

# Framing the alcohol advertising regulation debate



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The advertising and media industries are bracing for stricter government regulation of <u>alcohol advertising</u>. It is an incredibly complex and global issue, so here is a framework to help contextualise what is actually going on.

Health minister Dr Aaron Motsoaledi has been <u>positioned</u> as a campaigner mobilising the "international community against harmful foodstuffs" by his department. Dr Motsoaledi argues that non-communicable diseases are preventable through the promotion of healthy lifestyles, which would include moderating alcohol intake and eating less fast food.

# Debate heavily influenced

However, the debate around access to and the promotion of alcohol is global in scale, and heavily influenced by influential organisations such as The World Health Organisation (WHO).

At the <u>Second Biennial Substance Abuse Summit</u> held in March 2011, delegates "took cognisance of the need to restrict access to alcohol through regulation of sales and marketing, taxation and restrictions on the legal age of purchase - despite alcohol, like tobacco, being a legal substance".

The summit then resolved to "facilitate effective governance of alcohol, including production, sales, distribution, marketing, consumption and taxation".

#### **Proposals from summit**

Proposals include raising the legal age for the purchasing and public consumption of alcohol from the age of 18 to the age 21 (to which critics retort - so you can drive, get married and have sex but you can't have a drink - and put like that, yes, it sounds ridiculous) and tighter restrictions on the time and days of the week that alcohol can be legally sold (so you have to buy bulk like you do for Sundays).

The summit would also like to see a reduction in the number of liquor outlets, further raising of duties and taxes on alcohol products, prescribing measures for alcohol containers including its form, warning labels and the percentage alcohol content, another 'Independent Fund' to tax the alcohol industry a bit further, launch of anti-alcohol campaigns and harsher punishment for anybody contravening any of the new regulations.

A further reduction in the current legal alcohol limit for drivers, disallowing novice drivers (0-3 years after obtaining a driving license) from consuming any alcohol before driving and setting an example to the public by ensuring that all public service

functions are alcohol-free, were all put on the table at the summit. It would also set up more rehabilitation and aftercare centres and look closely at home/privately-brewed alcohol.

# Call for banning of all sponsorship

Finally, the summit called for the banning on all sponsorship by the alcohol industry for sports, recreation, arts and cultural and related events.

The department of health (DOH) expects a draft <u>Integrated Strategy</u> (warning: PDF file) "reflecting existing and new [government] interventions on amongst others the 'harmful use of alcohol' and 'poor diet'" being compiled by May 2012 (it seems likely the minister will be targeting the fast food industry and its advertising practices as well).

In its report 'Monitoring Alcohol Marketing in Africa - MAMPA Project', compiled for the WHO, the MAMPA paper reports that 2.2% of all deaths in sub-Saharan Africa and 2.5% of all adjusted life years are related to alcohol.

#### Increasingly focused on emerging markets

The WHO, quite correctly by the way, notes that the giant alcohol companies, such as SABMiller, Heineken, Diageo, Carlsberg and Anheuser-Busch Inbev, are increasingly focused on emerging markets, including those in Africa, to grow their businesses.

It seems like a prudent time to debate the merit of government intervention in the alcohol industry as a result, although the extent to which such intervention is required is a debate happening not only here but also in developed economies.

The WHO notes the growing dependence of society on alcohol producers and distributors in terms of economic benefits, such as employment and investment in infrastructure and taxation, and the reliance of media and events on sponsorship from alcohol advertising. It calls on governments to "heavily restrict or to prohibit alcohol advertising to prevent a one-sided and positive image on the risks of alcohol and to restrict the volume".

# Language isn't flattering to Africa

Look - the language of the MAMPA paper isn't exactly flattering to Africa; its peoples are described as 'vulnerable African societies' (a. we are prouder than that and b. all societies are vulnerable to consumption abuse) while "limited resources prevent governments from taking adequate measures".

When the authors of the report gush that "[t]here is no time to waste, since the alcohol industry is already present in Africa on a large scale and is actively strengthening their position in the African market to increase the annual level of alcohol consumption in the continent", it gives a clear perspective of their views on the supposed homogeneity of African societal and political systems, as well as the negative role big business plays in exploiting us.

Of course, it's not that simple. The idea that uniform solutions to a major social issue can be effectively applied across an entire continent is naïve, and removes the flexibility required for debate and discussion to take place which also takes into consideration local developmental needs and regulatory environments - something we happen to value in democratic societies.

# Valid point

Where the authors of the WHO do make a valid point is when they write that advertising portrays alcohol "as an emblem of success, and a symbol of heroism, courage and virility". It does, and it shouldn't.

Rather tellingly, the MAMPA paper states that "there is inconclusive evidence from the studies of restrictions of alcohol advertising on the effectiveness of alcohol marketing bans", but then continues that "a comprehensive ban on advertising,

promotion and sponsorship would reduce alcohol-related harm, and that self-regulation is an ineffective mechanism to reduce alcohol-related harm, effective legislation is necessary to strictly regulate alcohol marketing activities".

#### Affect brands, not alcohol abuse

So, in essence, the industry is arguing that an ad ban on alcohol advertising would affect brands but not alcohol abuse, which is what the DOH really attempts to achieve. As Naidoo says, he doesn't see any advertising for weed, yet consumption continues unabated.

Because of the number of government departments involved, including the departments of health, social development, transport, trade and industry (dti), etc., it's difficult to make any headway in discussions with Government, as staff come and go, and the priorities of the different departments shift, says Naidoo.

