

# Position statement: Regulation of alcohol marketing in Australia

## June 2023

Every Australian should be able to grow up and live in an environment that supports their health and wellbeing. Yet the Australian community, including children and those most at risk of harm, are bombarded with promotions for alcohol every day. Australia needs strong Government-led regulatory systems that ensure a safe and healthy environment for all individuals, families, and communities.

This statement outlines a national policy position on alcohol marketing. Supported by Alcohol Change Australia, the statement has been developed in collaboration with experts and professionals working in alcohol marketing research, policy, and advocacy across Australia.

### Key messages

- The Australian community is flooded with alcohol marketing. Digital marketing means alcohol companies are now able to reach Australians in every location through their smart phones.
- Alcohol marketing is harming the community, particularly children and other groups most at risk of harm.
- Currently, Australia relies on voluntary, industry-led codes and practices for managing alcohol marketing that are ineffective at preventing harm.
- The Australian Government must introduce higher standards for how the alcohol industry markets its products.

### Opportunities for action

The Australian Government should:

- Introduce a comprehensive and robust regulatory framework with legislative basis that effectively minimises community exposure to alcohol marketing. Key components of this framework should include:
  - A legislative design that is tailored to fit existing settings, media outlets, and marketing techniques, and captures new and emerging forms of media.
  - Ongoing active monitoring by independent regulators that can adequately address non-compliance with appropriate penalties in a timely manner.
  - Capacity for the marketing of zero-alcohol products to be captured.

There is also the opportunity for the Australian Government to strengthen data protection laws to protect the collection and use of data for alcohol marketing purposes:

- Prohibit the collection, use, and disclosure of children's data for commercial purposes (including profiling, monitoring, tracking, and targeting).
- Prohibit the collection, use, and disclosure of personal information for commercial marketing purposes unless a person has provided active, informed, voluntary, and non-incentivised opt-in consent.
- Even when consent is provided for the collection and use of a person's information for marketing purposes:
  - Prohibit the collection, use, or disclosure of sensitive information, and
  - Require a fair and reasonable test to be met whereby it is ensured that the risk of adverse impact and harm are minimised.

## Alcohol is an addictive substance that causes significant harm to Australians.

Alcohol takes a significant toll on our communities, fuelling violence, injuries, and deaths. Every year, almost 6,000 lives are lost and more than 144,000 people are hospitalised from the use of alcoholic products.<sup>1</sup> Alcohol use causes over 200 disease and injury conditions,<sup>2</sup> contributing to 4.5% of the total burden of disease,<sup>3</sup> and costing Australia an estimated \$66.8 billion annually.<sup>4</sup>

## The Australian community is flooded with alcohol marketing.

Despite the harms caused by alcohol products, the Australian community is surrounded by alcohol promotions encouraging them to drink. Young Australians regularly see many forms of advertising of alcohol products.<sup>5</sup> More than half (58 per cent) of school students aged 12–17 years report regularly seeing alcohol advertising on television, and more than a third report having seen alcohol advertisements on billboards and in print publications and online.<sup>5</sup>

Alcohol marketing is heavily connected with sport in Australia. Alcohol companies sponsor major sporting codes and teams including AFL, NRL, and Australian cricket, providing companies with a platform to advertise their products through logo and product placement.<sup>6</sup> Due to an exemption in the Commercial Television Code of Practice, alcohol ads can be placed during sports programs on weekends and public holidays. This results in large amounts of alcohol advertising during children's viewing times. In one year, there were over 10,000 alcohol ads shown during sports broadcasts, with 45% of these during designated children's viewing times.<sup>7</sup>

Alcohol marketing in Australia now extends far beyond traditional media. Opportunities for alcohol marketing via digital technologies are expansive, including on websites, social media platforms like Facebook and Instagram, competitive online video gaming such as esports, television streaming services, and more. Alcohol companies are bombarding the Australian community with 40,000 alcohol ads a year on Facebook and Instagram alone.<sup>8</sup>

Non-alcohol products are increasingly being used by alcohol companies to further promote their brands. Zero alcohol products are an expanding market in Australia. These products, which often mimic the flavour, style, and packaging of traditional alcoholic drinks, are sometimes pitched as a solution to reducing alcohol use.<sup>9</sup> However, the marketing for some zero alcohol products has focussed on creating new drinking opportunities, including where alcohol use is generally not accepted, such as while driving or at work.<sup>10</sup> In addition, zero alcohol-products are currently available for sale in supermarkets, providing increased alcohol brand exposure to Australians, including children.<sup>11</sup>

## Alcohol marketing is harming the community.

Relentless marketing comes at a cost to the community. The more children and young people are exposed to alcohol advertising, the more likely they are to start using alcohol products at a younger age, and to drink more if they are already using alcohol.<sup>12</sup>

The constant flow of pro-alcohol messages can be confronting for people with lived experience of alcohol harm and people with alcohol dependence or managing an Alcohol Use Disorder. Emerging evidence suggests that for people who are most at risk of alcohol harm, exposure to alcohol marketing can increase alcohol cravings, trigger a desire to drink, or make it more difficult to reduce alcohol use.<sup>13, 14</sup>

