10 February 2014.

³³⁰ Ofcom website, [Broadcast guidance](#), Accessed 10 February 2014.

³³¹ Advertising Standards Authority website, [Non-compliant online advertisers](#) Accessed 10 February 2014.

³³² Jones, S.C and Gordon, R (2013) [Regulation of alcohol advertising: Policy options for Australia](#). Evidence Base Issue 2; Accessed 10 February 2014.

³³³ Portman Group website, [Responsibility Programs](#) Accessed 10 February 2014.

³³⁴ Canadian Radio-television and Telecommunications Commission, [Code for broadcast advertising of alcoholic beverages](#) Accessed 10 February 2014.

³³⁵ Alcohol and Gaming Commission of Ontario, 2011 [Liquor advertising guidelines: liquor sales licensees and manufacturers](#) Accessed 10 February 2014.

³³⁶ Jones, S.C and Gordon, R (2013) [Regulation of alcohol advertising: Policy options for Australia](#). Evidence Base Issue 2

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In the **United States**, the Bureau of Alcohol, Tobacco and Firearms (BAFT) has primary authority over alcohol labelling and advertising. In addition, numerous states place restrictions on alcohol advertising, and the alcohol industry operates under various self-regulatory industry codes. However, according to the most recent review by the Office of the Inspector General (OIG) of the U.S. Department of Health and Human Services (DHHS), the US federal system lacks specific prohibitions against advertising appealing to youth, and the enforcement authority of the BATF was “limited” .³³⁷

New Zealand’s Code for Advertising and Promotion of Alcohol is self-regulated but provides clearer guidance, in some areas, of what is unacceptable targeting of advertising to minors. For example, the code states that:³³⁸

Alcohol advertising and promotions shall not... use or refer to identifiable heroes or heroines of the young...
use designs, motifs or cartoon characters that have strong or evident appeal to minors or that create confusion with confectionary or soft drinks.

The Code also contains the following guidelines for sponsorship advertisements:³³⁹

- 4(a) Shall not contain a sales message.
- 4(b) Shall not show a product or product packaging.
- 4(c) Shall not imitate or use any parts of product advertisements from any media.
- 4(d) Shall not portray consumption of alcohol.
- 4(e) Shall only briefly and in a subordinate way mention or portray the sponsor’s name and/or brand name and/or logo orally and/or visually.
- 4(f) May be broadcast at any time except during programmes intended particularly for minors.

Guidelines for sponsorship:

- 4(g) Alcohol producers, distributors or retailers should not engage in sponsorship where those under 18 years of age are likely to comprise more than 25% of the participants, or spectators.
- 4(h) Sponsors shall not require or permit sponsored parties to feature alcohol branding on children’s size replica sports kit or on any promotional material distributed to minors.

In 2010 the New Zealand Law Commission recommended the following three-stage plan over five years to control alcohol promotion, advertising and sponsorship.³⁴⁰

Stage one: Makes it an offence to promote any event or activity that encourages excessive alcohol consumption. Promotions specifically targeting young drinkers will also become an offence.

Stage two: Creates a joint committee run by the Ministers of Health and Justice. This will oversee a programme to reduce exposure to alcohol advertising and increase control of advertising content.

Stage three: Restricts the advertising and promotion of alcohol in all media. Eventually, no alcohol advertising will be allowed, except if it gives factual product information.

³³⁷ Jernigan, D. and O’Hara J. (2004) *Alcohol Advertising and Promotion* in Reducing Underage Drinking: A collective responsibility, Bonnie RJ, O’Connell ME, editors. Washington(DC): National Academies Press.

³³⁸ Jones, S.C and Gordon, R (2013) [Regulation of alcohol advertising: Policy options for Australia](#). Evidence Base Issue 2

³³⁹ Ibid.

³⁴⁰ Drug Foundation New Zealand, [Advertising and the Alcohol Reform Bill](#), Accessed on 20 December 2013

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At this point, the New Zealand Government has accepted only stage one of the Law Commission's recommendations³⁴¹, and this recommendation has been included in the new *Sale and Supply of Alcohol Act 2012*.³⁴²

4.4 Australia's legal and self-regulatory framework applying to alcohol marketing

As noted earlier, Australia's framework on alcohol marketing is a combination of regulatory, co-regulatory and self-regulatory constituents.

Figure 4.1 portrays the overall system and the key organisational infrastructure and codes involved.

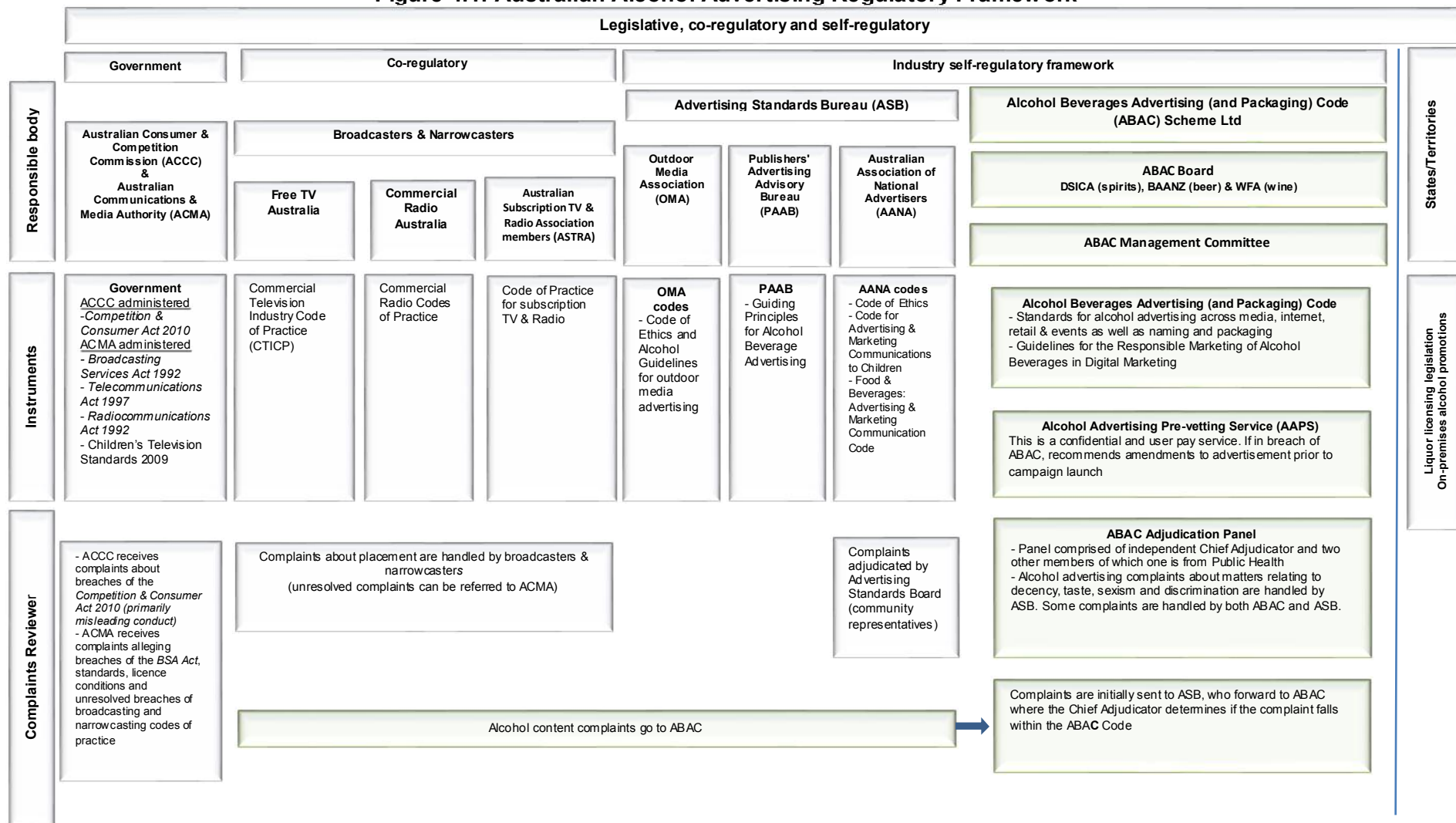
³⁴¹ Drug Foundation New Zealand, [Advertising and the Alcohol Reform Bill](#), Accessed on 20 December 2013

³⁴² Health Promotion Agency, [National guidance on alcohol promotions Off-licensed premises](#), Accessed on 20 December 2013

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Figure 4.1: Australian Alcohol Advertising Regulatory Framework



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The key legislation which applies to any form of advertising in Australia including alcohol is contained in the Australian Consumer Law (ACL) which is Schedule 2 of the **Competition and Consumer Act 2010** (previously the *Trade Practices Act 1974*); the critical provision prohibits misleading and deceptive conduct in trade and commerce. The Australian Competition and Consumer Commission has primary responsibility for enforcement of the misleading conduct provisions of the Act and publishes a variety of material including guidelines for advertisers and sellers. The misleading conduct provisions of the ACL are not a focus of this Review.

The other important regulator is the Australian Communications and Media Authority (ACMA). ACMA administers, *inter alia*, the *Broadcasting Services Act 1992*, the *Telecommunications Act 1997*, and the *Radiocommunications Act 1992*. ACMA's role, which comprises of regulatory and co-regulatory elements, includes: determining certain standards (for example the Children's Television Standards); the review and registration of a number of voluntary, industry-regulated codes some of which bear on marketing matters; the initiation or supervision of reviews of codes; and handling certain unresolved complaints related to television and radio.

Specific legislation and co-regulatory codes on alcohol marketing communications

As noted above, the Australian Communications and Media Authority has responsibility for the **Children's Television Standards 2009** (CTS). The CTS is an ACMA standard made under the relevant section of the *Broadcasting Services Act 1992*. Under that Act, compliance with a standard is a licence condition for commercial television broadcasters.

Apart from the objective of ensuring that children have access to a variety of quality television programs made specifically for them, the CTS also provides for the protection of children from possible harmful effects of television including bans on any advertising during preschool (P) viewing periods and restrictions on the quantum and content of marketing that can be run during children's (C) viewing periods. The P bands are 7:00 am to 4:30 pm Monday to Friday; C bands are 7:00am – 8:30 am and 4:00 – 8:30 pm on weekdays and 7:00 am – 8:30 pm Saturday, Sunday and school holidays.

In relation to alcohol specifically, CTS 36 – Advertising of alcoholic drinks provides that:

1. Advertisements for alcoholic drinks may not be broadcast during a C period.
2. No advertisement or sponsorship announcement broadcast during a C period may identify or refer to a company, person, or organisation whose principal activity is the manufacture, distribution or sale of alcoholic drinks. This requirement is in addition to the requirements of the Commercial Television Industry Code of Practice.
3. No advertisement for alcoholic drinks may be broadcast during a C program or P program that is broadcast outside a C period or P period, or in a break immediately before or after any C program or P program.
4. No advertisement or sponsorship announcement broadcast during a C program or P program that is broadcast outside a C period or P period, or in a break immediately before or after such a C program or P program, may identify or refer to a company, person or organisation whose principal activity is the manufacture, distribution or sale of alcoholic drinks. This requirement is in addition to the requirements of the Commercial Television Industry Code of Practice.³⁴³

³⁴³ Office of Legislative Drafting and Publishing, Attorney-General's Department, [Children's Television Standards 2009](#)
Accessed 28 October 2013

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Alongside the *Children's Television Standards 2009* sits the **Commercial Television Industry Code of Practice – January 2010** (CTICP). The CTICP Code is a registered code with the Australian Communications and Media Authority and as such a licensee can be required to comply. The CTICP was developed primarily by industry (through Free TV Australia), in consultation with ACMA, and covers a range of matters prescribed in Section 123 of the *Broadcasting Services Act 1992* and other matters relating to program content including: program classifications; accuracy, fairness and respect for privacy in news and current affairs; advertising time on television; placement of commercials and program promotions; and unresolved complaints handling.

Sections 6.7 – 6.13 inclusive of the CTICP deal with Commercials which Advertise Alcoholic Drinks (see Appendix E for full details). The Code only permits direct advertising for alcoholic drinks in M, MA or AV classification periods (see Box 6 below) with the exception of live broadcasts of a sporting event on weekends and public holidays.

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Box 6: The Commercial Television Industry Code of Practice (CTICP) 2010 – Commercials which Advertise Alcoholic Drinks

Section 6.7 of the code states that:

A commercial which is a “direct advertisement for alcoholic drinks” may be broadcast:

6.7.1 only in M, MA or AV classification periods; or

6.7.2 as an accompaniment to the live broadcast of a sporting event on weekends and public holidays.

6.8 Notwithstanding Clause 6.7, a commercial which is a ‘direct advertisement for alcoholic drinks’ may be broadcast as an accompaniment to the live broadcast of a sporting event if:

6.8.1 the sporting event is broadcast simultaneously across a number of licence areas: and

6.8.2 Clause 6.7 permits direct advertisements for alcoholic drinks in the licence area in which the event is held or, if the event is held outside Australia, direct advertisements for alcoholic drinks are permitted in a majority of the metropolitan licence areas in which the event is simulcast.

6.11 “Direct advertisement for alcoholic drinks” means a commercial broadcast by a licensee that draws the attention of the public, or a segment of it, to an alcoholic drink in a manner calculated to directly promote its purchase or use. This does not include the following, provided that their contents do not draw attention to an alcoholic drink in a manner calculated to directly promote its purchase or use:

6.11.1 a program sponsorship announcement on behalf of a brewing company or other liquor industry company;

6.11.2 a commercial for a licensed restaurant; or

6.11.3 a commercial for a company whose activities include the manufacture, distribution or sale of alcoholic drinks.

The **M** classification zones are:

Weekdays (schooldays): 8.30pm – 5.00am

12.00pm – 3.00pm

Weekdays and Weekends: 8:30pm – 5.00am
(and school holidays)

The **MA** classification zone is all days between 9.00pm and 5.00am.

The **AV** classification zone is all days between 9.30pm and 5.00am.

The CTICP also makes provision for the classification of commercials. Commercials Advice (CAD) is operated by Free TV Australia; the Code requires that all commercials – including infomercials and community service announcements – must be classified before they can be broadcast.³⁴⁴ Each commercial is provided with a CAD (Classification) number. CAD may withdraw the number when the ABAC (Alcohol Beverages Advertising Code) Adjudication Panel has upheld complaints against a commercial requiring it to be modified or discontinued. Appendix E outlines the advice on alcohol advertisements provided by CAD.

Further relevant co-regulatory codes exist, registered by ACMA: the Commercial Radio Code of Practice; the Subscription Television Broadcast Code of Practice; and the Subscription Narrowcast Television and the Subscription Narrowcast Radio Codes. The latter three codes were developed by the Australian Subscription Television and Radio Association (ASTRA). All are briefly outlined below.

³⁴⁴ Free TV Commercials Advice, [Classification Handbook](#), Accessed 28 October 2013

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The **Commercial Radio Code** requires compliance with all other codes of practice ‘so far as they are applicable’, and requires that a radio licensee must not broadcast programs (including advertisements) which in all the circumstances “present as desirable the misuse of alcohol” or associate betting or gambling with alcohol.³⁴⁵ The peak industry body responsible for the creation of the Codes, Commercial Radio Australia, has no direct role in complaints handling. Alcohol content complaints are handled primarily by ABAC.

The **Subscription Television Broadcast Code** (SBT) requires compliance with the AANA and ABAC Codes (see below). In addition, the SBT Code specifically requires licensees to take into account the intellectual and emotional maturity of the audience when scheduling advertising relating to certain categories of products and services, including alcoholic beverages.³⁴⁶ The **Subscription Narrowcast Television and Radio Codes** do not refer to the AANA or ABAC codes specifically but prohibit the association of betting or gambling with alcohol.^{347 348} Alcohol content complaints are handled primarily by ABAC.

Unlike the CTICP (for the free-to-air television broadcasters), the subscription television broadcast code does not restrict the placement (time zones) of marketing of alcohol. ASTRA indicates that for subscription services “ASTRA does not believe that banning certain types of advertising is the appropriate way to deal with health and social concerns that arise in the community from time to time.”³⁴⁹ Some content providers of subscription channels have made alternative decisions in this regard – see the Disney channel for example.³⁵⁰ In its submission, however, ASTRA indicates that “in practice, alcohol advertisements are never scheduled on STV channels dedicated to children.”³⁵¹ Apart from dedicated children’s channels, for the consumers of subscription services, it is the customer who must block material through disabling technology such as parental lock-out. Foxtel indicates that parents can control TV viewing “by blocking channels, setting up viewing restrictions based on classifications, or PIN protection on Foxtel On Demand purchases.”³⁵²

State and territory role in alcohol advertising regulation

State and Territory Governments also participate in the regulation of alcohol advertising through liquor licensing legislation. Although liquor licensing legislation varies in each jurisdiction, advertising regulation in licensing legislation is broadly similar across the different statutory frameworks. For brevity, the case of NSW is provided as an example in Box 7. Advertising restrictions in state and territory licensing legislation are not a further focus of this review, on the basis that they are limited in scope and generally focus on the actions of on-premises licenses, such as pubs and clubs.

Box 7: Example of state advertising regulation: NSW *Liquor Promotion Guidelines*

In July 2013, the NSW government released updated *Liquor Promotion Guidelines* which apply to all licensed premises under the *Liquor Act 2007 (NSW)* that run alcohol promotions including hotels, bars, nightclubs, registered clubs, bottle shops, producer/wholesalers, limited licences, licensed restaurants and other on-premises

³⁴⁵ Commercial Radio Australia, [Codes of Practice & Guidelines](#) Accessed 28 October 2014

³⁴⁶ Australian Subscription Television and Radio Association (ASTRA), [Codes of Practice for the subscription broadcasting and narrowcasting industry in Australia](#) Accessed 10 January 2014

³⁴⁷ Australian Subscription Television and Radio Association (ASTRA), [Codes of Practice 2013 - Subscription Narrowcast Radio](#) Accessed 28 October 2014

³⁴⁸ Ibid.

³⁴⁹ Australian Subscription Television and Radio Association (ASTRA), [Advertising Standards](#) Accessed 10 January 2014

³⁵⁰ Barnes, B. [Promoting Nutrition, Disney to Restrict Junk-Food](#), The New York Times, 5 June 2012, Accessed 10 January 2014

³⁵¹ Australian Subscription Television and Radio Association (ASTRA), [Submissions](#) Accessed 10 January 2014

³⁵² Foxtel website, [Parental Control](#), Accessed 10 January 2014

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venues.

The guidelines address the promotion of alcohol through methods such as supermarket vouchers and shopper-dockets, as well as through social media and the internet. Licensees found in breach of the guidelines could face restrictions or bans on promotions, or a monetary fine.

The *Liquor Promotion Guidelines* identify inappropriate promotions including those that:

- Appeal to minors – such as promotions that use characters, imagery, motifs, merchandise, naming, designs or interactive games or technology likely to appeal to minors.
- Are indecent or offensive – such as promotions that use images that may be offensive to a reasonable adult; offer free or discounted drinks for participating in activities that may be offensive; use insulting or offensive language; or involve discriminatory, demeaning or vilifying language or imagery.
- Use non-standard measures – promotions that serve alcohol in non-standard measures such as teapots or jam jars where the alcohol content is not apparent, or use novelty drinkware that encourages rapid drinking such as test tubes, water pistols, and yard glasses.
- Use emotive descriptions or advertising that encourage excessive or irresponsible drinking – including through the use of language, images or slogans such as 'Drink till you drop' or 'Drink like a fish' or promotions of 'Mad Monday'.
- Offer free drinks or extreme discounts that create an incentive to consume – promotions which encourage rapid and excessive drinking through free, heavily discounted or all-you-can-drink offers or drinking games such as skolling games and boat races.
- Encourage irresponsible, rapid or excessive drinking – examples include using drinkware encouraging rapid consumption, drinking games, encouraging stockpiling of drinks, and late night promotions encouraging patrons who have been drinking for a significant period to continue drinking.
- Are not in the public interest - Promotions that are deemed undesirable for reasons that may include encouraging unlawful, anti-social or discriminatory behaviour.³⁵³

Self-regulatory structures

As noted earlier, the Advertising Standards Bureau (ASB) is a company funded through industry levies which serves as the advertising industry's generalist self-regulatory complaints organisation. The ASB website provides links and guidance on how members of the public may complain about marketing communications including issues about the use of language, the discriminatory portrayal of people, issues about advertising and children, portrayals of violence, sex, sexuality and nudity, and health and safety issues in marketing materials. Complaints about alcohol advertising, including those handled by the alcohol industry's self-regulatory body, are initially sent to the ASB.

The Board of Directors of the ASB are drawn primarily from companies who engage in marketing and advertising as well as firms providing advertising and marketing services in the market. The ASB serves as the secretariat to the Advertising Standards Board which is the committee determining the outcome of a complaint; the Advertising Standards Board, drawn from a wide range of community interests, is appointed by the Board of Directors of the ASB.

³⁵³ NSW Government (2013) [Media Release: Tough new liquor promotion guidelines for licenced venues](#), Accessed on 7 November 2013

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The ASB administers complaints in relation to advertising arising from a variety of industry codes as follows (note that at this stage the Australian codes have not been consolidated into a single document as per the international ICC codes):

AANA Code of Ethics

This is the generic Code for industry which “has the objective of ensuring all advertising is ethical, and prepared with a proper sense of obligation to consumers and fairness to competitors.”³⁵⁴ This overarching Code essentially seeks to enable the determination of complaints to reflect ‘prevailing community attitudes’ in relation to use of language, portrayal of people, depictions of violence, nudity and so on.

AANA Code for Advertising and Marketing to Children

The Code on Marketing to Children has the following relevant provision: *2.13 ALCOHOL: Advertising or Marketing Communications to Children must not be for, or relate in any way to, Alcohol Products or draw any association with companies that supply Alcohol Products.*³⁵⁵ The AANA indicate that this Code is “designed to ensure that advertising and marketing communications directed at Australian children is conducted within prevailing community standards.”³⁵⁶ The term ‘directed at children’ is important in the context of examining marketing communications; in many of the complaints documented in this area, the question is not whether the marketing being heard or seen appeals to children or that it may influence them but rather whether the marketing was actually directed at them. Many of the complaints about the self-regulatory complaints system itself turn on this distinction. The AANA Food and Beverages Advertising and Marketing Communications Code is even more explicit in its language on this matter: “Advertising or Marketing Communications to Children means Advertising or Marketing Communications which, having regard to the theme, visuals and language used, are directed primarily to Children.”³⁵⁷

Outdoor Media Association (OMA) - Code of Ethics; Alcohol Advertising Guidelines

The OMA covers forms of outdoor advertising such as billboards, on buses, taxis and so on. Its Code of Ethics requires members to adhere to both the AANA Code of Ethics and the Alcohol Beverages Advertising Code (ABAC – see below) including the ABAC pre-vetting system.³⁵⁸ In addition, the Alcohol Guidelines “require all members to limit the advertising of “alcohol products” on fixed signs that are located within a 150 metre sight line of a primary or secondary school. This generally relates to any access gates to the school.”³⁵⁹ The OMA policy does not apply where a school is in the vicinity of an establishment selling alcohol products (e.g. clubs, pubs, bottle shops).

Publishers’ Advertising Advisory Bureau’s (PAAB) Guiding Principle for Alcohol Beverages

The Publishers’ Advertising Advisory Bureau membership comprises newspaper and magazine publishers. For print media, the PAAB Guiding Principle indicates that its members support adherence to the Alcohol Beverages Advertising Code (ABAC) and contains further principles for the print advertising of licensed premises and brands. In relation to brand advertising, the PAAB Principle re-articulates the statement of Responsible Practices for Alcohol Advertising and Marketing of the Distilled Spirits Industry Council of Australia that:

³⁵⁴ Australian Association of National Advertisers (AANA) website, [AANA Code of Ethics](#), Accessed 10 January 2014

³⁵⁵ Australian Association of National Advertisers (AANA) website, [Code for Advertising & Marketing Communications to Children](#), Accessed 10 January 2014

³⁵⁶ Ibid.

³⁵⁷ Australian Association of National Advertisers (AANA) website, [Food & Beverages Advertising & Marketing Communications Code](#), Accessed 10 January 2014

³⁵⁸ Outdoor Media Association (OMA), [Code of Ethics](#), Accessed 10 January 2014

³⁵⁹ Outdoor Media Association (OMA), [Alcohol Advertising Guidelines](#), Accessed 10 January 2014

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- advertisements should only be placed where at least 70% of the audience is reasonably to be expected to be above the legal purchase age (determined by using reliable, up-to-date audience or readership data);
- advertisements should not contain the name of, or depict Santa Claus, Easter Bunny, or any other culturally significant figure or character likely to appeal to a person below the legal purchase age;
- the use of the word “schoolies” is banned in print advertisements;
- alcohol products should not be advertised or marketed on the comic or youth pages of newspapers, magazines; and
- all paid advertisements should contain a responsibility message in a manner and location that a reasonable person would be aware of its presence.³⁶⁰

The PAAB Principle also requires that brand advertisements be cleared prior to publication and that “publishers must request ABAC approval numbers from producers of beer and spirits who seek to place print advertisements in their publications and report to ABAC any producer who cannot do so in a reasonable time frame.”³⁶¹

Other Self-Regulatory Activity

A number of subscription television content providers, some alcohol industry bodies, as well as a number of online sites, also have statements or guidance in relation to alcohol advertising. Many of these are either derived from or included in other codes as discussed above. Of note, is the DSICA Statement, parts of which are quoted above, but which also contains provisions related to advertising on websites and emerging media; these are much more specific than the ABAC material in this area.

4.5 Alcohol Beverages Advertising Code

The most important alcohol-specific code is that of the alcohol industry - the Alcohol Beverages Advertising (and Packaging) Code (ABAC).

History and Purpose

The Alcohol Beverages Advertising Code (now part of the ABAC Scheme Ltd) was initially established in 1998 by the Brewers Association of Australia and New Zealand Inc (BAANZ), the Distilled Spirits Industry Council of Australia Inc (DSICA), and the Winemakers' Federation of Australia (WFA), with the aim of:

...[ensuring] that alcohol advertising will be conducted in a manner which neither conflicts with nor detracts from the need for responsibility and moderation in liquor merchandising and consumption, and which does not encourage consumption by underage persons.³⁶²

Currently, the ABAC scheme consists of three elements: a self-regulatory code to which members of the scheme must adhere; a pre-vetting service; and a complaints and adjudication process available to all members of the public. A summary of the development of the ABAC scheme can be found in the ABAC publication *The development of Australia's Alcohol Beverages Advertising (and Packaging) Code*.³⁶³

³⁶⁰ Publishers' Advertising Advisory Bureau (PAAB), [Alcohol Beverage Advertising](#), Accessed 10 January 2014

³⁶¹ Ibid.

³⁶² Alcohol Beverages Advertising Code (ABAC) Scheme, [Alcohol Beverages Advertising \(and Packaging\) Code](#) Accessed 10 January 2014

³⁶³ Alcohol Beverages Advertising Code (ABAC) Scheme, [The development of Australia's Alcohol Beverages Advertising \(and Packaging\) Code](#) Accessed 10 January 2014

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The ABAC Code

The ABAC Code outlines standards for the content of alcohol advertisements on television, radio, print, billboard, cinema and the internet and for the naming and packaging of alcoholic beverages; one section of the Code addresses the promotion of alcohol at events.

The Code addresses the content of alcohol advertising and not its placement directly (only the CTS, the CTICP and the outdoor advertising codes address placement matters). Nevertheless, the scheme's guidance notes indicate that placement is indirectly raised by the Code as a result of the use of the terms "the class of persons to whom the advertisement is directed and other persons to whom the advertisement may be communicated" which are contained in the Code's preamble; further, the guidance indicates that "decision makers will take placement into account when assessing the class of persons to whom the advertisement may be communicated."³⁶⁴

Broadly the Code states that alcohol advertising must:

- present a mature, balanced and responsible approach to the consumption of alcohol beverages;
- not have a strong or evident appeal to children or adolescents;
- not suggest that the consumption of alcohol may contribute to a significant change in mood or environment, or to personal, business, social, sporting, sexual or other success;
- not depict any direct association between the consumption of alcohol beverages and the operation of vehicles or the engagement in any sport (including swimming and water sports);
- not challenge or dare people to consume or sample a particular alcohol beverage;
- not encourage consumption that is in excess of, or inconsistent with the Australian Alcohol Guidelines issued by the National Health and Medical Research Council; and
- comply with the Advertiser Code of Ethics adopted by the Australian Association of National Advertisers.³⁶⁵

The full code is attached at Appendix E.

Guidance notes have been developed for industry to assist in the interpretation of the Code. In addition to the specific matters addressed in the Code, the Guidance Notes also make clear that alcohol advertising must comply with other relevant co-regulatory and industry codes, specifically the codes discussed above which are registered by ACMA, as well as the AANA Code of Ethics and the OMA code. The ABAC also released additional guidance in November 2013 on best practices in the digital marketing space.³⁶⁶

Alcohol Advertising Pre-Vetting Service (AAPS)

ABAC's pre-vetting service is a confidential, user-pays service that allows advertisers to have their proposed advertisements assessed against the ABAC scheme prior to release. It also examines proposed product names and packaging. The pre-vetting process is compulsory for signatories to the ABAC Code and can also be utilised by non-signatories. The ABAC Scheme Rules indicate that:

For beer producers all advertisements for alcohol beverages (excluding internet and point of sale advertisements and promotion of alcohol at events) should be pre-vetted against the ABAC Code and may be pre-vetted against the AANA Code of Ethics. For spirits producers all advertisements for alcohol beverages (excluding internet and point

³⁶⁴ Alcohol Beverages Advertising Code (ABAC) Scheme, [Alcohol Beverages Advertising \(and Packaging\) Code: Guidance Notes](#) Accessed 10 January 2014

³⁶⁵ Ibid.

³⁶⁶ Alcohol Beverages Advertising Code (ABAC) Scheme, [Best Practice for the Responsible Marketing of Alcohol Beverages in Digital Marketing](#) Accessed 10 January 2014

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*of sale advertisements and promotion of alcohol at events) should be pre-vetted against the ABAC Code and the AANA Code of Ethics. For wine producers all television, cinema and outdoor advertising should be pre-vetted against the ABAC Code and the AANA Code of Ethics. For all producers pre-vetting of naming and packaging is optional.*³⁶⁷

Where an advertisement (or name or packaging) is deemed to potentially breach any part of the Code, this prevents signatories from proceeding with that advertisement or packaging as is. For non-signatories, the AAPS assessment will be persuasive but not binding.

While pre-vetting does not guarantee that intended marketing will not breach the ABAC Code, where a complaint does arise against marketing that has been approved by the AAPS, a copy of that determination is provided to the ABAC Complaints Panel. Pre-vetters are appointed by the Management Committee and the scheme notes that the “ABAC complaints handling process and the AAPS Pre-Vetting are conducted separately by independent experts.”³⁶⁸ In 2011, the ABAC Scheme introduced training for the pre-vetters and panellists, conducted by the Chief Adjudicator, with a view to achieving “better consistency of decision making and a greater understanding of the ABAC Code and its interpretation.”³⁶⁹

Table 4.1: ABAC pre-vetting statistics 2004-2012

Pre-vetting (number)	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total No. of advertisements, names & packaging pre-vetted	754	761	936	1267	1110	1369	1050	1059	1229
Accepted advertisements, names & packaging	607	641	701	913	849	1046	929	938	978
Accepted advertisements, names & packaging subject to conditions	63	34	53	61	29	85	44	39	59
Rejected advertisements, names & packaging	84	86	182	293	232	238	77	82	192

Source: ABAC Annual Reports, accessed from: <http://www.abac.org.au/publications/annual-reports/>
There is little summary information provided by ABAC on the extent to which pre-vetted and approved advertisements and packaging have been the subject of complaint and of complaints subsequently upheld.

The Complaints and Adjudication scheme

Complaints relating to alcohol advertising are sent to the Advertising Standards Bureau (ASB) but since the 2004 review of the scheme (initiated by the Ministerial Council on Drug Strategy) and the resulting reforms, the Bureau automatically sends every complaint to the Chief Adjudicator of the ABAC scheme who determines the applicability of the ABAC Code. If the complaint raises issues solely within the AANA Code of Ethics, such as taste and decency, or sexism and discrimination, the complaint is only considered by the ASB; matters solely within the ABAC scheme are examined by the ABAC adjudication panel.³⁷⁰ If a complaint covers an issue outside the provisions of the ABAC it will be referred back to the ASB for action. Advertisers and complainants are usually consulted during the assessment process.

³⁶⁷ Alcohol Beverages Advertising Code (ABAC) Scheme - Submission to ANPHA, *Annexure D: ABAC Rules and Procedures*.

³⁶⁸ Alcohol Beverages Advertising Code (ABAC) Scheme, [Overview of The ABAC Scheme](#) Accessed 10 January 2014

³⁶⁹ Alcohol Beverages Advertising Code (ABAC) Scheme, [2011 Annual Report](#) Accessed 10 January 2014

³⁷⁰ Alcohol Beverages Advertising Code (ABAC) Scheme, [Adjudication Panel](#), Accessed 10 January 2014

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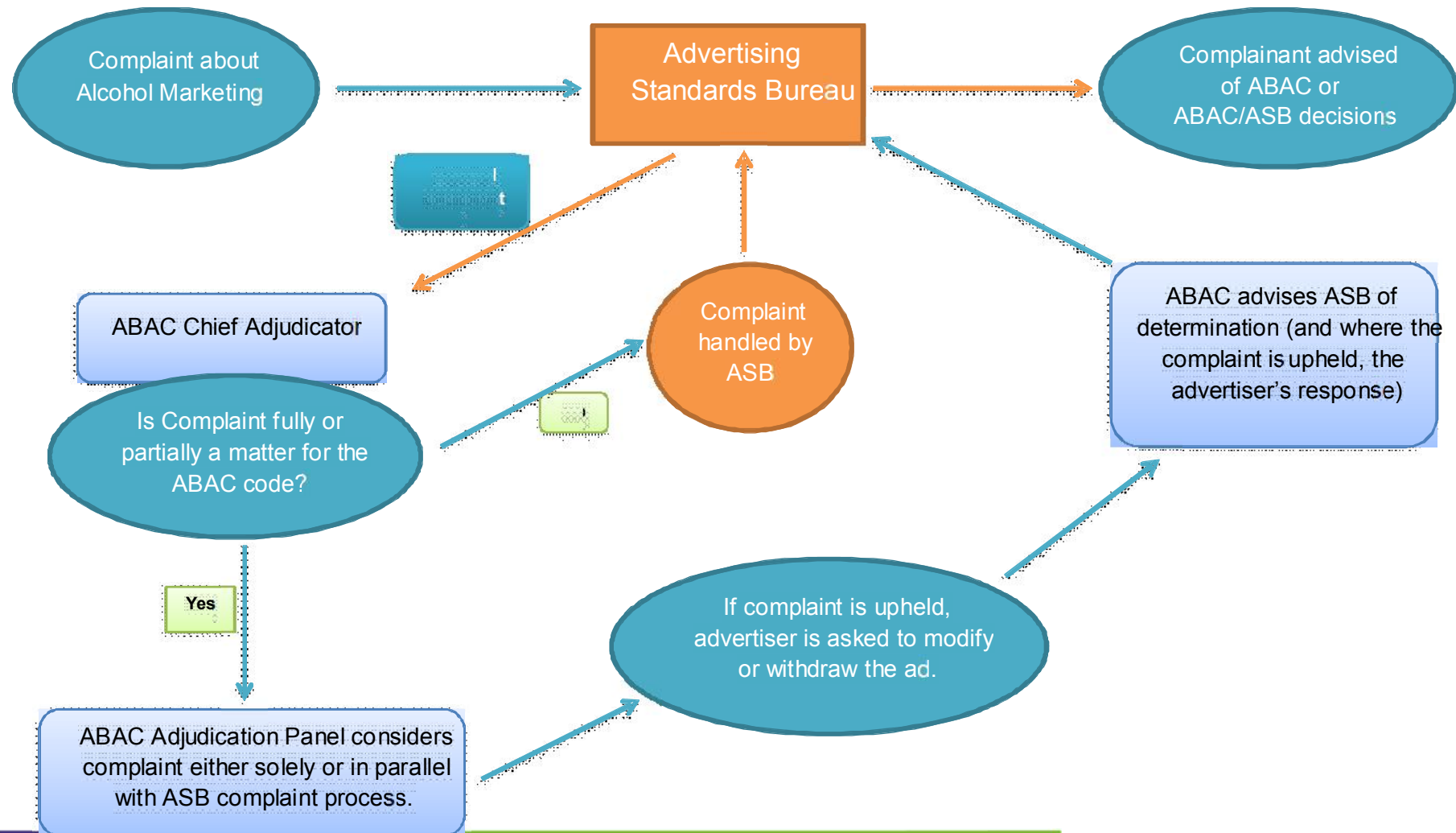
The decisions or determinations for complaints assessed by the ABAC process are communicated back to the ASB, which then communicates the decision (or the results of the two separate adjudications) to the complainant.

The ABAC complaints-handling process is outlined in Figure 4.2.

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Figure 4.2: THE ALCOHOL BEVERAGES ADVERTISING (AND PACKAGING) CODE ABAC
COMPLAINTS PROCESS



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Over the course of the last years, the number of complaints dealt with by ABAC have varied quite considerably – presumably driven by particular advertisement(s) or packaging which caused considerable concern and was the subject of numerous complaints. The incidents to which the complaints refer however have been relatively steady, with a noticeable increase in the 2011 and 2012 reporting periods (figures are not yet available for 2013).

Table 4.2: ABAC complaints handling statistics 2004-2012

Complaints (number)	2004	2005	2006	2007	2008	2009	2010	2011	2012
Complaints received	212	105	53	87	162	117	87	119	98
Advertisements & packaging these complaints referred to	23	29	26	38	44	42	38	74	63
Complaints considered by the ABAC Adjudication Panel with a determination	8	17	13	25	49	47	41	63	53
Determinations from complaints received that year	-	-	10	22	36	39	31	45	36
Complaints upheld (at least in part)	3	2	3	8	12	12	15	20	7
Determinations upholding complaints	-	-	2	8	7	10	11	15	7
Time to complete the determination (business days)	30 [^]	30 [^]	30 [^]	29 [*]	20 [*]	31 [*]	23 [*]	25 [*]	20 [*]

[^]A target of 30 days on average for the handling of complaints

^{*} Average time that it took for a complaint to reach a determination (in business days)

Source: ABAC Annual Reports, accessed from: <http://www.abac.org.au/publications/annual-reports/>

The average length of time taken by the ABAC adjudication process has been relatively stable and below 25 days in the last three reporting periods.

ABAC Adjudication Panel

The ABAC Adjudication Panel currently has five members including the Chief Adjudicator. The Panel is appointed by the Management Committee (see description below). Two of the five Panel members are public health experts selected from nominations provided by the federal Minister with responsibility for alcohol (or their nominee). A minimum of three Panel members adjudicate on a single complaint with one of the three adjudicators being from the public health members of the panel.

No person appointed to the Adjudication Panel may, at the time of or during the term of his or her appointment to the Panel, be a current employee or member of the alcoholic beverages industry; or have been an employee or member of that industry in the five years prior to their appointment. There are no restrictions on a Panel member having had responsibilities within the advertising or marketing industry for alcohol promotions although no current member is apparently from that background.

The Adjudication Panel is required to prepare an annual summary of the complaints received and the Panel's decisions for the Management Committee which includes these details in its Annual Report. The Annual Report of the scheme contains not only this statistical information but a Report from the Chief Adjudicator as well.