Meanwhile, the advertising industry will be hugely impacted - Lowe Bull's own media agency, <u>Initiative Media</u>, will be gone if a complete ban on advertising came into place (80% of its business comes from SAB), says Naidoo, while major agencies such as Ogilvy, Draftfcb and BBDO, all with alcohol brands on their books, will be severely impacted.

#### Impact on investment

Not only will agencies lose revenue and be forced to retrench staff - international partners find the current process unsettling, impacting on investment in the country's creative industry.

The industry is working closely with the <u>Industry Association for Responsible Alcohol Use</u> (ARA) - a non-profit whose members include SAB Ltd, Distell, Brandhouse, KWV and many others.

The current debate is a complex one.

On the one hand, most would reject the advertising industry's assertion that alcohol advertising exists solely to build brands and that in no way is it aimed at increasing levels of consumption. As the market expands, alcohol brands win and so do their agencies - with no regulation in place, it would not serve their self-interest or that of their shareholders to not encourage volume and market growth. If you grow an alcohol brand, you probably also grow its market.

#### Aspirational messaging

At the same time, it's clear that advertising targets the young adult market (of legal age - agreed) with aspirational messaging. The glamorous messaging agencies created are now the weapon used against by its opponents - yet I haven't seen advertisers or brands pull back from this strategy - have you, <u>Vuyo</u>?

On the other hand, Government is prepared to wreak economic havoc to the tune of <u>R2.6 billion</u> per annum in the media and ad industries alone. While the WHO itself declares that the effectiveness of alcohol marketing bans cannot yet be determined.

As I mentioned earlier, the debate is a global one, and it is worth looking at how other countries are implementing regulations to ensure a balance between the interests of society and those of industry.

## International advertising codes

The <u>UK Broadcast Advertising Standards Code</u> states, among other points, that:

- Advertisements must neither imply that alcohol can contribute to an individual's popularity or confidence nor imply that alcohol can enhance personal qualities.
- Advertisements must not imply that drinking alcohol is a key component of social success or acceptance or that
  refusal is a sign of weakness. Advertisements must not imply that the success of a social occasion depends on the
  presence or consumption of alcohol.
- Advertisements must not link alcohol with daring, toughness, aggression or unruly, irresponsible or antisocial behaviour.
- [Ads may not] "...include a person or character whose example is likely to be followed by those aged under 18 years or who has a strong appeal to those aged under 18". (SA code: Commercial communication may not employ images or icons that have unique appeal to children.)

The UK Non-Broadcast Advertising Standards Code also states that "marketing communications must not be likely to appeal particularly to people under 18, especially by reflecting or being associated with youth culture".

Stronger regulations, coupled with a system to clear ads before flighting rather than one relying on consumer complaints, if implemented here (the SA <u>advertising code</u>] as per the Advertising Standards Authority of SA, <u>currently up for annual review</u>, seems to allow more flexibility than the UK code), would probably see off most of the alcohol advertising current featured in SA media.

#### "Alcoholic drinks are not ordinary consumer goods"

In Europe, <u>Egta</u> (the Association of Television and Radio Advertising) acknowledges that "alcoholic drinks are not ordinary consumer goods" and that "certain legislative measures restricting the advertising of alcoholic beverages on broadcast media have been implemented at EU level for more than 20 years".

The European Centre for Monitoring Alcohol Marketing (EUCAM) has <u>data</u> that shows many European countries ban alcohol advertising between 6am and 9pm, while France and Norway bans all alcohol advertising on TV. Last time I checked, the media and ad industries in Europe were still functioning.

And in Australia, the government there has decided to "pursue voluntary and collaborative approaches with the alcohol industry to promote a more responsible approach to alcohol in Australia before considering more mandatory regulation" which includes a (still) optional pre-vetting system to help advertisers ensure their ads comply with the code before they are published.

#### Australian government monitoring compliance

The Australian government will be monitoring "the compliance of the alcohol industry with voluntary codes of practice and other commitments on responsible alcohol advertising; monitor industry-funded efforts to conduct evidence-based social marketing on responsible drinking; and report annually to the Minister for Health and Ageing on these activities."

It might still undertake a staged-approach phase-out of alcohol promotions from times and placements which have high exposure to young people aged up to 25 years.

The global debate on alcohol advertising has swung against alcohol brands and their agencies. Regulation - be it through government-monitored self-regulation, or direct regulation limiting the reach of alcohol advertising - seems inevitable in this context.

# SA ad industry will do itself a disservice

The local ad industry will do itself a disservice in rejecting all attempts to regulate alcohol advertising - instead, it should

focus on tightening its own rules while offering Government oversight of its performance in enforcing these.

It should also steer clear from the doom-and-gloom scenario of an industry collapsing in on itself through the loss of adspend - other markets have survived worse.

The industry should take care to balance its own interests with those of the DOH and civil society - it lacks public support and sympathy on the matter of alcohol advertising, and should be careful not to back itself into a corner with alcohol brands themselves.

## The challenge

The challenge now is to direct the dialogue away from the sweeping statements (such as blanket bans) by organisations, such as the WHO, to solutions that better manage the social and human development needs of our country with the need for economic sustainability and growth.

It seems to be the only argument Government would consider listening to, and finally places both parties at the same table to solve the same problem. And, if some common sense prevails, the industry - and South Africans - will be better off than with the alternatives (blanket ban vs. no government intervention) currently on the table.

Note: The Department of Health was contacted for comment, which Bizcommunity.com had not received by the time of publishing. All information regarding legislation is taken from the most recent policy documents of various government departments, including health and social development.

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