

The Debating Group



A Parliamentary forum for Media and Marketing Debate

“Prohibition of alcohol promotions will not encourage consumers to change their behaviour and drink sensibly”

Prohibition of alcohol promotion would be impossible and ineffective, argued **Elizabeth Crossick, Chair of the European Forum for Responsible Drinking**, as she proposed the motion at a Debating Group debate, held in Committee Room 10 of the House of Commons on Monday 19th October. The debate was sponsored by the Institute of Sales Promotion and chaired by **John Greenway, Conservative Member of Parliament for Rydale**.

Elizabeth Crossick asserted that the definition of promotion was drawn widely enough to include not just advertising and pricing of alcohol, but even the labels and design of the bottles it is sold in. She said that prohibition implied a complete ban on something, and as this was simply impossible to achieve, attempting to prohibit alcohol promotion would not change behaviour.

Citing examples from history in support of her case, she said alcohol or alcohol promotion had a track record of failure. Last year was the 75th anniversary of the repeal of the prohibition laws in the United States, and these laws had been torn up because they didn't work. Quoting JD Rockefeller's letter published in New York Times she said that although many in the temperance movement had hoped prohibition would see people's "minds and bodies free from the undermining effects of alcohol...this has not been the result but rather that drinking generally has increased." She added that the results of the prohibition experiment were rarely successful.

Addressing the prohibition of alcohol promotion specifically, she said that evidence from the many bans and partial bans that had been tried suggest the policy was flawed. Quoting the National Institute on Alcohol Abuse and Alcoholism, a US Government body, she said that there was "very little consistent evidence" that banning alcohol advertising reduced sales, consumption or problems. The function of alcohol promotion, she asserted, was to reallocate consumption between different brands.

Turning finally to the French government ban on promotion in 1991, she suggested that the ban was overturned because it had failed, adding that evidence suggested that the effect on consumption by banning promotion was symbolic but ineffective, and ignored the broader

societal problems that led to alcohol abuse.

Price and Promotions Increase Consumption

Opposing the motion, the **Liberal Democrat MP for Romsey and Shadow Health Minister Sandra Gidley** said that if everyone in the UK drank at the safe limit there would be a 40% reduction in alcohol sales, asking why the alcohol industry would spend £800m a year on advertising if it wasn't to encourage promotion. Promoting adult products in a sensible and adult way was perfectly legitimate, but she said that alcohol was, according to one survey, more dangerous than cannabis or ecstasy, and was close to heroin in terms of its addictive qualities.

She went on to say that price was also a driver of consumption of alcohol, citing the popularity in Southampton of heavy drinking by students on Monday nights, when alcohol offers meant that large amounts could be cheaply consumed. Supermarkets were also guilty of selling beer and wine at below cost price as a loss leader to attract customers and citing a Number 10. Strategy Unit report, she suggested that deep reductions in price fuelled excessive drinking.

The small resources of organisations like DrinkAware, who spend just £2.6m a year encouraging responsible drinking, underlined how uneven the playing field was between producers and those seeking to reduce consumption. Although there were no neat statistics, three reviews in four years had shown that alcohol promotion and consumption were linked. Advertising on television, the internet and sponsorship by alcohol producers were part of an integrated approach to embed a pro-drinking culture in young people and that it was therefore no surprise that people exposed to this material drank to excess.

Concluding her argument with remarks on minimum pricing for alcohol, Sandra Gidley said that a liver consultant dealing with severe cases of alcoholism had made the following argument for minimum pricing: A 50p unit price would mean people drinking 20 unit's a week would spend £7 more, but those with serious alcohol problems drinking over 200 units would be spending £78 more per week, making this level of drinking unaffordable. Reducing promotion and consumption would therefore make society happier and healthier, even if it did make some people poorer.

Prohibition - irrelevant and dangerous

Seconding the motion, **Simon Davies, former Marketing Director at Molson Coors UK**, argued that prohibiting alcohol promotion was at best irrelevant and at worst dangerous. He said that not all marketing focused on a short-term gain, stating that responsible promotion could be a force for good.

Mr Davies explained that simple economics showed that the main determinant in profit was not in fact volume, but price. Assuming that a company makes a 5 per cent profit margin, it would double its profits by doubling its market share. But in mature markets such as that existing within the alcohol sector, attempting to double market share was not an attractive or feasible option. Instead, alcohol companies sought to increase profits by holding market share and increasing price. Spending on promotion assisted in this, although Mr Davies said that contrary to earlier comments it was not known exactly how much was spent on alcohol promotion across the

market, but spending on advertising totalled around £200m. This represented only around 1% of total advertising, challenging the suggestion that the airwaves were dominated by alcohol adverts.

Alcohol companies invested money in advertising to differentiate their brands and secure their share of the market against competitors. If alcohol promotion was banned, the product would then become a homogenised item, differentiated only by strength.

Moving on to anti-social behaviour, Mr Davies said that the causes of these problems were complex and cultural in nature, requiring integrated and long-term solutions and not quick fixes like advertising bans. Citing data from Scotland, as well as the lessons from prohibition in the US, he said that by focusing on crude bans governments were distracting people from the real drivers of crime and anti-social behaviour.