ABAC Management Committee and ABAC Scheme Ltd Board

The ABAC Scheme Ltd is a registered company limited by guarantee. It is administered by a Management Committee though the company also has a Board of Directors which is appointed by the alcohol industry. Currently, the Board of Directors consists of the three alcohol industry members of the Management Committee. Information about the role of the

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actual Directors of the company is somewhat difficult to find but it appears primarily to be financial (eg. ensuring that the scheme is adequately funded).

The ABAC website indicates that the Management Committee “is responsible for the management and oversight of all aspects of the Scheme.”³⁷¹ For example, the Committee would review ABAC operations and would be responsible for deciding upon any amendments to the Code or scheme procedures. The Management Committee consists of five persons: one each from the peak alcohol industry bodies which established the scheme (the Brewers Association of Australia and New Zealand Inc, the Distilled Spirits Industry Council of Australia Inc, and the Winemakers’ Federation of Australia); one from the peak body of the marketing communication industries, the Communications Council Ltd; and one from the Commonwealth Government (currently from the Department of Health). There is provision in the ABAC Scheme: Rules and Procedures for an independent chair to be appointed to the Management Committee by the Directors of the company; at this stage, it does not appear that this option has been exercised.

The ABAC Scheme Ltd is fully funded by its industry membership; although the public Annual Reports prepared by the Management Committee of the scheme do not disclose any information of a financial nature, the ABAC Scheme Limited prepares a financial report. These reports indicate that, recently, the overall costs of the scheme (both the complaints system and pre-vetting service) are about \$460,000 for 2013 and around \$400,000 for 2012; and that member contributions (as distinct from payments for the pre-vetting service) were about \$210,000 (2013) and \$220,000 (2012). To put this in perspective, the most recent estimate (2007) for total alcohol advertising expenditure in Australia was \$128 million.³⁷² Given this industry expenditure on alcohol advertising, the ABAC appears to be a scheme providing very fair value for money.

A detailed assessment of the ABAC and recommendations for improvement are provided in Chapter 6 (Section 6.3.2).

³⁷¹ Alcohol Beverages Advertising Code (ABAC) Scheme, [Management Committee](#) Accessed 10 January 2014

³⁷² Australian Government Preventative Health Taskforce (2009) Australia: The Healthiest Country by 2020. [Technical Report 3. Preventing alcohol-related harm, a window of opportunity](#). Commonwealth Government of Australia.

CHAPTER 5: ASSESSING THE EFFECTIVENESS OF REGULATORY OPTIONS FOR ALCOHOL ADVERTISING

Key Points

- National reviews on the effectiveness of self-regulation of alcohol advertising in 2003 and 2009 identified significant shortcomings.
- The current regulatory arrangements for alcohol advertising were largely developed more than twenty years ago when the media structure in Australia was simpler and less diverse than today.
- The Agency has adopted the following objective for assessing regulatory options: “Ensure that the regulatory framework for alcohol advertising and marketing protects children and adolescents from the exposure-related risks of alcohol-related harm.”

5.1 Previous national regulatory reviews of alcohol advertising in Australia

Major national reviews have been conducted in 2003 and 2009 under the auspices of the Council of Australian Governments through the then Ministerial Council on Drug Strategy (MCDS), comprising health and law enforcement Ministers from all jurisdictions.

In 2003, the National Committee for the Review of Alcohol Advertising – “*Review of the self-regulatory system for alcohol advertising*” was presented to the MCDS. The report recommended that the following shortcomings of the ABAC Scheme required addressing:

- the majority of complaints about alcohol advertising are dealt with under the general advertising complaints resolution system rather than the ABAC;
- the general public is largely unaware of the complaint resolution system and, in particular, how to make complaints;
- the lack of transparency about the scheme. For example, there is insufficient reporting of how complaints are adjudicated and the outcomes of those complaints;
- the failure to address public health concerns associated with alcohol advertising;
- the ABAC does not apply to all forms of advertising, such as internet advertising, advertising on digital platforms and promotions; and

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- the effectiveness of the ABAC is compromised by the amount of time taken to resolve complaints.³⁷³

MCDS considered a further detailed review at their 24 April 2009 meeting and Ministers attending the meeting:

“agreed that the existing Alcohol Beverages Advisory Code ABAC ... had significant shortcomings and should be reformed as a mandatory co-regulatory scheme”.³⁷⁴

On 27 November 2009, the MCDS submitted to COAG options to reduce binge drinking. Health and law enforcement Ministers supported the following proposals to reform alcohol advertising regulation³⁷⁵ (bracketed comments indicate if ABAC has implemented change):

- Mandatory pre-vetting of all alcohol advertising (not implemented);
- Expanding the ABAC management committee to have a more balanced representation between industry, government and public health (not implemented);
- Expanding the adjudication panel to include a representative specialising in the impact of marketing on public health (implemented);
- Expanding the coverage of the scheme to include emerging media, point-of sale and naming and packaging (partly implemented); and
- Meaningful and effective sanctions for breaches of the Code (not implemented).³⁷⁶

Further and more recent reviews by government advisory bodies into alcohol policy and regulation outlined below, have also identified issues with regulatory performance in relation to alcohol advertising.

The Australian National Council on Drugs (ANCD) is the principal advisory body to the Australian Government on drug policy and reports directly to the Prime Minister. In November 2013, the ANCD released its Alcohol Action Plan in response to the significant costs and harms of alcohol consumption in Australia³⁷⁷. The Action Plan identifies eight areas for action one of which is alcohol marketing - “regulate alcohol advertising, promotions and sponsorship”. The Plan notes:

“Although ABAC aims to avoid exposing young people to alcohol advertising, a number of researchers and public health bodies have suggested that current rules do not achieve this aim.”³⁷⁸

³⁷³ National Committee for the Review of Alcohol Advertising (2003). *Review of the self-regulatory system for alcohol advertising*. State Government of Victoria, Department of Human Services. Accessed 17 December 2012

³⁷⁴ Ministerial Council on Drug Strategy. (2009). Ministerial Council on Drug Strategy Communique 24 April 2009. Brisbane. Retrieved from [http://www.nationaldrugstrategy.gov.au/internet/drugstrategy/publishing.nsf/Content/CBF225049007E97CCA2575A2001E9996/\\$File/090424_MCDC_Communique.pdf](http://www.nationaldrugstrategy.gov.au/internet/drugstrategy/publishing.nsf/Content/CBF225049007E97CCA2575A2001E9996/$File/090424_MCDC_Communique.pdf).

³⁷⁵ <http://www.nationaldrugstrategy.gov.au/internet/drugstrategy/publishing.nsf/Content/aabd>

³⁷⁶ Ministerial Council on Drug Strategy. (2009). Ministerial Council on Drug Strategy Communique 24 April 2009. Brisbane. Retrieved from [http://www.nationaldrugstrategy.gov.au/internet/drugstrategy/publishing.nsf/Content/CBF225049007E97CCA2575A2001E9996/\\$File/090424_MCDC_Communique.pdf](http://www.nationaldrugstrategy.gov.au/internet/drugstrategy/publishing.nsf/Content/CBF225049007E97CCA2575A2001E9996/$File/090424_MCDC_Communique.pdf)

³⁷⁷ Australian National Council on Drugs. (2013). Alcohol Action Plan: Issues Paper (pp. 1–26). Canberra. Retrieved from <http://www.ancd.org.au/images/PDF/Generalreports/AlcoholActionPlan.pdf>

³⁷⁸ Australian National Council on Drugs. (2013). Alcohol Action Plan: Issues Paper (pp. 1–26). Canberra. Retrieved from <http://www.ancd.org.au/images/PDF/Generalreports/AlcoholActionPlan.pdf>

The December 2013 Report of the Independent Review Committee reviewing Western Australia's *Liquor Control Act 1988* concluded that:

“there is also a clear demand from the community for the government to act to protect children and young people from exposure to all forms of alcohol advertising, marketing and promotion.”³⁷⁹

5.2 Ongoing research into Australian children's and adolescents' exposure to alcohol marketing

Both the 2003 and 2009 reviews by the Ministerial Council on Drug Strategy into alcohol advertising were informed by detailed quantitative and qualitative research into both the extent and nature of young Australians exposure to alcohol advertising. Regulators and public health agencies in other countries also undertake research into the exposure of children and young people to alcohol advertising in their jurisdictions. Details of previous government-commissioned Australian and international research studies on exposure are provided at Appendix F.

Detailed national research on the extent of Australian children's and adolescents' exposure to alcohol advertising was last undertaken in 2007. Since that time exposure has undoubtedly increased, particularly in digital media (refer Chapters 2 and 3), and further evidence for the advertising and marketing exposure-related risks of alcohol-related harm has been published (refer Chapter 3).

An ongoing program of research into children's and adolescents' continued exposure to alcohol advertising, particularly on digital media and the effectiveness of self-regulatory, co-regulatory or regulatory measures to limit this exposure is vital to inform future regulatory reviews. Recommendations to the Australian and state/territory governments on commissioning research and regularly reviewing regulatory performance are provided in Section 6.10.

5.3 International context for the regulation of alcohol advertising

The World Health Organization's (WHO) Global Strategy to Reduce the Harmful Use of Alcohol was endorsed by the Sixty-third World Health Assembly in May 2010. The Strategy identifies that

“member states have a primary responsibility for formulating, implementing, monitoring and evaluating public policies to reduce the harmful use of alcohol”.³⁸⁰

³⁷⁹ Independent Review Committee. (2013). 2013 Review of the Liquor Control Act 1988: Report of the Independent Review Committee. Presented to the Minister for Racing and Gaming. Perth. Retrieved from <http://www.rgl.wa.gov.au/ResourceFiles/Publications/23-12-2013 - Liquor Control Act 1988 %E2%80%93 Review Report.pdf>

³⁸⁰ World Health Organization. (2010). Global strategy to reduce the harmful use of alcohol. Geneva. Retrieved from http://www.who.int/entity/substance_abuse/alcstratenglishfinal.pdf

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The Strategy identifies 10 recommended target areas for national policy options and interventions and the marketing of alcoholic beverages is one of these ten target areas (refer Box 8 below).

Box 8: WHO Global Strategy to Reduce the Harmful Use of Alcohol 2010

Marketing of Alcoholic Beverages: for this area policy options and interventions include:

- (a) setting up regulatory or co-regulatory frameworks, preferably with a legislative basis, and supported when appropriate by self-regulatory measures, for alcohol marketing by:
 - (i) regulating the content and the volume of marketing;
 - (ii) regulating direct or indirect marketing in certain or all media;
 - (iii) regulating sponsorship activities that promote alcoholic beverages;
 - (iv) restricting or banning promotions in connection with activities targeting young people;
 - (v) regulating new forms of alcohol marketing techniques, for instance social media;
- (b) development by public agencies or independent bodies of effective systems of surveillance of marketing of alcohol products;
- (c) setting up effective administrative and deterrence systems for infringements on marketing restrictions.

5.4 Regulatory assessment framework

Regulation is the lifeblood of a modern, well-functioning economy, and is a necessary means by which governments can achieve important economic, social and environmental objectives. A level of regulation is also necessary to protect public health and safety.³⁸¹

On 22 March 2012, the Organisation for Economic Co-operation and Development (OECD) adopted a set of international guidelines and principles to be implemented by OECD member countries on regulatory quality and performance.³⁸² In relation to regulatory impact assessment, the OECD recommends that member countries:

- a) integrate regulatory impact assessment into the early stages of the policy process for the formulation of new regulatory proposals;
- b) clearly identify policy goals, and evaluate if regulation is necessary and how it can be most effective and efficient in achieving those goals; and
- c) consider means other than regulation and identify the trade-offs of the different approaches analysed to identify the best approach.³⁸³

This Review has adopted a framework for considering regulatory options across the regulatory continuum informed by the OECD guidelines and principles, the Office of Best Practice Regulation's *Best Practice Regulation Handbook July 2013*³⁸⁴ and the Abbott Government's red tape reduction programme.

³⁸¹ Department of Finance and Deregulation. (2013). Best practice regulation handbook 2013. Canberra. Retrieved from <http://www.dpmc.gov.au/deregulation/obpr/handbook/docs/bpr-handbook.pdf>

³⁸² OECD (Organisation for Economic Co-operation and Development). (2012). Recommendation of the council on regulatory policy and governance. Paris. Retrieved from <http://www.oecd.org/gov/regulatory-policy/49990817.pdf>

³⁸³ Ibid.

³⁸⁴ Department of Finance and Deregulation. (2013). Best practice regulation handbook 2013. Canberra. Retrieved from <http://www.dpmc.gov.au/deregulation/obpr/handbook/docs/bpr-handbook.pdf>

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The centrepiece of the Australian Government's best practice regulation process is a regulation impact statement (RIS), which contains seven elements. While this Review does not constitute a formal RIS, the Review addresses five of these seven RIS elements as detailed in Table 5.1 below:

Table 5.1: Elements of a Regulation Impact Statement (RIS) ³⁸⁵

RIS elements	Covered in this Review
1. The problem or issues that give rise to the need for action	Yes, refer Chapters 1,2,3 and summary at Section 5.5
2. The desired objectives	Yes, refer Chapter 5, Section 5.6
3. A range of options that may achieve the desired objectives (at a minimum a regulatory option, a non-regulatory or light-handed regulatory option, and a do-nothing option)	Yes, refer Chapter 5, Section 5.8 Options A, B, C, D, E below
4. An assessment of the impact (costs, benefits and, where relevant, levels of risk) of a range of feasible options for consumers, business, government and the community	No. An overall strategy to implement the preferred options is a matter for Government consideration and response to this Review's final recommendations which will be in the Agency's Final Report.
5. Consultation	Yes. This Review is being conducted with a two-stage consultative process with key stakeholders.
6. Recommended option	Yes - refer Chapter 5, Section 5.7 Option C below
7. Strategy to implement and review the preferred option	No. An overall strategy to implement the preferred option is a matter for Government consideration and response to this Review's final recommendations which will be in the Agency's forthcoming Final Report. However, draft recommendations are made for: - Alcohol and media industry bodies (refer Section 6.2); and - a more proactive regulatory governance role for all Australian governments in relation to alcohol marketing and advertising (refer Section 6.4).

³⁸⁵ Ibid.

5.5 Issues with respect to the regulation of alcohol advertising in Australia

The Agency has summarised the health implications regarding regulation of alcohol into 5 key statements below:

1. Young Australians are currently exposed to substantial levels of alcohol advertising and marketing during their adolescence.
2. This early and cumulative exposure to alcohol advertising contributes to both an earlier initiation of alcohol use (i.e. younger age of first drink) and more frequent and heavy drinking by adolescent Australians.
3. Australians' exposure to alcohol advertising has increased over time, with exposure on television and traditional media continuing and exposure through digital media increasing rapidly.
4. While some population level measures of alcohol-related risks for adolescents are showing downward trends over time, significant harms are still occurring, in particular, patterns of risky drinking are still prevalent.
5. The community is firmly of the view that Australian children and adolescents should be protected from alcohol-related harms and supports measures to protect children and adolescents from:
 - i. exposure to alcohol advertising; and
 - ii. forms of alcohol advertising that appeal to children and adolescents.

The Agency has summarised the performance of current regulatory arrangements for alcohol advertising in two additional statements:

6. The current regulatory arrangements for alcohol advertising were largely developed more than twenty years ago when the media structure in Australia was simpler and less diverse than today.
7. Current regulatory arrangements are failing to protect Australian children and adolescents and in some cases are facilitating their exposure to alcohol advertising.

Detailed evidence to support these statements is compiled at Appendix G.

5.6 Objectives for the regulation of alcohol advertising in Australia

In its 2009 review, the MCDS identified that the objective of a strengthened alcohol advertising framework would be "to address binge drinking and its associated harms".³⁸⁶

Western Australia has the most recently completed community consultation and review report of a state or territory liquor licensing legislation. The December 2013 Report of the Independent Review Committee reviewing Western Australia's *Liquor Control Act 1988* has recommended that protecting health should be retained as one of the primary aims of the Act.³⁸⁷

Submissions received on the Issues Paper for this Review, suggest a consistent set of objectives with those of Government, for example:

- "aim to reduce the harms of drinking" (PHAA / ADCA submission);
- "appropriately restrict child exposure to alcohol advertising" (Free TV submission);
- "protect children and young people from the effects of alcohol advertising" (NAAA submission);
- "safeguard children and ensure they are not exposed to or are targeted by alcohol advertising" (AANA submission);
- "ensure that (alcohol marketing) are not targeted at young people and are not in places where children and young people are present" (FARE submission); and
- "the protection of children and young people should be the primary focus" (McCusker submission).

The Agency has adopted the following objective for this Draft Report:

Ensure that the regulatory framework for alcohol advertising and marketing protects Australian children and adolescents from the exposure-related risks of alcohol-related harm.

³⁸⁶ Victorian Department of Human Services. (2009). Alcohol beverage advertising in mainstream Australian media 2005 to 2007: expenditure and exposure. Melbourne.

³⁸⁷ Independent Review Committee. (2013). 2013 Review of the Liquor Control Act 1988: Report of the Independent Review Committee. Presented to the Minister for Racing and Gaming. Perth. Retrieved from <http://www.rgl.wa.gov.au/ResourceFiles/Publications/23-12-2013 - Liquor Control Act 1988 %E2%80%93 Review Report.pdf>

5.7 Regulatory options

The range of regulatory and non-regulatory options for alcohol marketing and advertising are discussed in order from the least to the most restrictive options:

- Option A Deregulation of alcohol advertising in Australia
- Option B Maintain the current self-regulatory system within the existing co-regulatory legislative framework
- Option C Strengthen self-regulatory and co-regulatory models
- Option D Legislate for a new regulatory regime to restrict alcohol advertising
- Option E Legislate for a total ban on alcohol advertising

Two assessment criteria have been used to assess each of these five options:

i. **Does this option protect children and adolescents from alcohol-related harms?**

Minimum threshold for this criterion

Exposure (content and volume) to alcohol marketing and advertising contributes to an increased risk of a range of alcohol-related harms for children and adolescents.

The regulatory framework for alcohol advertising should protect Australian children and adolescents from these exposure-related risks of alcohol-related harm.

ii. **Does this option meet community expectations?**

Minimum thresholds for this criterion

The Australian community has an expectation that children and adolescents will not be exposed to alcohol marketing and advertising (content and volume).

The Australian community also has an expectation that alcohol marketing and advertising will not appeal to or be directly targeted at children and adolescents.

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Option A – Deregulation of alcohol advertising in Australia

Regulatory context

Since the 2013 Federal election, the Australian Government has a strong policy and programme focus on deregulation.³⁸⁸ The Office of Deregulation in the Department of Prime Minister and Cabinet provides the following programme description:

“The Abbott Government’s red tape reduction programme aims to reduce unnecessary red tape costs on individuals, businesses and community organisations. It applies to any mandatory obligations imposed by legislation, regulations, quasi regulations such as, statutory instruments, standards, codes of practice, or any other aspect of regulator behaviour that has a measurable cost burden on business or individuals.”³⁸⁹

The World Health Organization acknowledges that regulatory restrictions on alcohol marketing for public health outcomes could lead to adverse market outcomes:

“Restricting the amount of alcohol advertising and other marketing is contrary to the commercial interests of the alcohol, advertising and media industries and the pressures of competition.”³⁹⁰

Dr Margaret Chan, WHO's Director-General at the 8th Global Conference on Health Promotion in Helsinki, Finland 10 June 2013, noted that public health goals are frequently at odds with the commercial interests of the alcohol industry:

“Efforts to prevent noncommunicable diseases go against the business interests of powerful economic operators. In my view, this is one of the biggest challenges facing health promotion.”³⁹¹

The OECD reports that “regulation of advertising is a well-established intervention” across OECD member countries.³⁹² Public policy research indicates that “a national-level legislative and regulatory framework remains essential to ... effective measures that curtail alcohol-related health and safety problems.”³⁹³

Due to this increased focus by national governments on improved public health outcomes as a means of reducing the cost burden on the delivery of frontline health services, there is a global trend toward increased regulation of alcohol marketing and promotion. The WHO *Global Survey on Alcohol and Health* asks respondent WHO Member States to report on alcohol marketing restrictions. Between the 2002 and 2008 Surveys, across the seven survey categories of alcohol marketing, there was a statistically significant shift towards more restrictive measures.³⁹⁴

³⁸⁸ Abbott, T. (2013). *The First 100 Days of Government: Delivering on Our Plan*. Canberra. Retrieved from http://www.pm.gov.au/sites/default/files/reports/first_100_days_of_government.pdf

³⁸⁹ Department of Prime Minister and Cabinet (2013) Office of Deregulation website <https://pmc.gov.au/deregulation/index.cfm>

³⁹⁰ World Health Organization Western Pacific Region. (2011). *Addressing the harmful use of alcohol: a guide to developing effective alcohol legislation*. WHO-WPR: Manila.

³⁹¹ Chan, M. (2013). Opening Address. In 8th Global Conference on Health Promotion. Helsinki: WHO. Retrieved from http://www.who.int/dg/speeches/2013/health_promotion_20130610/en/index.html#

³⁹² Oderkirk, J., Sassi, F., & Astolfi, R. (2012). *Toward a New Comprehensive International Health and Health Care Policy Decision Support Tool*. Retrieved from <http://www.oecd.org/els/health-systems/TowardANewComprehensiveInternationalHealthAndHealthCarePolicyDecisionSupportTool.pdf>

³⁹³ Babor, T. F., Caetano, R., Casswell, S., Edwards, G., Graham, N. G. K., Grube, J. W., ... Thomas, I. R. (2010). *Alcohol: No Ordinary Commodity: Research and Public Policy*. Oxford: Oxford University Press.

³⁹⁴ World Health Organization. (2011). *Global status report on alcohol and health*. Geneva. Retrieved from http://www.who.int/entity/substance_abuse/publications/global_alcohol_report/msbgsruprofiles.pdf

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The National Alcohol Strategy 2006-2011 (the most recent such Strategy), endorsed by all Australian governments through the then Ministerial Council on Drug Strategy (MCDS), identifies that “it is vital that alcohol promotions be regulated to ensure public health and safety interests are upheld.”³⁹⁵

Regulatory Issues

Unfettered alcohol advertising with no restrictions on content, placement, volume, appeal to or targeting of young people would result in increased exposure of Australian children and adolescents to alcohol marketing and advertising and therefore lead to increased risks of alcohol-related harm.

A review of the effectiveness and cost-effectiveness of alcohol policy interventions indicates that regulating alcohol marketing is effective in reducing alcohol-related harm.³⁹⁶

The existing ABAC Code provides a relatively moderate burden of compliance costs on industry in administering the scheme, in using the pre-vetting services and in lost productivity when an advertisement is deemed not compliant. At the same time, the Australian alcohol industry has invested resources to establish, improve and extend the coverage of its self-regulatory scheme. A non-regulatory regime that provides “no restrictions” on alcohol advertising and marketing would devalue industry investment, and undermine public confidence.

Option Assessment

1 Does this option protect children and adolescents from alcohol-related harms?

Exposure (content and volume) to alcohol marketing and advertising contributes to an increased risk of a range of alcohol-related harms for children and adolescents.

The regulatory framework for alcohol advertising should protect Australian children and adolescents from these exposure-related risks of alcohol-related harm.

A deregulated alcohol advertising market would be unable to protect Australian children and adolescents from a range of exposure-related risks of alcohol-related harm.

2 Does this option meet community expectations?

The Australian community has an expectation that children and adolescents will not be exposed to alcohol marketing and advertising (content and volume).

The Australian community also has an expectation that alcohol marketing and advertising will not appeal to or be directly targeted at children and adolescents.

A deregulated alcohol advertising market would not support these community expectations.

Option A is therefore not supported by this Draft Report.

³⁹⁵ Ministerial Council on Drug Strategy. (2006). National Alcohol Strategy 2006-2009: Towards Safer Drinking Cultures. Retrieved from [http://www.alcohol.gov.au/internet/alcohol/publishing.nsf/Content/B83AD1F91AA632ADCA25718E0081F1C3/\\$File/nas-06-09.pdf](http://www.alcohol.gov.au/internet/alcohol/publishing.nsf/Content/B83AD1F91AA632ADCA25718E0081F1C3/$File/nas-06-09.pdf)

³⁹⁶ Anderson, P., Chisholm, D., & Fuhr, D. C. (2009). Effectiveness and cost-effectiveness of policies and programmes to reduce the harm caused by alcohol. *Lancet*, 373(9682), 2234–46

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Option B Maintain the current self-regulatory system within the existing co-regulatory legislative framework

Regulatory context

The advantages of a status-quo option to maintain the current self-regulatory arrangements are that all stakeholders are familiar with these arrangements. The compliance processes, timeframes and costs for industry are a known quantity. Some community and public health stakeholders are aware of complaint mechanisms and make use of these to alert ABAC and the ASB of potential code breaches. The ABAC Scheme has also undertaken a process of continuous improvement (refer Figure 6.1 in Chapter 6).

However, from a regulatory perspective, the current arrangement does not meet best practice guidelines for self-regulation (refer back to advertising guidelines in Chapter 4). For example, industry compliance is mixed, media coverage is limited. Although the ABAC has undertaken a process of improvement, some key areas for reform have not been implemented, resulting in a less than optimal self-regulatory framework.

The Taskforce on Industry Self-Regulation identified that self-regulation should be considered where:

- there is no strong public interest concern, in particular, no major public health and safety concern;
- the problem is a low risk event, of low impact/significance, in other words the consequences of self-regulation failing to resolve a specific problem are small; and
- the problem can be fixed by the market itself, in other words there is an incentive for individuals and groups to develop and comply with self-regulatory arrangements.³⁹⁷

Regulatory issues

However, to recommend this option, the existing regulatory arrangements would be assessed as protecting children and adolescents from alcohol-related harms and meeting community expectations. In relation to protecting children and adolescents from alcohol-related harms, the existing regulatory arrangements:

- fail to prevent advertisements and products that appeal to Australian children and adolescents (refer Section 6.3.8)
- expose Australian children and adolescents to alcohol advertising on free-to-air television during live sport (refer Section 6.2.1)
- expose Australian children and adolescents to alcohol advertising through digital media (refer Section 6.2.3)
- expose Australian children and adolescents to alcohol advertising on subscription television, in cinemas, and outdoor advertising (refer Sections 6.2.2, 6.2.4, and 6.2.5)
- expose Australian children and adolescents to alcohol branded merchandise in a range of settings (refer Section 6.2.8)

Industry coverage of the ABAC Scheme has improved but is not complete. As the regulatory arrangements are primarily self-regulatory, there are no enforceable

³⁹⁷ http://archive.treasury.gov.au/documents/1131/HTML/docshell.asp?URL=06_chap5.asp. Accessed on 12 February 2014.

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sanctions for breaches of product content codes (ABAC) or placement codes other than voluntary withdrawal or modification of the advertising (refer Chapter 4). Despite many improvements to the ABAC Scheme, the current mostly self-regulatory system does not appear to be adequately meeting the overall objective of protecting Australian children and adolescents from the exposure-related risks of alcohol-related harms.

In 2013, Jones and Gordon conducted a systematic search of academic databases to identify all refereed papers published between 1990 and 2012 on the regulation of alcohol advertising in Australia and three comparison countries (New Zealand, Canada and the UK) and concluded that:

“Given the strength of the research evidence base identifying causal associations between alcohol advertising and drinking behaviour, and the evidence that current self-regulatory systems for alcohol advertising are ineffective, it can be argued that the option to maintain the status quo is not advisable.”³⁹⁸

This Review has identified a strong community desire and public interest in protecting Australian children and adolescents from alcohol advertising and the exposure related risks of alcohol related harm. The evidence of effectiveness of protections to date and on regulatory best practice indicates that self-regulation alone is unlikely to be sufficient to protect Australian children and adolescents.

Option Assessment

1 Does this option protect children and adolescents from alcohol-related harms?

Exposure (content and volume) to alcohol marketing and advertising contributes to an increased risk of a range of alcohol-related harms for children and adolescents.

The regulatory framework for alcohol advertising should protect Australian children and adolescents from these exposure-related risks of alcohol-related harm.

The current regulatory regime provides only limited protection for Australian children and adolescents from a range of exposure-related risks of alcohol-related harm.

2 Does this option meet community expectations?

The Australian community has an expectation that children and adolescents will not be exposed to alcohol marketing and advertising (content and volume).

The Australian community also has an expectation that alcohol marketing and advertising will not appeal to or be directly targeted at children and adolescents.

The current regulatory regime does not adequately meet these community expectations to protect Australian children and adolescents.

Option B is therefore not supported by this Draft Report.

³⁹⁸ Jones, S. C., & Gordon, R. (2013). Regulation of alcohol advertising: Policy options for Australia. Evidence Base, (2), 1–37. Retrieved from <http://journal.anzsog.edu.au/publications/12/EvidenceBase2013Issue2.pdf>

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Option C – Strengthen self-regulatory and co-regulatory models

Regulatory context

Some of the current regulatory arrangements are in many ways a legacy of the media industry structure from the 1970s and 1980s. Since that time the media landscape has grown, diversified and fragmented into a wide range of new channels and new media; many of these channels are highly segmented along demographic lines including age. Media can be accessed from multiple platforms including from a wide range of personal devices. Increasingly young Australians directly access media channels without parental supervision through televisions in their bedrooms, laptops and tablets at school and at home, and mobile phones in their pockets wherever they travel. Marketing strategies have become more sophisticated and aim to actively engage consumers across multiple platforms with promotion strategies that link interactive entertainment and games with brands and products.

The World Health Organization recommends that

“to be effective, systems to regulate marketing need sufficient incentives to succeed; in general, regulatory frameworks:

- are most active where pressure from the government is greatest, and
- can only work as long as there is provision for third party review of complaints about violations; [and]
- sanctions and the threat of sanctions are needed to ensure compliance.”³⁹⁹

Regulatory issues

A particular concern is that Australian children and adolescents are exposed to alcohol advertising on free-to-air television during daytime on weekends and public holidays through a regulatory exemption provided to live sports broadcasts on free to air television channels. This is despite the longstanding community view that alcohol advertising should not appear on Australian television before 8.30pm, when children are more likely to be present in the viewing audience. Australian children and adolescents are also exposed to alcohol advertising on subscription television and in cinemas.

Increasing access to digital and social media is leading to new exposure to alcohol advertising for many Australian children and adolescents. Alcohol producers have invested significant resources in developing an expanding range of digital media marketing strategies. Age restricted sites and filters are easily circumvented, and there are examples of alcohol advertising content appearing on sites primarily targeted at children.

Australia’s existing regulatory framework for alcohol advertising is a combination of self-regulatory and co-regulatory approaches (as described in Chapter 4).

As previously noted the ABAC Scheme has undertaken a process of continuous improvement (refer Figure 6.1 in Chapter 6) and Australian governments have undertaken a significant number of reviews into alcohol advertising and marketing in Australia (refer Appendix F) that have resulted in some changes to the regulatory arrangements. However, Australian children and adolescents are currently exposed

³⁹⁹ World Health Organization Western Pacific Region. (2011). Addressing the harmful use of alcohol: a guide to developing effective alcohol legislation. Manila. Retrieved from <http://www.wpro.who.int/publications/docs/Addressingtheharmfuluseofalcoholforupload.pdf>

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to alcohol marketing and advertising (content and volume) at levels that contribute to harm. The ABAC Scheme's effectiveness is limited by a number of factors including a narrow interpretation of certain Code provisions and an inadequate suite of sanctions.

Self-regulatory codes can be ineffectual when they lack enforceable sanctions for breaches and non-code signatories ignore compliance breaches.

Self-regulatory codes may be authorised by the ACCC. The ACCC authorisation process enables industry to be granted immunity from the anti-competition provisions of the *Competition and Consumer Act 2010* (previously the *Trade Practices Act 1974*) in the public interest. This is a means of incorporating sanctions without having to set up formal government oversight or structures, which may in itself have a positive influence on rates of compliance, and act as a deterrent to breaches by industry members.

Legislators and administrators have failed to establish an ongoing program of monitoring, review and research on the exposure of young Australians to alcohol marketing and advertising. When periodic regulatory reviews of alcohol marketing and advertising are undertaken, Australian Governments do not have immediate or direct access to the required range of information on regulatory performance and research evidence to ensure the protection of young Australians.

Recommendations to address regulatory issues

The Agency has considered and developed a suite of complementary recommendations to improve and strengthen the current self-regulatory and co-regulatory model. These are summarised in the Executive Summary and the background and rationale for each recommendation appears in Chapter 6.

Option Assessment

1 Does this option protect children and adolescents from alcohol-related harms?

Exposure (content and volume) to alcohol marketing and advertising contributes to an increased risk of a range of alcohol-related harms for children and adolescents.

The regulatory framework for alcohol advertising should protect Australian children and adolescents from these exposure-related risks of alcohol-related harm.

The proposed changes to the current regulatory regime provide additional significant protection for children and adolescents from a range of exposure-related risks of alcohol-related harm.

2 Does this option meet community expectations?

The Australian community has an expectation that children and adolescents will not be exposed to alcohol marketing and advertising (content and volume).

The Australian community also has an expectation that alcohol marketing and advertising will not appeal to or be directly targeted at children and adolescents.

These proposed improvements to the current regulatory regime are required to meet these community expectations.

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Option C is recommended by this Draft Report to improve the regulatory framework for alcohol marketing and advertising in Australia to achieve the objective of protecting children and adolescents from the exposure-related risks of alcohol-related harms.

There are existing co-regulatory options presented for both the alcohol and advertising industry to address the evidence of the exposure harms for children and adolescents and the concerns of the community in relation to these exposure-related risks of alcohol-related harms. Further discussion and detailed draft recommendations are in Chapter 6.

However, in making this assessment and recommended Option, the Agency is mindful that a number of recommendations from previous reviews have yet to be addressed and remain valid and outstanding concerns (refer Option D below).

Option D – Legislate for a new regulatory regime to restrict alcohol advertising *Regulatory context*

Legislation to regulate the advertising of alcohol has been enacted in a range of other national jurisdictions. Examples of different approaches include:

- France: French law (the ‘Loi Evin’) features a statutory Code of Conduct (Code de la Sante Publique) that imposes strict controls on the content, timing and place of alcohol advertising, including prohibiting it from television and cinema and restricting it in other media. Advertising that is allowed is subject to the self-regulatory controls, which include specific alcohol guidelines;⁴⁰⁰ and
- Finland: Alcoholic beverages advertising is controlled by legislation under the Alcohol Act that prohibits advertising for products over 22% alcohol by volume (ABV) and constrains it for other products over 1.2% ABV.⁴⁰¹

Regulatory issues

The majority of non-industry submissions to the Issues Paper called for alcohol advertising to be regulated and monitored within a new legislative framework, by an independent statutory authority.

The Commonwealth’s regulatory approach to reducing the health harms from particular products does utilise specific legislation related to the marketing, advertising and promotion of some products. However, the Agency has not been able to identify an existing regulatory model for advertising for a specific industry or product sector in Australia that is governed by a stand-alone regulatory agency established solely for that purpose. For example, specific legislation to regulate the advertising and marketing of tobacco to reduce health harms is the *Tobacco Advertising Prohibition Act 1992* and administered by the Department of Health.

If this option were to be adopted, and specific legislation to regulate the advertising and marketing of alcohol in Australia was enacted, then most likely the administration of this legislation would be undertaken by the Department of Health. There would be options of retaining industry codes with self-regulatory and co-regulatory code administration within the overall legislative framework. The Commonwealth would bear the burden of administering and enforcing this legislation.

⁴⁰⁰ European Alcohol and Health Forum. (2009). Self-Regulation Mapping Exercise Report (pp. 1–40). Retrieved from http://ec.europa.eu/health/archive/ph_determinants/life_style/alcohol/forum/docs/regulation_en.pdf

⁴⁰¹ Ibid.

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Option Assessment

1 Does this option protect children and adolescents from alcohol-related harms?

Exposure (content and volume) to alcohol marketing and advertising contributes to an increased risk of a range of alcohol-related harms for children and adolescents.

The regulatory framework for alcohol advertising should protect Australian children and adolescents from these exposure-related risks of alcohol-related harm.

When compared to the self-regulatory and co-regulatory regime (i.e. option C above), legislation would provide significant additional protection for Australian children and adolescents from a range of exposure-related risks of alcohol-related harm.

2 Does this option meet community expectations?

The Australian community has an expectation that children and adolescents will not be exposed to alcohol marketing and advertising (content and volume).

The Australian community also has an expectation that alcohol marketing and advertising will not appeal to or be directly targeted at children and adolescents.

Legislation would provide clarity for all stakeholders regarding what forms of advertising are permissible where and when. Legislation can be adjusted over time to address new forms of marketing (e.g. digital media).

Option D is recommended by this Draft Report pending a fixed time period for media and alcohol industry response and action in reference to Option C above.

As noted in the discussion on Option C, there are clear limitations to the current self-regulatory framework, including the ABAC scheme. The industry has had ample opportunity to improve the current self-regulatory framework, yet has not reached best practice principles, and the recommendations of previous Reviews have only been partially implemented.

The Agency notes that regulatory monitoring and review by Australian governments in this area has been sporadic. This review also recommends Australian governments should take a more proactive, engaged and ongoing role in regularly monitoring and reviewing the effectiveness of these arrangements in protecting young Australians from a range of alcohol-related harms.

The option of legislating for better control of alcohol advertising and marketing should be taken up by governments in the event that the alcohol and media industries fail to respond to the recommendations contained in Option C.

The option of further improvements to the self-regulatory system and/or co-regulatory or legislative restrictions could be canvassed in each of the proposed biannual reports to the relevant COAG Ministerial Council (refer Section 6.4 of Chapter 6).

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Option E – Legislate for a ban on alcohol advertising

Regulatory context

Legislation to ban the advertising of alcohol has been enacted in small number of comparable national jurisdictions. For example, Norway introduced legislation in 1989 (Law 1989-06-02 Number 27) that places a total ban on all alcohol advertising for beverages with more than 2.5% ABV (television, radio, outdoor, cinema, print, promotional items and sport sponsorship).

Regulatory issues

The option to legislate to reduce exposure completely from certain media or from all media would be the simplest and most cost-effective for government, with some minimal ongoing administration and enforcement costs of the legislative ban or bans. The Australian Government's ban on tobacco advertising provides a template for a progressive ban on advertising and marketing over time.

A number of the submissions and published reports⁴⁰² note that this option could restrict both the volume and content of alcohol advertising, and permit alcohol advertising only in places where young Australians are less likely to be exposed.⁴⁰³

The evidence for a ban on alcohol marketing and advertising from comparable jurisdictions is limited, as very few comprehensive bans have been introduced to date.⁴⁰⁴ However, it has been identified as a cost-effective option, when compared to other public policy options to reduce alcohol-related harm.⁴⁰⁵

However, it appears on the available evidence that the weight of public concern regarding alcohol-related harms would not currently translate into community support for a complete ban on alcohol advertising.

Option Assessment

1 Does this option protect children and adolescents from alcohol-related harms?

Exposure (content and volume) to alcohol marketing and advertising contributes to an increased risk of a range of alcohol-related harms for children and adolescents.

The regulatory framework for alcohol advertising should protect Australian children and adolescents from these exposure-related risks of alcohol-related harm.

A legislative ban would protect Australian children and adolescents from alcohol marketing a range of exposure-related risks of alcohol-related harm but not from all alcohol-related harms.

2 Does this option meet community expectations?

The Australian community has an expectation that children and adolescents will not be exposed to alcohol marketing and advertising (content and volume).

⁴⁰² Jones S & Gordon R (2013). [Regulation of alcohol advertising: Policy options for Australia](http://journal.anzsog.edu.au). Evidence Base, issue 2, 2013, <journal.anzsog.edu.au>, ISSN 1838-9422.

⁴⁰³ Ibid.

