

Response to the report of the Ministerial Forum on Alcohol Advertising and Sponsorship (MFAAS)

THE INDEPENDENT EXPERT COMMITTEE ON ALCOHOL ADVERTISING AND SPONSORSHIP

The Independent Expert Committee on Alcohol Advertising and Sponsorship (IECAAS) was formed in 2014 to monitor the progress and recommendations of the Ministerial Forum on Alcohol Advertising and Sponsorship (MFAAS).

IECAAS consists of the following members:

- Professor Jennie Connor, University of Otago, Dunedin
- Professor Janet Hoek, University of Otago, Dunedin
- Professor Antonia Lyons, Massey University, Wellington
- Mr Shane Bradbrook, Wellington
- Ms Amy Robinson, Alcohol Action NZ, Auckland
- Professor Mike Daube, Curtin University, Perth
- Professor Doug Sellman, University of Otago, Christchurch
- Professor Peter Joyce, University of Otago, Christchurch (Chair)

IECAAS is sponsored by Alcohol Action NZ, an incorporated society led by medical professionals, that advocates for evidence-based alcohol policy to reduce harm from alcohol.

No member of IECAAS has received funding from the alcohol industry or has other conflicts of interest to disclose.

1. Introduction

This report provides independent feedback on the report and recommendations of MFAAS, made public by the government on 17th December 2014.

MFAAS made the following 14 recommendations:

- (1) Ban alcohol sponsorship of all streamed and broadcast sport
- (2) Ban alcohol sponsorship of sports (long term – 5-10 years)
- (3) Ban alcohol sponsorship (naming rights) at all venues
- (4) Ban alcohol sponsorship of cultural and music events where 10% or more of participants and audiences are younger than 18
- (5) Introduce a sponsorship replacement funding programme
- (6) Introduce a targeted programme to reduce reliance on alcohol sponsorship funding
- (7) Ban alcohol advertising during streamed and broadcast sporting events
- (8) Ban alcohol advertising where 10% or more of the audience is younger than 18
- (9) Further restrict the hours for alcohol advertising on broadcast media (5am – 9.30pm)
- (10) Continue to offset remaining alcohol advertising by funding positive messaging across all media (one moderation message for every five alcohol promotional messages)
- (11) Introduce additional restrictions on external advertising on licensed venues and outlets (<50% of windows and buildings able to include alcohol advertising)
- (12) Establish an independent authority to monitor and initiate complaints about alcohol advertising sponsorship
- (13) Establish a mechanism to identify and act on serious or persistence breaches of advertising standards
- (14) Establish a multi-stakeholder committee to periodically review and assess advertising standards complaint board decisions and pre-vetted advertising

We strongly support several recommendations set out in the Ministerial Forum on Alcohol Advertising and Sponsorship report (October 2014). We consider recommendations to ban alcohol sponsorship of sports (long term), and ban advertising during streamed and broadcast sporting events particularly important.

While we acknowledge MFAAS's work, we also note omissions in their report that require urgent attention. Most importantly, we note the absence of any recommendation to restrict alcohol marketing through social media. In response to this omission, a special commentary has been included in this report from one of New Zealand's experts in this area, Professor Antonia Lyons.

We are also concerned about the report's focus on young people. While it is imperative that children and young people are protected from alcohol marketing, protection also needs to continue well beyond childhood and adolescence. We call for wider recognition of the fact that alcohol marketing affects the whole population, not simply selected subsets.

In contrast to the Ministerial Forum, IECASS believe continuation of an alcohol/advertising industry self-regulation model fails to recognize public health concerns that should take precedence over commercial interests. While this model has very successfully advanced the agendas of the advertising and alcohol industries, it has not promoted the public good, in New Zealand or elsewhere.

This paper briefly outlines the context in which the MFAAS report was delivered; acknowledges positive outcomes of the Ministerial Forum's work; notes concerns about the Forum's conclusions and recommendations, and, finally, provides independent advice that would reform alcohol advertising and sponsorship in New Zealand, and reduce the public harm this marketing currently causes.

2. Background

The New Zealand Law Commission undertook an extensive consultative process in its review of the liquor laws, and reviewed the evidence provided from international research on strategies to reduce harm from alcohol, resulting in the 2010 publication "*Alcohol in our lives: Curbing the harm*". That report outlined several measures to reduce harm from alcohol, including recommendations to regulate alcohol marketing.

