

The Debating Group



A Parliamentary forum for Media and Marketing Debate

Does alcohol advertising drive competition at the expense of public health?

“We have a major public health problem in this country, because of binge drinking”. These were the words of Ross Cranston QC MP, Member of the Constitutional Affairs Select Committee, All-Party Parliamentary Group on Alcohol Abuse, proposing the motion ‘Alcohol advertising drives competition at the expense of public health’ at the Debating Group debate at the House of Commons on 20 October 2003. The debate was chaired by John Greenway MP and sponsored by the Advertising Association.

Ross Cranston believes that advertising in this, as in other areas, has great effect. Heineken and Guinness slogans, for instance, are part of popular culture. But he suggested that it was time to draw the line. “The public health consequences are so great, competition has to give way”. He cited some of the serious effects of alcohol addiction. It kills some 2,000 people a year; there has been a very large rise in the death rate of 35-44 year olds as a result of alcohol. This is a larger increase than in other countries. Ross Cranston suggested that this increase was associated with binge drinking. In addition to cirrhosis of the liver, other serious associated effects are psychiatric depression and cardio-vascular illnesses, as well as social problems such as domestic violence, yobbish behaviour and teenage pregnancy. It is difficult to get a handle on the costs of these conditions and their relationships to alcohol abuse. He acknowledged that the causes of alcohol abuse are not due solely to advertising. Peer group pressure plays a major part. To ban alcohol advertising would not solve this problem overnight (and indeed some alcohol advertising such as that of Diageo, stresses the importance of responsible behaviour).

Nonetheless Ross Cranston suggested that UK regulator regimes in this area are among the laxest in the world and he feels that the main voluntary controls are not working well enough. “Advertising has gone over the top. The rules are being broken and the watchdogs are turning a blind eye. We have a major public health problem in this country because of binge drinking. Advertising must lift its game: otherwise it will be a target for greater regulation”.

Driving competition

Nigel Evans, Shadow Secretary of State for Wales and Joint Vice Chairman of the All-Parliamentary Beer Group, opposing the motion, pointed out that the ban on cigarette advertising has not led to a decrease in consumption. “Maybe”, he suggested “It has to do with the fact that people no longer see the health warning on cigarette advertisements”.

He believes that the facts on advertising of alcohol products are simple: it drives competition; it gets the message into the marketplace. There has got to be a reason to spend £250 million on advertising products in a market worth £35 billion. He questioned whether some of the brilliant and amusing advertisements for alcohol products would lead him to drink more. The same applies to advertisements for other products: cars, deodorants, soap powders. The advertisements give us information. It is a dangerous and wrong assumption to believe that advertising of a product grows the market. Political parties spend a fortune on advertising campaigns during election periods, but differentiation of the parties does not grow the market ie the people who vote. If we ban advertising of alcohol we will not get rid of the problem of binge drinking.

In spite of good and funny advertisements for beer, sales of certain brands of beer have declined. Sales of beers that seem particularly good value for money; those that offer special deals, have increased. Wine is another example where advertising budgets have gone down in recent years, but sales have increased. The reasons why people drink certain brands are complex – there are a number of factors including fashion and peer influence. “Yes, there are more young people out on the town on Friday and Saturdays and more of them seem drunk, but you have to look at social reasons for this, not alcohol advertising”.

Binge drinking is a problem, but not because of advertising.

Alcohol abuse

Eric Appleby, Director of Alcohol Concern, believes that there is no doubt that alcohol has a major impact on both physical and mental public health. The only other argument is whether advertising plays any part in creating that harm. Alcohol is different from soap powder and cars. Advertising does not and cannot exist in isolation. Advertising does not have a one-to-one relationship with the consumer. Alcohol advertising plays on a whole range of environment, social and cultural factors to encourage you to drink. It encourages you to drink in social situations. Alcohol advertising is about you, the drink and your lifestyle. It is wider than a simple individual decision. The brand has to be located in context and a lifestyle in which drinking is seen as positive – a regular and integral part of a certain way of living and being.

Interbrew’s recent stakeholder survey found that 38% has had to contend with problem drinking in their own family and over half in the wider world. Advertising is by no means the whole story, nor is it single-handedly responsible. But nor does it exist in isolation from wider motives. It plays its part.

Of course, companies want to increase consumption and recruit new consumers. Advertising is not purely about brand switching. If that were the case then surely it should all logically be targeted at the highest consuming group, which is young men. However, much of the advertising in recent years has been targeted at young women, who are an emerging and growing consumer group, but never likely to match young men in their consumption. The only reason for targeting them is to get more of them drinking more.

Advertising spend on RTD (Ready-to-Drink) – alcopops – is now three times that of any other category. RTDs are by no means the biggest category for consumption, so that that is once again about recruitment of new drinkers.

Alcohol advertising is extreme in many ways. Advertising is encouraging and reinforcing some of the unhealthiest habits of the community. At its most extreme it contributes to anti-social behaviour.

Eric Appleby concluded: “Alcohol consumption is rising. Alcohol-related harm is rising. Advertising is contributing to the consumption growth. You cannot totally divorce one from the other”.

The joy of discovery

Tony Mair, Corporate Affairs Director, Diageo, seconding the opposition, stressed the joys of discovering a brand one liked. Advertising encourages people to stay with and enjoy the brand.

Extensive research in many countries has shown that there is little or no overall impact on total alcohol consumption as a result of advertising. To suggest the opposite is contrary to the fact: the reasons leading to excessive consumption and alcohol misuse are complex and include the influence of family, peers and role-models and socio-cultural factors. Advertising bans are not the easy fix to address irresponsible consumption as the experience of countries in which bans have been imposed shows.