⁴⁰⁴ Anderson, P., de Bruijn, A., Angus, K., Gordon, R., & Hastings, G. B. (2009). Impact of alcohol advertising and media exposure on adolescent alcohol use: a systematic review of longitudinal studies. *Alcohol and Alcoholism* (Oxford, Oxfordshire), 44(3), 229–43.

⁴⁰⁵ Anderson, P., Chisholm, D., & Fuhr, D. C. (2009). Effectiveness and cost-effectiveness of policies and programmes to reduce the harm caused by alcohol. *Lancet*, 373(9682), 2234–46.

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The Australian community also has an expectation that alcohol marketing and advertising will not appeal to or be directly targeted at children and adolescents.

A range of legislative options to restrict the exposure of Australian children and adolescents to alcohol advertising appears to have a level of community support, but a complete ban on all alcohol advertising would appear to exceed current community expectations.

Option E is therefore not supported by this Draft Report.

CHAPTER 6: DETAILED ASSESSMENT OF CURRENT REGULATION OF ALCOHOL ADVERTISING AND RECOMMENDATIONS TO IMPROVE EFFECTIVENESS

Key Points

- The community is firmly of the view that young Australians should be protected from alcohol-related harms, and supports measures to protect Australian children and adolescents from exposure to alcohol advertising; and forms of alcohol advertising that appeal to young Australians.
- While industry has addressed some of the recommendations on improved regulatory arrangements from the 2003 and 2009 Reviews, several recommendations remain unaddressed and are still valid concerns.
- Current regulatory arrangements on the placement of alcohol advertising are failing to protect Australian children and adolescents and in some cases are facilitating their exposure to alcohol advertising.
- Young Australians currently experience a significant level of exposure to alcohol advertising on digital and social media – this will remain an ongoing challenge for regulatory response.
- Current regulatory arrangements on the content of alcohol advertising are also failing to protect young Australians and regulatory performance can be improved.
- Detailed draft recommendations to improve regulatory performance are made to:
 - the media industries on placement issues;
 - the alcohol industry on content issues; and
 - the Australian and State/Territory governments on monitoring, research, and review of, and reporting on, the effectiveness of regulatory performance in protecting Australian children and adolescents.

6.1 Community concerns regarding alcohol marketing and advertising to Australian children and adolescents

As in many other areas of public policy, survey results provide an insight into community views and attitudes. In recent Australian surveys, the majority of survey respondents are dissatisfied with the effectiveness of current alcohol advertising regulation. For example:

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- 60% of 1,000 adults surveyed in 2005 stated that alcohol advertising should be either more restricted or entirely prohibited, and 69% believed advertising encourages underage people to drink alcohol (Commonwealth Department of Health and Ageing survey).⁴⁰⁶
- In 2010, VicHealth surveyed 1,500 people in Victoria: 82% of respondents agreed that alcohol advertisements should be restricted so that they were less likely to be seen by young people, and 77% of respondents thought that alcohol advertising on billboards should be banned within one kilometre of schools (VicHealth Community Attitudes to Policy Survey).⁴⁰⁷
- Tobin et al (2011) cite evidence of high levels of public support for stronger advertising restrictions among different survey groups (21 studies from 1998 onwards), with two-thirds of Australians supporting government regulation in alcohol advertising and marketing in one 2009 survey, and three-quarters supporting reducing young people's exposure to alcohol advertising in several surveys run between 2007 and 2009.⁴⁰⁸
- The majority of people surveyed (n=1,001) by The Salvation Army for Alcohol Awareness Week 2013:
 - disagreed that the alcohol industry should be allowed to continue to regulate itself with regard to the advertising and promotion of alcohol (72%); and
 - said the amount of alcohol advertising and promotion young people under 25 see these days encourages them to drink more (70%).⁴⁰⁹

In contrast, the low number of complaints related to alcohol advertising are interpreted and reported by the alcohol and advertising industries as evidence of the system's effectiveness. However, neither the ABAC nor the ASB monitor levels of code compliance across the industry, and rely solely on receiving complaints from the public.

Additionally, ABAC's 2012 research into community perceptions of the scheme found a very low level of knowledge about alcohol advertising regulation (no awareness of the ABAC, and limited awareness of the ASB or its Board). The majority of people surveyed were not likely to lodge a complaint even where they found advertising offensive.⁴¹⁰

A 2005 Department of Health and Ageing study supported this finding, with only two percent of respondents having made a formal complaint, despite 30 per cent of respondents reporting concern about alcohol advertising. The reasons for not complaining included the belief that the complaint would not be upheld, not having time, and not knowing the procedure. Of those who did complain, the majority were not satisfied with the outcome of their complaint.⁴¹¹

In 2009, the National Preventative Health Taskforce report found that public awareness of required alcohol advertising standards is low, and among those who

⁴⁰⁶ King, E., Taylor, J. and Carroll, T. (2005). *Consumer perceptions of alcohol advertising and the revised Alcohol Beverage Advertising Code*. Sydney: Department of Health and Ageing.

⁴⁰⁷ Alcohol CATI component of the 2009 VicHealth Community Attitudes Survey (unpublished data).

⁴⁰⁸ Tobin et al. (2011) A review of public opinion towards alcohol controls in Australia. *BMC Public Health*; 11:58.

⁴⁰⁹ Salvation Army Media Release 2013. *Alcohol Awareness Week*. Accessed on 4 November 2013

⁴¹⁰ Colmar Brunton Social Research. (2013). Alcohol Beverages Advertising (and Packaging) Code Scheme Review of ABAC Code Decisions Final Report. Retrieved from <http://www.abac.org.au/wp-content/uploads/2013/06/ABAC-Community-Perceptions-Report-May-2013.pdf>

⁴¹¹ King, E., Taylor, J. and Carroll, T. (2005). *Consumer perceptions of alcohol advertising and the revised Alcohol Beverage Advertising Code*. Sydney: Department of Health and Ageing.

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report being concerned about any alcohol advertising, only a very small proportion tend to make a formal complaint.⁴¹²

ABAC's 2012 research⁴¹³ also found that 34% of participants were concerned about the content of alcohol advertisements in general in Australia, and 31% believed their level of concern had increased in the past ten years. Concerns most commonly stemmed from a belief that alcohol advertising promotes alcohol consumption as the norm and/or can influence behaviour, and can promote irresponsible/dangerous drinking and behaviour. However, ABAC's research did not ask participants to provide further details about their expectations about alcohol advertising regulation.

The Report of the Independent Review Committee reviewing Western Australia's Liquor Control Act 1988 December 2013 report concluded that:

"The Committee recognises the liquor industry's efforts to self-regulate the advertising and promotion of alcohol, but must also acknowledge it seems community expectations are not being met by self-regulation."⁴¹⁴

In reviewing approaches to regulating alcohol marketing Babor concludes:

"There is no evidence that voluntary self-regulation codes... have been successful in protecting vulnerable populations from exposure to alcohol advertising."⁴¹⁵

6.2 Effectiveness of controls on the placement of alcohol advertising

This review has found that the marketing of alcoholic beverages in Australia is strategic and multifaceted, with products being marketed through a wide combination of traditional media (TV, print, radio, outdoor billboards), websites and social media, sponsorship of sport and social events, alcohol-branded merchandise, mobile phone applications, product placement, and point-of-sale promotions (gift with purchase, competitions, price discount for bulk purchases) (see Chapter 2).

However, the **placement** (location and time of day) of alcohol advertising goes directly to the issue of when and where young Australians are exposed to alcohol advertising.

While all media-specific codes contain provisions regarding abiding by other relevant codes, currently only three media-specific instruments restrict the placement of alcohol advertising:

- for free-to-air television, the Children's Television Standards (CTS) and the Commercial Television Industry Code of Practice (CTICP);

⁴¹² Commonwealth of Australia (2009) Australia: the healthiest country by 2020. National Preventative Health Strategy – the roadmap for action (p.57).Commonwealth of Australia: Canberra.

⁴¹³ ABAC Scheme Ltd. (2013) *Alcohol Beverages Advertising (and Packaging) Code Scheme. Review of ABAC Code Decisions. Final Report*. <http://www.abac.org.au/wp-content/uploads/2013/06/ABAC-Community-Perceptions-Report-May-2013.pdf>

⁴¹⁴ Independent Review Committee. (2013). 2013 Review of the Liquor Control Act 1988: Report of the Independent Review Committee. Presented to the Minister for Racing and Gaming. Perth. Retrieved from <http://www.rgl.wa.gov.au/ResourceFiles/Publications/23-12-2013 - Liquor Control Act 1988 %E2%80%93 Review Report.pdf>

⁴¹⁵ Babor T, et al. (2010). *Alcohol: No Ordinary Commodity in Research and Public Policy*, 2nd Edition, UK: Oxford University Press

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- for outdoor and billboard advertising, the Outdoor Media Association (OMA) Code of Ethics: Alcohol Advertising Guidelines.

In the absence of placement restrictions for other media, there are currently few mechanisms to limit children's and adolescents' cumulative exposure to the volume of alcohol advertising that occurs frequently across different media channels.

The lack of restrictions on the volume of alcohol advertising in any medium or across media can amount to a high frequency of alcohol advertisements in a short time period, and to multiple avenues of exposure across media. For example, alcohol advertising amounted to 23 minutes of television broadcast time over a one day cricket match,⁴¹⁶ and 35 minutes of broadcast for the Bathurst 1000 V8 car race,⁴¹⁷ both of which are broadcast under the exemption for alcohol advertising on free-to-air television during live sports broadcasts on weekends and public holidays.

In their 2012-13 Annual Report, the Alcohol Advertising Review Board points out that over the course of a 15 year old Australian adolescent's weekend, alcohol advertising could be embedded across each activity they undertake, including watching a music video on television (product placement) and the internet (advertising on YouTube), visiting a shopping centre (parking lot billboards, liquor retailer shopfronts, alcohol purchase docket deals), using a smart phone application (unrestricted advertising), watching a live sporting event (alcohol branding visible on around the field, on uniforms, in change rooms), listening to the radio (alcohol sponsored competition), catching a bus (outdoor billboard on bus stop), reading the newspaper and going to the cinema.⁴¹⁸

On balance, the Agency finds that existing controls on the placement of alcohol advertising are currently not achieving the aim of limiting Australian children's and adolescents' exposure to alcohol advertising.

The *Broadcasting Services Act 1992* is administered by the ACMA, regulates free to air television channels, and includes as one of its objects:

“1 (j) to ensure that providers of broadcasting services place a high priority on the protection of children from exposure to program material which may be harmful to them”⁴¹⁹

The regulatory, co-regulatory and self-regulatory mechanisms, specific industry media codes, are segmented across the different media sectors. The industry and industry bodies could in most cases immediately move to voluntarily limit children's and adolescents' exposure to alcohol advertising, and seek co-regulatory support from Government on enforcement and sanctions.

A number of recommendations are provided below in relation to the placement of alcohol advertising in specific media.

⁴¹⁶ Jones, S.C., Phillipson, L., Barrie, L. (2010). 'Most men drink...especially like when they play sports' – alcohol advertising during sporting broadcasts and the potential impact on child audiences. *Journal of Public Affairs*. 10: 59-73

⁴¹⁷ Davoren, S.L and Sinclair, C.A. (2012). Children and adolescent exposure to alcohol advertising during Bathurst 1000. *Australian and New Zealand Journal of Public Health*. 36 (1), 90-91

⁴¹⁸ http://www.alcoholadreview.com.au/resources/AARB_Annual_Report_1213-FINAL-for-publication.pdf

Accessed on 20 November 2013

⁴¹⁹ http://www.acma.gov.au/webwr/aba/contentreg/codes/television/documents/review_of%20childrens_tv_standards_2005.pdf

6.2.1 Television – Free-to-Air Channels

Regulatory instruments and intent

As outlined in Chapter 4, there are two instruments that operate within this legislative framework to restrict the placement of alcohol advertising on free-to-air television in Australia.

- i. the Children's Television Standards 2009 (CTS) developed by ACMA; and
- ii. the co-regulatory code of Commercial Television Industry Code of Practice (CTICP) developed by industry in consultation with the regulator and registered by ACMA.

A report on Television Advertising to Children prepared for ACMA in 2007 describes the CTS objectives in relation to the protection of children and advertising:

The objectives of the CTS are to provide for children to be specifically catered for in programming, including Australian programming, and to provide for the protection of children from the possible harmful effects of television.

The advertising provisions are a subset of the CTS and regulate the amount, content and presentation of commercial advertising material directed to children.

These provisions were designed to address concerns about advertising directed to children.⁴²⁰

Television advertising for alcohol products is restricted under:

1. The protection provisions of the CTS (Part 3), which aim to protect children from unsuitable and potentially harmful program and advertising material on television; and
2. Section 6 of the CTICP, which aims to ensure that commercials (advertisements) are classified and broadcast appropriately, in the light of current community attitudes, and the need to limit the exposure of children to material intended for adult viewing.

In essence, these provisions operate to protect children from possible harmful effects of alcohol advertising on television. As outlined in Chapter 4, alcohol advertising is restricted until after 8.30pm and before 5.00am to limit children's and adolescents' exposure.

However, the CTICP provides an exception to the time zoning restrictions on alcohol advertising, allowing it to be broadcast at any time of the day on weekends and public holidays during live sport broadcasts (under specific conditions outlined in Clauses 6.7.2, 6.3.1, 6.3.2). In effect, this removes the protections that are in place to minimise children's and adolescents' exposure to television alcohol advertising through time of day restrictions.

Regulatory performance

As a result of this exemption approximately half of all television alcohol advertising occurs during daytime live sport broadcasts (i.e. before 8.30pm) on weekends and

⁴²⁰ Brand, E. (2007). Television Advertising to Children A review of contemporary research on the influence of television advertising directed to children. Canberra. Retrieved from http://www.acma.gov.au/webwr/assets/main/lib310132/television_advertising_to_children.pdf

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public holidays. The last government funded review into television alcohol advertising, conducted for the Monitoring of Alcohol Advertising Committee, found that 55% of alcohol advertisements aired during the day on weekends and public holidays, as an accompaniment to a live sport broadcast between January and March 2007. The report noted that this was an increase from previous levels of 42% in 2005.⁴²¹

Available figures indicate that large numbers of children and adolescents watch live sport on free-to-air television. For example

- an estimated 117,000 children and adolescents aged 5-17 watched the television broadcast of the Bathurst 1000 V8 car race.⁴²²
- children and adolescents aged under 18 years comprised an estimated average 11.7% of the viewing audience for the National Rugby League season in 2012.⁴²³
- children and adolescents aged 0-17 years comprised 17% of the viewing audience for the Australian Rules Football on a Saturday afternoon.⁴²⁴

There is considerable public support for restricting television alcohol advertising. A number of submissions to the Agency called for removal of the live sport exemption within the CTICP. As indicated in Section 6.3, several surveys also indicate that there is a considerable level of public support for restricting advertising.

A number of national surveys also specifically indicate public support for a ban on television alcohol advertising before 8.30pm. For example:

- In 2012, 64% of respondents supported a ban on alcohol advertising on weekday and weekends before 8.30pm,⁴²⁵ and
- In 2010, 71.2% of adults supported limiting television alcohol advertising until after 9.30pm.⁴²⁶

There is no rationale on health evidence for allowing this exemption. Based on an assessment of the available evidence, the CTICP, as a co-regulatory instrument, is not sufficiently effective at protecting children and adolescents from the potential harm of alcohol advertising, due to the exemption for live sporting events.

The Agency recommends that Free TV Australia and the free-to-air television industry move to remove this exemption:

Draft Recommendation 1 Apply to ACMA for an amendment to the Commercial Television Industry Code of Practice (CTICP) to remove the exemption for free-to-air television that allows direct advertising of alcohol products before 8.30pm as an accompaniment to live sport broadcasts on public holidays and weekends;

⁴²¹ Victorian Department of Human Services (2009) *Alcohol beverage advertising in mainstream Australian media 2005-2007: Expenditure and exposure*.

⁴²² Davoren, S.L and Sinclair, C.A (2012) Children and adolescent exposure to alcohol advertising during Bathurst 1000. *Australian and New Zealand Journal of Public Health* 2012; 36 (1);90-1

⁴²³ Brewers Association Submission to ANPHA Issues Paper, #13, p.21

⁴²⁴ Nielsen data 17/08/2012-19/08/2012.

⁴²⁵ FARE (2012) Annual Alcohol Poll: Attitudes and Behaviours. http://www.fare.org.au/wp-content/uploads/2011/07/FARE-Annual-Alcohol-Poll-Report_LowRes.pdf Accessed on 13 January 2014

⁴²⁶ AIHW (2011). 2010 National Drug Strategy Household Survey report (p.174); Canberra; Cat. no. PHE 145

The Agency notes that currently there is also a provision where alcohol can be advertised on free-to-air television between 12noon and 3pm on school days. The Agency also understands that the current volume of alcohol advertising during this time period is low. However, it would appear anomalous to remove the exemption that currently allows alcohol advertising during the daytime on weekends and public holidays during live sport and leave this provision in place for weekdays.

On balance, the Agency has not drafted a recommendation to remove the current provision where alcohol products may be advertised on school days between 12 noon and 3pm but welcomes public and industry views on this matter.

6.2.2 Television – Subscription Channels

Regulatory instruments and intent

The *Broadcasting Services Act 1992* also regulates subscription television channels.

As noted in chapter 4, advertising on subscription television is co-regulated by the Australian Subscription Television and Radio Association (ASTRA) under the ASTRA Subscription Broadcast Television Codes of Practice (ASTRA Codes).

Regulatory performance

ASTRA's submission indicates that there are no time restrictions for alcohol advertising on subscription television, that parental controls allow parents to block content unsuitable for children and that dedicated children's channels do not carry alcohol advertising. These would appear to provide protection for children, but are unlikely to provide protection for adolescents who are more likely to be watching a different set of programming to children.

Subscription television has a growing market share in Australia, including many children and adolescents. The same evidence and rationale for limiting the exposure of children and adolescents to alcohol advertising on free-to-air television is valid for subscription television.

There is no rationale on the evidence for health outcomes to allowing alcohol advertising at different times of day on different television channels. Australian parents should be confident on the times of day when both children and adolescents can safely watch television regardless of the broadcaster without being exposed to alcohol advertising.

The Agency is also mindful that a regulatory framework should provide competitive neutrality. Free TV Australia in their submission indicate that different regulatory requirements for different media, could result in 'regulatory bypass', and alcohol advertisements will simply to move to media not subject to regulation.

The Agency recommends that the Australian Subscription Television and Radio Association (ASTRA) and the subscription television industry:

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Draft Recommendation 2 Apply to ACMA for an amendment to the Australian Subscription Television Broadcast Code of Practice to restrict direct advertising of alcohol products on subscription television before 8.30pm and after 5.00am.

6.2.3 Digital media

Regulatory instruments and intent

The *Broadcasting Services Act 1992* administered by the ACMA, also regulates digital media, and includes as one of its objects:

“1 (m) to protect children from exposure to internet content that is unsuitable for children.”

Regulating internet and social media content and placement faces a myriad range of complex challenges, from the size and scope and segmentation of different channels and platforms, to the location of sites in other jurisdictions and user-generated content.

As noted in Chapter 4, the Advertising Standards Bureau made two significant determinations on 11 July 2012 in relation to a complaint about the official facebook pages of Fosters Australia’s Victoria Bitter⁴²⁷ and Diageo Australia’s Smirnoff brands.⁴²⁸ This determination and the ABAC Code relate to the content of alcohol advertising on digital media including advertiser responsibility for moderating inappropriate user generated content. This determination has addressed some of the significant issues relating to digital media content, by bringing this content under the remit of the ABAC Scheme.

Regulatory performance

Alcohol producers have invested significant resources in developing an expanding range of digital media marketing strategies. Age restricted sites and filters are easily circumvented, and there are examples of alcohol advertising content appearing on sites primarily targeted at children.

The evidence suggests that this area requires considerable further research, monitoring and continued adjustment of regulatory response. The Agency has made two recommendations for the Australian and State/Territory governments on these issues at Section 6.10 below.

6.2.4 Cinema

Regulatory instruments and intent

This review has been unable to locate a specific regulatory code for cinema advertising. According to the Communications Council, there is no formal clearance body for cinema advertising.⁴²⁹ It is evident that cinema advertising must adhere to

⁴²⁷ Advertising Standards Bureau. (2012). Case Number 0271/12: Fosters Australia, Asia & Pacific - Alcohol - Internet Social Media Determination 11 July 2012. Retrieved from <http://ms.adstandards.com.au/cases/0271-12.pdf>

⁴²⁸ Ibid.

⁴²⁹ <http://www.communicationscouncil.org.au/public/content/ViewCategory.aspx?id=619>

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the AANA codes and the ABAC, as the ASB and ABAC have adjudicated on complaints in relation to cinema advertising. However, no submissions were received from the cinema industry.

However, it appears that there are no restrictions on the placement of alcohol advertising in cinemas. Alcohol advertising can screen in cinemas during the daytime and/or when large proportions of the cinema audience are teenagers under 18.

In the United Kingdom, the Committee of Advertising Practice Code sets out the rules for non-broadcast advertising including cinema. The Cinema Advertising Association is the Trade Association of cinema advertising contractors operating in the UK and monitors and maintains standards of advertising exhibition in the UK and the Republic of Ireland. The Cinema Advertising Association has a policy on 'Alcohol Advertising in the cinema' which is part of its industry self-regulatory arrangements to comply with the Committee of Advertising Practice Code, and restricts alcohol advertising for films that have strong appeal with younger audiences; and this has been in place for over twenty years. The policy has been modified in recent years to restrict alcohol advertisements from 2008 onwards at films with 'super-hero comic book spin-offs', and in 2010 this approach was widened to include 'films on supernatural subjects'.⁴³⁰

Regulatory performance

Unlike the United Kingdom, there are no self-regulatory codes or restrictions on the placement of alcohol advertising in cinemas in Australia.

While there is no data available on the level of Australian children's and adolescent's exposure to cinema alcohol advertising, the Agency notes that the majority of complaints on cinema alcohol advertising that have been made to ABAC have been in regards to advertising that depicts underage drinking and/or appeals to an underage audience.

In view of the recommendations made in relation to restricting the times when alcohol advertising is available on television to reduce the exposure of children and young people, the Agency recommends a consistent restriction for on-screen cinema advertising. This will give Australian parents the confidence that their children will not be exposed to alcohol advertising in cinemas before 8.30pm.

In the absence of a peak industry body and existing code the recommendation is for the cinema industry:

Draft Recommendation 3 **Establish immediate voluntary arrangements and then work with ACMA and/or the ACCC to establish a mechanism to introduce a restriction on the direct advertising of alcohol products on-screen in cinemas before 8.30pm and after 5.00am.**

⁴³⁰ Cinema Advertising Association (CAA). (2014). Alcohol Advertising In The Cinema. London. Retrieved from <http://www.cinemaadvertisingassociation.co.uk/alcohol.php>

6.2.5 Outdoor and billboard advertising

Regulatory instruments and intent

The Outdoor Media Association (OMA) Code of Ethics: Alcohol Advertising Guidelines covers forms of outdoor advertising such as billboards, on buses, taxis and so on and requires members to adhere to both the AANA Code of Ethics and the Alcohol Beverages Advertising Code (ABAC).

The placement restriction in these Alcohol Advertising Guidelines “requires all members to limit the advertising of “alcohol products” on fixed signs that are located within a 150 metre sight line of a primary or secondary school” except where a school is in the vicinity of an establishment selling alcohol products (e.g. clubs, pubs, bottle shops).

Regulatory performance

The alcohol industry is among the top ten spenders in outdoor advertising in Australia.⁴³¹ Children and young Australians are exposed to this advertising given that it is unrestricted in a wide range of public spaces.

Outdoor advertising was recently subject to a parliamentary inquiry conducted by the Commonwealth Standing Committee on Social Policy and Legal Affairs. The scope of this review included alcohol advertising. The Committee noted the following in regard to the Outdoor Media Association’s Alcohol Advertising Guidelines:

“...when the loopholes are taken into account, the initiative seems to be little more than a token gesture. A more significant and responsible action would be to limit alcohol advertising in the outdoor medium, given its inevitable exposure to children.”⁴³²

A number of submissions have raised the proximity of outdoor and billboard advertising to schools and suggested increasing the limit from 150 m to 1km. There are examples where the OMA has found that an alcohol advertisement has been placed in proximity to a school. However, there are no enforceable sanctions for breaches to this Code and some advertisements have remained in place.

To improve the effectiveness of this Code, the Agency recommends that the Outdoor Media Association (OMA) and the outdoor advertising industry:

Draft Recommendation 4 **Apply for ACCC authorisation of the Outdoor Media Association’s (OMA) Code of Ethics: Alcohol Advertising Guidelines to enable effective sanctions for enforcement of code decisions, particularly in relation to the placement of advertising material near schools.**

Draft Recommendation 5 **Amend the Outdoor Media Association’s (OMA) Code of Ethics: Alcohol Advertising Guidelines to increase the distance of advertising from schools from 150m to 500m.**

⁴³¹ Outdoor Media Association, [Annual Report 2012](#), Accessed 10 December 2013

⁴³² Senate Standing Committee on Community Affairs Inquiry into Alcohol Toll Reduction Bill 2007. http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Community_Affairs/Completed_inquiries/2008-10/alcohol_reduction/report/index

6.2.6 Radio

Regulatory instruments and intent

The Commercial Radio Codes, a co-regulatory instrument registered by ACMA, requires compliance with all other codes of practice 'so far as they are applicable', and requires that a radio licensee must not broadcast programs (including advertisements) which in all the circumstances "present as desirable the misuse of alcohol" or associate betting or gambling with alcohol. The peak industry body responsible for the creation of the Codes, Commercial Radio Australia (CRA), has no direct role in complaints handling. Alcohol content complaints are handled by ABAC.

Regulatory performance

Alcohol advertising on radio makes up a relatively small proportion of the marketing effort for alcohol products, approximately 5-6%. Radio advertising was not raised as an area of concern by any of the submissions and CRA advises that its stations have received only 3 complaints about alcohol advertising over the last 4 years.

Given that the range of improvements to the ABAC code that are recommended in Section 6.4 below would also apply to the content of alcohol advertising on radio, the Agency does not recommend changes to existing controls for alcohol advertising on radio.

6.2.7 Print

Regulatory instruments and intent

As detailed in Chapter 4, the Publishers' Advertising Advisory Bureau membership comprises newspaper and magazine publishers. For print media, the PAAB Guiding Principle indicates that its members support adherence to the Alcohol Beverages Advertising Code (ABAC) and contains further principles for the print advertising of licensed premises and brands.

Regulatory performance

While alcohol advertising commonly features in magazines that are read by audiences that include young people, print media was not raised as a particular area of concern by any of the submissions. Spending on alcohol advertising in print media represents a relatively small proportion of the marketing expenditure for alcohol products.⁴³³

Given that the range of improvements to the ABAC code that are recommended in Section 6.4 below would also apply to the content of alcohol advertising in print media, the Agency does not recommend changes to existing controls for alcohol advertising in print media.

6.2.8 Branded merchandise

Regulatory instruments and intent

As noted in Chapter 3, branded merchandise is a commonly used marketing strategy, and is also used by the alcohol industry. Branded merchandise can either

⁴³³ Victorian Department of Human Services (2009) *Alcohol beverage advertising in mainstream Australian media 2005-2007: Expenditure and exposure*.

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be produced solely to advertise a brand or product, or in the sponsorship area may be promoting an athlete or team but also include sponsor's logos and brands. Branded merchandise can take many forms including clothing, hats, posters, branded equipment including drink bottles, glasses, eskis, etc.

Chapter 3 also reported research showing that young people that own branded alcohol merchandise are more likely to initiate drinking at an earlier age and engage in harmful drinking⁴³⁴.

Submissions have identified four issues with alcohol branded merchandise:

- merchandise that is targeted at children – branded clothing in children's sizes, or merchandise that has toy-like characteristics;
- merchandise that is supplied to children and/or young people;
- merchandise that is alcohol branded snacks or sweets; and
- merchandise that is inappropriate and dangerous.

In 2008, in the United Kingdom the Portman Group's *Code of Practice on the Naming, Packaging and Promotion of Alcoholic Drinks* was amended to add "that alcohol branding must not appear on children's replica sports shirts under sponsorship agreements signed after 1 January 2008."

Regulatory performance

Some examples of children's and adolescents' exposure to alcohol branded merchandise are at Box 9 below.

Box 9: Examples of exposure to alcohol branded merchandise

Alcohol-branded merchandise targeted at children

from the Sydney Morning Herald February 2013 "Jim Beam-branded clothing is being sold to children as young as four, in what public health experts have said is one of the most shocking examples of alcohol advertising they have seen. A range of Jim Beam-branded V8 supercar promotional clothing, sold under the Jim Beam Racing "kids team" label, is available for sale online."⁴³⁵

Alcohol-branded merchandise that is supplied to children and/or young people

from Mumbrella January 2009 – "Beer brand XXXX Gold has been accused of breaking the rules on the promotion of alcohol to children at its beach cricket event at the weekend. Nathan Bush said that about 30% of the crowd were children. He said: "We had free XXXX Gold hats for everyone as they walk through the gates, XXXX Gold showbags, XXXX Gold signage on every available surface, XXXX Gold dancers, XXXX Gold TVC's and kids participating in catching competitions to win XXXX Gold cricket bats. This raises the question, is this promoting alcohol to children?"⁴³⁶

⁴³⁴ Lin, E.-Y., Caswell, S., You, R. Q., & Huckle, T. (2012). Engagement with alcohol marketing and early brand allegiance in relation to early years of drinking. *Addiction Research & Theory*, 20(4), 329–338.

⁴³⁵ Corderoy, A. (2013, February 12). Jim Beam brand driven home to children. *The Sydney Morning Herald*, p. 20130211. Sydney. Retrieved from <http://www.smh.com.au/national/jim-beam-brand-driven-home-to-children-20130211-2e8ll.html>

⁴³⁶ *Beer brand XXXX Gold accused of breaching rules on marketing to children*. (2009, January 14). Mumbrella. Retrieved from <http://mumbrella.com.au/beer-brand-xxxx-gold-accused-of-breaching-rules-on-marketing-to-children-1121>

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from the Sydney Morning Herald June 2012 – “Lion, makers of James Boag, has admitted that the bottles, carrying the slogan “Like it or not, there are times when you just can’t have a beer, that’s when you reach for the next best thing”, have been given to children, but says it was an accident. Players aged around 13 were given the bottles at a junior league football match in Bulleen, Victoria. A Lion spokeswoman said the bottles had been made for events attended by people over the legal drinking age, including its Melbourne Cup marquee, and were never intended for children. But excess bottles were given to other sponsored events involving children and families. The spokeswoman said new procedures had been put in place to ensure it did not happen again.”⁴³⁷

Alcohol-branded merchandise that is inappropriate and dangerous

From the Sunday Times December 2011 – “Three men in Western Australia suffered horrific burns after branding themselves with novelty branding irons given away as part of a Jack Daniel’s promotion. Jack Daniel’s brand owner Brown-Forman Australia responded by claiming it has done nothing wrong because the product comes with a warning. “We are confident this promotional item was offered with the appropriate statement of warning and we are sorry to learn that a few individuals may have harmed themselves through use other than advised,” Brown-Forman managing director Marshall Farrer.”⁴³⁸

Based on the strong evidence showing that young people are more likely to initiate drinking at an earlier age and engage in harmful drinking and the level of community concern regarding this issue, there is need for both revised Code attention and enforceable sanctions on this issue. This recommendation is made in the context of the overall recommendations in relation to improving the Code and having it authorised to allow for sanctions to be enforced.

The Agency recommends for alcohol industry ABAC Scheme Ltd members to:

Draft Recommendation 6 Review and revise the ABAC Code and Guidance documents to include and provide specific guidance on alcohol branded merchandise.

6.2.9 Sponsorship – Sport

Regulatory instruments and intent

There are currently no restrictions on the sponsoring of sport by alcohol companies in Australia.

Sponsorship by the alcohol industry in Australian sport involves a wide range of advertising, marketing and promotion strategies; including

- links to broadcast deals for alcohol advertising using the live sports exemption on free-to-air television;
- at venue advertising (on-ground/court, fixed and digital signage, video advertisements, pa announcements, etc);
- logo placement on uniforms;

⁴³⁷ Clare Kermond. (2012, July 13). Beer faces backlash over gifts to children. The Sydney Morning Herald, p. 20120712. Sydney. Retrieved from <http://www.smh.com.au/business/beer-faces-backlash-over-gifts-to-children-20120712-21yt2.html>

⁴³⁸ Bourbon branding brain snap. (2011, December 18). The Sunday Times, p. 5. Perth. Retrieved from <http://www.news.com.au/national/bourbon-branding-brain-snap/story-e6frfkp9-1226224707250>

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- rights to use athletes for promotional appearances in advertising and at other events;
- access to the digital media platforms and audiences of the sport to promote the product using digital advertising, and promotions;
- at event promotions and give-aways; and
- linking sponsorship to in-stadium pourage rights.

While not a regulatory strategy, government health promotion sponsors have replaced alcohol sponsorship for some sports in some jurisdictions (Healthway in WA, and ANPHA at the national level with 16 national sporting organisation partners), replicating earlier tobacco sponsorship buyout strategies pioneered by VicHealth.

Some Australian sporting organisations and sporting media voluntarily do not accept alcohol sponsorship or advertising.

In the United Kingdom, the alcohol industry Portman Group's self-regulatory Code of Practice on Alcohol Sponsorship came into force 31 January 2014 and "applies to all alcohol sponsorship agreements activated in the UK and provides a procedural framework for influencing, regulating and controlling industry practice."⁴³⁹

Regulatory performance

There is no doubt that the integrated nature of alcohol sponsorship in many sporting environments exposes children and adolescents attending sporting events and/or watching sport on television and/or engaging on sporting digital platforms to the same level of alcohol advertising as seen by adults.

For example, at the annual Bathurst 1000 V8 Supercar event in 2012, noted earlier, featured racing cars sponsored by spirits brands (Jack Daniels and Jim Beam), the event's website advertised Jim Beam-sponsored merchandise, and alcohol advertisements would have been included on the live television broadcast during the daytime.

A number of national surveys indicate public support for restricting alcohol sponsorship of sporting events. For example:

- In 2013, 72% of adults felt alcohol and sport have become too closely related in Australia, and 67% that alcohol sponsorship of sport should be phased out (Salvation Army survey of 1,001 Australians for Alcohol Awareness Week)⁴⁴⁰.
- In 2010, 48.3% of those surveyed supported banning alcohol sponsorship of sporting events (2010 National Drug Strategy Household Survey)⁴⁴¹.

Branded sponsorship presence has increased over recent years with the increasing size of logos on players' uniforms and on-ground and on-court decals. The inability to isolate children and adolescent fans from this increasingly visible and integrated exposure of alcohol brands in sporting environments remains problematic from a public health perspective. This is particularly pertinent given the evidence that Australian children as young as 10 can recall which sponsors are associated with

⁴³⁹ Portman Group. (2014, January 31). Code of Practice on Alcohol Sponsorship First Edition. London: Portman Group. Retrieved from <http://www.portmangroup.org.uk/docs/default-source/recruitment-jds/information-pack.zip?sfvrsn=0>

⁴⁴⁰ Salvation Army Media Release 2013. *Alcohol Awareness Week*. Accessed on 4 November 2013

⁴⁴¹ AIHW (2011) 2010 National Drug Strategy Household Survey report (p.174); Canberra; Cat. no. PHE 145

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sporting teams⁴⁴²; and that Australian marketers and parents both indicate that children and young people are influenced by sponsorships of athletes and teams⁴⁴³.

In his 2011 report, the ABAC Chief Adjudicator noted

“the issue of sponsorship was again raised in several complaints. Alcohol companies are major sponsors of various activities such as sports competitions and individual teams, as well as community and cultural events. Public complaints sometimes question if it is appropriate for alcohol as a product to be associated with sports and community / cultural events via named and branded sponsorship arrangements. The Panel believes it is a very legitimate question of public policy if sponsorship activity by alcohol companies should be permitted and, if it is to be permitted, then whether there should be applicable standards of good practice to govern the form and type of sponsorship.”⁴⁴⁴

Given the issues raised in terms of exposure of children and adolescents to alcohol advertising associated with sport sponsorship, the comments raised by the ABAC Chief Adjudicator in 2011, and the recent January 2014 extension of the UK self-regulatory code to apply to alcohol sponsorship of sports, the Agency recommends that it is timely for the ABAC Code to be extended to cover sport sponsorship:

Draft Recommendation 7 Review and revise the ABAC Code and Guidance documents to include and provide specific guidance on sponsorship of sporting events.

6.2.10 Sponsorship – Music and other events

The alcohol industry in Australia is active at sponsoring and event activation at a range of music events, from large one day festival events, to smaller music events on university campuses and at other venues.

In the United Kingdom, the alcohol industry's Portman Group's self-regulatory Code of Practice on Alcohol Sponsorship⁴⁴⁵ applies to alcohol sponsorship of all events. Given the draft recommendation on extending the ABAC Scheme to sport sponsorship, it is also recommended that code coverage be provided to all alcohol sponsorships in Australia:

Draft Recommendation 8 Review and revise the ABAC Code and Guidance documents to include and provide specific guidance on sponsorship of music, cultural and all other events.

⁴⁴² Pettigrew, S., Rosenberg, M., Ferguson, R., Houghton, S., & Wood, L. (2013). Game on: do children absorb sports sponsorship messages? *Public Health Nutrition*, 16(12), 2197–204. doi:10.1017/S1368980012005435

⁴⁴³ Kelly, B., Baur, A., Bauman, A., King, L., Chapman, K., & Smith, B. (2011). *Promoting Health and Nutrition through Sport: Attitudes of the Junior Sporting Community* (pp. 1–106). Sydney.

⁴⁴⁴ http://www.abac.org.au/wp-content/uploads/2013/06/ABAC_AR2011_proof-2a.pdf

⁴⁴⁵ Portman Group. (2014, January 31). *Code of Practice on Alcohol Sponsorship First Edition*. London: Portman Group. Retrieved from <http://www.portmangroup.org.uk/docs/default-source/recruitment-jds/information-pack.zip?sfvrsn=0>

6.2.11 Product placement

Product placement of alcohol imagery and references in popular media including films and music videos was raised by a number of submissions.

While product placement does increase exposure to alcohol marketing for young Australians, given that these media products are often produced and distributed at the global level, the Agency is not aware of any current approaches to regulating product placement that are feasible in this context.

6.2.12 Promotions

Promotions vary from those conducted at licensed premises (subject to State and Territory liquor licensing requirements), those at supermarkets and bottle shops (subject to State and Territory liquor licensing requirements), occurring through third party channels at events and via digital media (sport and music sponsorships) or directly from alcohol producers via packaging and traditional and digital media.

The Agency is considering a recommendation that States and Territories should include reporting on their regulation and enforcement issues of alcohol promotion in the proposed biannual reporting to COAG (refer Section 6.10 below) and welcomes feedback on this issue:

On balance, the Agency has not drafted a recommendation that biannual reporting on alcohol promotions be instituted, but welcomes public, industry and particularly State and Territory government views on this matter.

6.3 Effectiveness of controls on the content of alcohol advertising

The ABAC Scheme primarily vets the **content** of alcohol advertising and focuses on compliance by those producing alcohol marketing and advertising, i.e. the brewers, distillers, winemakers and alcohol retailers.

6.3.1 Previous Review recommendations on the ABAC Scheme

The last independent major reviews of the ABAC self-regulatory scheme occurred in 2003 by the National Committee for the Review of Alcohol Advertising (NCRAA) instigated by the Ministerial Council on Drug Strategy⁴⁴⁶ and further review occurred in 2009.