### Digital marketing has expanded the reach of alcohol companies.

Digital marketing is pervasive, personal, highly targeted, and increasingly linked directly to retail, exacerbating harms. With the increased role of digital technology in our everyday lives, alcohol companies are now able to reach Australians in every location through their smart phones. The below-the-line and ephemeral nature of digital marketing also means companies selling alcohol can target their digital marketing to children and young people out of sight. Increasingly, digital alcohol ads provide a direct link to purchase alcohol online, with a third of alcohol retailer ads on Meta platforms Facebook and Instagram containing a 'Shop Now' button.<sup>8</sup>

Extensive data collection means that people are tracked and profiled to enable alcohol companies to generate highly targeted marketing that is time- and location-specific. This includes the tracking and profiling of children for marketing purposes, with over 72 million data points on a child by the time they are 13 years old.<sup>15</sup> Recent research shows that alcohol companies upload data about children and young people to Meta's advertising model and that Meta tags children and young people with alcohol-related advertising interests.<sup>16</sup>

By design, people who purchase alcoholic products the most are also targeted by alcohol advertising the most.<sup>17, 18, 19</sup> Extensive data collection enables online platforms to develop detailed psychometric profiles on people, which are combined with detailed accounts of people's online browsing behaviour.<sup>20</sup> These insights are used to tailor marketing activities, including marketing content and messaging, towards an individual's specific susceptibilities. In the case of alcohol marketing, this ability to prey on people's susceptibilities is particularly harmful as it can disproportionately target vulnerabilities such as people living with alcohol dependence.<sup>21</sup>

### Stronger regulation of alcohol marketing is needed.

It is time that Australia introduces federal regulation of alcohol marketing to prevent further alcohol harms to the community. This is in line with recommendations from the World Health Organization to enact and enforce bans or comprehensive restrictions on alcohol marketing across multiple types of media, as part of a comprehensive approach to reducing harm from alcohol.<sup>22</sup>

Currently, Australia continues to rely largely on voluntary, industry-led codes and practices for managing alcohol marketing. A substantial body of research documents the significant weaknesses and limitations of the scheme developed and managed by the alcohol industry.<sup>23</sup> Research has consistently shown it is inadequate, ineffective, and lacks transparency and accountability.<sup>24</sup> Well-established traditional forms of alcohol advertising, such as alcohol sponsorship and advertising on catch-up TV services, are not covered. When it comes to digital marketing, there are few rules restricting alcohol companies from marketing on digital platforms that are used by children, or limiting how companies can use data for marketing purposes, including the collection and use of children's data. The limited provisions that do exist are poorly adhered to, demonstrating a clear need for effective monitoring and compliance mechanisms.<sup>25, 26</sup> The current systems are not designed to effectively control marketing in existing forms of media; the rapid pace with which the marketing field is developing means new and emerging forms of media will present even further challenges.

### There is public support for action on alcohol marketing.

The Australian community not only needs but wants governments to do more to protect young people from alcohol advertising. The overwhelming majority of Australians believe that alcohol advertising should not be shown to children online (85%). Around two-thirds do not support alcohol advertising

being shown during children’s television viewing hours (71%) or placed on public transport (69%).<sup>27</sup> Half of Australians believe alcohol sponsorship should be removed from professional (50%) and community sport (51%), and alcohol advertising should not be permitted at sports grounds (56%).<sup>28</sup>

### Government-led regulation of marketing of unhealthy products already exists.

There are numerous examples of governments taking action on the marketing of harmful products. The Australian Government has been a world leader in restricting tobacco advertising through comprehensive, legislated bans. When it comes to alcohol marketing, several state and territory governments in Australia have introduced some controls on outdoor advertising, such as restrictions on alcohol ads on public transport vehicles.<sup>29</sup>

In addition, there is international precedent for Government-led legislative frameworks that regulate alcohol marketing. While there are some limitations to the systems,<sup>30</sup> countries including France, Norway, and Lithuania have Government-led regulation of alcohol marketing.

### Opportunities for action

The Australian Government must introduce higher standards for how the alcohol industry markets its products. We need regulatory systems that ensure safe and healthy environments for everyone, especially for children and other Australians most at risk from harm.

The Australian Government should:

- Introduce a comprehensive and robust regulatory framework with legislative basis that effectively minimises community exposure to alcohol marketing. Key components of this framework should include:
  - A legislative design that is tailored to fit existing settings, media outlets, and marketing techniques, as well as capture new and emerging forms of media.
  - Ongoing active monitoring by independent regulators who can adequately address non-compliance with appropriate penalties in a timely manner.
  - Capacity for the marketing of zero-alcohol products to be captured.

There is also the opportunity for the Australian Government to strengthen data protection laws to protect the collection and use of data for alcohol marketing purposes by:

- Prohibiting the collection, use, and disclosure of children's data for commercial purposes (including the profiling, monitoring, tracking, and targeting).
- Prohibit the collection, use and disclosure of personal information for commercial marketing purposes unless a person has provided active, informed, voluntary and non-incentivised opt-in consent.
- Even when consent is provided for the collection and use of a person’s information for marketing purposes
  - Prohibit the collection, use or disclosure of sensitive information, and
  - Require a fair and reasonable test to be met whereby it is ensured that the risk of adverse impact and harm are minimised.

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