Tony Mair cited statistics to inform his views:

- Overall spend on alcoholic drinks in the last 10 years is up 15.8%. Net of media inflation, the spend in real terms was down 10.8%. Total consumption of alcohol in the same period was up only 2.4%
- Beer spend was up 17.7%; beer consumption was down 10.8%
- Spirits spend was up 57%; spirits consumption was up 0.5%
- Wine spend was down 8.6%; wine consumption was up 52%

The conclusion therefore is that neither increases nor decreases in advertising have a meaningful impact on category consumption trends.

If you talk to British people themselves, according to the 2001 MORI study for The Portman Group which surveyed 1500 adults, 66% of people interviewed thought drinks advertising has an influence on the amount British people drink. But 87% thought drinks advertising had no influence on how much they drunk themselves.

In the US, the 10th Special Report to the US Congress on Alcohol and Health in 2000 stated“the amount of advertising for all alcohol beverages has increased considerably over the past century, yet per capita consumption in 2000 is very close to per capita consumption in 1900”.

The Ambler, Broadbent & Feldwick 1999 Review of 133 IPA Case Studies found that advertising accelerated increased brand sales rather than the market on its own. Brand advertising is about brand share not overall sector growth. Producers of alcoholic brands use advertising in a way that is similar to other branded goods manufacturers: they compete for market share in an exceptionally competitive environment.

Bans in other countries have not resulted in decreased consumption of alcohol.

In 1992 The Amsterdam Group stated “Research confirms that advertisements for alcoholic beverages do not promote misuse...(this) arises from a complex mix of social causes”.

Advertising does not exist in isolation, but is closely interwoven with the cultures and traditions of the society in which it appears and bans on advertising do not address these issues. The issue of the debate is whether there is a causal link between advertising and excessive consumption.

Tony Mair concluded “The advertising industry has a responsibility to advertise responsibly. But health issues linked to alcohol abuse are serious and complex issues and advertising is neither the driver nor the answer to reducing the public health bill”.

Discussion from the floor

Opposing the motion

- One has to consider the costs and benefits of alcohol consumption. There are costs in excessive consumption, but benefits in ordinary consumption. There is excessive consumption in town centres and pubs. But changes are in hand to regulate this behaviour and it is hoped that these will have an impact on yobbish behaviour and violence.
- Regulation works reasonably well. The drinks industry has not done a bad job of self-regulation.
- Many things beside alcohol are harmful. 1000 young people a year die from motor cycling accidents, yet there is no talk of banning motor cycles.
- Because the government can't ban alcohol, there is talk of banning alcohol advertising, but the case is completely unproven regarding the effect of alcohol advertising on overall consumption.
- Tramps get drunk on metholated spirits, yet this is not advertised
- TV ads for alcohol have been banned in France, but this has had no effect on the amount of alcohol drunk in France.
- Advertising is a weak force. Nonetheless it has a powerful effect on brand choice.
- We are all capable of making judgements as long as advertising is 'responsible'.
- Responsible alcohol advertising is not at the expense of public health.
- Booze cruises and alcohol shopping across the channel are more conducive to misuse of alcohol than advertising.

For the motion

- No one pretends that advertising does not work. Alcohol kills.
- Advertising is a special product in that it can be misused and abused.
- Advertising is different from other products. All sorts of products can be abused if misused. It is this misuse which is the problem.
- Text messaging to teenagers, giving special offers for drinks is irresponsible and can lead to alcohol misuse.

Other points

- The motion does not call for a ban on alcohol advertising
- Alcohol advertising should be cleared by regulators before it is aired on TV
- Self-regulation is only effective if it is used. Consumers should be aware of the self-regulation rules.
- The problem is pubs not breweries. They provide special offers and deals to encourage binge drinking. The government is supporting this by providing longer drinking hours. The regulation of pubs is being given to local councils instead of the police. Pubs are undermining the self-regulatory system in this country.
- The main abuse is at point-of-sale. Buy-one-get-one-free encourages excessive drinking.

Summing-up

Summing up for the opposition, Nigel Evans stressed that product differentiation is the basic *raison d'être* of advertising.

If one looks at products that are really harmful to health they are not advertised at all. Cocaine, cannabis, ecstasy and heroin are not only not advertised, they are banned.

There are various other social causes of abuse: booze cruises, price offers and deals; peer pressures, 'binge' lifestyles and TV programmes such as 'Ibiza uncovered' and 'Men behaving badly' and all the soaps based around pub life. The government also need to get a grip on smuggling, which is the cause of hundreds of millions of pints of beer coming into this country..

In the Nordic countries where they are strict regulations, consumption of alcohol has not decreased.

Advertising does not work to grow the pool but to differentiate.

To remove a tool for competitive marketing would have a number of unintended consequences, but the intended consequence of restructuring the total market would never be reached. Would we ban alcohol because some people abuse it?

Summing up for the motion, Ross Cranston stressed that he and his seconder would not deny the benefits of alcohol. But the motion is about the public costs of alcohol abuse. Advertising does not change the culture overnight, but it can be irresponsible. Advertisements for Bacardi Breezer, for instance do not send good behaviour messages to young people.

Advertising may not grow the market overall, but a certain type of advertising reinforces certain types of drinking behaviour which is against public health.

The self-regulatory system needs to be tightened up. We need to put the number of units of alcohol and health warnings on bottle labels.

The proposers were not talking about a total ban on alcohol advertising, but calling for more responsible advertising. Sometimes legislation has to take precautions, even if there is no causal link.

Result

The motion was overwhelmingly defeated by a show of hands.

Next Debate

The next debate will take place on Monday 24th November 2003, sponsored by JICREG. The motion is "*The Census should be abolished.*" Details from Debating Group Secretary, Doreen Blythe (Tel: 020 8202 5854)

dblythe@varinternational.com www.debatinggroup.org.uk