The key findings of both reviews were, in essence, that:

⁴⁴⁶ [http://docs.health.vic.gov.au/docs/doc/2E4E141E5A719092CA2578A1000A1CB0/\\$FILE/ncraareport.pdf](http://docs.health.vic.gov.au/docs/doc/2E4E141E5A719092CA2578A1000A1CB0/$FILE/ncraareport.pdf)

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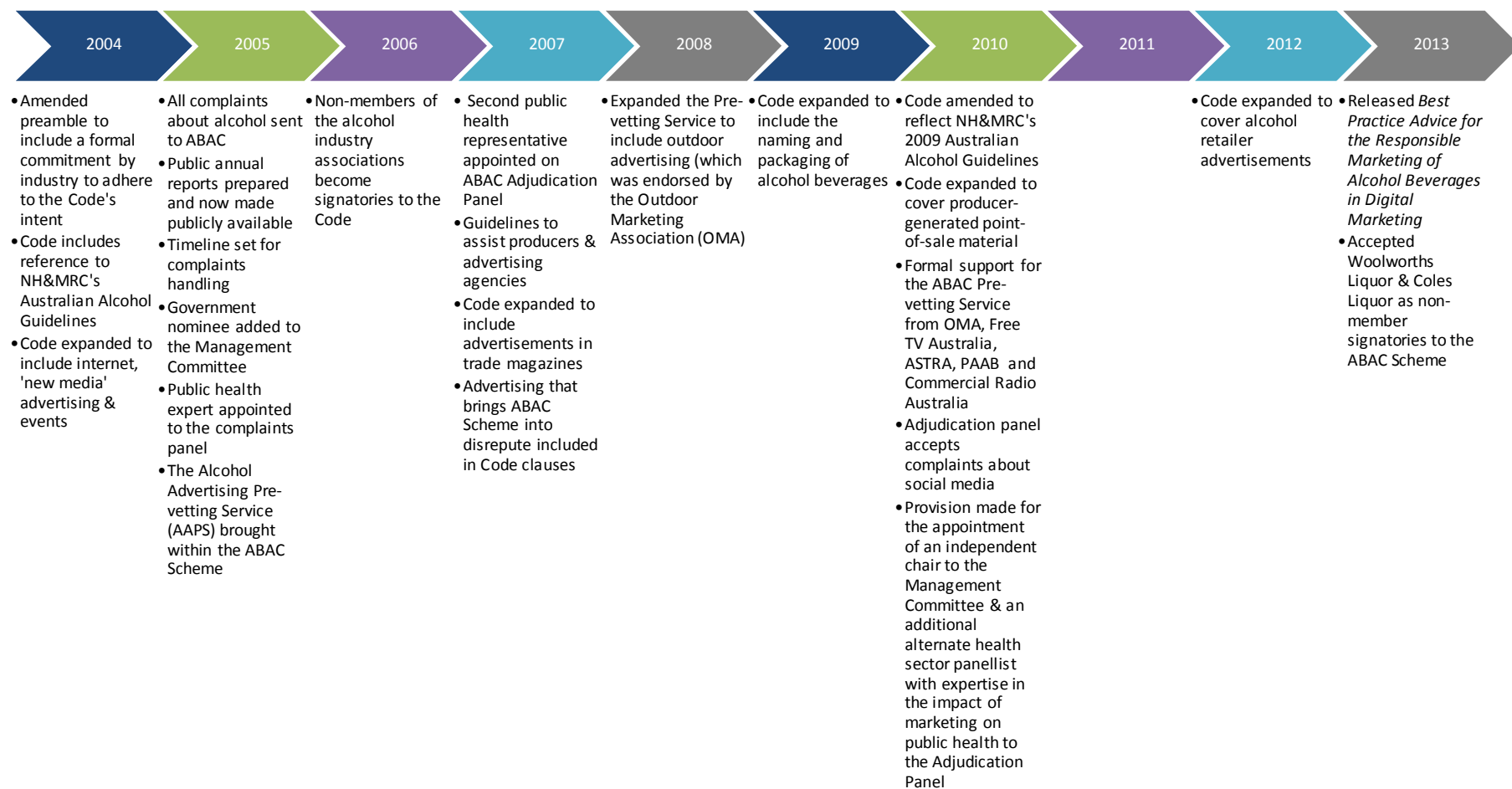
- the system of self-regulation of alcohol exhibited serious deficiencies, and required much improvement;
- the public was generally unaware of the ABAC Code or how to make a complaint; adjudication of complaints was slow, decision-making processes non-transparent, and decisions poorly reported; and
- coverage continued to be problematical in particular with respect to the emergence of digital media (internet) and advertising by alcohol retailers.

The reviews resulted in a range of improvements to the alcohol advertising self-regulatory scheme, and these are outlined at Figure 6.1 below. Further improvements to regulatory performance are, however, still required.

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Figure 6.1: Timeline of ABAC changes⁴⁴⁷



⁴⁴⁷ Sourced from [The development of Australia's Alcohol Beverages Advertising \(and Packaging\) Code](#), the [2011 & 2012 ABAC Annual Reports](#) and [ABAC's Website](#).

6.3.2 Improving the ABAC Scheme with a range and hierarchy of effective sanctions

Currently the ABAC Scheme has a number of useful features:

- the Adjudication Panel, which hears complaints, is separate from the scheme's Management Committee, and includes public health representation,
- the Chief Adjudicator presents a separate view in the annual report including his views regarding challenges with respect to the scheme;
- the pre-vetting system appears to be widely used;
- the decisions of the Panel are made public; and
- the Scheme has sought to improve its coverage over time including over alcohol packaging and product naming and to the recent inclusion of major retailers as code signatories.

As noted earlier, there remains community concern not only about the alcohol industry's influence within the Scheme and in particular on the drafting of Code provisions, but regarding the effectiveness of the scheme in protecting Australian children and adolescents from alcohol promotions which are appealing to them. Its effectiveness is also being brought sharply into focus by the widespread social and interactive digital media opportunities now available to alcohol advertisers as discussed in Chapter 3.

Despite improvements made since the last review, it is clear that the ABAC Code is overdue for a comprehensive review (recommendations which follow in subsequent sections deal with key elements which a review needs to address). The Chair of the ABAC Scheme has advised that the Management Committee has commenced a code review process. While the Agency concurs that the industry should proceed with its review, it is also time for the code to be given the full independent public scrutiny as well as the enforcement authority that a quasi-regulatory instrument in this area of public concern deserves.

Australia has a number of methods whereby the advantages of self-regulation can be preserved while providing both independent scrutiny of a code's provisions as well as the potential for full coverage of the behaviour which is the subject of a code of conduct (irrespective of whether particular firms are members of the code scheme). The particular process available to the alcohol industry is the authorisation of the ABAC code under the ACCC's authorisation process. Providing that the ACCC is satisfied that the public benefit from the arrangements or conduct outweighs any public detriment (the public benefit test), authorisation could provide for coverage for all of the alcohol marketing communications activity in Australia. Compelling coverage of the scheme in the market, and making provision for sanctions beyond the withdrawal of a promotion, could be anti-competitive conduct and authorisation is given in the context of protection from legal action under the *Competition and Consumer Act* 2010. The authorisation process is described in more detail in Appendix K.

The Agency is of the view that the ABAC Scheme industry members have taken the self-regulatory process to the point where only minor improvements can be made to matters such as coverage and sanctions – without utilising the more formal processes available in the regulatory hierarchy. The scheme now needs to move forward in delivering the full benefits of an all-inclusive scheme which can compel compliance with its code, which can be described as a scheme with real regulatory 'teeth', and which has the authorisation of its code and activities from an independent regulator. The first step in this process is to seek

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such authorisation. This will enable the scheme to progress further in being effective in its task of alcohol advertising regulation, particularly in relation to the concerns of this Review, the regulation of advertising that influences children and adolescents.

The Agency has noted that the scheme members are familiar with the authorisation process. In June 2007, the three peak alcohol industry bodies (along with Clubs Australia, the Australian Hotels Association and the Liquor Merchants Association of Australia) applied for ACCC authorisation of an ABAP Code (this was essentially Part 2 of the ABAC Code on packaging and naming of alcohol beverages and Section 4 of the associated Rules and Procedures). In this case, the industry applicants were authorised to operate a Retailer Alert Scheme - in effect a product found not to comply with the packaging and naming provisions of the ABAC Code would be the subject of a communication to retailers enabling retailers who were signatories to the scheme to abide by a request that they not place further orders for non-compliant products. This would have been a significant sanction. The ACCC granted authorisation in October 2007 however this was authorisation was conditional on the industry not being permitted to 'grandfather' brands (ACCC media release at Appendix J). It appears that the Retailer Alert Scheme, which would have been an excellent initiative of the alcohol industry, was never implemented because of these conditions. The lack of acceptance at that time by alcohol producers that some 'older' brands could breach the ABAC Code but should not be removed from the market raises a serious question about the industry's commitment to outcomes from its code process.

While the Retailer Alert Scheme authorisation was not implemented by the industry, the process exemplifies the publicly transparent scrutiny by an independent regulator that authorisation brings, the ability to potentially extend coverage to all alcohol marketing communications, and the weight provided to a scheme from an ability to have a range and hierarchy of sanctions available for enforcement of code determinations.

From the public perspective, an authorisation process subjects the code of a scheme to a public review process, outside the control of industry, which enables an independent authority to seek comment on the appropriateness of the code provisions and process. Authorisation also has the advantage of delivering an industry self-regulatory scheme with high transparency, with a hierarchy of effective sanctions, and with much improved public confidence – at little or no cost to government.

Given the importance of alcohol advertising and the immense responsibility placed on the industry to deliver appropriate outcomes for Australian society, the Agency recommends to the three peak alcohol producer industry bodies:

***Draft Recommendation 9:* Seek authorisation for a revised ABAC Code and associated Rules and Procedures from the ACCC which include improvements to the code provisions as outlined in draft recommendations below.**

The following additional specific draft recommendations are presented in relation to a range of improvements that are necessary for the ABAC Scheme to achieve more significant community acceptance and to comply more effectively with the spirit of the code.

6.3.3 Improvements in Governance and Reporting

Management Committee structure

The nature of the governance structure of ABAC is an important signal to the public about the confidence they can have in the scheme. Alcohol misuse remains an area of significant public concern and related to these types of concerns is the role that alcohol advertising plays.

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While complaints are adjudicated separately from the governing structure of the scheme, that structure remains very industry dominated. Four of five of the Management Committee members are from the alcohol and marketing industries, the fifth is a government nominee, and industry holds the role of Chair (in a rotating fashion between the key three peak alcohol producer industry bodies). It is the Management Committee which drives things like publicity about the code, new guidelines or advice, changes to the code provisions and so on.

There is as well a Board of the ABAC Scheme Ltd whose role is not transparent from examination of the ABAC website; the Board is separate from the Management Committee and would hold the normal responsibilities of the board of directors for this company. The Board would ensure the Scheme is funded but the relationship of the board structure to the Management Committee needs clarification. The dichotomous roles of the Board and the Management Committee, do not appear to be best-practice from a regulatory governance perspective.

More independence in the Management Committee would provide better separation between the industry and the self-regulatory structure and lessen to some extent the dominance of the peak industry bodies on the scheme. An independent chair is provided for in the ABAC Rules & Procedures but has not been taken up. A chair of clear independent stature would assist in enhancing the credibility of the scheme.

***Draft Recommendation 9.1* Appoint an independent chair to the ABAC Management Committee, who is not associated with the alcohol or marketing communications industries, thus exercising the existing option in the Scheme's rules and procedures.**

***Draft Recommendation 9.2* Rationalise the two separate governance entities responsible for the Scheme, by merging the Board and the Management Committee.**

Reporting

The public reporting of the scheme's pre-vetting and complaints statistics is currently useful. The ABAC website notes that some 15% of advertisements are rejected at the pre-vetting stage. It would be useful if ABAC added a reporting category to its Annual Report so that an indication is given of how many complaints, and how many upheld complaints, were pre-vetted. This should assist in emphasising the value of the pre-vetting process.

***Draft Recommendation 9.3* Revise ABAC Annual Report statistics to include an indication of whether advertisements that are subject to complaints and adjudication were or were not pre-vetted**

Awareness of the Scheme

The public visibility of the scheme needs to be improved. In correspondence on the 15 November 2013, the ABAC Chair has advised the Agency that the Management Committee has commenced the development of a major ABAC awareness campaign. While the quantum of complaints is not in itself an indication of the usefulness or effectiveness of a complaints scheme, this is particularly the case when public awareness of the scheme is at a low level. Recent research about the scheme, commissioned by the Chair of ABAC, found that "knowledge of alcohol advertising regulation was very low" – in fact, there was 0% spontaneous mention of the ABAC scheme in the survey. Further, the research indicates that those who would bother actually making a complaint, even if offended by an ad, was below 15%.

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The usefulness of a complaints scheme is in part measured by awareness that it exists. The Agency notes the ABAC scheme commissioned research showing that public awareness of the scheme is at very low levels; and also notes and commends that the scheme will be embarking on a public awareness campaign to lift its profile from this level.

In 2011, the Standing Committee on Social Policy and Legal Affairs – “Reclaiming Public Space: Inquiry into the regulation of billboard and outdoor advertising” recommended that

“the Alcohol Beverages Advertising Code Scheme conduct research every two years into prevailing community standards on the advertising of alcohol.”⁴⁴⁸

Draft Recommendation 9.4 Undertake significant effort to raise community awareness of the ABAC Scheme and report changes against the current baseline research through further independent research in 2015.

6.3.4 Improvements in Coverage – Industry

One of the critical features of the potential effectiveness of a self-regulatory scheme is industry coverage. In an area of significant public health and community concern such as the impact of alcohol advertising and marketing on Australian children and adolescents, the coverage of industry advertising must be extensive if not complete.

The scheme is in the process of resolving one major gap in its coverage having persuaded the two major Australian grocery retailers to join as non-member signatories. Woolworths became a signatory to the scheme in June 2013 and Coles in November 2013. There still remain other liquor retailers and the Agency strongly encourages that these retailers to also avail themselves of the opportunity to participate.

The scheme advises that some 90% of alcohol advertising would be covered currently by industry members belonging to the code – which leaves a significant 10% of marketing communications uncovered. This is not counting current problems with areas where the scheme adjudicators are not able to define a communication as an ‘advertisement’ and where the scheme’s remit is thus not asserted. Further, several submissions point out that non-signatories to the ABAC scheme contribute significantly to advertising breaches which promote excessive and underage alcohol consumption.

The extent of coverage of industry schemes can be a typical weakness of self-regulation – industry bodies and the ABAC Scheme rely on the goodwill of industry to participate through their membership of the peak alcohol bodies or through becoming non-member signatories or simply by complying with determinations. So a major deficiency remains in Australia that non-members or non-signatories are not obliged to take any action if found in breach of the ABAC codes. This has occurred in a number of cases. For example, a complaint was made in December 2011 regarding the Bacchus Distillery Shot Bucket.

This complaint about naming and packaging (Part 2 of the code) concerned a product which consisted of 28 individually packaged 30mL shots in bright colours (green, pink and yellow) with names and flavours such as ‘Pancake’, ‘Banana Split’, ‘Cowboy and Cowgirl’ shots and ‘Chocolate Éclair’. The Adjudication Panel did not find a breach in relation to the Shot Bucket encouraging excessive alcohol consumption: “The shot bucket is a multiple pack comparable to a carton of beer, which may be consumed over several weeks; and sweet confectionery flavours do not encourage or promote excessive consumption.”⁴⁴⁹ However,

⁴⁴⁸ Commonwealth of Australia (2011) *Reclaiming Public Space: Inquiry into the regulation of billboard and outdoor advertising*. Canberra: Commonwealth of Australia.

⁴⁴⁹ <http://www.abac.org.au/wp-content/uploads/2013/04/112-11B-FinalDetermination-with-addendum-Bacchus-13Feb12.pdf>

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the Panel upheld the complaint about its appeal to children recommending modification of the product to minimise this appeal.

Bacchus Distillery has no formal obligation to comply with the Panel's determination as it is not a signatory to the ABAC Scheme. The products remain for sale on the Australian market.⁴⁵⁰

In an area of significant community concern, it is feasible for ABAC to seek virtually economy-wide coverage of alcohol marketing through an authorisation of its code (see the earlier recommendation in this regard).

Coverage of Wine Marketing Communications

The Agency has noted the differences in the pre-vetting processes between distilled spirits and beer on the one hand and wine on the other. The Guidance Notes indicate, for example, that beer and spirits are required to have pre-vetting for most alcohol advertisements (exceptions include internet, point of sale and events promotions) while wine is apparently required to use the pre-vetting service only for outdoor, cinema and outdoor advertising.⁴⁵¹ There may be an excellent rationale for these different procedures for alcohol products but it is unclear why such a distinction should exist particularly given the alcohol content of wines in comparison, for example, with beer products.

Draft Recommendation 9.5 Apply the same pre-vetting requirements to the marketing of wine products as for other alcohol products.

6.3.5 Improvements in Coverage – Marketing Mediums

An additional critical element in the effectiveness of self-regulatory schemes is their coverage of the various forms of marketing and promotion which are occurring in the marketplace. Much progress has been made by ABAC in seeking more extensive coverage of marketing communications such as the addition of Internet advertising.

As noted earlier in Chapter 4, the international best practice guidelines speak of *comprehensive* coverage of marketing communications and the World Federation of Advertisers strongly backed the ASB's 2012 decisions on user-generated content on the Diageo Australia⁴⁵² and Fosters Australian⁴⁵³ webpages, re-iterating the need for comprehensive coverage. The key problem is in relation to digital media.

The expansion of alcohol marketing into non-traditional methods and new media is a major challenge and beyond the scope of current regulatory mechanisms, as was noted by the ABAC Chief Adjudicator in the 2012 Annual Report.⁴⁵⁴

The increasing use of digital media as a marketing medium is a particular area of community concern, as lack of regulation on placement can result in advertisements for alcoholic beverages appearing on internet and social media sites that are readily accessible and frequently used by children and young people. For example, many of the alcohol-related fan, event and group pages on Facebook are accessible to users of any age⁴⁵⁵. The video

⁴⁵⁰ see <http://www.bacchusdistillery.com.au/products/cat/14>

⁴⁵¹ <http://www.abac.org.au/wp-content/uploads/2013/05/ABAC-Guidance-Notes-19-February-2013.pdf>

⁴⁵² Advertising Standards Bureau. (2012). Case Number 0272/12: Diageo Australia Ltd - Alcohol - Internet Social Media Determination 11 July 2012. Retrieved from <http://ms.adstandards.com.au/cases/0272-12.pdf>

⁴⁵³ Advertising Standards Bureau. (2012). Case Number 0271/12: Fosters Australia, Asia & Pacific - Alcohol - Internet Social Media Determination 11 July 2012. Retrieved from <http://ms.adstandards.com.au/cases/0271-12.pdf>

⁴⁵⁴ ABAC Annual Report 2012 http://www.abac.org.au/wp-content/uploads/2013/06/ABAC_AR_12_Final.pdf

⁴⁵⁵ Mart, S (2011) Alcohol Marketing in the 21st Century: New Methods, Old Problems, Substance Use and Misuse, 46:889-892

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viewing site YouTube also allows alcohol companies to develop their own pages and there are seemingly no age restrictions on viewers. YouTube provides a platform for companies to display recent and previous television advertisements, which may include older advertisements that do not satisfy current codes.⁴⁵⁶

In ABAC's 2010 Annual Report, the Chief Adjudicator expressed the following concerns:

...social media provides advertisers with the opportunity to build a direct relationship with an individual consumer in a much more effective manner than is possible by broadcast media such as television or print. It can facilitate an exchange between the advertiser and the product user by mechanisms such as user-generated content on advertisers' websites, or through direct exchanges between consumers over mediums such as Facebook fansites.

...these developments and their use by alcohol companies raise obvious challenges. In part, these go to assessing whether a particular promotional activity is in fact "advertising" for ABAC purposes...the highly dynamic nature of the medium can make even a basic requirement, such as locating the actual images and text which has drawn a complaint, quite problematic...it would be desirable in the near future for a holistic examination of the scheme and its interaction with new media to be undertaken.⁴⁵⁷

An example of the ineffectiveness of the code in dealing with new media is exemplified by a 30-second Crown lager advertisement which appeared on a 'Bratz' game website; the advertisement played before children could access the 'My Little Pony' game, which is aimed at 3-8 year old girls. The Panel's decision was that the complaint be dismissed because ABAC only covers the content, not placement, of alcohol advertising.⁴⁵⁸ In February 2012, an advertisement for Hahn Super Dry appeared in the same location on the 'Bratz' game website.

A further public concern is articulated in the submission from Dr Nicholas Carah and Dr Sven Brodmerkel (Submission #11, p.2), which notes that:

"Current regulatory approaches assume that brands are planned and deliberate messages delivered via media texts like advertisements. Accordingly, they focus their attention on:

- Specific content and meanings in advertisements.*
- Placement and accessibility of advertisements.*
- Likely reception of meanings by particular audiences.*

The current frameworks offer little scope for regulators to consider how brands incorporate the participation of consumers ... Brand 'messages' and 'content' attain a new meaning in a social media environment. To understand what brands are doing we must look not only at 'static' and 'particular' messages, but instead at the dynamic cultural processes brands are stimulating and leveraging."

The Alcohol and Other Drugs Council of Australia and the Public Health Association of Australia (Submission #28, p.3), elaborate further on this point:

Brands facilitate interactions, they don't just convey messages ... Interaction isn't just about circulating messages, it is also about surveillance and profiling.

⁴⁵⁶ Alcohol Concern (2011). [New media, new problem? Alcohol, young people and the internet](#). London, United Kingdom.

⁴⁵⁷ ABAC Annual Report 2012 <http://www.abac.org.au/wp-content/uploads/2013/05/ABAC2010AnnualReport.pdf>

⁴⁵⁸ <http://www.alcoholadreview.com.au/key-concerns/alcohol-advertising-ten-shockers/crown-lager/>

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Currently, there is limited evidence relating to regulation and alcohol marketing in social and interactive media, although monitoring of alcohol advertising in new media is increasing, and the evidence base is improving. An audit of alcohol brand websites found that some website content would be in breach of current regulatory codes (those that cover traditional alcohol marketing).⁴⁵⁹ Similar findings were made early on by Carroll *et al* (2005) when reviewing the 2004 changes to the ABAC Scheme. Carroll *et al* reported that *“the evidence from this preliminary study suggests that there is currently content on alcohol beverage websites which appears inconsistent with the content and spirit of the revised ABAC.”*⁴⁶⁰

The Agency agrees with the ABAC Chief Adjudicator that despite coverage of the internet and the handling of some complaints in the new media space, some new alcohol marketing methods raise major challenges, not the least because of cross-jurisdictional challenges, and the dynamic and rapidly changing nature of social media and other digital media platforms. This can be exacerbated when material exists on international websites (though the majority of major companies in the alcohol industry are multinationals which can be reached through their local legal entity). ABAC’s digital guidelines⁴⁶¹ are a starting point to set standards for the alcohol industry’s participation in the social media environment; at this time, these guidelines are quite limited and address primarily age-affirmation practices (which have been found to be quite easy for children and adolescents to circumvent) and confirm the responsibility of alcohol companies for aspects of user generated content in addition to any content they generate.

The ABAC scheme needs to cover marketing communications about alcohol irrespective of the marketing medium, as recommended in the ICC Code. Not only will this be essential for the credibility of the scheme going forward, with converging technologies, the old definitions of advertising and marketing are no longer functional. The Agency is well aware that this is a major challenge for a self-regulatory scheme that has grown up to regulate traditional alcohol advertising. Nevertheless, the code needs to urgently update its applicability; complaints with placement considerations - which were able largely to be referred to other Australian codes - will also need to be addressed in the digital media environment. In reviewing the code, the significant weaknesses of age affirmation as a deterrent to young people accessing brand and other sites will also need to be addressed.

Draft Recommendation 9.6 Amend the ABAC Code to insert a provision which brings all forms of alcohol marketing communications under the code’s remit – including user generated content where an advertiser is able to exercise some control.

6.3.6 Improvements in Complaints/Adjudications Processes

There have been some improvements in these ABAC processes subsequent to the earlier reviews instigated by the Ministerial Council on Drug Strategy.

There were few comments in submissions about processes as such, and on the evidence available to the Agency, the scheme is easily accessible to complainants. One submission

⁴⁵⁹ Gordon, R. (2011) An Audit of alcohol brand websites. *Drug and Alcohol Review*, 30, 638-644

⁴⁶⁰ Carroll, T., Stewart, C., King, E. and Taylor, J. (2005). *Consistency of Alcohol Advertising and Promotion on the Internet with the Revised Alcohol Beverages Advertising Code*. Department of Health and Ageing. Sydney

⁴⁶¹ <http://www.abac.org.au/wp-content/uploads/2013/11/Best-Practice-in-Digital-and-Social-Media-November-2013.pdf>

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noted that there had been little evidence of ‘being kept informed’ about complaints, but that comment was not echoed elsewhere.

There is little information on whether complaints which are being handled in a parallel process with the ASB are able to be handled without significant delay, or whether this ‘duplication’ of complaints handling is effective, but this matter was not raised in submissions.

Appeal of Adjudications

The matter of whether or not the Adjudication Panel’s decisions should be subject to an appeal mechanism is raised by the international best practice guidelines which, as noted in Chapter 4, recommend an appeal process.

The Agency is less persuaded on this issue. Appeals could be generated on the basis of a failure of the process – the complaint was dealt with tardily for example or all matters were not considered in the adjudication – but these issues are not the primary reason for criticism of the ABAC self-regulatory system. The key criticisms go to code interpretation which is unlikely to be resolved by the forms of appeal generally available in self-regulation schemes. The ASB, for example, does provide an appeal mechanism – at a cost, presumably to deter vexatious prolonging of a complaint – but there is little evidence that this contributes significantly to the overall effectiveness of the ASB scheme. The complaint is dealt with by a single party who reviews the adjudication decision.

On balance, the Agency has not drafted a recommendation that an appeal process be instituted within the ABAC Scheme, but welcomes public and industry views on whether an independent appeal process should be established.

6.3.7 Proactive monitoring and proactive adjudication

As outlined in Chapter 4, one of the features of a best practice self-regulatory system as outlined by the International Chamber of Commerce and the European Advertising Standards Alliance is a pro-active monitoring role.

A self-regulatory system driven only by complaints will necessarily allow a potentially significant number of marketing communications which are in breach of the code to continue to be presented in the market. This may be especially the case in Australia where the ABAC scheme’s research shows not only that the public is unaware of the scheme – none of the respondents in the survey of over 1200 individuals made unprompted mention the scheme in connection with alcohol advertising regulation. It is also well known that the proportion of people who will actually make a complaint when offended by advertising, even where a regulator is very visible, is quite small. In the same ABAC research, as noted earlier less than 20% of people indicated that they would be bothered to do so.⁴⁶²

Therefore, an effective self-regulation model necessarily incorporates a monitoring function which, on a regular periodic basis, assesses industry compliance with the industry’s code. The Australian scheme should attempt to raise itself to best international practice in this regard.

⁴⁶² Colmar Brunton Social Research. (2013). Alcohol Beverages Advertising (and Packaging) Code Scheme Review of ABAC Code Decisions Final Report. Retrieved from <http://www.abac.org.au/wp-content/uploads/2013/06/ABAC-Community-Perceptions-Report-May-2013.pdf>

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***Draft Recommendation 9.7* Institute regular periodic monitoring of alcohol marketing, preferably yearly, and publicly report on this monitoring.**

A proper monitoring role will help ensure that the limitations of the current system, driven solely by complaints, are mitigated and that more advertisements are carefully assessed for compliance, which should improve the industry's compliance activity.

A further improvement in this regard should be made. Currently, the Adjudication Panel will only rule on a matter which is the specific subject of a complaint. Thus, a Panel member who is examining a marketing communication in the process of determining whether the promotion is a breach of the code, is not permitted to raise other salient potential breaches if these have not been raised in the complaint. This in part defeats the whole point of the scheme. The point of the scheme is to rid Australia of marketing of alcohol which breaches the industry's code and to raise the standard of alcohol advertising by publicly educating the industry, through the ABAC scheme determinations, on permissible communications. Enabling the expert views of the Panel's adjudicators to examine a complaint fully – irrespective of whether a member of the public, who may well be totally unaware of the elements the Code has raised the specific matter – would be in the spirit of good self-regulatory process.

***Draft Recommendation 9.8* Review and revise ABAC Code adjudication processes to enable any Adjudication Panel Member to raise any potential breach of the Code when examining a complaint irrespective of whether that matter was directly raised by the complainant.**

6.3.8 Interpretation of the Code

A number of published reviews of ABAC decisions over the years have raised doubts over the credibility of ABAC's adjudication processes as a result of certain matters of interpretation of its code. Some studies examining the ABAC adjudication process have concluded that ABAC decisions are not in line with community standards.⁴⁶³ A range of submissions to this review are of that view.

The most complained about aspects of the ABAC Code, raised in about half of the complaints made, are: that advertisements encourage underage drinking; and that the advertisements appeal to children and/or adolescents. This is followed by complaints about the lack of a mature, balanced and responsible approach to the consumption of alcohol.

In its recent commissioned research on the ABAC Scheme, the goal was to provide an assessment of the alignment of participants' views with Adjudication Panel determinations. A sample of 1261 participants were presented a set of 12 advertisements, the subject of complaints, and asked to assess these. Half of the decisions were aligned, four were unaligned, and in two instances the participants were evenly split on whether a breach existed. However, in 11 out of 12 cases, the participants' decisions about the unacceptability of advertisements increased after the code was provided to them (in both the case of upheld and dismissed complaints).⁴⁶⁴

⁴⁶³ Jones, S.C and Gordon, R (2013) Regulation of alcohol advertising: Policy options for Australia. *Evidence Base* Issue 2; <http://journal.anzsog.edu.au/documents/admin/12/EvidenceBase2013Issue2.pdf>

⁴⁶⁴ Colmar Brunton Social Research. (2013). Alcohol Beverages Advertising (and Packaging) Code Scheme Review of ABAC Code Decisions Final Report. Retrieved from <http://www.abac.org.au/wp-content/uploads/2013/06/ABAC-Community-Perceptions-Report-May-2013.pdf>

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Whether a form of marketing displays a responsible approach to alcohol consumption, whether it will encourage drinking by young people or excessive consumption, whether it appeals strongly or evidently to children are matters of opinion and interpretation. This is one rationale for the addition of the public health representation to the Adjudication Panel – to ensure that this perspective, by an individual well aware of the adverse effects of misuse of alcohol – was present in the code adjudication process. Whether this addition has made a difference to code adjudication outcomes is unclear – and differing views have been put to the Agency on this question.

Appeal to children: There is a matter of interpretation, however, which is a cause of considerable criticism of the scheme. This is the element of the code, Part 1 b), which goes to the question of whether the marketing has “strong or evident appeal to children or adolescents” – essentially, whether an advertisement has appeal to those under age 18.

An examination of the adjudications since 2004 (prior adjudications are not available on the ABAC website) reveal that the scheme has interpreted this clause to mean that an advertisement should not have primary appeal or only appeal to children or adolescents. An example of this interpretation of the code is at Box 10 below.

Box 10: Evident or strong appeal to children – the ‘Section b’ Standard

An example of a decision of the Adjudication Panel in the interpretation of the section b clause of the ABAC code is illustrated by a decision of 11 February 2013 in the complaint against Carlton United Brewers Limited (Determination No: 96/12). The complaint was dismissed but with a minority comment.

The complainant objected to a promotional comment, spoken at about 6pm on a Saturday during a cricket match, which concerned the “VB hard earned player of the day”. The complaint was that the promotion of an alcoholic beverage was made by a former cricket captain and current commentator, was likely to be seen by children at that time – including the complainant’s children – and was by a person who is a role model (by implication a person who is appealing to adolescents watching the game).

Formally, this promotion during the game was a purchased ‘content integration spot’ which is in effect a form of ‘advertorial’ done by the commentators at the behest of a sports sponsor.

The Adjudication panel’s majority decision indicated that, *inter alia*:

“The style, tone, language, footage and individuals featured in the advertisement taken as a whole is not considered to have strong or evident appeal to children or adolescents, but rather would have a broad appeal to the community as a whole. This broad appeal could not be said to be targeting under 18 year olds or have strong or evident appeal to these groups in particular.”

The minority opinion on the other hand provided a different position:

“The advertisement as a whole with its featuring of the popular and well known Australian cricketer Michael Hussey and the reporting of a current Australian cricket game does have strong and evident appeal to under 18 year olds, particularly (but not limited to) adolescent males (especially 14 – 17 years). The fact that the advertisement may have evident appeal to age groups more generally does not mean that it does not breach the standard ... The standard does not require an advertisement to have strong appeal only to under 18 year olds in order for a breach to be determined.”

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A primary purpose of the ABAC scheme, on behalf of the public, is to protect children and adolescents from alcohol advertising and in particular from alcohol advertising that might appeal to them. Whether an advertisement has evident appeal to other age groups, or whether it has evident appeal to under 18 year olds as a secondary or incidental matter to its appeal to others, is not material. The point of the code, in relation to community expectations, is to prevent the use of marketing which actually does appeal evidently or strongly to children. Preventing such promotion is the relevant outcome for the society.

In the annual reports of the scheme, the Chief Adjudicator has raised the issue of the interpretation of this section of the Code on numerous occasions, such as the comment in the 2012 report:

“A critical issue is whether the actual terms of the Code, as interpreted since the Panel commenced operation in 1998, continue to meet community expectations ... Of particular note is the Code provisions relating to underage drinking and the requirement that advertisements not have strong or evident appeal to children or adolescents. A significant proportion of complaints ... raise issues which enliven these provisions ... This reflects a genuine concern in the community ... A range of the Panel decisions in this area often raise matters of judgment upon which reasonable people might disagree. It is clearly problematic to assess that an advertisement is legitimately being marketed towards say a 20-something audience, while not having ‘strong or evident appeal’ to a 17-year-old. The Panel welcomes a careful consideration ... to assess if the Code and the Panel is meeting policy aspirations in this area.”⁴⁶⁵

The Agency is advised that there is a very early set of determinations, now the basis of precedent, which inform the interpretation of this clause. A number of overseas codes use the terminology of ‘appeal primarily to children’ or something similar. However, this is not the case in the Australian ABAC code which is to its credit; it is also to the credit of the industry that they have not sought to amend their code to weaken this provision by including a term such as ‘primary appeal’ in the code language. It is far more likely that this code could become a truly effective self-regulatory instrument if the failure of this aspect of interpretation is corrected. However, despite the strong recommendations of earlier reviews, as well as clear comment from its own Chief Adjudicator, the industry has not dealt effectively with this matter.

The failure to deal effectively with this important clause is compounded in Australia by the exemption for live sports broadcast in the CTICP code. As noted earlier, the rule in the CTICP code is that alcohol advertising should not be shown before 8:30 pm, but a major exception is granted for live sports events. As a result, alcohol advertising – especially in sports which have an alcohol sponsorship agreement – is present at many times when children and adolescents are likely to be watching. When this advertising also is not subject to sufficient control in relation to its appeal to children and adolescents, the matter is a serious one for public policy.

More stringent interpretation and guidance is clearly needed in Australia where an overly flexible regime has now developed. Such change is required to enable the scheme to engender the confidence of the public and to ensure that children and adolescents are appropriately protected from alcohol marketing which is appealing to them.

⁴⁶⁵ ABAC Annual Report 2012 http://www.abac.org.au/wp-content/uploads/2013/06/ABAC_AR_12_Final.pdf

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Draft Recommendation 9.9 Revise the Code adjudication processes to ensure that the interpretation of the Code Part 1b) complies with the spirit of the Code and not a narrow interpretation of the wording: where an advertisement has strong or evident appeal to children or adolescents, then it should be found to be in breach of the Code irrespective of whether the marketing is also appealing to adults or the community generally or whether the advertisement is deemed not to be directed to children.

Draft Recommendation 9.10 Review and revise ABAC Guidance documents to reflect to the alcohol industry and marketing communication stakeholders the appropriate guidance in relation to Code Part 1b) and clarify expectations for appropriate content.

A further set of matters arising from the examples of interpretation of the code provisions around 'appeal' to children is noted numerous times by the ABAC Chief Adjudicator in the annual reports and in determinations (Appendices H and I). One example is in relation to express provisions which would assist in code interpretation, for example: "...the ABAC Code does not contain provisions which expressly deal with the identity of persons who are featured in alcohol advertising. This can be contrasted with other codes such as ... in New Zealand."⁴⁶⁶ The New Zealand Code for Advertising Liquor has a 'heroes or heroines of the young' provision which provides that "...advertisements shall not use or refer to identifiable heroes or heroines of the young."⁴⁶⁷ As a result, alcohol advertisements which allude to the All Blacks are breach of the clause of the NZ Code. Similar provisions would also be helpful in Australia.

Draft Recommendation 9.11: Add new provisions to strengthen and improve clarity around the matter of appeal to children. At minimum, specific prohibitions are required in Part 1 in the areas of: a) identifiable heroes or heroines of the young; b) cartoon characters and animations appealing to children; c) use of childhood motifs or themes; and in Part 2, to prohibit naming and packaging which would lead to confusion with confectionary or soft drinks.

6.3.9 Improvement in Code Enforcement and Sanctions

Industry submissions argue that being found in breach of an advertising code and being required to modify or withdraw a campaign is a sufficiently significant penalty, both financially and in terms of reputation and credibility. In the 2006 European Commission report which examined advertising self-regulation in Europe, it was noted that: *"available evidence suggests that the business costs to companies of a withdrawal [of advertising] are real (reputation, share price). These market penalties can be a more effective source of good behavior than the imposition of specific financial penalties"*.⁴⁶⁸ However, the report also notes that prompt withdrawal of advertising is only a minimum sanction in an effective scheme.⁴⁶⁹

⁴⁶⁶ ABAC Determination No: 96/12 <http://www.abac.org.au/wp-content/uploads/2013/04/96-12-Determination-VB-11-February-2013.pdf>

⁴⁶⁷ Advertising Standards Authority, http://www.asa.co.nz/code_liquor.php

⁴⁶⁸ http://ec.europa.eu/consumers/overview/report_advertising_en.pdf

⁴⁶⁹ Self Regulation in the EU Advertising Sector: http://ec.europa.eu/dgs/health_consumer/self_regulation/docs/report_advertising_en.pdf

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The consensus in the non-industry submissions to the Issues Paper, and from a number of earlier publications,^{470,471,472,473} is that current sanctions are inadequate.

As expressed in NAAA's submission (#30):

"Advertisements which are the subject of a complaint are permitted to run until determination by the Panel. If a complaint is upheld, that advertisement may be modified or discontinued. This process can take some weeks ..."

ABAC's 2012 Annual Report indicates that the adjudication process takes an average of 20 business days (four weeks) to be completed. In some cases at least, the marketing will have run its course.

While the withdrawal of an advertisement or marketing can be a significant sanction, this is the only sanction available within the ABAC scheme. There is no system for escalation of sanctions, no method of ensuring compliance of non-signatories (even those who indicate that they will be co-operative), and no significant adverse publicity strategy to back up the code.

The ABAC scheme has always had the option of using a range of tools – some of which are fully self-regulatory – to improve enforcement and the 'bite' with which the scheme can operate. For example, visibly publishing the list of firms and the breaches upheld (as distinct from the strategy of making determinations public which is also useful), especially in the new media marketing space, could be a useful deterrent. Getting agreement by signatories that they will abide by an adverse publicity order (i.e. correcting their advertisement publicly) is also a possible effective deterrent – though such conduct could well need authorisation. Recall provisions as envisaged for packaging breaches would also provide an enforcement provision with teeth. Proactive compliance activity can also include higher scrutiny of non-compliant firms and the ability to apply more significant sanctions to repeat offenders. No such interest in alternatives or attempts to improve the code enforcement and sanction provisions with 'teeth' appear to have been pursued.