The Law Commission recommended a staged approach to implementing tighter controls on alcohol advertising, sponsorship and promotion of alcohol. They proposed establishing a new regime within five years, with an interdepartmental committee to plan and implement a programme staged over five years to limit exposure to alcohol promotion.

In Stage 1 of the programme, the Law Commission recommended that a new offence of irresponsible promotion of the consumption and supply of alcohol should be implemented immediately. This recommendation was adopted in the Sale and Supply of Alcohol Act 2012.

For Stage 2, legislative changes aimed at reducing exposure to advertising, particularly for young people were recommended. This included removing promotion from television before 10pm, from public transport, from movie theatres when films were not R18, and from sports and cultural events that included young people. Regulation of internet-based promotions, banning of use of alcohol as prizes or incentives, and removing product depictions from sponsorship were also recommended.

Stage 3 recommendations were to implement restrictions including: messages and images may refer only to the qualities of products, such as origin, composition, means of production and patterns of consumption; the banning of images of drinkers or the depiction of a drinking atmosphere; only allowing advertising in press with a majority readership over 20 years of age; no alcohol-related sponsorship of any cultural or sport events or activities.

The Law Commission stated the longer term goal as "*to put in place a regime that makes more fundamental changes. No alcohol advertising should be allowed in any media other than advertising that communicates objective product information, including the characteristics of the beverage, the manner of its production and its price.*"

IECAAS has not identified any scientific literature published since 2010 that would counter the recommendations outlined in the final report of the Law Commission.

3. Positive features of the MFAAS report

We found that the Ministerial Forum had:

1. Listened to evidence put forward by experts and community groups that underpins the need for increased restrictions to the marketing of alcohol in New Zealand.
2. Developed explicit and excellent decision-making principles.
3. Accepted that alcohol marketing plays a role in heavy alcohol consumption and subsequent harm. Specifically, the Forum's report identifies the association of exposure to alcohol advertising and sponsorship with earlier age of initiation to drinking alcohol and increased consumption, which in turn lead to greater harm.
4. Concluded that the current level of exposure of young people to alcohol advertising and sponsorship is unacceptable and can be reduced, and that the total cost of alcohol-related harm is enough to justify further restrictions.
5. Asserted that young people need to be protected from alcohol marketing by regulation.
6. Acknowledged the limitations of self-regulation highlighted by the Law Commission Report.
7. Understood the importance of de-coupling sports and other passions from alcohol by recommending a ban on alcohol sponsorship of sports (long term) and on alcohol advertising during streamed and broadcast sporting events.
8. Suggested that an alternative sponsorship funding programme, as was done with tobacco, would help implement a sponsorship ban quickly and successfully.

The most important recommendations in the report relate to banning alcohol sponsorship of sport, which will help de-normalise alcohol use in New Zealand and protect both young people and adults from alcohol-related harm. These recommendations would ban use of naming rights at all sports venues, and alcohol sponsorship in all streamed and broadcast sport. Within 5-10 years, any alcohol sponsorship of sport in New Zealand would be banned.

4. Areas of the MFAAS report that require strengthening

The scientific literature outlines evidence-based measures that could decrease the negative impact of alcohol advertising and sponsorship on a population. The World Health Organization asserts that banning alcohol advertising and sponsorship is one of the three most effective and cost-effective policies, to reduce alcohol-related harm (World Health Organization, 2010). This conclusion was subsequently reaffirmed by an international group of eminent alcohol policy scientists (Babor et al., 2010).

While IECAAS acknowledge MFAAS's recommendations and agree these could contribute to best practice in alcohol policy, we note several additional areas that require attention:

- The MFAAS report focuses unduly on young people. While we agree with the strong evidence that alcohol advertising has a negative effect on young people, the heavy drinking culture stimulated and sustained by alcohol advertising affects all population groups. We are therefore concerned to avoid the impression that heavy drinking is essentially a youth problem. Less than 10% of the heavy drinkers in New Zealand are under the age of 20 years (Wells et al 2006), and the influence of alcohol marketing on consumption does not start or stop at a fixed age, certainly not at the legal purchase age. The legal purchase age enables young adults 18 years and older to have access to alcohol and the means to increase their consumption in response to marketing. Alcohol advertising also encourages adults to drink more, and has an understandably negative impact on those with existing drinking problems.
- The recommendations, as they stand, fail to adequately protect the young people under 18 years of age who could comprise up to 10% of the audience at an event where alcohol advertising and sponsorship were permitted.
- There is no justification included for the proposed long time frame (5-10 years) for complete bans on sponsorship to be implemented (Recommendation 2).
- The Forum fails to justify retaining any television advertising of alcohol. It is unclear whether the recommendation to extend the current television advertising restriction on alcohol advertisements to 9:30pm is considered sufficient, or whether it is part of a stepped approach towards a ban.
- Funding of positive messaging in the media (Recommendation 10) should not be mistaken for an evidence-based countermeasure. Additionally, the scheduling of only one health promotion advertisement for every five alcohol advertisements undermines the status of the healthy messages and any effect they may have.
- With regard to Recommendation 11, we consider that 50% of surface area to be excessive and also open to manipulation. We suggest a limit such as: *'no more than 2 main external signs, with either a total site coverage not measuring more than 15m², or the coverage allowed under the District Plan, whichever is lesser.'*
- Although the Forum recognises the shortcomings of the current self-regulatory system, it fails to act on this knowledge. The Forum chooses to "strengthen the existing system of self-regulation to make it more effective and accountable" rather than replacing it. After nearly three decades of failing to respond to concerns it is time to replace this weak system with one that is accountable. The suggestions made by the Forum will only serve to increase costs and create barriers to obtaining compliance, with little likelihood of effectiveness.
- Evidence of "declining rates" of hazardous drinking appears to have been oversold to the Forum. It is unclear what is happening to young people's drinking in New Zealand, as the measures used, primarily the World Health Organization's Alcohol Use Disorders Identification Test (AUDIT), are not sensitive to some changes in drinking patterns. For example, increasing alcohol volumes amongst heavy drinkers are not detectable. There is research underway into polarisation of drinking patterns amongst

young people in New Zealand, Australia and other countries with similar drinking culture (Hallgren et al, 2012).

- Finally, it is unclear how many of the recommendations, if implemented, will be monitored and enforced. We recommend that changes should be implemented by legislation rather than being subject to self-regulation, and that the legislation should require an evaluation programme to monitor effectiveness.

5. A special commentary on social media

We are concerned that the Forum's report paid little attention to social media, which alcohol marketers use extensively. Specifically, they use consumers ("prosumers") to promote their brands, an approach that easily circumvents any proposed restrictions on traditional marketing modes.

The Forum's decision that social marketing was "outside the remit of this review" (p18) appears to have put this critical area of alcohol marketing via social media into the "too hard basket". This decision is particularly puzzling given that the report focuses on reducing harm for young people and youth.

The Australian Advertising Standards Bureau (ASB) has made what has been called 'landmark decisions' relating to the use of Facebook by vodka brand Smirnoff and beer brand Victoria Bitter (Carah & Bordmerkel, 2012). The ASB has determined that "(i) a brand's Facebook page is a marketing communication tool, and (ii) all contents on the page fall under the industry's self-regulatory code of ethics, including consumer-created content such as user-generated comments and photos." (Bordmerkel & Carah, 2013, p.272).

It is in the alcohol industry's interest to frame social media activity as simply individual users sharing peer-generated content, but analyses of online activity reveal a more coordinated and systematic approach. Alcohol companies have increasingly moved their marketing into digital and social media environments, which are used routinely and ubiquitously by young people (Mart et al., 2009; Chester et al., 2010). This strategy has exponentially increased youth exposure to pro-alcohol consumption messages (Mart, 2011; Moraes et al, 2014). Alcohol companies employ integrated marketing communication strategies to increase consumer engagement and "reach consumers across online and offline media landscapes through 360-degree communications" (Moraes et al., 2014, p.3; Nicholls, 2012). Alcohol marketers use social media and the unparalleled consumer information it provides to 'microtarget' potential consumers, and immerse them in online marketing environments such as games and contests (Hoffman et al., 2014). These marketers encourage posting, sharing, interacting and building brand relationships and providing promotional content that can be virally transmitted through peer networks, while simultaneously engaging in real-world tie in and promotions (Carah et al., 2014). Such engagement marketing actively involves users in content development and sharing; users become "co-creators" of marketing stimuli instead of passive recipients (Moraes et al., 2014). This change has led researchers to warn that "alcohol marketing content in social media has the potential to pose even greater risks for promoting alcohol abuse than traditional marketing" (Hoffman et al., 2014, p.333). Experimental evidence demonstrates that alcohol marketing on social media predicts young adult users' intentions to consume

alcohol, particularly when users engage with marketing promotions by 'liking' and sharing postings (Alhabash et al., 2014).