Instead education was the key to changing behaviour, with responsible promotion of alcohol only possible in a collaborative, not a confrontational environment. Work by alcohol producers with the Departments of Health, Transport, Culture and DCSF was behind a five-year programme to talk to consumers about responsible drinking. Producers also helped fund the Drink Aware Trust who were at the forefront of educating consumers.

Concluding his argument, Mr Davies said that the lone voice of the government was not the one which consumers responded best to, stating a preference for a mixture of advice from a range of sources.

Our alcohol problem must be tackled somehow

The scale of the UK's problem with alcohol was laid out by **Don Shenker, Chief Executive of Alcohol Concern**, who seconded the opposition to the motion.

Beginning by welcoming the acceptance of the alcohol industry that there was a genuine problem with excessive drinking in the UK, Mr Shenker said that the problem had to be tackled with a variety of measures, including prohibiting promotions.

He said that 10m people drink over the government's sensible drinking guideline and that personal alcohol consumption had increased by the equivalent of 4 litres of pure alcohol, per person, per year since 1970. He added that 1 in 5 men admit drinking the equivalent of 8 single vodkas in one night at least once a week, and that cheap alcohol had been shown to be responsible for regretted sex amongst young girls and violence amongst young men.

Alcohol price promotions were clearly working as part of the marketing mix, to send out the signal that drink was both desirable and exciting, combining with an increase in alcohol marketing to increase exposure. The level of promotion for alcoholic beverages was double that of soft drinks and quadruple that of hot drinks and was widespread across all media, with particular growth online. He added that alcohol marketing was constantly evolving, with merchandise and branding products such as the 'iPint' for iPhones proving popular among young adults.

Marketing codes outlawed the promotion of alcohol to under 18s, but Mr Shenker said that legal

ads aimed at those over 18 would also appeal to 16 and 17 year olds. Ofcom and ASA research had shown that tightening these codes had not led to a decrease in how much young people said they liked alcohol adverts. But content of alcohol adverts were not the only problem he said; levels of exposure were poorly controlled with alcohol advertisements popping up between shows such as Home and Away and the X-Factor, with 1m under 18s viewing alcohol adverts shown around Coronation Street. Similarly, 800,000 under 18s watched the Batman film 'The Dark Knight' further promoting alcohol to young people.

Turning to price, Mr Shenker said there was nothing to stop retailers selling alcohol below cost price, with supermarkets' deep discounting, often incentivising consumers into buying and consuming more alcohol. According to government research, around 70% of the alcohol sold is consumed by between 20-30% of drinkers. Even though some premium alcohol brands were unhappy with this situation, retailers had the power to price alcohol as they saw fit.

Mr Shenker concluded his remarks by saying that if some individuals had £35 with which to go drinking, they would spend all of that money on alcohol regardless of the volume they could afford to consume with that money.

Discussion from the floor

Against the motion

* A contributor noted that the availability of alcohol is now considerably greater than in the past with supermarkets and 24-hour licences and the price is much lower. Tobacco manufacturers had used the same arguments about prohibition, but actually there was evidence that some forms of prohibition do work in improving health outcomes.

For the motion

* A contributor for the motion said that although alcohol related crime was a problem, responsible drinking was not dangerous.

* Another contributor noted that although they did not drink themselves, they were from an area of the world where drinking was prohibited. This had led to local people brewing their own alcohol, which in turn had poisoned those consuming it.

* One contributor spoke favourably about the French attitude to alcohol, which he claimed encouraged children and young adults to learn how to drink safely and responsibly and stressed that always eating food while drinking was a lesson that British consumers should learn. He went on to say that alcohol festivals in the Calvados region of France had attracted many visitors, but none of the damage and anti-social behaviour which typifies heavy drinking in the UK.

* A contributor said that education programmes such as those run by the British Institute of Innkeeping were proven and effective ways of teaching teenagers and young adults about responsible drinking. As part of a programme within schools, it had enjoyed a 73% success rate in favourably modifying behaviour.

* Another member of the audience said that price was not a driver of consumption suggesting that even though alcohol was very expensive in many pubs in London, it was still consumed in large quantities, particularly at weekends.

Clarifications

- * In respect of the film 'The Dark Knight' it was raised that age certification does not signify a target audience, as some films aimed at an adult audience carried 'U' ratings.
- * It was also raised that the ASA study referred to in the debate had specifically researched adverts aimed at younger adults.

Summing Up

Summing up her opposition to the motion, **Sandra Gidley MP** said that while the remit of the motion was crude, action had to be taken to improve Britain's relationship with alcohol, and that as education did not seem to be reducing alcohol consumption this meant price increases and prohibition of promotion were necessary.

Summing up for the motion, **Elizabeth Crossick** said that although she was a parent who worried about the effect alcohol could have on her children, prohibiting promotion would not make them safer. NGOs, the alcohol industry and government could work together to improve the cultural problems that lay behind excessive alcohol consumption.

Result

The motion was carried.

The next debate will take place on **Monday 23rd November 2009** sponsored by the Internet Advertising Bureau. For more details contact Doreen Blythe, Debating Group Secretary, on 020 8202 5854, e-mail: doreen.blythe22@btinternet.com.