In an area of significant detriment and community concern, a range and hierarchy of sanctions provide an appropriate toolkit for the relevant scheme especially one with a major pre-vetting function.

Draft Recommendation 9.12 As part of the code review, examine alternatives for an effective range and hierarchy of sanctions for enforcement of ABAC Code decisions including the options of public lists of firms breaching the code and the nature of the breach, adverse publicity orders (published corrections), financial penalties, and recalls for any products found to be in breach of the packaging and naming provisions of the code.

⁴⁷⁰ Australian Medical Association (2012). Alcohol Marketing and Young People: Time for a new policy agenda. Canberra, Australia.

⁴⁷¹ Alcohol Policy Coalition (2011). *Position Statement: Marketing and Promotion of alcohol*.

⁴⁷² Jones, S.C., Hall, D., Munro, G. (2008). How effective is the revised regulatory code for alcohol advertising in Australia? *Drug and Alcohol Review*, 27: 29-38

⁴⁷³ Babor T, et al.(2010). Alcohol: No Ordinary Commodity in Research and Public Policy, 2nd Edition, UK: Oxford University Press

6.3.10 Improvements in the grandfathering provisions of Part 2 of the ABAC Code

Part 2 of the ABAC Code, Standards to be applied to the naming and packaging of alcohol beverages, largely mirrors the provisions of Part 1 in relation to advertisements for alcohol advertising. There is a provision, however, at clause 2 that exempts older packaging and labelling from the remit of the Code. Specifically, clause 2 states that this part applies to all alcohol beverages supplied in Australia "with the exception of the name of any product or a trademark which the supplier can demonstrate, to the satisfaction of the Adjudication Panel, had been supplied for bona fide retail sale in the ordinary course of business in a State or Territory of Australia prior to 31 October 2009."

It is an anomaly to suggest that a product which is packaged or named in such a way as to breach the industry's code becomes somehow exempt from appropriate community standards because the package or label has been around for a while. The Agency notes the comments of the ACCC Chairman, Graeme Samuel, when examining this matter:

*"The ACCC considers that the objectives ... will only be met if retailers and suppliers are obliged to remove all non-compliant products from the market, regardless of when the products first entered the market. In a submission to the ACCC, the applicants have stated that there will be little or no industry buy-in if the 'grandfather' provisions are removed. The applicants are effectively arguing that industry may choose not to sign up to the scheme (which they contend, and the ACCC has agreed, is in the public interest) if the requirement for the 'grandfather' provisions to be removed is continued. The 'grandfather' provisions are entirely inconsistent with the ... Scheme, and the applicants have not put forward any persuasive arguments which support their inclusion in the scheme. The ACCC considers that if the applicants support the objective ... then they should be willing to allow the sanctions ... to apply to all non-compliant products."*⁴⁷⁴

The Agency concurs with these sentiments. To be credible, code provisions need to operate fully in the market. Whether a label or packaging, or for that matter advertising material, is acceptable is not a function of the date on which it was created. Thus the Agency recommends that:

Draft Recommendation 9.13

Amend the ABAC to delete clause 2 of Part 2.

⁴⁷⁴ See Appendix J of this report.

6.4 Monitoring, researching and reviewing the effectiveness of the regulation of alcohol marketing and advertising in Australia.

This final area of the Agency's assessment addresses the ongoing regulatory responsibility of the Australian and State/Territory governments to monitor, research and review the effectiveness of the regulation of alcohol marketing and advertising in Australia.

6.4.1 Monitoring exposure and researching its impact

Governments invest significant resources in researching and developing social marketing campaigns including associated media-buys and campaign evaluations to educate Australians on alcohol-related harms.

However, currently no Australian government routinely collects and analyses data on the levels and impacts of exposure of alcohol marketing and advertising on Australian children and adolescents. However, as identified in Section 6.3, the Australian and State/Territory governments have collectively previously funded and undertaken data collection and commissioned research in this area.

Establishment of an ongoing program of monitoring and research by Australian governments would provide the necessary data to assist ongoing assessments into the effectiveness of the self-regulatory regime for alcohol marketing and advertising.

Draft Recommendation 10 Monitor, research and regularly review Australian children's and adolescents' continued exposure to alcohol advertising, particularly on digital media and the effectiveness of self-regulatory, co-regulatory and legislative measures to limit this exposure and report on this research every two years.

6.4.2 Good Regulatory Practice – Responsive Regulation

Responsive regulation refers to a continuum of regulation *“rather than opting immediately for harder mechanisms of regulation, enforcement or fiscal sanctions, the results are measured and assessed, with action to follow if necessary”*.⁴⁷⁵ The central principle of responsive regulation is that ‘regulators should be responsive to the culture conduct and context of those they seek to regulate’ by assessing how effectively consumers or industries are regulating their own behaviour before “deciding whether a more or less interventionist response is needed”.⁴⁷⁶

Reeve and Magnusson (2013) interpret responsive regulation for public health outcomes as “voluntary industry action...but with the potential for further intervention if public health goals are not achieved”. They advise regulators to hold “industry to account for its voluntary

⁴⁷⁵ Commonwealth of Australia (2009) Australia: the healthiest country by 2020. National Preventative Health Strategy – the roadmap for action (p.57).Commonwealth of Australia: Canberra.

⁴⁷⁶ Wood C, Ivec M, Job J and Braithwaite V. (2010) Applications of responsive regulation theory in Australia and overseas. Canberra, Regulatory Institutions Network

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commitments...through official monitoring and public disclosure of industry performance, and by requiring registration and independent administration of voluntary codes.⁴⁷⁷ This Review forms part of a responsive regulatory approach to assessing the effectiveness, outcomes and accountability of both industry and governments responsible for regulating alcohol advertising.

Both the Ministerial Council on Drug Strategy and the National Preventative Health Taskforce in their reviews of the effectiveness of the regulatory framework for alcohol advertising recommended a responsive regulation approach “*with self-regulation, moving towards co-regulation as indicated by the [Ministerial Council on Drugs Strategy] and then to independent regulation if co-regulation is found to be ineffective*”.⁴⁷⁸

However, the only current reporting to governments from the ABAC Scheme is informal:

The Australian Government representative on the ABAC Management Committee reports to each ABAC meeting after consultation with a sub-committee of the Intergovernmental Committee on Drugs (IGCD) set up for that purpose and also reports to that sub-committee following each ABAC meeting” (source ABAC submission).

Note the Intergovernmental Committee on Drugs (IGCD) comprises Commonwealth and State/Territory health and law enforcement officials.

Currently the Standing Council on Health (SCoH) does not have an annual standing agenda item on alcohol marketing and advertising and last reviewed this issue in 2009. This recommendation is made to the Australian and state-territory governments:

Draft Recommendation 11 Establish biennial reporting to the relevant COAG Ministerial Council (currently the Standing Council on Health) on Australian children’s and adolescents’ exposure to alcohol advertising and the effectiveness of self-regulatory, co-regulatory and legislative measures to limit this exposure.

⁴⁷⁷ Reeve B and Magnusson R (2013). ‘Legislative scaffolding’: a new approach to prevention. Australian and New Zealand Journal of Public Health, 37: 494–496. doi: 10.1111/1753-6405.12134.

⁴⁷⁸ Commonwealth of Australia (2009) Australia: the healthiest country by 2020. National Preventative Health Strategy – the roadmap for action (p.251).Commonwealth of Australia: Canberra.

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APPENDIX A

Australian National Preventive Health Agency's Expert Committee on Alcohol

Member	Expertise
Prof Margaret Hamilton - Chair	Alcohol research, education and clinical work
Prof Tanya Chikritzhs	Alcohol research
Ms Sondra Davoren	Legal policy
Dr Steve Hambleton	Primary Care
Detective Superintendent Jim Migro	Law enforcement and alcohol research and education
Prof Rob Moodie	Public health promotion
Ms Louise Sylvan (CEO – ANPHA)	Ex officio

APPENDIX B

List of Submissions to the Issues Paper

Note: available from <http://www.anpha.gov.au/internet/anpha/publishing.nsf/Content/alcohol-advertising-issues-paper-submissions>

1. Mr Sarosh Mehta
2. Victorian Alcohol and Drug Association (VAADA)
3. Winemakers' Federation of Australia (WFA)
4. Cancer Council NSW (no abbreviation provided on website)
5. Advertising Standards Bureau (ASB)
6. Commercial Radio Australia (no abbreviation provided on website)
7. Foundation for Advertising Research (FFAR)
8. Ms Sarah Yeates
9. Alcohol Beverages Advertising (and Packaging) Code Scheme (ABAC)
10. Lion (Pty Limited) (no abbreviation provided on website)
11. Dr Nicholas Carah, University of Queensland and Dr Sven Brodmerkel, Bond University
12. Diageo Australia (no abbreviation provided on website)
13. Brewers Association of Australia and New Zealand (no abbreviation provided on website: BAANZ = Ballooning not Brewers)
14. Publishers' Advertising Advisory Bureau (PAAB)
15. CONFIDENTIAL
16. Australian Hotels Association (AHA)
17. Australian Association of National Advertisers (AANA)
18. CONFIDENTIAL
19. IAB Australia Limited (IAB)
20. Free TV Australia (FreeTV)
21. Outdoor Media Association (OMA) – letter of support for AANA submission
22. Murrumbidgee Local Health District (MLHD)
23. Australian Subscription Television and Radio Association (ASTRA)
24. Association for Data-driven Marketing and Advertising (ADMA)
25. Woolworths Limited
26. Australian Liquor Stores Association (ALSA)
27. Western Australian Police
28. Alcohol and other Drugs Council of Australia (ADCA)/Public Health Association of Australia (PHAA)
29. National Alliance for Action on Alcohol (NAAA)
30. Foundation for Alcohol Research and Education (FARE)
31. McCusker Centre for Action on Alcohol and Youth (MCAAY)
32. CONFIDENTIAL
33. Distilled Spirits Industry Council of Australia (DSICA)
34. Dr Adrian Reynolds

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ALCOHOL ADVERTISING: THE EFFECTIVENESS OF CURRENT REGULATORY CODES IN ADDRESSING COMMUNITY CONCERN

APPENDIX C

Liquor licensing regulatory structures

(as of December 2010)⁴⁷⁹

	ACT	NSW	NT	QLD	SA	TAS	VIC	WA
Legislation	<i>Liquor Act 2010</i>	<i>Liquor Act 2007</i>	<i>Liquor Act Northern Territory Licensing Commission Act</i>	<i>Liquor Act 1992</i>	<i>Liquor Licensing Act 1997</i>	<i>Liquor Licensing Act 1990</i>	<i>Liquor Control Reform Act 1998</i>	<i>Liquor Control Act 1988</i>
Currently under review?	Yes ⁴⁸⁰					Yes ⁴⁸¹		Yes ⁴⁸²
Most recent amendment		<i>Liquor Amendment Bill 2014</i> ⁴⁸³	<i>Most recent Amendments came into effect in July 2010</i> ⁴⁸⁴	<i>Most recent Amendments in October 2013</i> ⁴⁸⁵	<i>Liquor Licensing (Miscellaneous) Amendment Act 2013</i> ⁴⁸⁶		<i>Liquor Control Reform Amendment Act 2013† No. 1 of 2013</i> ⁴⁸⁷	
Regulations	<i>Liquor Regulation 2010</i>	<i>Liquor Regulation 2008</i>	<i>Liquor Regulations</i>	<i>Liquor Regulation 2002</i>	<i>Liquor Licensing (General) Regulations 1997</i> ⁱⁱⁱ	<i>Liquor Licensing Regulations 2003</i> <i>Liquor Licensing (Fees) Regulations 2005</i> <i>Liquor Licensing (Infringement Notices) Regulations 2008</i>	<i>Liquor Control Reform (Prescribed Class of Premises) Regulations 2008</i> <i>Liquor Control Reform (Prohibited Supply) Regulations 2005</i> <i>Liquor Control Reform Regulations 2009</i>	<i>Liquor Commission Rules 2007</i> <i>Liquor Control Regulations 1989</i> ^{iv}
Department	Justice and Community Safety Directorate	Office of Liquor, Gaming and Racing, Communities NSW	Department of Justice	Department of Employment, Economic Development and Innovation	Attorney-General's Department, Financial and Business Services Division	Department of Treasury and Finance	Department of Justice	Department of Racing, Gaming and Liquor (RGL)

⁴⁷⁹ Trifonoff, A., Andrew, R., Steenson, T., Nicholas, R. and Roche, A.M. (2011). *Liquor Licensing Legislation in Australia: An Overview*. National Centre for Education and Training on Addiction (NCETA). Flinders University. Adelaide, SA

⁴⁸⁰ <http://www.justice.act.gov.au/review/view/27/title/review-liquor-act-reform>

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<http://www.treasury.tas.gov.au/domino/DTF/DTF.nsf/6044ee0c1cf958a2ca256f2500108bba/6de20570ab856ed7ca2573460010b9b4?OpenDocument#Review%20of%20the%20Liquor%20Licensing%20Act>

⁴⁸² <http://www.rgl.wa.gov.au/ResourceFiles/Publications/23-12-2013%20-%20Liquor%20Control%20Act%201988%20%E2%80%93%20Review%20Report.pdf>

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<http://www.parliament.nsw.gov.au/prod/parlment/nswbills.nsf/131a07fa4b8a041cca256e610012de17/bb87f6864d9693c1ca257c6f007fec0e?OpenDocument>

⁴⁸⁴ <http://www.dob.nt.gov.au/gambling-licensing/liquor/legislation/Pages/default.aspx>

⁴⁸⁵ <http://www.olgr.qld.gov.au/aboutus/laws/liquor-act/index.shtml>

⁴⁸⁶ http://www.austlii.edu.au/au/legis/sa/consol_act/lla1997190/notes.html

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[http://www.legislation.vic.gov.au/Domino/Web_Notes/LDMS/PubStatbook.nsf/f932b66241ecf1b7ca256e92000e23be/7F674BF36EEEB05BCA257B10000F4F2B/\\$FILE/13-001abookmarked.pdf](http://www.legislation.vic.gov.au/Domino/Web_Notes/LDMS/PubStatbook.nsf/f932b66241ecf1b7ca256e92000e23be/7F674BF36EEEB05BCA257B10000F4F2B/$FILE/13-001abookmarked.pdf)

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	ACT	NSW	NT	QLD	SA	TAS	VIC	WA
Administrative authority	Office of Regulatory Services	Casino Liquor and Gaming Control Authority (CLGCA); Office of Liquor Gaming and Racing	Director of Licensing, Licensing, Regulation and Alcohol Strategy Division	Office of Liquor, Gaming, and Racing (OLGR)	Office of the Liquor and Gambling Commissioner	Liquor and Gaming Branch, Revenue, Gaming and Licensing Division	Responsible Alcohol Victoria	Director-General, Department of Racing, Gaming and Liquor (RGL)
Decision-making authority	Commissioner for Fair Trading, Office of Regulatory Services	Casino Liquor and Gaming Control Authority (CLGCA)	Licensing Commission	Chief Executive, Office of Liquor, Gaming, and Racing (OLGR)	Liquor Licensing Commissioner /Licensing Court	Commissioner for Licensing /Licensing Board	Director of Liquor Licensing/ Liquor Licensing Panelvi	Director of Liquor Licensing/ The Liquor Commission
Review decisions/hear appeals from decisions	ACT Civil and Administration Tribunal (ACAT)	Communities NSW; Casino Liquor and Gaming Control Authority (CLGCA)	Licensing Commission	Queensland Civil and Administrative Tribunal (QCAT)	Licensing Court	Licensing Board/ Supreme Court of Tasmania	Victorian Civil and Administrative Tribunal (VCAT)	The Liquor Commission
Breaches of conditions/ offences/ complaints	Commissioner (complaints) ACAT (occupational discipline) Magistrates' Court/ Infringement notices (offences)	Local Court (summary offences & breach of conditions) Director-General, Communities NSW (complaints)	Magistrates' Court (summary offences) Licensing Commission (complaints)	Magistrates' Court (summary offences) Chief Executive (disciplinary action)	Licensing Court (disciplinary matters) Magistrates' Court (summary offences)	Liquor and Gaming Branch Magistrates' Court (when prosecution for an offence is required)	VCAT (inquiries and disciplinary matters) Magistrates' Court (summary offences)	Magistrates' Court (summary offences) The Liquor Commission (disciplinary matters)

i Please note that the Northern Territory was also subject to the provisions of the *Northern Territory National Emergency Response Act 2007* (Cth).

ii These bodies shared a dual administrative function.

iii *Liquor Licensing (Dry Areas—Long Term) Regulations 1997; Liquor Licensing (Dry Areas—Short Term) Regulations 1997.*

iv *Liquor Control (Bayulu Restricted Area) Regulations 2010; Liquor Control (Irungadji Restricted Area) Regulations 2010; Liquor Control (Jigalong Restricted Area) Regulations 2009; Liquor Control (Juwirlinji Restricted Area) Regulations 2009; Liquor Control (Koongie Park Restricted Area) Regulations 2010; Liquor Control (Kundat Djaru Restricted Area) Regulations 2010; Liquor Control (Nicholson Block Restricted Area) Regulations 2010; Liquor Control (Noonkanbah Restricted Area) Regulations 2009; Liquor Control (Oombulgurri Restricted Area) Regulations 2008; Liquor Control (Punmu Restricted Area) Regulations 2010; Liquor Control (Wangkatjunga Restricted Area) Regulations 2008; Liquor Control (Yakanarra Restricted Area) Regulations 2010.*

v The Licensing Court (SA) determined contested applications.

vi The Liquor Licensing Panel considered contested applications and reported its finding

APPENDIX D

Evidence examining the impact of alcohol advertising

Australian Studies

Reference	Jones, S, Thom, J, Davoren, S & Barrie, L (2014) Internet filters and entry pages do not protect children from online alcohol marketing , <i>Journal of Public Health Policy</i> 35, 75–90.
Methodology	Qualitative cross-sectional survey This study reviews programs and policies to prevent children from accessing alcohol marketing online & presents updated literature, including recent studies that assess (i) in-built barriers to underage access to alcohol brand websites and (ii) commercial internet filters. The study: 1. Analysed the strategies used by alcohol marketers to prevent those under legal drinking age from accessing their product websites through a selected sample of 25 alcohol brand websites based on population-level sales and unpublished information on market segments. 2. Examined the effectiveness of commercial filters in restricting access to online alcohol marketing by testing them within a sample group through a questionnaire and access to the 25 websites.
Advertising method	Internet
Population exposed	Qualitative sample of 6 university staff members and 6 students to test underage access to 25 alcohol brand websites
Impact of advertising	Alcohol websites typically had poor filter systems for preventing entry of underage persons; only half of the 25 alcohol brand websites reviewed required the user to provide a date of birth, and none had any means of preventing users from trying again. Even the most effective commercial internet filters (software installed on computers to prevent access to specific content) allowed access to one-third of the sites examined.
Conclusion	This study shows that absent controls on alcohol advertising on the internet makes alcohol marketing available to audiences of all ages, including those under the legal drinking age. Both industry and commercial filters are largely ineffective in preventing adolescents from accessing alcohol websites.

Reference	Rowland, J, Toumbourou, L, Satyena, G, Tooley, J, Hall, M, Livingston, J, Williams, (2013) Associations between alcohol outlet densities and adolescent alcohol consumption: A study in Australian students, <i>Addictive Behaviors</i> , published online 10 Oct 2013.
Methodology	Cross-sectional survey of secondary school students from Victoria, Australia, who self-reported on alcohol use in the last 30 days in 2009. The density of alcohol outlets per local community area was merged with this information.
Advertising method	Alcohol sales outlets
Population exposed	10,143 adolescents aged between 12 and 17 years.
Impact of advertising	37% reported using alcohol in the 30 days prior to the survey 60% reported to have drunk more than a few sips of alcohol in their lifetime. Of these: - 9% (488 adolescents) indicated that they had bought the alcohol themselves - 85% (4724) reported they had it either bought for them or given to them - 3% (186) indicated they got it from home without permission After controlling for risk factors, multilevel modelling revealed a statistically interaction between age and density on alcohol consumption. While older adolescents had higher alcohol consumption, increases in the density of alcohol outlets were only significantly associated with increased risk of alcohol consumption for adolescents between the ages of 12 and 14.
Conclusion	This is the first Australian study to show a significant association between increased alcohol availability (measured through density of alcohol sales outlets) and increased risk of alcohol consumption for early adolescents (12 and 14 years). Potential mechanisms such as to how density is associated with direct and indirect alcohol availability, such as through parents or older siblings, needs to be explore in future research.

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Reference	Weaver, E. Horyniak, D. Jenkinson, R., Dietze, P., Lim M. (2013) "Let's get Wasted!" and Other Apps: Characteristics, Acceptability, and Use of Alcohol-Related Smartphone Applications , <i>Journal of Medical Internet Research</i> 2013;1(1):e9 doi:10.2196/mhealth.2709
Methodology	Cross-sectional survey. Two focus groups discussions explored how young people use alcohol-related apps, particularly blood alcohol concentration (BAC) apps
Advertising method	Unregulated smartphone applications ("apps")
Population exposed	Two focus groups composed of young people
Impact of advertising	384 alcohol-related smartphone apps were included; 50% (192) were entertainment apps that endorsed drinking; 39% (148) were BAC apps; 11% (44) were classified as health promotion and/or stop drinking-related apps. When testing the BAC apps, there was wide variation in results, with apps tending to overestimate BAC scores compared with recorded scores. Participants were skeptical of the accuracy of BAC apps, and there was an overall concern that these apps would be used as a form of entertainment, further encouraging young people to drink, rather than reduce their drinking and risk taking.
Conclusion	Smartphone apps are increasing in popularity and this recent Australian study shows that the most of popular alcohol-related apps encouraged alcohol consumption. Apps estimating blood alcohol concentration were widely available but were highly unreliable. Recommendations: Health organizations should raise awareness of fraudulent or inaccurate apps and endorse accurate and evidence-based alcohol smartphone apps.

Reference	Pettigrew, S., Rosenberg, M., Ferguson, R., Houghton, S. & Wood (2013). Game on: do children absorb sports sponsorship messages? <i>Journal of Public Health Nutrition</i> 1-8 doi:10.1017/S1368980012005435
Methodology	Cross-sectional survey exploring children's implicit associations between popular sports and a range of sports sponsors. Children were invited to arrange the magnets bearing the logos of numerous sports and sponsors on a whiteboard without being advised that the activity related to sponsorship.
Advertising method	Sponsorship of sporting events
Population exposed	A total of 164 children aged 5-12 years in Perth, (Western Australia).
Impact of advertising	- 76 % of the children aligned at least one correct sponsor magnet with the relevant sport. - 54 % correctly matched the most popular sport (an Australian Football League team) with its relevant sponsor (a fast-food chain).
Conclusion	The results of this Australian study support the argument that sports sponsorship can effectively reach child audiences. This is of concern given the current extent of sponsorship by alcohol and fast-food companies.

Reference	Kellya, B., Baumanb, A., Baurb, L. (2013) Population estimates of Australian children's exposure to food and beverage sponsorship of sports clubs, <i>Journal of Science and Medicine in Sport</i>
Methodology	Cross-sectional survey on children's sport participation collected by proxy report using a random-digit-dialling survey of 3,416 parents. It describes Australian children's exposure to organised sport, and compared time spent in specific sports with patterns of sponsorship of children's sport identified in previous studies.
Advertising method	Sport sponsorship
Population exposed	Survey of children's sport participation
Impact of advertising	- 77.3% of Australian children aged 5–14 participated in organised sport. - In NSW, weekly total person-time exposure for children was highest for outdoor soccer (91,200 children × median frequency of 2 sessions per week of 1 h duration = 182,400 h/week). - Considering rates of sponsorship at different sports, children would be exposed to food/beverage sponsorship to the greatest extent for rugby league and outdoor cricket.
Conclusion	Children's high frequency of participation in organised sport and time spent engaging in these activities highlights the potentially huge reach of food/beverage sponsorship promotions. Policy interventions to limit children's exposure to this sponsorship should target those sports that have both the highest levels of children's participation and food/beverage sponsorship arrangements.

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Reference	Pettigrew, S, Roberts, M, Pescud, M, Chapman, K, Quester, P, Miller, C, (2012). The extent and nature of alcohol advertising on Australian television. <i>Drug and Alcohol Review</i> 2012;31:797–802
Methodology	Cross-sectional survey. Content analysis of 2,810 alcohol TV advertisements over 2 months in major Australian cities, coded according to the promoted products, the themes employed, and the time of exposure. This study investigated: the extent of TV-based alcohol advertising exposure to children and the general population and the themes used in these advertisements.
Advertising method	Television
Population exposed	Audience exposure to advertising was estimated using: advertising placement expenditure; scheduling data; and audience measurement data.
Impact of advertising	Alcohol advertising represented 10% of beverage advertisements, and about 50% of all alcohol advertisements appeared during viewing times when children were regularly watching; these were 7.00-9.00am and 3.30-10.30pm on weekdays and 7.30-10.30am and 3.30-10.30pm on weekends. The most common themes used were humour, friendship/mateship and value for money.
Conclusion	Children and adults are regularly exposed to advertisements that depict alcohol consumption as fun, social and inexpensive. Such messages may reinforce existing alcohol-related cultural norms. The study shows that current advertising practices are likely to be reaching and influencing many children, which requires careful consideration in future policy development.

Reference	Jones, S, Smith, K, (2012). The effect of point of sale promotions on the alcohol purchasing behaviour of young people in metropolitan, regional and rural Australia . <i>Journal of Youth Studies</i> 14(8):885-900.
Methodology	Cross-sectional survey (Australia). A series of focus groups were conducted in three different locations with 16-25 year olds, separated by age and gender, with a total of 85 participants.
Advertising method	Point of sale
Population exposed	16-25 year olds
Impact of advertising	Participants were asked questions about their recollection of various point of sale promotions and alcohol purchasing and consumption behaviour. The majority of participants demonstrated a strong recall of previous promotions and almost all participants indicated they had been influenced to buy more of a particular brand of alcohol because of a promotion.
Conclusion	The results indicate that point of sale promotions involving price or volume discounts have a strong impact on young people, and are particularly effective in encouraging the purchase of increased volumes of alcohol, suggesting a need for regulation in this area

Reference	O'Brien K., Miller P., Kolt G., Martens M., Webber A. (2011) Alcohol industry and non-alcohol industry sponsorship of sportspeople and drinking, <i>Alcohol and Alcoholism</i> . 2011 Mar-Apr: 46(2):210-3.
Methodology	Cross-sectional survey studying relationship between direct alcohol and non-alcohol sponsorship and drinking in Australian sportspeople
Advertising method	Alcohol sponsorship of sporting events
Population exposed	652 Australian sportspeople over 18 years (51% female) interviewed on alcohol and non-alcohol industry sponsorship, drinking behaviour (Alcohol Use Disorders Identification Test (AUDIT) and known confounders
Impact of advertising	- 31% reported some form of sponsorship, (29.8% alcohol industry, which was 95% of those receiving any form of sponsorship; 3.7% both alcohol and non-alcohol industry and 1.5% non-alcohol industry only). - Multivariate regression showed that receipt of alcohol industry sponsorship was predictive of higher AUDIT scores but non-alcohol industry sponsorship and combinations of both were not.
Conclusion	Since evidence shows that sport is one of the primary settings in Australia for the marketing of alcohol products and consumption, governments should consider alternatives to alcohol industry sponsorship of sport.

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Reference	Jones, S.C & Magee, C.A. (2011). Exposure to Alcohol Advertising and Alcohol Consumption among Australian Adolescents . <i>Alcohol and Alcoholism</i> . 46 (5): 630-637.
Methodology	Cross-sectional survey
Advertising method	Television, newspaper & magazines, billboards & posters, internet, point-of-sale, promotional materials
Population exposed	A total of 1,113 adolescents aged 12-17 yrs. Percent of participants exposed to alcohol advertising: 94.2% on television; 74.7 in magazines; 60.7% had seen alcohol advertisements on a billboard or poster; 55.4% on the Internet; 53.1% in a newspaper; 51.4% on promotional material
Impact of advertising	Alcohol consumption was assessed through questions about initiation, recent consumption & frequency of consumption in the previous year. - 60.9% of participants had initiated alcohol consumption (i.e. more than a few sips), increasing from 40.9 to 76.6% across the age groups - 38.4% indicated that they had regularly consumed alcohol in the previous 12 months (increasing from 25.2 to 48.7% across the age groups) - 44.4% indicated that they had consumed alcohol recently (increasing from 29.7 to 55.9%).
Conclusion	Exposure to alcohol advertisements among Australian adolescents was strongly associated with drinking patterns, with differences by age and gender. These results are consistent with overseas studies. Given current levels of drinking among adolescents, these findings suggest the need to address the levels of adolescents' exposure to alcohol advertising in Australia.

Reference	Carter, O, Phan, T, Donovan, R, (2010). Three-quarters of Australian children recognise Bundy R. Bear: alcohol advertising restrictions are not working . <i>Australian and New Zealand Journal of Public Health</i> 34(6):635-636.
Methodology	Cross-sectional survey of children recruited in Western Australia to measure the awareness of Bundy R. Bear, which is associated with Bunderberg Rum.
Advertising method	Television
Population exposed	A total of 155 children aged 9-15 years: 78 of children aged 9-12 years and 77 adolescents aged 13-15 years
Impact of advertising	Children were asked to correctly match images of the 8 animal characters used to advertise food and drink products in the popular media (including the Bundy R. Bear) to a collection of product images. - 75.4% of children and adolescents could recognise Bundy R. Bear and correctly associate him with an alcoholic product. This included 66.7% of children aged 9-12 years, rising to 84.2% of adolescents aged 13-15 years.
Conclusion	This study suggests a large majority of Australian children and adolescents are exposed to Bundaberg Rum advertising and attend to it sufficiently well to enable them to associate the character Bundy R. Bear with alcohol. This is consistent with previous research suggesting Australian children are currently exposed to alcohol advertising on television.

Reference	Jones, S, Phillipson, L, Barrie, L, (2010). Most men drink... especially like when they play sports – alcohol advertising during sporting broadcasts and the potential impact on child audiences <i>Journal of Public Affairs</i> 10(1-2):59-73.
Methodology	Two small scale cross-sectional surveys conducted in 2006: Study 1: a frequency and content analysis of advertising during two popular Australian sports final series, coded against the clauses of the ABAC for the features that have been found to be appealing to young people (i.e. celebrities, cartoon characters and humour). Study2: Qualitative interviews with 12 children aged 10-12 years assessing the recognition and liking of alcohol advertising
Advertising method	Alcohol advertising during sporting broadcasts & alcohol sponsorship of sporting events
Population exposed	Children aged 10-12 years
Impact of advertising	Study 1: showed that alcohol advertising (particularly during a sporting competition with alcohol company sponsors) is extensive and contains features known to be appealing to children and messages which could be interpreted as associating alcohol consumption with social and sporting success. Study2: showed that children (10-12 years) have a high awareness of the alcohol sponsors and alcohol brands advertised during these sporting telecasts, and associate these products with sport and with positive personal characteristics and outcomes.
Conclusion	This Australian paper reviews the current alcohol advertising regulations in Australia, particularly in reference to the protection of children. In light of the central place of sport in the Australian culture, and the increasing levels of underage and binge drinking amongst our young people, these results suggest the need for a more comprehensive monitoring and review of alcohol advertising during sport, and consideration of a broader review of the current Commercial TV Code (2004) and the ABAC.

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Reference	Fielder L, Donovan R, Ouschan R. (2009) Exposure of children and adolescents to alcohol advertising on Australian metropolitan free-to-air television, <i>Addiction</i> . Jul;104(7):1157-65.
Methodology	Cross-sectional survey. Exposure levels (target audience rating points; TARPs) were obtained for all alcohol advertisements screened from November 2005 to October 2006 in each capital city market. The 30 most exposed advertisements across age groups were then content-analysed for elements appealing to children and adolescents.
Advertising method	Free-to-air television in the five mainland capital city markets of Australia
Population exposed	Children 0-12 years; adolescents 13-17 years; young adults 18-24 years; and mature adults 25+ years.
Impact of advertising	While mature adults were most exposed to alcohol advertising, children (0-12 years) were exposed to one-third the level of mature adults and adolescents (13-17 years) to approximately the same level as young adults (18-24 years). The 30 highest exposed advertisements contained at least one element known to appeal to children and adolescents, with 23 containing two or more such elements. Fifteen of the 30 advertisements featured an animal.
Conclusion	The self-regulation system in Australia does not protect children and adolescents from exposure to alcohol advertising, much of which contains elements appealing to these groups.

Reference	Victorian Department of Human Services (2009) Alcohol beverage advertising in mainstream Australian media 2005 to 2007: Expenditure and Exposure , Report commissioned by the Commonwealth Department of Health
Methodology	Longitudinal study investigating the weight of exposure to alcohol advertising in the Sydney and Melbourne metropolitan television markets
Advertising method	Free to air Television
Population exposed	Two age groups were monitored for 12 months (from January 2007 to December 2007): 13–17 year olds and 18–29 year olds living in the Sydney and Melbourne metropolitan area.
Impact of advertising	For the majority of the alcohol beverage brands with the greatest estimated metropolitan television expenditure in 2007: - a greater weight of exposure was generated with adults aged 18-29 years compared with adolescents aged 13-17 years - several of the top brands did have similar levels of exposure among adolescents; four of the thirty top spend brands in Melbourne generated the same or greater exposure with 13-17 year olds compared with those aged 18-29 years. Three of the four were beer brands.
Conclusion	These data suggest that adolescents and young adults are exposed to significant levels of alcohol advertising from free-to-air television.

Reference	Jones, S, Gregory, P, Munro, G, (2009). Adolescent and young adult perceptions of Australian alcohol advertisements . <i>Journal of Substance Use</i> . 14(6):335-352.
Methodology	Cross-sectional survey with a convenience sample of 287 respondents aged 15-24 years were shown selected advertisements (one print and one television) and asked to assess the messages conveyed.
Advertising method	Television advertisements & print advertisements
Population exposed	287 respondents aged 15–24 years
Impact of advertising	The majority of adolescents (90%) believed alcohol advertisements created an impression that alcohol causes or contributes to personal, social, sporting, business, sexual or other success. All of these messages transgress the terms of the self-regulatory code for alcohol advertising. There was also a strong association between emotional responses to the advertisements and stated intentions to try the advertised products
Conclusion	This study shows that children and adolescents are exposed to and recall alcohol advertising, and increasing evidence of associations between liking alcohol advertisements and under-age drinking. These results suggest that the current self-regulatory codes are ineffective in protecting adolescents from messages that alcohol consumption leads to social and other success and other messages that the self-regulatory code was designed to prevent.

Reference	Winter, M, Donovan, R, Fielder, L, (2008). Exposure of children and adolescents to alcohol advertising on television in Australia. <i>Journal of Studies on Alcohol and Drugs</i> 69(5):676-683
Methodology	Cross-sectional survey which measured the exposure levels to 156 different advertisements for 50 brands over 12 months (March 2005 to February 2006) in Sydney for four age groups using weekly audience measurement and scheduling data.
Advertising method	Television
Population exposed	Four age groups: 0-12 years; 13-17 years; 18-24 years; and 25 years and older.
Impact of advertising	Adults 25 years and older were most exposed to alcohol advertising: approximately 660 Target Audience Rating Points (TARPs) per week. Adolescents (13-17 years) were exposed to similar levels of alcohol advertising than young adults (18-24 years), 426 vs 429 TARPs per week.

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	Children (0-12 years) were exposed to approximately one in every three alcohol advertisements seen on average by mature adults (aged 25 years and older).
Conclusion	This study shows Australian adolescents are currently exposed to similar levels of alcohol advertising on television as young adults aged 18-24. This highlights the need for action to be taken to reduce levels to which adolescents are exposed to alcohol advertising on television.

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Overseas Studies

Reference	Grenard, J., Dent, C. & Stacy, A. (2013). Exposure to Alcohol Advertisements and Teenage Alcohol-Related Problems <i>Pediatrics</i> 2013;131:e369–e379
Methodology	Longitudinal prospective survey of 3,890 students once per year for 4 years from age 12 years to age 16 years. Assessments included several measures of exposure to alcohol advertising, alcohol use, problems related to alcohol use, and a range of covariates, such as age, drinking by peers, drinking by close adults, playing sports, general TV watching, acculturation, parents' jobs, and parents' education.
Advertising method	Alcohol commercials broadcast on TV
Population exposed	Survey of 3,890 students once per year for 4 years from age 12 years to age 16 years.
Impact of advertising	- Exposure to alcohol advertisements and/or liking of those advertisements at age 12 were predictive of the latent growth factors for alcohol use (past 30 days and past 6 months) after controlling for covariates. - There was a significant total effect for boys and a significant mediated effect for girls of exposure to alcohol advertisements and liking of those advertisements at age 12 through latent growth factors for alcohol use on alcohol related problems at age 16 years.
Conclusion	This United States study shows that younger adolescents are vulnerable to the persuasive messages contained in alcohol commercials broadcast on TV, influencing some of them to drink more and experience drinking-related problems later in adolescence.

Reference	McClure AC, Stoolmiller M, Tanski SE, Worth KA, Sargent JD. (2012) Alcohol-branded merchandise and its association with drinking attitudes and outcomes in US adolescents , <i>Archives of Pediatrics & Adolescent Medicine</i> , 163 (3)
Methodology	Longitudinal study through confidential telephone survey.
Advertising method	Alcohol branded merchandise
Population exposed	Representative US sample of 6,522 adolescents aged 10 to 14 years at baseline survey (4,309 of whom were non-drinkers at 8 months); subjects were resurveyed at 16 and/or 24 months. Main Exposures: Ownership of alcohol branded merchandise (first assessed at the 8-month survey) and attitudinal susceptibility to alcohol use.
Impact of advertising	- Prevalence of alcohol branded merchandise ownership ranged from 11% of adolescents (at 8 months) to 20% (at 24 months), which extrapolates to 2.1 to 3.1 million US adolescents, respectively. Clothing and headwear comprised 88%. - Beer brands accounted for 75% of items; 45% of items bore the Budweiser label. - Merchandise was obtained primarily from friends and/or family (71%) but was also purchased by the adolescents themselves (24%) at stores. Among non-drinkers, alcohol branded merchandise ownership and susceptibility were reciprocally related, each significantly predicting the other during an 8-month period. In turn, we found that alcohol branded merchandise ownership and susceptibility predicted both initiation of alcohol use and binge drinking, while controlling for a broad range of covariates.
Conclusion	This longitudinal study found that ownership of alcohol-branded merchandise has been associated with attitudinal susceptibility, initiation of alcohol use, and binge drinking.