Alcohol marketing is especially prevalent on Facebook (Winpenny et al., 2014). A recent systematic overview of Facebook found 1,017 company-sponsored alcohol-brand related sites (Nhean et al., 2014). In 2012, Diageo's chief marketing officer stated that "Facebook is now just a central part of all our campaigns" (Advertising Age, 2012, cited in Nhean et al., 2014). Alcohol marketing on Facebook reaches underage young people (Chester et al., 2010); Facebook alcohol marketing content was able to reach 89% of males and 91% of females aged 15-24 in the UK, followed closely by YouTube and then Twitter (Winpenny et al., 2014).

Social media alcohol marketing has been found to significantly predict increased drinking problems, more frequent alcohol consumption and more consumption in a single session among US college students, whereas general social media did not predict alcohol-related outcomes (Hoffman et al., 2014). In NZ, engagement with digital alcohol marketing by 13 and 14 year olds increased the odds of being a drinker by 98%, while having an online allegiance to a particular brand related to greater frequency of alcohol consumption and drinking larger quantities, and increased the odds of being a drinker by 356% (Lin et al., 2012). Young people also openly share alcohol marketing content through social networking sites, and comment that alcohol promotional activities on social media directly influence their consumption behaviour (Moraes et al., 2014; Lyons et al., 2014). Thus the online social media environment is absolutely crucial to consider in any review of alcohol advertising and sponsorship, especially as it relates to younger people.

Professor Antonia Lyons, Massey University

6. Concluding comments

- i. All forms of alcohol marketing, including sponsorship of sporting and cultural events, should be phased out in the next five years. In the interim, restrictions on the content and quantity of alcohol advertising need to be supported by statutory regulation rather than by industry self-regulation. A complete ban on advertising and sponsorship would protect young people much more effectively and there would be benefits for many others, including those struggling with alcohol issues.
- ii. Changing alcohol culture away from heavy drinking requires restrictions applied to the whole population, not using arbitrary age cut-offs. Concern for youth is laudable, but limited as a public health measure. The vast majority of the alcohol sold in New Zealand is to people 18 years and over and thus the alcohol market is preserved in the Forum's recommendations, maintaining the existing heavy drinking culture.
- iii. Where there are conflicts of interest between the public health of New Zealanders and the profits of private commercial entities, a precautionary approach should be applied. This approach supports taking action that protects population health, and shifts the burden of proof onto proponents of alcohol promotion. Action should not be delayed because scientific information is sometimes contested. This approach

has been supported by the Alcohol Regulatory Licensing Authority in its recent decision on the Tasman Provisional Local Alcohol Policy appeal and its merit has also been established as a general principle in international environmental law.

- iv. We consider there is an overemphasis on the need for local evidence when international evidence is very often generalizable. There are strong parallels with the tobacco control policy, where commercial vested interests successfully delayed the introduction of proportionate population-level policies. We need to learn from these precedents and avoid allowing unfounded doubt to delay rapid and proportionate action.
- v. The Health Promotion Agency (HPA) should be charged with developing and administering the replacement sponsorship programmes, drawing on their experience with tobacco, and reducing delay. Funding for sponsorship programmes could be raised from increasing the levy on alcohol that currently funds alcohol activities of the HPA, further reducing hazardous drinking.
- vi. The self-regulatory system for alcohol advertising in New Zealand needs to be replaced with a transparent, public-health focused regulatory model. Self-regulation by the alcohol and advertising industries has always failed to protect public health, and always will do.
- vii. The proposed time-frame for complete bans on alcohol sponsorship should be reduced from 5-10 years, to 3-5 years.
- viii. Recommendations for restricting social media need to be made by the Forum and included in their report. Exposure of young people to alcohol marketing is high, and often much more salient than other forms of marketing. This issue is receiving attention in many other countries and NZ needs to be working on best ways to reduce exposure. Russia has banned all alcohol marketing originating from sites inside Russia, and Finland's restrictions on alcohol marketing include social media content shared by users and games and contests [Casswell 2014]. Inability to control all social media should not prevent doing what is possible.
- ix. All policy changes must be evaluated. Evaluation should be led by independent researchers with expertise in design and conduct of evaluations, including choice of suitable indicators.
- x. Finally, we suggest implementation of the proposed recommendations should begin as soon as possible. There has already been a five year delay since the Law Commission's recommendations were released, and New Zealanders have shown strong support for restrictions on alcohol advertising and sponsorship.

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