Reference	Lin, E-Y., Caswell, S., You, R.Q., Huckle, T. (2012). Engagement with alcohol marketing and early brand allegiance in relation to early years of drinking. <i>Addiction Research</i> . 20 (4): 329-338
Methodology	Cross-sectional survey which examined the relationship between measures of awareness and engagement to marketing in regards to drinking among a sample of 2,538 adolescents aged 13 to 14 years using a computer assisted telephone interview.
Advertising method	A range of alcohol marketing channels, including: - traditional marketing - web-based marketing (i.e. downloading screensavers) - owning branded merchandise
Population exposed	Adolescents aged 13 to 14 years using a computer assisted telephone interview.
Impact of advertising	- Awareness of each alcohol marketing channel increased the odds of being a drinker by 8% - Engagement with traditional marketing increased the odds by 51% - Engagement with web-based marketing increased the odds of being a drinker by 98% - Brand allegiance increased the odds of being a drinker by 356% and the likelihood of non-drinkers reporting future drinking intentions (by 73%) - Brand allegiance was associated with more frequent alcohol consumption (1.65 times more drinking occasions per year) and 86% more alcohol consumed on a typical occasion. - Increased adolescent engagement with active alcohol marketing was strongly associated with drinking and drinking patterns

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	- Having established a brand allegiance was related to drinking and future intentions to drink including consuming larger quantities.
Conclusion	New Zealand study showing that, while exposure to all forms of marketing are associated with drinking by young people, measures of more active engagement, such as owning merchandise and downloading screensavers, are stronger predictors of drinking.
Reference	Smith, L.A and Foxcroft, D, R. (2009). The effect of alcohol advertising, marketing and portrayal on drinking behaviour in young people: systematic review of prospective cohort studies . <i>BMC Public Health</i> ,9:51
Methodology	Systematic review of 7 longitudinal studies with different methodologies - all studies measured drinking behaviour - 2 studies measured hours of TV and music video viewing - 2 studies evaluated drinkers and non-drinkers separately
Advertising method	A range of media, including broadcast and print, point of sale promotion and portrayal of alcohol drinking in films, music videos and TV programs
Population exposed	These 7 studies followed up 13,255 young people aged 10 to 26 years:
Impact of advertising	- Baseline nondrinkers more likely to have become a drinker at follow-up with greater exposure to alcohol advertisements. - Little difference in drinking frequency at follow-up in baseline drinkers - In studies of mixed populations of drinkers & non-drinkers, increased exposure at baseline showed increased risk of drinking at follow-up. - Two studies demonstrated a dose-response relationship. The findings of each study are outlined below (noting their setting and publication year in brackets): * Males who reported being aware of more alcohol advertisements at age 15 drank significantly more beer at 18 years. In beer drinkers aged 18, liking of alcohol advertising had a positive impact on beer consumed at age 21 years and they were more likely to be heavy drinkers at 26 years (New Zealand, 1994-2002). * Each one standard deviation increase in exposure to TV programs with alcohol advertisements among 2,250 school children aged 12-13 years showed a significant increase one year later in the self-reported consumption of beer (44%), wine/liquor (34%) and having 3 drink episodes in the previous month (26%) (United States, 2004). * Among 1,905 baseline non-drinkers aged 12-13 years, exposure to in-store beer displays significantly increased the chance of alcohol consumption two years later Among 1,206 baseline drinkers of the same age, exposure to alcohol advertisements on magazines and to beer concession stands at sports or music events predicted frequency of drinking at follow-up (United States, 2005). * Those 15-26 years olds in 24 media markets who saw more alcohol advertisements on average drank more (United States, 2006)⁴⁸⁸: • for those aged 21 years or less (below the legal drinking age in the US), each additional alcohol advertisement seen increased the number of drinks consumed in the previous month by 1% • each additional dollar spent (per capita) on alcohol advertising increased the number of drinks by 3% • youth in markets with high advertising rates demonstrated increases in drinking levels into their late twenties, while for drinkers in markets with fewer advertisements drinking stabilised in their early twenties. * Among 1,533 adolescents aged 14-15 years, each additional hour of TV viewing per day was associated with a 9% increases risk for initiating drinking 18 months later (United States, 1998). * Increased hours of TV and music video viewing were significantly associated with higher quantity of alcohol consumed one year later among 2,546 secondary school students (Belgium, 2005). * Children aged 10-14 years (n=2,406) were significantly more likely to have tried alcohol for the first time at one to two years follow-up as result of greater exposure to alcohol portrayals in popular movies (measured in viewing hours). For each additional hour of movie alcohol exposure, the likelihood of initiating alcohol use was increased by 15% (United States, 2006).
Conclusion	These studies were from several countries, (5 in US, 1 in Belgium and 1 in New Zealand). All 7 studies showed a significant association between a range of exposures to alcohol advertising and subsequent alcohol consumption in adolescents and young adults. The range of exposures included direct advertising through broadcast and print media and indirect methods such as in-store promotions and portrayal of alcohol drinking in films, music videos and TV programs.

⁴⁸⁸ Snyder, L.B., Fleming Milici, F., Slater, M., Sun, H. and Strizhakova, Y. (2006). [Effects of Alcohol Advertising Exposure on Drinking Among Youth](#). *Arch Pediatr Adolesc Med*. 160: 18-24

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Reference	Anderson, P., Kochanek, K., and Murphy, R. (2009). Impact of alcohol advertising and other media exposure on adolescent alcohol use: a systematic review of longitudinal studies . <i>Alcohol and Alcoholism</i> . 44(3): 229-243
Methodology	Systematic review of 13 longitudinal studies
Advertising method	Exposure was measured through: - estimates of the volume of media and advertising exposure - ownership of branded merchandise - recall and receptivity - expenditure on advertisements
Population exposed	These 13 studies followed up 38,000 participants aged 18 years or younger, or below the legal drinking age of the country of origin of the study, whichever was the higher.
Impact of advertising	This systematic review of 13 longitudinal studies contained the 7 longitudinal studies from the Smith & Foxcroft (2009) review previously mentioned The results of the additional studies are summarised below (noting their setting and publication year in brackets): * A study among 1,786 children aged 11-12 years found a significant association between exposure to beer advertisements through promotional items, concessions, advertisements in magazines and TV. Cumulative alcohol advertisement exposure was a predictor of past year beer drinking at age 12 (United States, 2008). * Owning, or willingness to use an alcohol promotion item, was a strong predictor of alcohol initiation and frequent use among 11-18 year olds. 24% of drinking girls and 29% of drinking boys engaged in binge drinking (United States, 2007). * Exposure to outdoor alcohol advertisement (bus shelters/benches, billboards, outside liquor groceries/convenient stores) among never drinkers aged 11 years predicted at age 13 years intentions to drink alcohol (United States, 2007). * A study that followed 1,080 never drinkers aged 11-13 years exposed to alcohol advertising at baseline found that 12 months later (United States, 2008)⁴⁸⁹: • 29% of adolescents reported some alcohol use, and 13% reported drinking at least 1 or 2 days in the past month • better recall and recognition of alcohol brand names at baseline was associated with small increases in the odds of alcohol use • non-drinkers who reported high receptivity to alcohol marketing at baseline (either owned or wanted to use an alcohol branded promotional item) were 77% more likely to initiate drinking by follow-up than those were not receptive. * 33% of adolescents aged 10-16 years exposed to popular movies showing on-screen alcohol use predicted alcohol use at 8 months initiated drinking without parental knowledge and 14% binge drink. This was defined as 5 or more drinks within 2 hours (Germany, 2008). * Exposure to popular movies among adolescents aged 10-14 years showing on-screen alcohol use predicted alcohol use 8 months later (United States, 2003). * Alcohol branded merchandise (ABM) exposure among 10-14 year olds was associated with initiation of binge drinking at 8 months. New ownership of ABM at 8 months had a significant direct impact on alcohol initiations at 16 months and initiation of binge drinking at 16 months (United States, 2008).
Conclusion	These studies from several countries were undertaken between 1990 and 2008. The author concluded that <i>'based on the strength of this association, the consistency of findings across numerous observational studies, temporality of exposure and drinking behaviours observed, dose-response relationships, as well as the theoretical plausibility regarding the impact of this exposure, [it can be concluded that] alcohol advertising and promotion increases the likelihood that adolescents will start to use alcohol, and to drink more if they are already using alcohol.'</i>

Reference	Henriksen, L., Feighery, E., Schleicher, N., Fortmann, S. (2008) Receptivity to Alcohol Marketing Predicts Initiation of Alcohol Use, <i>Journal of Adolescent Health</i> , Volume 42, Issue 1, January 2008, Pages 28–35
Methodology	Longitudinal study. Data were obtained from in-class surveys of 11-13 year olds at baseline and 12-month follow-up. Participants who were classified as never drinkers at baseline (n = 1,080) comprised the analysis sample.
Advertising method	Alcohol advertising and promotion
Population exposed	Children aged 11-13 year
Impact of advertising	Exploration of the influence of alcohol advertising and promotions on the initiation of alcohol use. At baseline: - 29% of never drinkers either owned or wanted to use an alcohol branded promotional item (high receptivity)

⁴⁸⁹ Henriksen, L., Feighery, E., Schleicher, N., Fortmann, S. (2008) Receptivity to Alcohol Marketing Predicts Initiation of Alcohol Use, *Journal of Adolescent Health*, Volume 42, Issue 1, January 2008, Pages 28–35

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	- 12% students named the brand of their favorite alcohol advertisement (moderate receptivity) - 59% were not receptive to alcohol marketing. At follow up: - about 29% of adolescents reported any alcohol use - 13% reported drinking at least 1 or 2 days in the past month - better recall and recognition of alcohol brand names at baseline was associated with small increases in the odds of alcohol use at follow-up - Non- drinkers who reported high receptivity to alcohol marketing at baseline (i.e. either owned or wanted to use an alcohol branded promotional item) were 77% more likely to initiate drinking by follow-up than those were not receptive.
Conclusion	US study showing an association between alcohol advertising and promotions with the uptake of drinking in adolescents. Prevention programs may reduce adolescents' receptivity to alcohol marketing by limiting their exposure to alcohol advertisements and promotions and by increasing their skepticism about the sponsors' marketing tactics

Reference	Hurtz, S.Q., <i>et al</i> (2007). The relationship between exposure to alcohol advertising in stores, owning alcohol promotional items, and adolescent alcohol use . <i>Alcohol and Alcoholism</i> 42:2 143 – 149.
Methodology	Cross-sectional survey
Advertising method	Ownership of branded promotional items and point of sale alcohol advertising
Population exposed	Survey of 2,125 students aged 11, 12 & 13 years in three California schools.
Impact of advertising	- Two-thirds of students reported at least weekly visits to liquor, convenience, or small grocery stores where alcohol advertising is widespread. Such exposure was associated with higher odds of ever drinking. - One-fifth of students reported owning at least one alcohol promotional item. These students were three times more likely to have ever tried drinking and 1.5 times more likely to report current drinking than students without such items.
Conclusion	This United States study shows that ownership of alcohol promotional items among adolescent increases the likelihood of drinking.

Reference	Snyder, L.B., Fleming Milici, F., Slater, M., Sun, H. and Strizhakova, Y. (2006). Effects of Alcohol Advertising Exposure on Drinking Among Youth . <i>Arch Pediatr Adolesc Med</i> . 160: 18-24
Methodology	Longitudinal panel using telephone surveys. 4 waves of people aged 15 to 26 years randomly sampled within households, and households within media markets from April 1999 to February 2001 sample sizes: 1,872, 1,173, 787, and 588 each. Markets were systematically selected from the top 75 media markets, representing 79% of the US population. Exposure was measured through: - market alcohol advertising expenditures per capita on television, radio, billboards, and newspapers; and - self-reported alcohol advertising exposure in the prior month.
Advertising method	Television, radio, billboards, and newspapers
Population exposed	People aged 15 to 26 years
Impact of advertising	Young people who saw more alcohol advertisements on average drank more: - for those aged 21 years or less, each additional alcohol advertisement seen increased the number of drinks consumed in the previous month by 1% - each additional dollar spent (per capita) on alcohol advertising increased the number of drinks by 3%. - youth in markets with high advertising rates demonstrated increases in drinking levels into their late twenties, while for drinkers in markets with fewer advertisements drinking stabilises in their early twenties.
Conclusion	This United States study, where the legal drinking age is 21 years, concluded that alcohol advertising contributes to increase drinking among youth.

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Reference	Austen, E. & Knaus, C. (2000) Predicting the potential for risky behaviour among those 'too young' to drink as the result of appealing advertising, <i>Journal of Health Communication</i> , 2000 Jan-Mar;5(1):13-27.
Methodology	Cross-sectional survey. Survey of 273 children in Washington state were assessed for: - the media effects on precursors to drinking; and - age trends in relevant beliefs and behaviors
Advertising method	Portrayals of alcohol use in the mass media
Population exposed	Children aged 8 to 14 years
Impact of advertising	- Perceptions of advertising desirability increased steadily from age 8 to 14 years, whereas the degree to which individuals wanted to emulate portrayals leveled off after age 11 years. - Positive social benefits perceived to be associated with drinking alcohol increased with age, particularly between 11 and 14 years - Expectancies correlated with alcohol pre-drinking behavior, and predicted risky behavior, with demographics and age controlled. - Pre-drinking behavior and reported risky behavior were correlated.
Conclusion	This United States study links exposure to portrayals of alcohol use in the mass media with the development of positive drinking expectancies by children and adolescents, suggesting that the media can make children more vulnerable to alcohol experimentation.

APPENDIX E1

Commercial Television Industry Code of Practice - January 2010

(incorporating amendments to July 2013)

The Commercial Television Code of Practice covers matters prescribed in Section 123 of the *Broadcasting Services Act* and other matters relating to program content that are of concern to the community. More information can be found here:

http://www.freetv.com.au/content_common/pg-code-of-practice.seo

Commercials which Advertise Alcoholic Drinks

6.7 A commercial which is a “direct advertisement for alcoholic drinks” (as defined in Clause 6.11) may be broadcast:

6.7.1 only in M, MA or AV classification periods; or

6.7.2 as an accompaniment to the live broadcast of a sporting event on weekends and public holidays.

6.8 Notwithstanding Clause 6.7, a commercial which is a “direct advertisement for alcoholic drinks” may be broadcast as an accompaniment to the live broadcast of a sporting event if:

6.8.1 the sporting event is broadcast simultaneously across a number of licence areas; and

6.8.2 Clause 6.7 permits direct advertisements for alcoholic drinks in the licence area in which the event is held or, if the event is held outside Australia, direct advertisements for alcoholic drinks are permitted in a majority of the metropolitan licence areas in which the event is simulcast.

6.9 A commercial which is a direct advertisement for an “alcoholic drink” or a “very low alcohol drink” (as both are defined in Clause 6.10) may not be broadcast during a C classification period, as defined in the Children’s Television Standards.

6.10 An “**alcoholic drink**” means any beer, wine, spirits, cider, or other spirituous or fermented drinks of an intoxicating nature, and is generally understood to refer to drinks of 1.15% or more alcohol by volume. The view of the Commonwealth Department of Health is that drinks of less than 1.15% alcohol by volume should be classified as “**very low alcohol**” drinks.

6.11 “**Direct advertisement for alcoholic drinks**” means a commercial broadcast by a licensee that draws the attention of the public, or a segment of it, to an alcoholic drink in a manner calculated to directly promote its purchase or use. This does not include the following, provided that their contents do not draw attention to an alcoholic drink in a manner calculated to directly promote its purchase or use:

6.11.1 a program sponsorship announcement on behalf of a brewing company or other liquor industry company;

6.11.2 a commercial for a licensed restaurant; or

6.11.3 a commercial for a company whose activities include the manufacture, distribution or sale of alcoholic drinks.

6.12 “**Live sporting event**” means:

6.12.1 live-to-air sporting broadcasts, including breaks immediately before and after the broadcast;

6.12.2 sporting broadcasts delayed for time zone reasons and broadcast as plausible “live”, without reformatting;

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6.12.3 sporting broadcasts delayed in the licence area in which the event is being held pursuant to a requirement of the relevant sporting organisation (known in the industry as “delay against the gate”);

6.12.4 replay material where a scheduled live.

Commercials or Community Service Announcements in G or PG Programs at 8.30pm

6.27 In breaks within G or PG programs scheduled to start at 8.30pm, or in a station break preceding such programs, commercials and community service announcements must comply with the requirements of the PG viewing period.

6.27.1 This clause also applies to breaks at or after 8.30pm within a G or PG program which starts before 8.30pm.

6.27.2 This clause does not apply to breaks within G or PG programs which follow a program which starts at or continues past 8.30pm (e.g. a PG program starting at 9.00pm).

6.27.3 Where a program of the kind referred to in this clause continues beyond 10.30pm, these restrictions will cease to apply beyond that time.

6.28 For the purposes of Clause 6.27, all sporting coverage between 8.30pm and 10.30pm will be deemed to be PG.

Source: Free TV Australia 2013.

http://www.freetv.com.au/media/Code_of_Practice/2010_Commercial_Television_Industry_Code_of_Practice_July%202013.pdf

APPENDIX E2

INFORMATION SHEET - Producing a TVC promoting or including reference to Alcohol

Published by Free TV Australia (<http://www.freetv.com.au/>)

The following points need to be considered when producing a television commercial which either promotes or includes reference to alcohol, or which includes themes that have some connection with alcohol:

The alcohol beverages industry has agreed to abide by a voluntary advertising code called the Alcohol Beverages Advertising (and Packaging) Code (ABAC Code). The ABAC Code covers all advertising for alcohol. A copy of the ABAC Code is available from the ABAC website – www.abac.org.au/publications/thecode

- The Alcohol Advertising Pre-vetting Service (AAPS) is available to pre-vet alcohol commercials for compliance with the ABAC Code. A copy of the AAPS application form is available from www.abac.org.au/for-advertisers or by contacting the AAPS duty pre-vetter on (08) 8411 2158.
- In addition to the ABAC/AAPS requirements, the Commercial Television Industry Code of Practice (the Code of Practice) and the Children's Television Standards 2009 set out certain restrictions in relation to the scheduling of alcohol commercials. These are set out in CTS 36 and Clauses 6.7 – 6.13 of the Code of Practice.
- CTS 36 provides:
 - Advertisements for alcoholic drinks may not be broadcast during C programs.
 - No advertisement or sponsorship announcement during C programs may identify or refer to a company, person, or organisation whose principal activity is the manufacture, distribution or sale of alcoholic drinks. This is in addition to the requirements of section 6.6 of the Commercial Television Industry Code of Practice.
- Clauses 6.7 – 6.13 of the Code of Practice set out further scheduling restrictions that apply to 'direct advertisements for alcoholic drinks'. The term 'direct advertisement for alcoholic drinks' is defined in clause 6.11 of the Code. Commercials falling within this definition are classified 'L' by CAD and may only be broadcast during the following periods:
 - between 8.30pm and 5.00am on any day
 - between 12.00 noon and 3.00 pm on school days (but see clause 2.10.3 for time zone difference adjustment)
 - on weekends and public holidays as an accompaniment to the live broadcast of a sporting event: "live" defined in clause 6.12 (note that a sporting broadcast 'delayed against the gate' for contractual reasons, is now to be counted as 'live')
 - during the live broadcast of a sporting event, where the event is simulcast to a number of licence areas and a direct commercial for alcohol is permitted in

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the area where the event is held (if the event is held outside Australia and commercials are permitted in a majority of metropolitan licence areas, then commercials are permitted in all broadcast areas).

- One of the main issues that arise for consideration under the Code of Practice restrictions is whether or not a commercial is a 'direct advertisement for alcoholic drinks'. Some of the questions that will often be relevant to consider are:
 - does the commercial contain visuals of alcohol
 - does the commercial contain references to alcohol
 - does the commercial contain branding/trademarks associated with alcohol
 - is the commercial encouraging people to purchase/drink alcohol
 - is the commercial promoting the purchase/use of alcohol.
- It is not only when dealing with obvious commercials that clauses 6.7 – 6.13 of the Code of Practice should be brought to mind, for example a commercial promoting a particular brand of beer. They should also be considered in relation to commercials promoting pubs/clubs, food and wine festivals, sporting/entertainment events with alcohol sponsors, and other similar commercials.
- Additionally, the NSW Director of Liquor and Gaming, under section 102 of the *Liquor Act 2007* has published the *Liquor Promotion Guidelines* for the responsible promotion of liquor. The guide describes the circumstances upon which the Director may restrict or prohibit a licensee carrying on, or being involved in, activities or promotions involving the sale or supply of liquor. A copy of the guidelines is available from the NSW Office of Liquor, Gaming and Racing website www.olgr.nsw.gov.au. Advertisers should consult the relevant state or territory liquor licence authority and legislation for similar guidelines on liquor promotion.

Source: Free TV Australia 2013.

http://www.freetv.com.au/media/CAD/Info_Sheets/Alcoholic_Beverages.pdf

APPENDIX E3

The ABAC Scheme: ALCOHOL BEVERAGES ADVERTISING (AND PACKAGING) CODE

Preamble

Brewers Association of Australia and New Zealand Inc, the Distilled Spirits Industry Council of Australia Inc and the Winemakers Federation of Australia are committed to the goal that all advertisements for alcohol beverages produced for publication or broadcast in Australia, other than point of sale material produced by alcohol beverage retailers, and all naming and packaging of alcohol beverages comply with the spirit and intent of this Code.

The Code is designed to ensure that alcohol advertising, naming and packaging will be conducted in a manner which neither conflicts with nor detracts from the need for responsibility and moderation in liquor merchandising and consumption, and which does not encourage consumption by underage persons.

The conformity of an advertisement, name or packaging with this Code is to be assessed in terms of its probable impact upon a reasonable person within the class of persons to whom the advertisement or product material is directed and other persons to whom the advertisement or product material may be communicated, and taking its content as a whole.

Definitions

For the purpose of this Code –

adult means a person who is at least 18 years of age;

alcohol beverage includes any particular brand of alcohol beverage;

adolescent means a person aged 14-17 years inclusive;

Australian Alcohol Guidelines means the electronic document ‘Australian Guidelines to Reduce Health Risks from Drinking Alcohol (1-2)’ published by the National Health & Medical Research Council (“NHMRC”) as at 1st January 2010.

child means a person under 14 years of age; and

low alcohol beverage means an alcohol beverage which contains less than 3.8% alcohol/volume.

Standards to be applied

Part 1 – Standards to be applied to advertisements for alcohol beverages

Advertisements for alcohol beverages must –

a) present a mature, balanced and responsible approach to the consumption of alcohol beverages and, accordingly –

- i) must not encourage excessive consumption or abuse of alcohol;
- ii) must not encourage under-age drinking;
- iii) must not promote offensive behaviour, or the excessive consumption, misuse or abuse of alcohol beverages;
- iv) must only depict the responsible and moderate consumption of alcohol beverages;

b) not have a strong or evident appeal to children or adolescents and, accordingly –

- i) adults appearing in advertisements must be over 25 years of age and be clearly depicted as adults;

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- ii) children and adolescents may only appear in advertisements in natural situations (eg family barbecue, licensed family restaurant) and where there is no implication that the depicted children and adolescents will consume or serve alcohol beverages; and
 - iii) adults under the age of 25 years may only appear as part of a natural crowd or background scene;
- c) not suggest that the consumption or presence of alcohol beverages may create or contribute to a significant change in mood or environment and, accordingly –
- i) must not depict the consumption or presence of alcohol beverages as a cause of or contributing to the achievement of personal, business, social, sporting, sexual or other success;
 - ii) if alcohol beverages are depicted as part of a celebration, must not imply or suggest that the beverage was a cause of or contributed to success or achievement; and
 - iii) must not suggest that the consumption of alcohol beverages offers any therapeutic benefit or is a necessary aid to relaxation;
- d) not depict any direct association between the consumption of alcohol beverages, other than low alcohol beverages, and the operation of a motor vehicle, boat or aircraft or the engagement in any sport (including swimming and water sports) or potentially hazardous activity and, accordingly –
- i) any depiction of the consumption of alcohol beverages in connection with the above activities must not be represented as having taken place before or during engagement of the activity in question and must in all cases portray safe practices; and
 - ii) any claim concerning safe consumption of low alcohol beverages must be demonstrably accurate;
- e) not challenge or dare people to drink or sample a particular alcohol beverage, other than low alcohol beverages, and must not contain any inducement to prefer an alcohol beverage because of its higher alcohol content; and
- f) comply with the Advertiser Code of Ethics adopted by the Australian Association of National Advertisers.
- g) not encourage consumption that is in excess of, or inconsistent with the Australian Alcohol Guidelines issued by the NHMRC.
- h) not refer to The ABAC Scheme, in whole or in part, in a manner which may bring the scheme into disrepute.

Internet Advertisements

The required standard for advertisements outlined in (1)(a) to (h) above applies to internet sites primarily intended for advertising developed by or for producers or importers of alcohol products available in Australia or that are reasonably expected to be made available in Australia, and to banner advertising of such products on third party sites.

Retail Advertisements

Advertisements which contain the name of a retailer or retailers offering alcohol beverages for sale, contain information about the price or prices at which those beverages are offered for sale, and which contain no other material relating to or concerning the attributes or virtues of alcohol beverages except –

- i) the brand name or names of alcohol beverages offered for sale;
- ii) the type and/or style of the alcohol beverages offered for sale;
- iii) a photographic or other reproduction of any container or containers (or part thereof, including any label) in which the alcohol beverages offered for sale are packaged;
- iv) the location and/or times at which the alcohol beverages are offered for sale; and

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v) such other matter as is reasonably necessary to enable potential purchasers to identify the retailer or retailers on whose behalf the advertisement is published,
must comply with the spirit and intent of the Code but are not subject to any process of prior clearance.

Promotion of alcohol at events

Alcohol beverage companies play a valuable role in supporting many community events and activities. It is acknowledged that they have the right to promote their products at events together with the right to promote their association with events and event participation. However, combined with these rights comes a range of responsibilities. Alcohol beverage companies do not seek to promote their products at events which are designed to clearly target people under the legal drinking age.

This protocol commits participating alcohol beverage companies to endeavour to ensure that:

- All promotional advertising in support of events does not clearly target underage persons and as such is consistent with the ABAC standard; and
- Alcohol beverages served at such events are served in keeping with guidelines, and where applicable legal requirements, for responsible serving of alcohol (which preclude the serving of alcohol to underage persons); and
- Promotional staff at events do not promote consumption patterns that are inconsistent with responsible consumption, as defined in the NHMRC Guidelines; and
- Promotional staff do not misstate the nature or alcohol content of a product; and
- Promotional staff at events are of legal drinking age; and
- Promotional materials distributed at events do not clearly target underage persons; and
- Promotional materials given away at or in association with events do not connect the consumption of alcohol with the achievement of sexual success; and
- Promotional materials given away at or in association with events do not link the consumption of alcohol with sporting, financial, professional or personal success; and
- Promotional materials given away at events do not encourage consumption patterns that are inconsistent with responsible consumption, as defined in the NHMRC Guidelines; and
- A condition of entry into giveaways promoted by alcohol companies at or in association with events is that participants must be over the legal drinking age; and Prizes given away in promotions associated with alcohol beverage companies will only be awarded to winners who are over the legal drinking age.

Third Parties

At many events alcohol companies limit their promotional commitments to specified activities. This protocol only applies to such conduct, activities or materials associated with events that are also associated with alcohol beverage companies.

Alcohol beverage companies will use every reasonable endeavour to ensure that where other parties control and/or undertake events, including activities surrounding those events, they comply with this protocol. However non-compliance by third parties will not place alcohol beverage companies in breach of this protocol.

Public Education

This protocol does not apply to or seek to restrict alcohol beverage companies from being associated with conduct, activity or materials that educate the public, including underage

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persons, about the consequences of alcohol consumption and the possible consequences of excessive or underage consumption.

Part 2 – Standards to be applied to the naming and packaging of alcohol beverages

1. The naming or packaging of alcohol beverages (which is also referred to within these standards as “product material”) must:

- a) present a mature, balanced and responsible approach to the consumption of alcohol beverages and, accordingly –
 - i) must not encourage excessive consumption or abuse of alcohol;
 - ii) must not encourage under-age drinking;
 - iii) must not promote offensive behaviour, or the excessive consumption, misuse or abuse of alcohol beverages;
 - iv) must only depict the responsible and moderate consumption of alcohol beverages;
- b) not have a strong or evident appeal to children or adolescents and, accordingly –
 - i) adults appearing in product material must be over 25 years of age and be clearly depicted as adults;
 - ii) children and adolescents may only appear in product material in natural situations (e.g. family barbecue, licensed family restaurant) and where there is no implication that the depicted children and adolescents will consume or serve alcohol beverages; and
 - iii) adults under the age of 25 years may only appear as part of a natural crowd or background scene;
- c) not suggest that the consumption or presence of alcohol beverages may create or contribute to a significant change in mood or environment and, accordingly –
 - i) must not depict the consumption or presence of alcohol beverages as a cause of or contributing to the achievement of personal, business, social, sporting, sexual or other success;
 - ii) if alcohol beverages are depicted as part of a celebration, must not imply or suggest that the beverage was a cause of or contributed to success or achievement; and
 - iii) must not suggest that the consumption of alcohol beverages offers any therapeutic benefit or is a necessary aid to relaxation;
- d) not depict any direct association between the consumption of alcohol beverages, other than low alcohol beverages, and the operation of a motor vehicle, boat or aircraft or the engagement in any sport (including swimming and water sports) or potentially hazardous activity and, accordingly –
 - i) any depiction of the consumption of alcohol beverages in connection with the above activities must not be represented as having taken place before or during engagement of the activity in question and must in all cases portray safe practices; and
 - ii) any claim concerning safe consumption of low alcohol beverages must be demonstrably accurate;
- e) not challenge or dare people to drink or sample a particular alcohol beverage, other than low alcohol beverages, and must not contain any inducement to prefer an alcohol beverage because of its higher alcohol content; and
- f) not encourage consumption that is in excess of, or inconsistent with the Australian Alcohol Guidelines issued by the NHMRC.
- g) not refer to The ABAC Scheme, in whole or in part, in a manner which may bring the scheme into disrepute.

2. These standards, (Part 2 (1) (a)-(g)), apply to the naming and packaging of all alcohol beverages supplied in Australia, with the exception of the name of any product or a

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trademark which the supplier can demonstrate, to the satisfaction of the Adjudication Panel, had been supplied for bona fide retail sale in the ordinary course of business in a State or Territory of Australia prior to 31 October 2009.

Source: ABAC 2012.

<http://www.abac.org.au/wp-content/uploads/2013/06/ABAC-Code-at-1-March-2012-.pdf>

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APPENDIX F

Government or Regulator-funded studies that monitor and research TV exposure

Study	Key points
Australia Monitoring of Alcohol Advertising Committee (2009) Alcohol beverage advertising in mainstream Australian media 2005 to 2007: Expenditure and Exposure	The report examined: • Expenditure on alcohol advertising in Australia across eight mainstream media channels between January 2005 and December 2007; • The potential exposure to alcohol advertising on free-to-air television for young people aged 13 -17 years and 18 - 29 years during 2007; • Alcohol advertisement placement by day of week and time of day. It found: • That the vast majority of the alcohol beverage brands with the greatest estimated metropolitan television expenditure in 2007 had a greater weight of exposure generated with those aged 18-29 years compared with those aged 13-17 years. • However, in Melbourne four (three of which were for beer) of the top thirty spend brands generated similar or greater exposure with 13-17 year olds compared with those aged 18-29 years. • In 2007 almost half (46%) of the alcohol advertisements screened in five metropolitan television markets (Adelaide, Brisbane, Melbourne, Perth, Sydney) were shown on weekends and public holidays. • During this period 44% of the alcohol advertisements shown at weekends and weekday public holidays were shown in the day (i.e. between 5am to 8.29pm) due to the live sport exemption.
Australia Commonwealth Department of Health and Ageing (2005) Australian Alcohol Beverage Advertising in Mainstream Australian Media 2003 to 2005: Expenditure, Exposure and Related Issues	The report examined (via looking at both Target Audience Rating Points and time of day alcohol advertising placement) the exposure young people (divided into those aged 13-17 years and those aged 18-29 years) had to alcohol advertising in mainstream Australian media (namely metropolitan free-to-air television) for the period 2004-05. It found: • The weight of potential alcohol advertising exposure to 13-17 year olds across all beverage categories in the Sydney and Melbourne metropolitan television market were similar to, but in most cases less than, the weight of exposure to 18 to 29 year olds. • However, examples of equal or greater exposure to 13-17 year olds than to 18 to 29 year olds were found across all alcohol beverage categories. • Two-fifths of alcohol advertising was placed in

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	weekend and public holiday programming. Of this, 38% of alcohol advertising broadcast on weekend and public holidays was shown in the day (i.e. between 5am to 8.29pm) due to the live sport exemption.
Australia Commonwealth Department of Human Services and Health (1996) Advertising of Alcoholic Beverages in Australia: Expenditure and Exposure 1991-1995	The report examined advertising expenditure (TV, print and radio) and exposure through metropolitan television advertising (measured as Target Audience Rating Points) between 1991 and 1995. It found: - In the period 1991-95, those aged 13-17 years of age were exposed to alcohol advertising at 78% of the rate of adults (aged 18 years and over). - Some spirit brands had, at times, greater exposure to young people than for adults.
USA Centers for Disease Control and Prevention. Morbidity and Mortality Weekly Report (2013) Youth Exposure to Alcohol Advertising on Television — 25 Markets, United States, 2010	The study was undertaken by the Johns Hopkins Bloomberg School of Public Health. It assessed the proportion of alcohol advertisements that appeared on television programs in 25 metropolitan television markets and the resulting youth exposure that exceeded the industry standard (i.e., greater than 30% of the audience aged 2–20 years) or an alternative proposed standard (i.e., greater than 15% aged 12–20 years). It found: 23.7% of alcohol advertisements were placed during programs for which greater than 30% of the audience was aged 2–20 years; 35.4% of alcohol advertisements were placed during programs for which greater than 15% of the audience was aged 12–20 years. - The results suggest “that the alcohol industry has not consistently met its 2003 self-regulatory standards to avoid airing alcohol advertising during programs where >30% of the audience is underage”. The article also notes that “from 2001 to 2009, youth exposure to alcohol advertising on television in the United States increased by 71%. This is largely attributable to increased alcohol advertising on cable television programs, particularly by distilled spirits companies. The increase in spirits advertising on cable television also coincides with an observed increase in consumption of spirits by high school students, particularly among those who binge drink (i.e., consume ≥5 drinks on an occasion for males and ≥4 drinks on an occasion for females)”.

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USA Federal Trade Commission (1999) Self-Regulation in the Alcohol Industry: A Review of Industry Efforts to Avoid Promoting Alcohol to Underage Consumers	The report assessed the effectiveness of the alcohol industry's voluntary guidelines for advertising and marketing to underage audiences. Exposure data was primarily supplied by alcohol companies to the Commission. It found: • There was mixed compliance with the industry codes' requirement that alcohol advertisements be placed only in media where more than 50 percent of the audience is older than 21 years of age. • Half of the companies surveyed were able to show that nearly all of their advertisements were shown to a majority legal-age audience. However, two other companies' data showed weeks when a large portion of advertisements (e.g. 25 percent of TV advertisements) were shown to a majority underage audience. Due to the 50% voluntary threshold being much higher than the proportion of the population being aged under 21 years (30% in 1999), the Commission recommended that the alcohol industry review the voluntary code as the standard was permitting "alcohol advertising to reach large numbers of underage consumers". The self-regulatory threshold was duly lowered to 30% (see CDC reference above) in 2003.
United Kingdom Ofcom (2013) Children's and young people's exposure to alcohol advertising	Ofcom has a co-regulatory role regarding alcohol advertising in the United Kingdom, and therefore engages in periodic reviews in trends regarding advertising exposure for children aged 4-15 and adults aged 16-24. The most recent report looked at trends between 2007 and 2011 found: • More children are watching TV later into the evening during the period. • Children watch adult programmes in large numbers, but very rarely constitute a sufficient proportion of the audience to trigger rules excluding alcohol advertising. • Many of the programmes attracting the largest audiences among children are programmes aimed largely at adult audiences, and so may carry alcohol advertising. • Almost half of all alcohol spots were broadcast between 06:00-20:59 with this proportion remaining fairly stable over time. • In 2011, alcohol advertising accounted for 1.4% of all TV advertising seen by children aged 4-15 and 2.2% of all advertising seen by 16-24 year olds. • In 2011 a child aged 4-15 watched, on average, 227 commercials each week and 3.2 of these were for alcohol products; in comparison, they watched 201 commercials a week in 2007, 2.7 of which were for alcohol. • In general, between 2007 and 2011, exposure fluctuated but was lower than the overall level in 2006 (see below).

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United Kingdom Ofcom & ASA (2007) Young People and Alcohol Advertising: An investigation of alcohol advertising following changes to the Advertising Code	The report found: • Overall, children and young adults were being exposed to fewer alcohol advertisements on television between 2005 and 2006. There was a 6.0% decline in the alcohol advertising exposure for 16-24 year old adults between 2005 and 2006 and a 15.5% fall in exposure amongst children aged 10-15. • Compared with 2002, the decline in exposure to alcohol advertising on television was more marked. Between 2002-2006 there was a decline of 31.1% and 39.0% in 16-24 and 10-15 year olds being exposed respectively.
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APPENDIX G

Evidence summary

This evidence summary has been compiled to provide a concise justification for the statements regarding exposure to advertising in the Executive Summary and Section 5.5. Further information on the research cited is provided in Chapter 3 and Appendix D.

1. Young Australians are currently exposed to substantial levels of alcohol advertising and marketing during their adolescence.

- Researchers have noted that the measured level of exposure among adolescents is known to be an underestimation of the total marketing effort due to difficulties in accurately measuring exposure.⁴⁹⁰
- A study measuring exposure levels to 156 different alcohol advertisements over 12 months (March 2005 to February 2006) in Sydney showed that adolescents (13-17 years) were exposed to the same amount of alcohol advertising on free-to-air television as young adults (18-24 years); and children (0-12 years) were exposed to one-third of alcohol advertising seen by adults.^{491,492}
- A 2011 cross-sectional survey of 1,113 Australians aged 12-17 years noted a high level of exposure to alcohol advertising through a range of media channels, with television being the highest (94%), followed by 74% in magazines, 61% on a billboard or poster, 55% on the Internet, 53% in a newspaper and 51% as promotional material.⁴⁹³
- Several studies suggest that adolescents are exposed to similar levels of alcohol advertising on television as adults^{494, 495, 496} despite the *Commercial Television Industry Code of Practice 2010* restrictions administered by Free TV Australia for the broadcast of direct advertising for alcohol drinks. A particular Australian study found that 50% of the 2,810 alcohol advertisements broadcasted on television over 2 months appeared during viewing times when children were regularly watching; these were 7.00-9.00am and 3.30-10.30pm on weekdays and 7.30-10.30am and 3.30-10.30pm on weekends.⁴⁹⁷
- Evidence shows that sport is one of the primary settings in Australia for the marketing of alcohol products.^{498,499,500} Although there is limited evidence on Australian adolescents' exposure to alcohol advertising in sport, the available studies suggest that adolescents are aware of and recall alcohol advertising during sport.^{501, 502}

⁴⁹⁰ Anderson, P., Kochanek, K., and Murphy, R. (2009). [Impact of alcohol advertising and other media exposure on adolescent alcohol use: a systematic review of longitudinal studies](#). *Alcohol and Alcoholism*. 44(3): 229-243

⁴⁹¹ Winter, M., Donovan, R., Fielder, L. (2008). Exposure of children and adolescents to alcohol advertising on television in Australia. *Journal of Studies on Alcohol and Drugs* 69(5):676-683

⁴⁹² Fielder L, Donovan RJ, Ouschan R. (2009) Exposure of children and adolescents to alcohol advertising on Australian metropolitan free-to-air television, *Addiction*. Jul;104(7):1157-65.

⁴⁹³ Jones, S.C & Magee, C.A. (2011). [Exposure to Alcohol Advertising and Alcohol Consumption among Australian Adolescents](#). *Alcohol and Alcoholism*. 46 (5): 630-637.

⁴⁹⁴ Winter, M., Donovan, R., Fielder, L. (2008). Exposure of children and adolescents to alcohol advertising on television in Australia. *Journal of Studies on Alcohol and Drugs* 69(5):676-683

⁴⁹⁵ Fielder L, Donovan RJ, Ouschan R. (2009) Exposure of children and adolescents to alcohol advertising on Australian metropolitan free-to-air television, *Addiction*. Jul;104(7):1157-65.

⁴⁹⁶ Victorian Department of Human Services (2009) [Alcohol beverage advertising in mainstream Australian media 2005 to 2007: Expenditure and Exposure](#), Report commissioned by the Commonwealth Department of Health

⁴⁹⁷ Pettigrew, S., Roberts, M., Pescud, M., Chapman, K., Quester, P., Miller, C. (2012). The extent and nature of alcohol advertising on Australian television. *Drug and Alcohol Review* 2012;31:797-802

⁴⁹⁸ O'Brien K., Miller P., Kolt G., Martens M., Webber A. (2011) Alcohol industry and non-alcohol industry sponsorship of sportspeople and drinking, *Alcohol and Alcoholism*. 2011 Mar-Apr: 46(2):210-3.

⁴⁹⁹ Pettigrew, S., Rosenberg, M., Ferguson, R., Houghton, S. & Wood (2013). Game on: do children absorb sports sponsorship messages? *Journal of Public Health Nutrition* 1-8 doi:10.1017/S1368980012005435

⁵⁰⁰ Jones, S., Phillipson, L., Barrie, L. (2010). [Most men drink... especially like when they play sports – alcohol advertising during sport broadcasts and the potential impact on child audiences](#). *Journal of Public Affairs* 10(1-2):59-73.

⁵⁰¹ Ibid.

⁵⁰² Pettigrew, S., Rosenberg, M., Ferguson, R., Houghton, S. & Wood (2013). Ibid.

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- Alcohol marketing strategies are becoming increasingly interactive through the co-design and promotion of products through digital technologies used by the majority of adolescents.⁵⁰³

2. This early and cumulative exposure to alcohol advertising contributes to both an earlier initiation of alcohol use (i.e. younger age of first drink) and more frequent and heavy drinking by adolescent Australians

- Evidence demonstrates that children and adolescents are vulnerable to, and influenced by the persuasive and cumulative messages contained in alcohol advertising. A large body of Australian and international research, including several systematic reviews of longitudinal studies (^{504, 505, 506, 507, 508}) identifies that exposure to alcohol marketing and promotions through a range of channels is associated with incremental effects on adolescents. These range from increasing alcohol brand awareness; creating positive attitudes and expectations towards alcohol use and intentions to drink; engaging with the brand leads to early initiation of alcohol consumption; and a greater risk of harmful drinking in adolescence and beyond.

- For instance, of 1,113 Australians aged 12-17 years exposed to alcohol advertising through a range of media channels in a 2011 cross-sectional study, 60% had initiated alcohol consumption; 38% indicated that they had regularly consumed alcohol in the previous 12 months; and 44% had consumed alcohol recently.⁵⁰⁹

- The effects of alcohol marketing on adolescents appear to be cumulative: the more exposure minors have to alcohol marketing, the more likely they are to initiate drinking at a younger age, and to consume more alcohol when they are drinking.

3. Young Australians exposure to alcohol advertising has increased over time, with exposure on television continuing and exposure through digital media increasing rapidly.

- As a benchmark audience, an average 2,419,000 Australians view television after 8.30pm daily.⁵¹⁰

- Live sport broadcasts also attract large viewing audiences, for example, a 2013-14 Ashes Fifth Test cricket match broadcast (which aired before 8.30pm) attracted 1,761,000 viewers in five metropolitan cities alone.⁵¹¹

- Television accounted for the largest proportion of alcohol adspend (44%) by media outlet (including radio, magazines and newspapers, cinema and outdoor advertising) in 2007.⁵¹²

- A study measuring exposure levels to 156 different alcohol advertisements over 12 months (March 2005 to February 2006) in Sydney showed that adolescents (13-17 years) were exposed to the same amount of alcohol advertising on free-to-air television as young adults (18-24 years); and children (0-12 years) were exposed to one-third of alcohol advertising seen by adults.⁵¹³

⁵⁰³ Roche, A.M., Bywood, P.T., Borlagdan, J., Lunnay, B., Freeman, T., Lawton, L., Tovell, A. & Nicholas, R. (2007) [Young people and alcohol: The role of cultural influences](#). National Centre for Education and Training on Addiction, Adelaide.

⁵⁰⁴ Jones, S.C & Magee, C.A. (2011). [Exposure to Alcohol Advertising and Alcohol Consumption among Australian Adolescents](#). *Alcohol and Alcoholism*. 46 (5): 630-637.

⁵⁰⁵ University of Sheffield (2008) Independent review of the effects of alcohol pricing. Project report for the Department of Health

⁵⁰⁶ Academy of Medical Sciences. (2004) Calling Time. The Nation's Drinking as a Major Health Issue. A Report from the Academy of Medical Sciences. London.

⁵⁰⁷ Smith, L.A and Foxcroft, D. R. (2009). [The effect of alcohol advertising, marketing and portrayal on drinking behaviour in young people: systematic review of prospective cohort studies](#). *BMC Public Health*, 9:51

⁵⁰⁸ Anderson, P., Kochanek, K., and Murphy, R. (2009). [Impact of alcohol advertising and other media exposure on adolescent alcohol use: a systematic review of longitudinal studies](#). *Alcohol and Alcoholism*. 44(3): 229-243

⁵⁰⁹ Jones, S.C & Magee, C.A. (2011). [Exposure to Alcohol Advertising and Alcohol Consumption among Australian Adolescents](#). *Alcohol and Alcoholism*. 46 (5): 630-637.

⁵¹⁰ AANA submission to ANPHA Issues Paper, submission #18, p.8.

⁵¹¹ OzTam (2014) <http://www.oztam.com.au/documents/2014/OzTAM-20140105-EMetFTARankSumCons.pdf> Accessed on 22 January 2014

⁵¹² Victorian Department of Human Services (2009) [Alcohol beverage advertising in mainstream Australian media 2005 to 2007: Expenditure and Exposure](#). Report commissioned by the Commonwealth Department of Health

⁵¹³ Winter, M, Donovan, R, Fielder, L. (2008). Exposure of children and adolescents to alcohol advertising on television in Australia. *Journal of Studies on Alcohol and Drugs* 69(5):676-683

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- The ABS found that Internet access by children aged 5-14 years has steadily increased in recent years, from 65% in 2006; to 79% in 2009; and 90% in 2012. The proportion of children accessing the Internet increased with age (accessed by 79% of 5-8 year olds; 96% of 9-11 year olds; and 98% of 12-14 year olds).^{514,515}

- A recent AU Kids Online study found that, compared with 25 European nations, Australian children were amongst the youngest to start using the Internet at just under 8 years of age.⁵¹⁶

The majority of Australian children (63% of 9-16 year olds)⁵¹⁷ and adolescents (88% of 15-17 year olds)⁵¹⁸ use the Internet for social networking.

- As at June 2013, official Facebook pages for Australian alcohol brands (beer, wine, cider and spirits combined) attracted 3,867,303 fans. This is over a million more fans than for Australian non-alcoholic beverages (2,644,307) and automotive Facebook pages (2,100,867).⁵¹⁹

- A recent Australian study of 384 alcohol-related smartphone apps available to download found that 50% of these apps were categorised as entertainment apps, rather than health apps, and endorsed or encouraged alcohol consumption.⁵²⁰

4. While some population level measures of alcohol-related risks for adolescents are showing downward trends over time, significant harms are still occurring, in particular, patterns of risky drinking are still prevalent.

- Approximately three in every four Australian secondary students aged between 12 and 17 years had tried alcohol at some time and 51 per cent reported that they had consumed alcohol in the past year.⁵²¹

- Of those aged 15-17 years in 2011-12 about 31 per cent of males and 14 per cent of females reported alcohol consumption that placed them at single occasion risk of injury at least once in the past year⁵²² despite NHMRC Guidelines stating that for young people under 18 years of age, not drinking alcohol is the safest option.

- The NHMRC guideline is based on "a range of epidemiological research that indicated that alcohol may adversely affect brain development and be linked to alcohol related problems later in life."⁵²³

- The proportion of current drinkers (reporting alcohol consumption in the seven days prior to the survey) increased with age from eight per cent of 13-year-olds to 37 per cent of 17-year-olds.

- The proportion of students aged between 12 and 17 years reporting drinking in 2011 was lower than the levels found in the 2008 and 2005 surveys.⁵²⁴

- Early alcohol initiation (before age 15) and high levels of consumption in adolescence are associated with a range of negative outcomes. In the short-term, negative outcomes include: violence, accidents, reckless driving, physical injury, depression, school absenteeism,

⁵¹⁴ Australian Bureau of Statistics, [Square eyes and couch potatoes children's participation in physical activity and screen-based activities](#), 4156.0.55.001 - Perspectives on Sport, June 2013

⁵¹⁵ Australian Bureau of Statistics, [Children's Participation in Cultural and Leisure Activities](#), Australia, Apr 2012. ABS catalogue no.4901.0

⁵¹⁶ Green, L., Brady, D., Ólafsson, K., Hartley, J. and Lumby, C., 2011, [Risks and safety for Australian children on the Internet: Full findings from the AU Kids Online survey of 9-16 year olds and their parents](#), AU Kids Online, Accessed 26 November 2013.

⁵¹⁷ Ibid.

⁵¹⁸ Australian Bureau of Statistics, [Nearly three-quarters of Australian households now have broadband](#), Media Release 162/2011, 15 December 2011

⁵¹⁹ Online Circle (2013) *Australian Facebook Performance report June 2013* <http://theonlinecircle.com/australian-facebook-performance-report-june-2013/> Accessed on 25 November 2013

⁵²⁰ Weaver, E. Horyniak, D. Jenkinson, R., Dietze, P., Lim M. (2013) ["Let's get Wasted!" and Other Apps: Characteristics, Acceptability, and Use of Alcohol-Related Smartphone Applications](#), *Journal of Medical Internet Research* 2013;1(1):e9 doi:10.2196/mhealth.2709

⁵²¹ White, V., Bariola, E. (2012). Australian secondary school students' use of tobacco, alcohol, and over-the counter and illicit substances in 2011. Centre for Behavioural Research in Cancer. The Cancer Council Victoria

⁵²² Australian National Preventive Health Agency (2013) *State of Preventive Health Report 2013*. Canberra, ANPHA

⁵²³ NHMRC 2009, p.57

⁵²⁴ Australian National Preventive Health Agency (2013), *State of Preventive Health 2013*. Canberra: ANPHA.

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decreased academic performance, initiation of drug use, suicide, risky sexual behaviour, sexual assault and unplanned pregnancies.^{525,526,527,528}

5. The community is firmly of the view that young Australians should be protected from alcohol-related harms, including both from i) exposure to alcohol advertising; and ii) forms of alcohol advertising that appeal to young Australians.

- The majority of people surveyed by the Salvation Army for Alcohol Awareness Week in 2013: 1) disagreed that the alcohol industry should be allowed to continue to regulate itself with regard to the advertising and promotion of alcohol (72%); and 2) said the amount of alcohol advertising and promotion young people under 25 see these days encourages them to drink more (70%)⁵²⁹.
- VicHealth surveyed 1,523 people in Victoria in 2009, of which 82% agreed that alcohol advertisements should be restricted so that they were less likely to be seen by adolescents, and 77% agreed that alcohol advertising on billboards should be banned within one kilometre of schools⁵³⁰.
- 60% of 1,000 adults surveyed in 2005 stated that alcohol advertising should be either more restricted or entirely prohibited, and 69% believed advertising encourages underage people to drink alcohol (Commonwealth Department of Health and Ageing survey)⁵³¹.
- Tobin et al (2011) cite evidence of high levels of public support for stronger advertising restrictions among different survey groups, with two-thirds of Australians supporting government regulation in alcohol advertising and marketing in one 2009 survey, and three-quarters supporting reducing adolescents' exposure to alcohol advertising in several surveys run between 2007 and 2009⁵³².

6. The current regulatory arrangements for alcohol advertising were largely developed more than twenty years ago when the media structure in Australia was much simpler and less diverse than today.

- Many of the alcohol-related fan, event and group pages on Facebook are accessible to users of any age⁵³³.
- YouTube provides a platform for companies to display recent and previous television advertisements, which may include older advertisements that do not satisfy current codes⁵³⁴.
- There may be some uncertainty whether a particular promotional activity is in fact "advertising" for ABAC purposes. The highly dynamic nature of digital marketing and new media can make even a basic requirement, such as locating the actual images and text which has drawn a complaint, difficult⁵³⁵.
- Although the ABAC Scheme now covers internet advertising, it does not cover the issue of age verification. Recent (2014) Australian evidence noted that industry has poor filter

⁵²⁵ Best, D., et al. (2006). Excessive drinking and other problem behaviours among 14-16 year old children. *Addict Behav.* 31: 1424-1435.

⁵²⁶ Anderson, P., Kochanek, K., and Murphy, R. (2009). Impact of alcohol advertising and other media exposure on adolescent alcohol use: a systematic review of longitudinal studies. *Alcohol and Alcoholism.* 44(3): 229-243

⁵²⁷ Australian Medical Association (2012). Alcohol Marketing and Young People: Time for a new policy agenda. Canberra, Australia

⁵²⁸ Bonomo, Y et al.(2001). Adverse outcomes of alcohol use in adolescents. *Addiction* 96: 1485 – 1496.

⁵²⁹ <http://salvos.org.au/need-help/the-facts/documents/AAW-2013-Media%20Release.pdf>. Accessed 4 February 2014.

⁵³⁰ Alcohol CATI component of the 2009 VicHealth Community Attitudes Survey (unpublished data).

⁵³¹ King, E., Taylor, J. and Carroll, T. (2005). *Consumer perceptions of alcohol advertising and the revised Alcohol Beverage Advertising Code*. Sydney: Department of Health and Ageing.

⁵³² Tobin et al. (2011) A review of public opinion towards alcohol controls in Australia .*BMC Public Health.* 2011; 11: 58.

⁵³³ Mart, S (2011) Alcohol Marketing in the 21st Century: New Methods, Old Problems, Substance Use and Misuse, 46:889-892

⁵³⁴ Alcohol Concern (2011). New media, new problem? Alcohol, young people and the internet. London, United Kingdom.

⁵³⁵ The Alcohol Beverages Advertising Code (ABAC) Scheme—Annual Report 2010; p.6. <http://www.abac.org.au/wp-content/uploads/2013/05/ABAC2010AnnualReport.pdf>.

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systems which are insufficient in preventing entry of underage persons to alcohol brand websites.⁵³⁶

- An audit of alcohol brand websites found that some website content would be in breach of current regulatory codes (those that cover traditional alcohol marketing)⁵³⁷.

7. Current regulatory arrangements are not only failing to protect young Australians but in some cases actually facilitate their exposure to alcohol advertising.

- Almost half of all alcohol advertising airs during the day on weekends and public holidays as part of a live sport broadcast⁵³⁸.

- The lack of restrictions on the volume of alcohol advertising in any medium or across media can amount to a high frequency of alcohol advertisements in a short time period, and to multiple avenues of exposure across media. For example, alcohol advertising amounted to 23 minutes of television broadcast time over a one day cricket match⁵³⁹, and 35 minutes of broadcast for the Bathurst 1000 V8 car race⁵⁴⁰, both of which are broadcast under the exemption during daytime television.

- Current regulation of advertising on television, and subscription television, facilitates exposure to alcohol advertising of children and adolescents during live sport broadcasts.

- Cinema advertising and sponsorships are currently not covered by regulatory arrangements.

⁵³⁶ Jones, S, Thom, J, Davoren, S & Barrie, L (2014) [Internet filters and entry pages do not protect children from online alcohol marketing](#), *Journal of Public Health Policy* 35, 75–90.

⁵³⁷ Gordon, R. (2011) An Audit of alcohol brand websites. *Drug and Alcohol Review*, 30, 638-644

⁵³⁸ Victorian Department of Human Services (2009) [Alcohol beverage advertising in mainstream Australian media 2005 to 2007: Expenditure and Exposure](#), Report commissioned by the Commonwealth Department of Health

⁵³⁹ Jones, S.C., Phillipson, L., Barrie, L. (2010). 'Most men drink...especially like when they play sports' – alcohol advertising during sporting broadcasts and the potential impact on child audiences. *Journal of Public Affairs*. 10: 59-73

⁵⁴⁰ Davoren, S.L and Sinclair, C.A. (2012). Children and adolescent exposure to alcohol advertising during Bathurst 1000. *Australian and New Zealand Journal of Public Health*. 36 (1), 90-91

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ABAC Determinations

Medium	Determination date	Year	Title	Determination number	Brand involved	Alcohol type	Producers or Retailers?	Key issues	Children appeal? (Y/N)	Code sections	Outcome
Outdoor	23 December 2013	2013	Thirsty Camel - Outdoor Advertisement	161/13	Thirsty Camel	All	Retailer	maturity responsibility and balance, excessive consumption/inconsistent with NHMRC guidelines	N	Part 1(a) Part 1(a)(i)	Dismissed
Television	23 December 2013	2013	Schweppes/Bacardi - Television Advertisement	130/13	Schweppes, Bacardi	Spirit	Producer	excessive consumption/inconsistent with NHMRC guidelines, underage drinking/appeal to underage, alcohol cause of change in mood, alcohol cause of success	Y	Part 1(a)(i) Part 1(a)(iii) Part 1(b) Part 1(c) Part 1(c)(i)	Upheld
Television	19 December 2013	2013	BWS - Television Advertisement	135-13	BWS	All	Retailer	maturity responsibility and balance, excessive consumption/inconsistent with NHMRC guidelines, underage drinking/appeal to underage, offensive behaviour & misuse, alcohol cause of change in mood, alcohol cause of success, alcohol cause of celebration, therapeutic benefit	Y	Part 1(a) Part 1(a)(i) Part 1(a)(iii) Part 1(b) Part 1(c) Part 1(c)(i) Part 1(c)(ii) Part 1(c)(iii)	Dismissed
Television, Outdoor	19 December 2013	2013	Tooheys Extra Dry - Television & Outdoor Advertisement	115-119-122-125-134-140-143/13	Tooheys Extra Dry	Beer	Producer		Y	Part 1(a) Part 1(a)(i) Part 1(a)(ii) Part 1(a)(iii) Part 1(b)	Dismissed

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Television	13 December 2013	2013	Carlton Draught Television Advertisement	95/13	Carlton Draught	Beer	Producer	maturity responsibility and balance, alcohol cause of change in mood, alcohol cause of success, alcohol cause of celebration	N	Part 1(a) Part 1(c) Part 1(c)(i) Part 1(c)(ii)	Dismissed
Digital	6 November 2013	2013	Oktoberfest - Internet	98/13	Oktoberfest	Beer	Retailer	maturity responsibility and balance, excessive consumption/inconsistent with NHMRC guidelines, underage drinking/appeal to underage, offensive behaviour & misuse, alcohol cause of change in mood, alcohol cause of success, alcohol cause of celebration	Y	Part 1(a) Part 1(a)(i) Part 1(a)(ii) Part 1(a)(iii) Part 1(a)(iv) Part 1(b) Part 1(c) Part 1(c)(i) Part 1(c)(ii)	Dismissed
Television	25 October 2013	2013	Club Eastside - Television	92/13	Club Eastside	All	Retailer	maturity responsibility and balance, alcohol cause of change in mood	N	Part 1(a) Part 1(c)	Dismissed
Outdoor	7 October 2013	2013	Carlton Draught - Sponsorship	89/13	Carlton Draught	Beer	Producer	maturity responsibility and balance, underage drinking/appeal to underage	Y	Part 1(a) Part 1(b)	Dismissed
Television	1 October 2013	2013	Tap King - Television Advertisement	90/13	Tap King	Beer	Producer	maturity responsibility and balance	N	Part 1(a)	Dismissed
Outdoor	20 September 2013	2013	Jimmy Brings - Outdoor Advertisement	91/13	Jimmy Brings	All	Retailer	excessive consumption/inconsistent with NHMRC guidelines, underage drinking/appeal to underage, offensive behaviour & misuse	Y	Part 1(a)(i) Part 1(a)(ii) Part 1(a)(iii)	Dismissed
Digital	14 August 2013	2013	Absolut Vodka Digital Advertisement	81/13	Absolut Vodka	Spirit	Producer	excessive consumption/inconsistent with NHMRC guidelines, offensive behaviour & misuse	N	Part 1(a)(i) Part 1(a)(iii)	Dismissed

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Television	13 August 2013	2013	Liquorland Television Advertisement	85-13	Liquorland	All	Retailer	underage drinking/appeal to underage, alcohol cause of change in mood, alcohol cause of success	Y	Part 1(a)(ii) Part 1(b) Part 1(c)(i)	Dismissed
Television	13 August 2013	2013	Liquorland Television Advertisement	82/13	Liquorland	All	Retailer	maturity responsibility and balance, excessive consumption/inconsistent with NHMRC guidelines, sport or hazardous activity	N	Part 1(a) Part 1(a)(i) Part 1(a)(iii) Part 1(d)	Dismissed
Radio	9 August 2013	2013	Coopers Radio Advertisement	74-13	Coopers Mild Ale	Beer	Producer	underage drinking/appeal to underage	Y	Part 1(a)(ii) Part 1(b)	Dismissed
Television	9 August 2013	2013	Liquorland Television Advertisement	79/13	Liquorland	All	Retailer	maturity responsibility and balance, excessive consumption/inconsistent with NHMRC guidelines	N	Part 1(a)(i) Part 1(a)(iii)	Dismissed
Television	1 August 2013	2013	Heineken Television Advertisement	72/13	Heineken	Beer	Producer	maturity responsibility and balance, offensive behaviour & misuse	N	Part 1(a) Part 1(a)(iii)	Dismissed
Digital	30 July 2013	2013	Liquorland Digital Advertisement	80/13	Liquorland	All	Retailer	maturity responsibility and balance, excessive consumption/inconsistent with NHMRC guidelines	N	Part 1(a) Part 1(a)(i) Part 1(a)(iii)	Dismissed
Print	23 July 2013	2013	Liquorland Print Advertisement	76/13	Liquorland	All	Retailer	maturity responsibility and balance, excessive consumption/inconsistent with NHMRC guidelines	N	Part 1(a) Part 1(a)(i) Part 1(a)(iii)	Dismissed
Television	15 July 2013	2013	Liquorland Television Advertisement	71/13	Liquorland	All	Retailer	maturity responsibility and balance, excessive consumption/inconsistent with NHMRC guidelines	N	Part 1(a) Part 1(a)(i) Part 1(a)(iii)	Dismissed

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Television	7 June 2013	2013	Bottlemart Television Advertisements	62/13	Bottlemart	All	Retailer	excessive consumption/inconsistent with NHMRC guidelines, challenge or dare to sample alcohol	N	Part 1(a)(i) Part 1(a)(iii) Part 1f	Dismissed
Print	4 June 2013	2013	Bottlemart Print Advertisement	65/13	Bottlemart	All	Retailer	maturity responsibility and balance, excessive consumption/inconsistent with NHMRC guidelines	N		Dismissed
Outdoor	2 May 2013	2013	J&B Scotch Whisky Outdoor Advertisements	40&44-53/13	J&B Scotch Whisky	Spirit	Producer	maturity responsibility and balance, excessive consumption/inconsistent with NHMRC guidelines, underage drinking/appeal to underage, alcohol cause of change in mood, alcohol cause of success	Y	Part 1(a)(i) Part 1(a)(ii) Part 1(a)(iii) Part 1(b) Part 1(c) Part 1(c)(i)	Dismissed
Television	2 May 2013	2013	Carlton Draught Television Advertisement	60/13	Carlton Draught	Beer	Producer	maturity responsibility and balance, alcohol cause of change in mood, alcohol cause of success, motor vehicle	N	Part 1(a) Part 1(c) Part 1(c)(i) Part 1(d)	Dismissed
Television	2 May 2013	2013	VB Television Advertisement	56/13	VB	Beer	Producer	maturity responsibility and balance, excessive consumption/inconsistent with NHMRC guidelines	N	Part 1(a)	Dismissed
Print	21 March 2013	2013	Harry Brown Liquor Print Advertisement	41/13	Harry Brown Liquor	All	Retailer	therapeutic benefit	N	Part 1(c)(iii)	Upheld
Television	19 March 2013	2013	Great Northern Beer Television Advertisement	35/13	Great Northern Beer	Beer	Producer	maturity responsibility and balance, motor vehicle, sport or hazardous activity	N	Part 1(a) Part 1(d)	Dismissed

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Television	14 March 2013	2013	Liquorland Television Advertisement	5-7,13-14,23,25-31/13	Liquorland	All	Retailer	maturity responsibility and balance, excessive consumption/inconsistent with NHMRC guidelines, underage drinking/appeal to underage, offensive behaviour & misuse, sport or hazardous activity	Y	Part 1(a) Part 1(a)(i) Part 1(a)(ii) Part 1(a)(iii) Part 1(a)(iv) Part 1(b) Part 1(d)	Upheld
Print	14 March 2013	2013	Cellarbrations Print Advertisement	21/13	Cellarbrations	All	Retailer	maturity responsibility and balance, excessive consumption/inconsistent with NHMRC guidelines	N	Part 1(a) Part 1(a)(iv)	Dismissed
Print	14 March 2013	2013	Bottle-O Print Advertisement	17/13	Bottle-O	All	Retailer	alcohol cause of success	N	Part 1(c)(i)	Dismissed
Television	18 February 2013	2013	VB Television Advertisement	9-12&32/13	VB	Beer	Producer	maturity responsibility and balance, sport or hazardous activity	N	Part 1(a) Part 1(d)	Upheld
Television	11 February 2013	2013	VB Television Advertisement	96/12	VB	Beer	Producer	underage drinking/appeal to underage	Y	Part 1(a)(ii) Part 1(b)	Dismissed
Cinema	11 February 2013	2013	Corona Cinema Advertisement	3/13	Corona	Beer	Producer	maturity responsibility and balance, motor vehicle, sport or hazardous activity	N	Part 1(a) Part 1(d)	Dismissed
Outdoor	11 February 2013	2013	Carlton Dry Outdoor Advertisement	1-2/13	Carlton Dry	Beer	Producer	excessive consumption/inconsistent with NHMRC guidelines, offensive behaviour & misuse	N	Part 1(a)(i) Part 1(a)(iii) Part 1(g)	Dismissed
Digital	24 January 2013	2013	Electric Playground Digital Advertisement	4/13	Electric Playground	All	Retailer	excessive consumption/inconsistent with NHMRC guidelines, offensive behaviour & misuse	N	Part 1(a)(i) Part 1(a)(iii) Part 1(g)	Dismissed
Outdoor	11 January 2013	2013	Corona Outdoor Advertisement	95/12	Corona	Beer	Producer	maturity responsibility and balance	N	Part 1(a)	Dismissed

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Print	21 December 2012	2012	Liquorland Print Advertisement	84 & 88/12	Liquorland	All	Retailer	maturity responsibility and balance, excessive consumption/inconsistent with NHMRC guidelines, underage drinking/appeal to underage, offensive behaviour & misuse, motor vehicle	Y	Part 1(a) Part 1(a)(i) Part 1(a)(ii) Part 1(a)(iii) Part 1(b) Part 1(d)	Dismissed
Outdoor	21 December 2012	2012	Hix Beer Outdoor Advertisement	83/12	Hix Beer	Beer	Retailer	underage drinking/appeal to underage	Y	Part 1(a)(ii) Part 1(b)	Dismissed
Television	7 December 2012	2012	Bottlemart Television Advertisement	85/12	Bottlemart	All	Retailer	maturity responsibility and balance, alcohol cause of change in mood, therapeutic benefit	N	Part 1(a) Part 1(c) Part 1(c)(iii)	Dismissed
Outdoor	7 December 2012	2012	Schweppes Outdoor Advertisement	82/12	Schweppes, Bacardi	Spirit	Producer	maturity responsibility and balance	N	Part 1(a)	Dismissed
Print	3 December 2012	2012	1st Choice Liquor Print Advertisement	80/12	1st Choice Liquor - Spiced Rums	Spirit	Retailer	alcohol cause of change in mood	N	Part 1(c)	Dismissed
Digital	27 November 2012	2012	Absolut Vodka Digital Advertisement	74/12B	Absolut Vodka	Spirit	Producer	underage drinking/appeal to underage	Y	Part 1(a)(ii) Part 1(b)	Dismissed
Print	26 November 2012	2012	Three Bears Wine Print Advertisement	73-12B	Three Bears Wine	Wine	Producer	underage drinking/appeal to underage	Y	Part 1(a)(ii) Part 1(b)	Upheld
Digital	22 November 2012	2012	Carlton Dry Digital Advertisement	74/12A	Carlton Dry	Beer	Producer	underage drinking/appeal to underage	Y	Part 1(a)(ii) Part 1(b)	Dismissed
Outdoor	7 November 2012	2012	Midori Outdoor Advertisement	76/12	Midori	Spirit	Producer	maturity responsibility and balance	N	Part 1(a)	Dismissed

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Print	28 September 2012	2012	BWS Print Advertisement	67/12	BWS	All	Retailer	alcohol cause of change in mood	N	Part 1(c)	Upheld
Television, Outdoor	20 August 2012	2012	Bundaberg Rum & BWS Outdoor & Broadcast Advertisement	64/12	Bundaberg Rum, BWS	Spirit	Producer	underage drinking/appeal to underage	Y	Part 1(a)(ii) Part 1(b)	Dismissed
Digital	16 August 2012	2012	Smirnoff Digital Advertisement	59/12	Smirnoff	Spirit	Producer	excessive consumption/inconsistent with NHMRC guidelines, underage drinking/appeal to underage, offensive behaviour & misuse, alcohol cause of success	Y	Part 1(a)(i)Part 1(a)(ii)Part 1(a)(iii)Part 1(a)(iv)Part 1(b)Part 1(c)(i)	Upheld
Digital	16 August 2012	2012	VB Digital Advertisement	58/12	VB	Beer	Producer	excessive consumption/inconsistent with NHMRC guidelines , underage drinking/appeal to underage , offensive behaviour & misuse , motor vehicle	Y	Part 1(a)(i) Part 1(a)(ii) Part 1(a)(iii) Part 1(d)	Upheld
Digital	16 August 2012	2012	Jack Daniels Honey Digital Advertisement	57/12	Jack Daniels Honey	Spirit	Producer	underage drinking/appeal to underage, offensive behaviour & misuse, motor vehicle, sport or hazardous activity	Y	Part 1(a)(ii) Part 1(a)(iii) Part 1(b) Part 1(d)	Dismissed
Outdoor	13 August 2012	2012	Tooheys New Outdoor Advertisement	63/12	Tooheys New	Beer	Producer	maturity responsibility and balance	N	Part 1(a)	Dismissed
Television	3 August 2012	2012	Tooheys Extra Dry Television Advertisement	61/12	Tooheys Extra Dry	Beer	Producer	alcohol cause of success	N	Part 1(c)(i)	Dismissed

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Digital	3 August 2012	2012	Vodka Cruiser Digital Advertisement	56/12	Vodka Cruiser	Spirit	Producer	excessive consumption/inconsistent with NHMRC guidelines, underage drinking/appeal to underage, alcohol cause of change in mood, alcohol cause of success, therapeutic benefit	Y	Part 1(a)(i) Part 1(a)(ii) Part 1(b) Part 1(c) Part 1(c)(i) Part 1(c)(iii)	Upheld
Television	23 July 2012	2012	Carlton Mid Television Advertisement	52/12	Carlton Mid	Beer	Producer	maturity responsibility and balance	N	Part 1(a)	Dismissed
Print	23 July 2012	2012	Carlton Mid Print Advertisements	50-51 & 53-55/12	Carlton Mid	Beer	Producer	maturity responsibility and balance	N	Part 1(a)	Dismissed
Television	14 June 2012	2012	Canadian Club Television Advertisement	47/12	Canadian Club	Spirit	Producer	maturity responsibility and balance, alcohol cause of change in mood, alcohol cause of success	N	Part 1(a) Part 1(c) Part 1(c)(i)	Dismissed
Print	21 May 2012	2012	Belvedere Vodka Print Advertisement	45/12	Belvedere Vodka	Spirit	Producer	maturity responsibility and balance, underage drinking/appeal to underage	Y	Part 1(a) Part 1(a)(ii) Part 1(b)	Dismissed
Cinema	1 May 2012	2012	Schweppes Cinema Advertisement	43/12	Schweppes, Johnnie Walker	Spirit	Producer	underage drinking/appeal to underage	Y	Part 1(a)(ii) Part 1(b)	Dismissed
Outdoor	1 May 2012	2012	Carlton Draught Live Sport Announcement	41/12	Carlton Draught	Beer	Producer	excessive consumption/inconsistent with NHMRC guidelines, underage drinking/appeal to underage, offensive behaviour & misuse, sport or hazardous activity	Y	Part 1(a)(i) Part 1(a)(ii) Part 1(a)(iii) Part 1(b) Part 1(d)	Dismissed
Television	1 May 2012	2012	Jim Beam Television Advertisements	32, 35-7 & 44/12	Jim Beam	Spirit	Producer	maturity responsibility and balance, excessive consumption/inconsistent with NHMRC guidelines, underage drinking/appeal to underage, offensive behaviour & misuse	Y	Part 1(a)Part 1(a)(i)Part 1(a)(ii)Part 1(a)(iii)Part 1(b)	Dismissed

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Outdoor	27 April 2012	2012	Budweiser Outdoor Advertisement	81/12	Budweiser	Spirit	Producer	maturity responsibility and balance, motor vehicle	N	Part 1(a) Part 1(d)	Dismissed
Radio	16 April 2012	2012	Wild Turkey Radio Advertisement	29/12	Wild Turkey	Spirit	Producer	underage drinking/appeal to underage	Y	Part 1(a)(ii) Part 1(b)	Upheld
Outdoor	27 March 2012	2012	Bundaberg Five Outdoor Advertisement	20/12	Bundaberg Five	Spirit	Producer	offensive behaviour & misuse, alcohol cause of success	N	Part 1(a)(iii) Part 1(c)(i)	Dismissed
Print	26 March 2012	2012	Skinnygirl Cocktails Print Advertisement	104-7/11	Skinnygirl	Spirit	Producer	excessive consumption/inconsistent with NHMRC guidelines, underage drinking/appeal to underage	Y	Part 1(a)(i) Part 1(a)(ii) Part 1(a)(iii) Part 1(b)	Upheld
Television	22 March 2012	2012	Strongbow Television Advertisement	18/12	Strongbow	Beer	Producer	sport or hazardous activity	N	Part 1(d)	Dismissed
Naming/packaging	22 March 2012	2012	Skinnygirl Cocktails Packaging	104 & 106/11	Skinnygirl	Spirit	Producer	underage drinking/appeal to underage	Y	Part 2(a)(ii) Part 2(b)	Upheld
Print	16 February 2012	2012	Liquorland Print Advertisement	13/12	Liquorland	All	Retailer	motor vehicle	N	Part 1(d)	Dismissed
Outdoor	16 February 2012	2012	Carlton Dry Outdoor Advertisement	119/11, 8-9 & 12/12	Carlton Dry	Beer	Producer	maturity responsibility and balance, excessive consumption/inconsistent with NHMRC guidelines, underage drinking/appeal to underage, motor vehicle	Y	Part 1(a) Part 1(a)(i) Part 1(a)(ii) Part 1(b) Part 1(d)	Dismissed
Naming/packaging	13 February 2012	2012	Bacchus Shot Bucket Packaging	112/11B	Bacchus	Wine, Spirit	Retailer	excessive consumption/inconsistent with NHMRC guidelines, underage drinking/appeal to underage	Y	Part 2(a)(i) Part 2(a)(ii) Part 2(a)(iii) Part 2(b)	Upheld

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Television	19 January 2012	2012	Woolworths Liquor Television Advertisement	5/12	Woolworths Liquor	All	Retailer	motor vehicle	N	Part 1(d)	Dismissed
Digital	18 January 2012	2012	XXXX Summer Bright Lager Digital Advertisement	6/12	XXXX Summer Bright Lager	Beer	Producer	underage drinking/appeal to underage	Y	Part 1(a)(ii) Part 1(b)	Dismissed
Digital	14 January 2012	2012	Crown Lager Digital Advertisement	118/11	Crown Lager	Beer	Producer	underage drinking/appeal to underage	Y	Part 1(a)(ii) Part 1(b)	Dismissed
Television	14 January 2012	2012	Heineken Television Advertisement	2/12	Heineken	Beer	Producer	underage drinking/appeal to underage	Y	Part 1(a)(ii) Part 1(b)	Dismissed
Digital	12 January 2012	2012	Liquor Home Delivery Catalogue Print and Digital Advertisement	112/11C	Liquor Home Delivery, Wild Turkey	Spirit	Producer	underage drinking/appeal to underage, sport or hazardous activity	Y	Part 1(a)(ii) Part 1(b) Part 1(d)	Dismissed
Naming/packaging	12 January 2012	2012	Midori Packaging	112/11A	Midori	Spirit	Producer	underage drinking/appeal to underage	Y	Part 2(a)(ii) Part 2(b)	Dismissed
Digital	23 December 2011	2011	SKKY Vodka & Thirsty Camel Digital Advertisement	91/11	SKKY Vodka & Thirsty Camel	Spirit	Producer, Retailer	underage drinking/appeal to underage	Y	Part 1(a)(ii) Part 1(b)	Dismissed
Outdoor	23 December 2011	2011	Fat Yak Pale Ale Outdoor Advertisement	115/11	Fat Yak Pale Ale	Beer	Producer	alcohol cause of success	N	Part 1(c)(i)	Dismissed
Print	23 December 2011	2011	Peroni Nastro Azzuro Beer	113/11	Peroni Nastro Azzuro Beer	Beer	Producer	motor vehicle	N	Part 1(d)	Dismissed
Outdoor	23 December 2011	2011	Bolt Lager Outdoor Advertisement	102/11	Bolt Lager	Beer	Producer	maturity responsibility and balance, excessive consumption/inconsistent with NHMRC guidelines	N	Part 1(a) Part 1(a)(i) Part 1(a)(iv)	Dismissed

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Print	23 December 2011	2011	Crabbies Ginger Beer Print Advertisement	101/11	Crabbies Ginger Beer	Beer	Producer	underage drinking/appeal to underage	Y	Part 1(b)	Dismissed
Print	21 December 2011	2011	Chandon Print Advertisement	103/11	Chandon	Wine	Producer	maturity responsibility and balance	N	Part 1(a)	Dismissed
Digital	15 December 2011	2011	Johnnie Walker Digital Advertisement	100/11	Johnnie Walker	Spirit	Producer	underage drinking/appeal to underage	Y	Part 1(a)(ii) Part 1(b)	Dismissed
Digital	12 December 2011	2011	Thirsty Camel Digital Advertisement	90/11	Thirsty Camel	All	Retailer	maturity responsibility and balance, excessive consumption/inconsistent with NHMRC guidelines, underage drinking/appeal to underage	Y	Part 1(a) Part 1(a)(i) Part 1(a)(ii) Part 1(a)(iii)	Upheld
Print	23 November 2011	2011	Liquor Barons Print Advertisement	93/11	Liquor Barons	All	Retailer	excessive consumption/inconsistent with NHMRC guidelines	N	Part 1(a)(i) Part 1(a)(iii)	Dismissed
Digital	23 November 2011	2011	eLiquorDirect Digital Advertisement	92/11	eLiquor Direct	All	Retailer	underage drinking/appeal to underage	Y	Part 1(a)(ii)	Dismissed
Television, Digital	8 November 2011	2011	Midori Product Placement	85/11	Midori	Spirit	Producer	maturity responsibility and balance, excessive consumption/inconsistent with NHMRC guidelines, underage drinking/appeal to underage, offensive behaviour & misuse, alcohol cause of change in mood, alcohol cause of success	Y	Part 1(a) Part 1(a)(i) Part 1(a)(ii) Part 1(a)(iii) Part 1(a)(iv) Part 1(b) Part 1(c) Part 1(c)(i)	Dismissed
Television	26 October 2011	2011	Woolworths Liquor Television Advertisement	88/11	Woolworths Liquor	All	Retailer	maturity responsibility and balance, excessive consumption/inconsistent with NHMRC guidelines, underage drinking/appeal to underage	Y	Part 1(a) Part 1(a)(i) Part 1(a)(ii) Part 1(a)(iii)	Dismissed
Television	26 October 2011	2011	Wild Turkey Television Advertisement	84/11	Wild Turkey	Spirit	Producer	maturity responsibility and balance, excessive consumption/inconsistent with NHMRC guidelines	N	Part 1(a) Part 1(a)(i) Part 1(a)(iii)	Dismissed
Outdoor	30 September 2011	2011	Dan Murphys Outdoor Advertisements	76-7/11	Dan Murphys	All	Retailer	underage drinking/appeal to underage	Y	Part 1(a)(ii) Part 1(b)	Dismissed
Cinema	30 September 2011	2011	Corona Cinema Advertisement	75/11	Corona	Beer	Producer	underage drinking/appeal to underage	Y	Part 1(a)(ii) Part 1(b)	Dismissed
Television	16 September 2011	2011	West End Television Advertisement	71/11	West End	Beer	Producer	maturity responsibility and balance	N	Part 1(a)	Dismissed

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Television	16 September 2011	2011	CUB Television Advertisement	70/11	Carlton United Brewers	Beer	Producer	maturity responsibility and balance, alcohol cause of change in mood, alcohol cause of success, alcohol cause of celebration, therapeutic benefit	N	Part 1(a) Part 1(c) Part 1(c)(i) Part 1(c)(ii) Part 1(c)(iii)	Upheld
Television	8 September 2011	2011	Bundaberg Five Television Advertisement	69/11	Bundaberg Five	Spirit	Producer	alcohol cause of change in mood, alcohol cause of success	N	Part 1(c) Part 1(c)(i)	Upheld
Television	8 September 2011	2011	Schweppes Johnnie Walker Television Advertisement	63/11	Schweppes, Johnnie Walker	Spirit	Producer	maturity responsibility and balance	N	Part 1(a)	Dismissed
Print	8 September 2011	2011	Little Bottlers Jim Beam Print Advertisement	61/11	Little Bottlers, Jim Beam	Spirit	Producer, Retailer	underage drinking/appeal to underage	Y	Part 1(a)(ii) Part 1(b)	Dismissed
Print	22 August 2011	2011	Infused Rush Vodka Print Advertisement	62/11	Infused Rush Vodka	Spirit	Producer	underage drinking/appeal to underage	Y	Part 1(a)(ii) Part 1(b)	Upheld
Print	17 August 2011	2011	Old Coast Road Brewery Print Advertisement	66-7/11	Old Coast Road Brewery	Beer	Producer	underage drinking/appeal to underage	Y	Part 1(a)(ii) Part 1(b)	Dismissed
Digital	17 August 2011	2011	Virgin Wines Digital Advertisement	60/11	Virgin Wines	Wine	Retailer	excessive consumption/inconsistent with NHMRC guidelines, underage drinking/appeal to underage, offensive behaviour & misuse, alcohol cause of change in mood, alcohol cause of success	Y	Part 1(a)(i) Part 1(a)(ii) Part 1(a)(iii) Part 1(b) Part 1(c) Part 1(c)(i)	Upheld
Radio	13 July 2011	2011	1st Choice Liquor Radio Advertisement	48/11	1st Choice Liquor	All	Retailer	excessive consumption/inconsistent with NHMRC guidelines, offensive behaviour & misuse	N	Part 1(a)(i) Part 1(a)(iii)	Dismissed
Cinema	12 July 2011	2011	Corona Cinema Advertisement	54/11	Corona	Beer	Producer	maturity responsibility and balance	N	Part 1(a)	Dismissed
Television	5 July 2011	2011	Carlton Draught Television Advertisement	41/11	Carlton Draught	Beer	Producer	alcohol cause of success, sport or hazardous activity	N	Part 1(c)(i) Part 1(d)	Dismissed
Outdoor	1 July 2011	2011	West Kempsey Hotel Print & Outdoor Advertisement	42-3/11	West Kempsey Hotel	All	Retailer	maturity responsibility and balance	N	Part 1(a)	Upheld
Digital	27 May 2011	2011	Maxx Blonde Beer Digital Advertisement	27/11	Maxx Blonde Beer	Beer	Producer	underage drinking/appeal to underage	Y	Part 1(a)(ii) Part 1(b)	Upheld
Outdoor	26 May 2011	2011	Dry Dock Premium Lager Outdoor Advertisement	35/11	Dry Dock Premium Lager	Beer	Producer	alcohol cause of success	N	Part 1(c)(i)	Dismissed

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Television	13 May 2011	2011	Thirsty Camel Television Advertisement	29, 34 & 37/11	Thirsty Camel	All	Retailer	underage drinking/appeal to underage	Y	Part 1(a)(i) Part 1(a)(ii) Part 1(a)(iii) Part 1(b) Part 1(c)(i)	Upheld
Digital	14 April 2011	2011	Sol Beer Digital Advertisement	24/11	Sol Beer	Beer	Producer	maturity responsibility and balance, underage drinking/appeal to underage, alcohol cause of change in mood	Y	Part 1(a) Part 1(a)(ii) Part 1(b) Part 1(c)	Dismissed
Digital, Print	25 March 2011	2011	Thirsty Camel Print & Digital Advertisement	22/11	Thirsty Camel	All	Retailer	maturity responsibility and balance, excessive consumption/inconsistent with NHMRC guidelines, underage drinking/appeal to underage, offensive behaviour & misuse	Y	Part 1(a) Part 1(a)(i) Part 1(a)(ii) Part 1(a)(iii) Part 1(b) Part 1(g)	Upheld
Digital	21 February 2011	2011	Jim Beam Digital Advertisement	7-8/11	Jim Beam	Spirit	Producer	underage drinking/appeal to underage	Y	Part 1(a)(ii) Part 1(b) Part 1(d)	Upheld
Outdoor	21 February 2011	2011	Jack Daniels Outdoor Advertisement	16/11	Jack Daniels	Spirit	Producer	alcohol cause of change in mood, alcohol cause of success	N	Part 1(c) Part 1(c)(i)	Dismissed
Television	21 February 2011	2011	VB Beer Television Advertisement	14, 20 & 21/11	VB	Beer	Producer	maturity responsibility and balance, offensive behaviour & misuse	N	Part 1(a)Part 1(a)(iii)	Upheld
Television	11 February 2011	2011	Bundaberg Rum Television Advertisement	13/11	Bundaberg Rum	Spirit	Producer	underage drinking/appeal to underage	Y	Part 1(a)(ii) Part 1(b)	Dismissed
Digital	10 February 2011	2011	Three Kings Digital Advertisement	10/11	Three Kings	All	Retailer	underage drinking/appeal to underage	Y	Part 1(a)(ii) Part 1(b)	Upheld
Print	2 February 2011	2011	Three Kings Print Advertisement	82 & 86/10	Three Kings	All	Retailer	underage drinking/appeal to underage	Y	Part 1(a)(ii) Part 1(b)	Upheld
Television	25 January 2011	2011	Bacardi Television Advertisement	4/11	Bacardi	Spirit	Producer	maturity responsibility and balance	N	Part 1(a)	Dismissed
Print	7 January 2011	2011	Liquor Barons Print Advertisement	80/10	Liquor Barons	All	Retailer	excessive consumption/inconsistent with NHMRC guidelines, alcohol cause of celebration, therapeutic benefit	N	Part 1(a)(i) Part 1(a)(iii) Part 1(c)(ii) Part 1(c)(iii)	Upheld
Outdoor	7 January 2011	2011	Bundaberg Rum & Yellowglen Outdoor Advertisements	79/10	Bundaberg Rum & Yellowglen	Beer, wine	Producer	underage drinking/appeal to underage	Y	Part 1(a)(ii) Part 1(b)	Dismissed

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APPENDIX I

Summary of Chief Adjudicator issues

Year	Issues for consideration	Actioned (Y/N)
2012	1. Alcohol advertising by alcohol retailers There has been a notable shift with alcohol retailers advertising more extensively and some alcohol retail outlets promoting their own branded alcohol products. In 2012, nearly a quarter of all Panel determinations came from advertisements by alcohol retailers. It's been the longstanding view of the Adjudication Panel that the strength of the Scheme would be enhanced if retailers as a block joined into the governance arrangements for the Scheme and utilised pre-vetting mechanisms. It's pleasing to note that discussions seeking to achieve this outcome have been progressing.	Yes, Coles and Woolworths have joined scheme Retailers as a block have not joined
	2 Non 'Advertising' forms of alcohol marketing The ABAC Scheme is specifically targeted at alcohol advertising. Other marketing in the form of sponsorship, such as of sporting or community events or through the placement of products in mainstream entertainment, periodically come before the Panel following a public complaint. While the Panel applies a spirit and intent approach to the reach of the ABAC Scheme, it is unable to extend the Scheme into areas which are clearly not intended to be covered through the design of the Scheme. It would be highly desirable for the issues of alcohol marketing at its widest to be considered in the forthcoming review of the ABAC Scheme.	No
	3 Code provisions A critical issue is whether the actual terms of the Code, as interpreted since the Panel commenced operation in 1998, continue to meet community expectations of good alcohol advertising practice. Of particular note is the Code provisions relating to underage drinking and the requirement that advertisements not have strong or evident appeal to children or adolescents. A significant proportion of complaints received by the Panel raise issues which enliven these provisions within the Code. This reflects a genuine concern in the community that alcohol should only be available to adults and that under aged persons should not be targeted by alcohol advertisers. A range of the Panel decisions in this area often raise matters of judgment upon which reasonable people might disagree. The Panel welcomes a careful consideration of the current provisions and their application by the Panel in various decisions to assess if the Code and the Panel is meeting policy aspirations in this area.	No
2011	1 Alcohol advertising by alcohol retailers The trend of the Panel making an increasing number of determinations relating to advertising by alcohol retailers has continued in 2011. The Panel continues to receive generally good cooperation from most retailers in its processes; however, it would be highly desirable for retailers as a group to be covered by the scheme and hence to run major advertising campaigns through the pre-vetting process.	Yes, Coles and Woolworths have joined scheme Retailers as a block have not joined
	2 Marketing v Advertising The ABAC Scheme does not purport to apply to all forms of marketing activity undertaken by alcohol beverage producers and suppliers, but rather only extends to advertising. This means that ABAC will not capture activity which cannot be fairly said to be "advertising".	No

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	Over recent years, and again in 2011, the Panel has received complaints about wider marketing activity by alcohol companies. While the Panel adopts a 'spirit and intent' approach to its interpretation of the ABAC Code and the scheme more broadly, it cannot unilaterally extend the reach of the scheme into areas which it is plainly evident that the scheme was not intended to capture. <u>Sponsorship</u> The Panel believes it is a very legitimate question of public policy if sponsorship activity by alcohol companies should be permitted and, if it is to be permitted, then whether there should be applicable standards of good practice to govern the form and type of sponsorship. These questions are for industry, health advocates and the Australian community, through their elected governments, to debate and resolve. <u>Product placement</u> In a case considered by the Panel, the alcohol product Midori was placed within a music film clip of an American pop band. The Panel concluded that product placement was not an 'ad' within the meaning of the ABAC Scheme and hence the Panel could not make a substantive decision as to whether the clip's portrayal of the use of the alcohol product was consistent with ABAC Standards. The practice of product placement is worthy of serious consideration as to whether a regulatory approach should be adopted to control the practice in Australia. <u>Gifts and giveaways with the sale of particular alcohol products.</u> The actual practice of the giveaway is not an 'ad' as such and does not fall within the ABAC Scheme. Often the promotion of the giveaway will be 'advertised' and this advertisement does fall within the scheme, but not the actual giveaway. The Panel believes the practice of gifts or giveaways should be considered by the Management Committee for inclusion in the ABAC Scheme or for some other form of review.	
	3 Direct marketing The Panel received its first complaints about email newsletters that contained alcohol beverage advertisements. The Panel considered the specific advertisements contained within the newsletters but the complainant's concerns extended to the availability of alcohol to minors via internet based sellers. The Panel referred to the Management Committee the policy question of whether direct marketing of alcohol via the internet should be subject to any further form of regulation to ensure that this method cannot be utilised to facilitate underage drinking.	No
	4 Placement In 2011 the Panel saw an increase in complaints about the placement of alcohol advertisements on the internet. There is no code that specifically restricts placement of alcohol advertisements on the internet. The ABAC does not prescribe the type of media within which an alcohol advertisement can be placed but, in assessing the standards as to the ad's content, the likely audience of a particular advertisement is relevant. The Panel has referred to the Management Committee the question of whether the ABAC should cover placement of alcohol advertisements on the internet.	No Note: ABAC release of guidelines for digital media marketing
	5 Drink Responsibly messages Several complaints during 2011 raised concerns about an alcohol advertisement's failure to include a 'drink responsibly' message within the body of the advertisement. There is no express provision within the ABAC requiring the inclusion of a responsibility message and a failure to contain such a message does not of itself constitute a breach of the Code. This pattern of complaints has been referred to the ABAC Management Committee.	No
2010	Social media Social media provides advertisers with the opportunity to build a direct relationship with an individual consumer in a much more effective	No Note: ABAC release of

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	manner than is possible by broadcast media such as television or print. It can facilitate an exchange between the advertiser and the product user by mechanisms such as user-generated content on advertisers' websites, or through direct exchanges between consumers over mediums such as facebook fan sites. For the ABAC adjudication processes, these developments and their use by alcohol companies raise obvious challenges. In part, these go to assessing whether a particular promotional activity is in fact "advertising" for ABAC purposes. If the activity does fall within the scope of the ABAC Scheme, then the highly dynamic nature of the medium can make even basic requirements, such as locating the actual images and text which have drawn a complaint, quite problematic. In 2010 the panel approached these issues on a case-by-case basis with individual determinations raising various policy and practical issues. Where "whole-of-scheme" issues have been raised, the policy questions have been drawn to the attention of the scheme's management committee. While it is fair to say that the scheme is coping with the challenges of new media, it would be desirable in the near future for an holistic examination of the scheme and its interaction with new media to be undertaken. In operational terms, the adjudication process	guidelines for digital media marketing
	Alcohol advertising by alcohol retailers An increasing number of determinations have related to advertising by alcohol retailers. The ABAC Scheme does not have coverage of all alcohol retailers. In practice, the panel has gained good cooperation from most retailers in its processes; however, it would be highly desirable for retailers as a group to be covered by the scheme and hence to run major advertising campaigns through the pre-vetting process.	Yes, Coles and Woolworths have joined scheme Retailers as a block have not joined
	Appeal of alcohol advertising to children and adolescents Substantive issues considered by the panel ranged across the various standards contained in the ABAC, with a number of determinations in 2010 going to section (a) (ii) and (b) relating to the appeal of alcohol advertising to children and adolescents. It is difficult to detect any discernable pattern in the types of issues raised in complaints from one year to another, given that a particular advertising campaign might attract a large number of complaints and, as a result, somewhat askew figures for comparative purposes. One thing that remains consistent is that invariably the panel is called upon to make difficult decisions concerning advertising which may attract quite different reactions from various audiences.	No
2009	1 Alcohol beverages and alcohol retailers The ABAC model assume that alcohol advertising will be for a specific brand of alcohol beverage and, to some extent, the code sits uneasily with complaints about advertising which is promoting an alcohol retail outlet rather than a specific type of beverage. Examples of this encountered in 2009 were Determinations 6/09, 48/09 and 55/09. An issue for the scheme's management committee is whether the scope of the ABAC should or could be widened to specifically include advertising by retail outlets that sell alcohol beverages which does not feature the promotion of a specific alcohol beverage brand.	Yes Retailer advertising is covered by the code
	2 Surrogate marketing The panel adopted a meaning of surrogate marketing in Determination 7/09 as "the indirect promotion of a product through the marketing of an associated product". Determination 7/09 concerned a TV advertisement for Domino's pizza featuring Jim Beam sauce. While the complaint was dismissed, the panel was obliged to consider if the ABAC standards on the advertising of specific alcohol beverages could be applied to an advertisement for an alcohol named but non-alcohol beverage product e.g. a pizza. The Determination explains the circumstances where the ABAC could apply to such advertising. In reaching this conclusion, the panel noted that it was making decisions which the scheme's management committee, and potentially Australian governments, should review.	No

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	Surrogate marketing of alcohol brands through the branding of non-alcohol products does not appear to be extensive in Australia; however, complaints have come to the panel about certain foodstuffs such as pizza and potato chips being branded with well-known alcohol company names. To date the concerns about this practice have been in essence that the promotion of alcohol brands in this way “normalises” alcohol use. The complaints have not particularly raised concerns about the way in which the advertising of the non-alcohol product has taken place. This is an issue, however, which warrants close monitoring.	
	3 Sponsorship A related issue to surrogate marketing is the sponsorship of various events or sports teams by alcohol companies. In 2009 the panel considered complaints about individual advertisements which flowed from wider sponsorship arrangements. As mentioned, the underlying model of the ABAC assumes direct advertising of a physical alcohol product and invariably complaints about alcohol company sponsorship test the ABAC framework. As with surrogate marketing, the policy issues raised by sponsorship are matters for the ABAC Management Committee and government to determine if either the ABAC Scheme requires some adjustment or some other policy response is called for.	No
	4 New media During the year the panel, in Determination 38/09, considered a complaint which related to alcohol promotion on a Facebook fan site. The threshold issue for the panel was whether the fan site was ‘alcohol beverage advertising’ for the purposes of the ABAC. The panel concluded that promotional material for the alcohol product on the site was advertising and a decision on the substantive question of the consistency of the promotional material and the ABAC standards was made. In the Determination, the panel noted that it had made a policy decision about the application of the code to social networking media and that the policy issues involved should be considered by the management committee.	No Note: ABAC release of guidelines for digital media marketing
	5 Drink Responsibly messages and Age Verification steps In Determination 43/09, the panel considered an argument raised by a complainant that a failure to contain such a message amounted to a breach of the ABAC. The panel concluded that there was no express provision within the ABAC requiring the inclusion of a responsibility message and that a failure to contain such a message did not constitute a breach of the code. A second issue raised in Determination 110/09 questioned if access to an alcohol promotion website should require a visitor to provide age verification. The ABAC contains no such requirement and the Panel found that the general code standards could not be interpreted to require an age verification procedure. The management committee may care to consider whether, in a subsequent review of the code, a positive requirement to contain a ‘drink responsibly’ message and age verification for website access might become code requirements.	No Note: ABAC release of guidelines for digital media marketing
2008	Point-of-sale carve-out The code does not however define point-of-sale advertising. The issue of whether a particular advertisement which has generated a complaint falls within the point-of sale carve-out has come before the panel on several occasions over the life of the ABAC, but in 2008 the panel undertook a comprehensive review as to the scope of the point-of-sale carve-out. The outcome of this review is contained in Determination 18/08. The panel concluded that point-of-sale advertising would incorporate material which: • is displayed adjacent to the point at which the alcohol beverage is purchased • is a fixture or akin to a fixture i.e. is not intended to be taken away from the premises by a customer • has limited exposure to a wider audience beyond the clientele of the premises from which the alcohol beverage is purchased. This ‘definition’ of point-of-sale advertising has been accepted by the scheme’s management committee. It is a matter of policy for the committee as to whether the point-of-sale carve-out continues to be justified in light of the scheme’s aims	No

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	and objectives and the practical implications of including all point-of-sale advertising within the scheme.	
	Code interpretation The code as a whole was last subject to holistic review in 2003, leading to changes to the code which came into effect in 2004. The panel draws the management committee's attention to several issues which have been the subject of internal debate by panel members in interpreting the code during 2008 and which might be reconsidered in any future review of the code. In Determination 02/08, the panel considered the various descriptions used throughout the ABAC in terms of alcohol use. Section (a) speaks of "a responsible approach to the consumption of alcohol". Section (c) speaks of the "consumption and presence" of alcohol, while section (d) deals only with the "consumption" of alcohol. Use of these different expressions gives various provisions of the ABAC a wider or lesser scope. Whether these differing expressions are playing an appropriate role and fulfilling the policy intent of the scheme should be included within the next holistic review of the code. This review should also consider whether section (d), which in part is the code's response to the public policy intent of combating drink driving, is sufficiently wide in its application to meet this policy goal. In Determinations 02/08, 01/08 and 82/07 the panel dealt with advertisements which raised alcohol and the use of vehicles. It is arguable that the provision could be recast slightly to capture the use of bicycles. Section (d) also provides for an 'exemption' of a kind for advertisements promoting a "low alcohol beverage" from the general standard contained in the section. The scope and intent of this 'exemption' was discussed in Determination 76/08. Again, this provision could be examined in a future review of the ABAC to assess whether the policy intent is being fully achieved.	No
	Sponsorship and the ABAC The ABAC was designed to apply good practice standards to alcohol advertising. The design of the code does not work well when considering various promotions, naming rights etc which arise from the sponsorship of sporting teams by alcohol producers. In Determination 26/08 the panel considered a complaint arising from the sponsorship by an alcohol producer of a motocross team competing in a national competition. The panel determined issues around advertising on a website and at a motocross event. The relationship between the ABAC and sponsorship more broadly raises policy issues which go beyond the role of the adjudication panel. It is apparent, however, that the ABAC Scheme, as it is currently configured, does not provide an adequate platform to assess sponsorship arrangements.	No
	Naming and Packaging During 2008 proposals were advanced for an extension of the ABAC Scheme to the naming of alcohol products and the labelling of products. It is envisaged that the panel and chief adjudicator will play particular roles in the extended scheme. The chief adjudicator has been consulted about the proposed scheme. The finalisation of the naming and packaging extension of the ABAC Scheme is a matter for the scheme's management committee.	Yes
2007	Timeframes for decisions The rules applying to the ABAC Adjudication Panel set down an objective for decisions to be finalised within 30 business days from the receipt of a complaint by the panel. Consistently meeting this objective when a determination is required has been problematic over the life of the ABAC scheme. In 2007 eight (8) complaints of the 87 complaints referred to the ABAC Panel took more than 30 days to be determined.	Yes

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	Expanding the panel's membership to add a second public health expert has also assisted on occasions in the securing of the available members to form a panel. Relationship between the ASB and the ABAC adjudication process The working relationship between the ASB and the ABAC Panel is vital in the smooth operation of the ABAC Scheme. In the 2006 Annual Report it was noted that there had been some difficulties experienced in the processing of complaints from the ASB to the panel's administration officer. In 2007 the process has worked well and has been facilitated by a number of procedural changes and refinements. The ASB has also extended the reach of its scheme to consider alcohol advertisements on the internet. A gap between the ASB and the ABAC schemes on this point was identified in the 2006 Report and it is pleasing that this potential problem has been overcome. The panel records its appreciation to the staff of the ASB for their cooperation and support for the ABAC complaints management process.	
	Governance of the complaints system The ABAC Scheme is governed by a management committee consisting of representatives of the sponsoring alcohol industry peak bodies, the Advertising Federation of Australia and government. The management committee plays no part in the panel's decision-making process. It does have a role in monitoring the performance of the ABAC Scheme as a whole and in reviewing the code itself to ensure it is meeting its objectives. As chief adjudicator of the panel, I report to the committee any issues which arise from particular determinations on the operation of the complaints scheme. Issues arising from 2007 determinations and discussed with the management committee have included: • the scope and meaning of 'point of sale' material • the inclusion of retail outlets e.g. Coles and Woolworths as members of the ABAC Scheme • the interplay of the pre-vetting scheme and complaints process • complaints raising matters regarding the naming and packaging of alcohol products.	• the scope and meaning of 'point of sale' material. No • the inclusion of retail outlets. Yes, Coles and Woolworths have joined scheme Retailers as a block have not joined • the interplay of the pre-vetting scheme and complaints process. Yes • complaints raising matters regarding the naming and packaging of alcohol products. Yes
2006	1. Interplay between the ASB and ABAC schemes Unfortunately some 29 alcohol complaints received in 2006 by the ASB were not subsequently received by the ABAC Executive Officer until 2007. In understanding how this problem arose, it appears that in some cases it occurred because of the changeover in the ABAC executive officer role and complaints being forwarded to an incorrect email address. In some other cases, it appears that the complaints were not referred on at all to the ABAC Executive Officer. To ensure that this occurrence is never repeated, new measures have been instigated to cross-check the receipt of complaints by the ASB and the ABAC Executive Officer. These measures ensure that both bodies undertake monthly reconciliations of complaints received and referred. A further issue with the interplay of the ASB and the ABAC scheme is the varied coverage of the two schemes. The ASB does not extend to complaints about advertising on the internet; whereas the ABAC scheme does include this medium. This means that a complaint about an alcohol internet advertisement which raises code of ethics issues will not be determined by the ASB. The ABAC Management Committee has resolved that all alcohol advertisement complaints should be considered and not dismissed purely because a particular advertising medium is not within the scope of the ASB scheme. Accordingly, in the case of internet	Yes

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advertisements, this means that the ABAC Adjudication Panel can potentially be called upon to decide on code of ethics issues. This is not particularly desirable, as it is the ASB which has the background and experience of applying the 'community standards' which are the essence of assessing if an advertisement offends the code of ethics on matters of taste and decency. The ABAC Adjudication Panel is not generally called upon to make these particular assessments and it does not have the benefit of considering the large number of complaints which raise code of ethics issues and which are the staple of ASB determinations. This means that there is the potential for the ABAC Adjudication Panel to have a quite different sense of the prevailing 'community standards' and reach quite different conclusions to those the ASB might reach. This would be overcome if the ABAC Adjudication Panel considered all complaints about alcohol advertisements, as it would deal with a sufficient number of code of ethics issues to develop a consistent and logical method of applying 'community standards' in code of ethics matters. It is understood this course of action was considered, but not ultimately adopted, following the major review of the ABAC system in 2003–2004. The best course would seem to be that the ASB should extend its coverage to include internet advertising, at least as far as alcohol advertising is concerned. Given the growth in internet promotion of products and the common practice of an advertisement featuring both on the internet and through another medium, such as television or print, the potential for this divergence in the coverage of the two schemes to become a serious problem is very real.	
2. Interplay between the ABAC pre-vetting process and the complaints process The ABAC Scheme consists of two separate elements, namely a pre-vetting process and the complaints process. The pre-vetting process and the complaints process are properly quite separate functions and are carried out by different people. The common theme between the two processes is that both are making judgments about the meaning of the ABAC provisions. Recognising the importance of a proper understanding of the approach adopted by the pre-vetting assessors in carrying out their role, the ABAC Adjudication Panel has moved to increase its engagement with the pre-vetting process. At first instance, this has involved a conference between the chief adjudicator and the scheme pre-vetting assessors to consider panel decisions made in 2006, which have upheld complaints about advertisements which have been approved through the pre-vetting process. It is planned to expand this level of engagement so as to ensure both panel members and the pre-vetting assessors identify differences in code interpretation and discuss the methodology each adopt in making decisions. Clearly, it is important for the integrity of the ABAC Scheme that stakeholders, both from industry and the public, have confidence that the ABAC will be applied in a consistent, methodical manner, properly informed by the public policy aspiration of responsible alcohol promotion. It is hoped that the resources available to the scheme will enable this level of engagement between the pre-vetting and the complaints process to deepen and expand over the next 12 months.	Yes
3. Sections (a) and (c) of the ABAC Section (a) provides in part that alcohol advertising must present a mature, balanced and responsible approach to the consumption of alcohol beverages and must not encourage excessive consumption, under-age drinking or misuse of alcohol. Section (c) deals with advertisements suggesting that the consumption or presence of alcohol may create or contribute to a significant change in mood or environment. The ABAC will be breached if an advertisement does suggest that alcohol has created a change in mood and if the advertisement depicts the consumption or presence of alcohol being a cause or contributor to success in life, including business, social and/or sexual success. These two provisions have featured in panel determinations which invariably required quite difficult 'on balance' judgments. Measures are well advanced to assist understanding of the panel's decisions through the listing of all panel determinations on an ABAC website	No

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	and through the development of guidelines to accompany the ABAC. These are welcome initiatives taken by the panel's management committee. It would also be valuable to periodically review the ABAC provisions to assess if the provisions are meeting the expectations of the various stakeholders to the scheme. For instance, if there was a concern about the use of sexual imagery in alcohol advertising, then section (c) could be amended to prohibit the use of sexual imagery, rather than the current provisions which allow sexual imagery but not the suggestion that alcohol is a contributor to sexual success. The actual terms of the ABAC are not a responsibility of the panel. It is the panel's role to fairly, impartially and to the best of its ability apply the ABAC to the complaints and the advertisements which come before the panel. Review of the ABAC provisions is a matter for the management committee and key stakeholders from government, industry and the public.	
2005	Timeframes The ability of the adjudication process to always satisfy the 30-day resolution timeframe in cases of a full determination remains a challenge. The problem is essentially one of cost and benefit. The Adjudication Panel members undertake their roles on a part-time basis and are not always able to attend to the determination process immediately. This fact, combined with problems sometimes encountered in properly identifying advertisements and advertisers and obtaining materials can make it difficult to meet the 30-day timeframe. It is a matter for the Management Committee, in reviewing the operation of the Scheme, to weigh up the costs and benefits of adopting various strategies to improve the decision-making timeframe. For instance: Procedural changes could be made to empower the Panel to make an interim decision based solely on the complaint without reference to the arguments of the advertisers. This decision could then be reviewed upon receipt of materials from the advertiser. Resourcing to the Panel could be increased and redirected to say replace the Executive Officer role with a full-time member of the Panel who is given responsibility to perform all secretariat functions and the initial drafting of determinations. Such an approach might be justified if all alcohol complaints, including those raising matters solely under the AANA Code of Ethics, as well as the ABAC, were determined by the Adjudication Panel. There are other measures which might be considered, e.g. additional panel members, the appointment of a Deputy Chief Adjudicator to take on some determination drafting and the conduct of some panel hearings. Essentially, consideration of these matters requires a judgment to be taken on the competing policy objectives of the ABAC Scheme. Speed of resolution of complaints is one objective: fairness and cost effectiveness are others.	Yes
	The comprehensive coverage of the ABAC Scheme The ABAC Scheme cannot 'cover the field' as it is not underpinned by legislative compulsion, but rather individual corporate commitment. By this it is meant that only legislation can compel, by force of law, compliance with a Code of Practice. Short of legislation, compliance is dependent on contractual commitments and goodwill. For the ABAC, 'gaps' in its coverage can arise from: alcohol advertisements from companies which are not members of an industry association committed to the ABAC the ABAC not applying directly to media outlets which run alcohol advertising occurring via a medium which is not captured by the ABAC a complaint raising an issue which does not fall within a provision contained within the ABAC or another code applying to advertising more generally. This observation is not raised as a criticism of co-regulation as it should be noted that 'gaps' also inevitably occur with legislative schemes; for instance, when a legislative code e.g. the Income Tax Act, fails to pick up new activities which then require subsequent amending legislation. In fact, as a general observation, an advantage of a co-regulatory system is its ability to react more quickly to 'gaps' than a legislative system. In 2005, an issue concerning the coverage of the ABAC emerged, arising from an advertisement for Cougar bourbon. The advertisement	No

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	attracted complaints on the basis that it encouraged the intimidation of persons who utilised the public complaints process to actually complain about alcohol advertising. The complaints revealed two 'gaps' in the ABAC system. Firstly, the issue raised was not on its face within the scope of either the ABAC or the AANA Code of Ethics. Accordingly, it was not obvious that either the ASB or the ABAC Adjudication Panel had jurisdiction to determine the complaint. This 'gap' was resolved by the decision of the Panel, supported by the management committee, to deal with the complaint. This means that the ABAC and the Adjudication Panel will act as a safety net to ensure that all complaints have a home. This in turn revealed the second 'gap' in that, while the Panel considered the advertisement inappropriate, there was no section of the ABAC which could be fairly interpreted as actually prohibiting the advertising. In the event, the advertiser itself, upon receiving the complaints, withdrew the advertisement. The Panel, however, felt obliged to dismiss the complaint as the ABAC did not envisage a complaint of this nature. The Management Committee may care to consider if the ABAC needs amending to make clear that advertising must not discourage the making of complaints.	
	The use of sexual imagery in alcohol advertising A consistent theme in complaints is the use of sexual imagery. Often the complaints go to issues of sexism which are dealt with under the AANA Code of Ethics and considered by the ASB. In other cases, the issue is whether the advertisement is breaching the standard laid out in section (c) of the ABAC. Section (c) provides that advertisements for alcohol beverages must not suggest that the consumption or presence of alcohol beverages may create or contribute to a significant change in mood or environment and accordingly: i) Must not depict the consumption or presence of alcohol beverages as a cause of, or contribution to, the achievement of personal, business, social, sporting, sexual or other success. This ABAC provision has been dealt with in a number of difficult decisions made by the Panel in 2005. While the Panel approaches its role mindful of the spirit and intent of the ABAC and the importance of securing responsible alcohol advertising, it can only apply the ABAC as it is drafted. The management committee may wish to consider section (c) of the ABAC and assess if it is meeting community expectations in terms of the use of sexual imagery in alcohol advertising.	No
2004	Maintaining timeframes The ABAC Complaints Panel aims to determine complaints within 30 days of the receipt of the complaint from the ASB. It is often difficult to satisfy this goal because of: • the need to properly identify the advertisement and advertiser the complaint is about • the need to await receipt of the advertisement to frame the questions to be directed to the advertiser to obtain a response to the complaint • the logistics of drawing together Panel members to hear the complaints when all members are part-time and have competing demands on their time • the desire of the Panel to produce detailed written determinations which fairly set out the issues raised in the complaints. The Management Committee should consider if it would prefer much shorter written determinations (similar to the decisions of the ASB) in order to reduce timeframes in determining complaints.	Yes
	Multiple Complaints While 212 complaints were received in 2004, only 23 advertisements were involved. At present the process for determining if a complaint is to be dealt with under the AANA Code of Ethics, the ABAC or both is as follows: • All complaints are received by the ASB which forwards them to the Chief Adjudicator for assessment as to whether the issues raised are solely within the AANA Code of Ethics.	No

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• The Chief Adjudicator examines the wording of the complaint only. No assessment of the advertisement is undertaken. • As nearly all complaints are not framed with reference to either the ABAC or AANA Code of Ethics, the assessment of the complaint goes to judging the 'sense' or 'essence' of the complainant's concern. The vast majority of complaints do not raise issues about the responsible consumption of alcohol, but rather about the portrayal of women or issues of good taste. In this way, the product being advertised is less of a concern to the complainant than the way it is advertised. Some advertisements attract a large number of complaints. The practice of the ASB appears to be that once a determination is made, all subsequent complaints about the same advertisement are considered and resolved by the single determination. In contrast, the practice of the ABAC Scheme is to review each complaint individually, even though the clear sense of previous complaints about the same advertisements is that it raises issues solely under the AANA Code of Ethics. The Management Committee should consider if the current practice of confining assessments of complaints to the matters raised in the complaint should be retained. With multiple complaints, it is possible that this practice could lead to several determinations about the single advertisement being required.	
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APPENDIX J

ACCC Media Release

ACCC Grants Authorisation to Retailer Alert Scheme

2 November 2007

The Australian Competition and Consumer Commission has issued a final determination granting conditional authorisation to a Retailer Alert Scheme, which is designed to deal with inappropriately named or packaged alcohol products.

The Retailer Alert Scheme provides a national system for the removal of inappropriately named or packaged alcohol products from the market. If a complaint about the name or packaging of an alcohol beverage is made, and the product is found not to comply with the Alcohol Beverages Advertising (and Packaging) Code, then a Retailer Alert will be issued. Retailers who are signatories to the code have agreed not to place further orders for stock that is the subject of a Retailer Alert. Suppliers who are signatories to the code, and whose products are the subject of a Retailer Alert, have agreed to cease supplying non-compliant stock to the market, and to reimburse retailers for non-compliant stock returned to the supplier.

"The ACCC accepts that inappropriate naming and packaging of alcohol products may contribute to unsafe drinking patterns and underage drinking," ACCC Chairman, Mr Graeme Samuel, said today. "The ACCC considers that the Retailer Alert Scheme will deliver a benefit to the public by providing a national system for the removal of inappropriately named or packaged alcohol products from the market."

The ACCC has granted authorisation subject to three conditions. The first condition requires the applicants to remove the scheme's 'grandfather' provisions, which would have protected pre-existing products from the sanctions of the scheme.

"The ACCC considers that the objectives of the Retailer Alert Scheme will only be met if retailers and suppliers are obliged to remove all non-compliant products from the market, regardless of when the products first entered the market," Mr Samuel said.

In a submission to the ACCC, the applicants have stated that there will be little or no industry buy-in if the 'grandfather' provisions are removed. The applicants are effectively arguing that industry may choose not to sign up to the scheme (which they contend, and the ACCC has agreed, is in the public interest) if the requirement for the 'grandfather' provisions to be removed is continued.

"The ACCC has made its determination based on the tests set out in legislation and in the public interest," Mr Samuel said. "It will not allow the applicants to dissuade it from making the right decision based on claims that industry will walk away from the scheme. The 'grandfather' provisions are entirely inconsistent with the Retailer Alert Scheme, and the applicants have not put forward any persuasive arguments which support their inclusion in the scheme."

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"The ACCC considers that if the applicants support the objective of the Retailer Alert Scheme, the contents of the ABAP code, and the process by which complaints will be handled, then they should be willing to allow the sanctions of the Retailer Alert Scheme to apply to all non-compliant products."

The second condition requires non-compliant products to be removed from the market within 30 days of a Retailer Alert being issued.

The third condition requires the applicants to provide the ACCC with a report, by no later than 31 March 2011, regarding the results of an independent review to be conducted into the effectiveness of the Retailer Alert Scheme. The report must include details regarding the education campaign conducted in relation to the scheme.

The final determination will be available from the ACCC website.

Related register records: The Distilled Spirits Industry Council of Australia and others – Authorisation – A91054 – A91055⁵⁴¹

⁵⁴¹ Authorisation A91054 – A91055 <http://registers.accc.gov.au/content/index.phtml/itemId/789886>

APPENDIX K

Australian Competition and Consumer Commission – Authorisations

The ACCC can ‘authorise’ businesses to engage in anti-competitive arrangements or conduct when it is satisfied that the public benefit from the arrangements or conduct outweighs any public detriment. Authorisation provides protection from legal action under the *Competition and Consumer Act 2010*.

The ACCC may, if the relevant public benefit test is met, authorise conduct that might constitute anti-competitive conduct (such as a cartel provision, an exclusionary provision (primary boycott), an anti-competitive agreement, and so on).

The ACCC will generally conduct a public consultation which invites submissions on the application from interested parties. All relevant submissions (unless a claim for confidentiality is granted) by the applicant and interested parties and the ACCC’s draft and final determinations are placed on the authorisations public register. Before issuing its final decision the ACCC must issue a draft determination stating whether it proposes to grant or deny authorisation, whether any conditions are proposed and setting out the reasons for its proposed decision. The applicant for authorisation and interested parties are invited to respond to the draft determination, either by providing written submissions or by calling a pre-decision conference. A pre-decision conference gives the applicant or interested parties an opportunity to discuss the draft decision and to put their views directly to an ACCC commissioner. The ACCC then makes a final determination, which may grant authorisation, grant authorisation subject to conditions or deny authorisation.