

Advertising for Alcoholic beverages

egta position paper on the draft parliamentary resolution on a new EU Alcohol Strategy (May 2007)

egta – the association of television and radio advertising – welcomes the European Commission’s “Strategy on reducing alcohol related harm” which was presented last October 2006. This strategy reflects the complexity of excessive alcohol consumption issues and highlights the need for a multi-faceted policy response in which prevention messages targeting the most vulnerable members of society are of critical importance.

Egta members understand that alcoholic drinks are not ordinary consumer goods, the abuse of which can lead a small proportion of the population to alcohol-related harm. It is for this reason that certain legislative measures restricting the advertising of alcoholic beverages on broadcast media have been implemented at EU level for more than 20 years. Many of these sensible rules are laid out in articles 15 & 16 of the “*Television Without Frontiers*” directive, which will be extended even further by the future “*Audiovisual Media Services*” (article 3d) to cover all forms of commercial communications in new audiovisual platforms, such as mobile TV, IPTV, etc.

Egta hopes that the European Parliament in **its parliamentary resolution** will follow the Commission’s approach which goes beyond a simplistic treatment of advertising and that it will recognize that there are already a comprehensive set of limitations on broadcast advertising for alcoholic beverages. In light of these comments, certain paragraphs of the draft report for a resolution do cause concern for sales houses.

- **Paragraph 7: “considers that the problem of alcohol advertising directed at young people should be urgently addressed”**

The EU “Television without Frontiers” directive already prohibits advertising of alcoholic beverages from specifically targeting minors. The same directive sets out many additional safeguards and these have been successful in preventing advertisements of alcoholic beverages from:

- ✓ Showing people who are, or appear to be minors consuming alcoholic beverages;
- ✓ Linking the consumption of alcohol with concepts appealing to young people (*e.g. enhanced physical performance, social or sexual success, etc.*)

In addition, egta identified in a survey carried out among its membership an additional 4 domains where its member sales houses address the issue of alcohol advertising directed at young people. The principles abided by sales houses originate from national legislations but mostly from self-regulatory initiatives stating that a commercial for an alcoholic beverage may not:

- ✓ Use symbols (music, characters, languages, etc.) likely to catch a child’s attention;
- ✓ Make a connection between the consumption of alcohol & maturity, or non-consumption & immaturity;
- ✓ Exploit a child’s immaturity;
- ✓ Exploit the credulity of those who are mentally or socially vulnerable.

European sales houses and by extension broadcasters are already committed to ensuring that advertising for alcoholic beverages is not directly targeted at young people and not only minors. In fact, no other media or marketing practice applies so many safeguards than television and radio advertising.

For these reasons, egta does not adhere to the idea that this matter needs to be “urgently addressed” and considers instead that it is all marketing practices (among which broadcast advertising is only one) that should be “properly addressed”.

- **Paragraph 8: “asks the Commission to introduce, at European level, uniform rules on timing for the broadcasting of alcoholic beverage commercials”**

The reasons leading individuals into alcohol abuse are numerous and complex among which are psychological and social adjustment problems, financial difficulties, depression, etc. For this reason, egta has always

expressed doubts that wide-ranging advertising restrictions have any impact on combating alcohol abuse. This belief is reinforced by the evolution of drinking patterns in countries that have followed different approaches: there is no link between the number of commercials viewed and the prevalence of alcohol abuse. A study by the German Ministry of Health came to the conclusion that there is hardly any link between advertising and alcohol consumption of young people¹.

In addition to being ineffective, “uniform rules at EU level” on advertising would be totally inappropriate when one considers that trends in alcohol abuse, levels of media literacy and television viewing patterns vary a lot from one Member State to another. In light of the subsidiarity principle, the possibility given to Member States by the *“Television Without Frontiers”* directive, to take more restrictive measures in the area of advertising appears much more sensible and is already used by some Member States.

Lastly, any restrictions on TV advertising for alcoholic beverages would have a significant economic impact on the European audiovisual industry given that revenues from this sector represent an average of 6% of the turnover of egta member sales houses. At a time when Europe is looking at strengthening the competitiveness of its broadcast industry, calls for advertising restrictions would fail to meet any public health objectives and instead would seriously harm an industry that is crucial for achieving the 2010 Lisbon objective.

Egta is thus firmly opposed to any extension of national restrictions to cover all EU member states. *‘Uniform rules’* imposed at EU level will never be able to tackle the complex and diverse roots of alcohol abuse across Europe and would have neither sensible impact nor proportionate effect.

- ***Paragraph 9: “Understands the need to discipline the sponsorship by alcohol brands of sporting and culture events geared towards young people or where a large part of the audience is young people”***

A large number of legislative and self-regulatory measures like those highlighted above, aim at protecting young people from irresponsible commercial communications. These rules similarly apply to the sponsorship of television programs and will be again extended to cover all audiovisual platforms in the future *“audiovisual media services”* directive (article 3e).

Egta is nevertheless confused by the draft paragraph 9 which is unclear whether it targets the sponsoring of events themselves (organisation, on-site sponsoring, etc.) or their retransmission on television or radio. In the latter case, egta has to emphasize that restrictions based on the “a posteriori” audience rating of programs are not workable and would create legal instability for operators. egta would also like to draw attention to the fact that sports events transmission on TV attract only few minors².

Having regard to the importance of television and radio advertising and its major impact on society, egta members are well aware of the problem presented by the excessive consumption of alcoholic beverages and are fully complying with European and national regulations aimed at restricting irresponsible alcohol advertising.

Egta fully supports the European Commission’s proposed “alcohol strategy” which focuses on the root causes of the problem of excessive alcohol consumption by focusing on the individual’s behaviour in relation to the product rather than on the product itself. With this approach in mind, one should avoid putting too much emphasis on the issue advertising, which thanks to the safeguards already in place, is the one marketing practice the most effectively dealt at European level in a proportionate way.

¹ „Alkohol und Werbung – Auswirkungen der Alkoholwerbung auf das Konsumverhalten bei Kindern und Jugendlichen“, ZEUS GmbH, Zentrum für angewandte Psychologie, Umwelt- und Sozialforschung, Bochum; Expertise commissioned by the Federal Ministry of Health 2002, p. 48.

² For example, sports events such as the German “Bundesliga” attract on average only 2,6 % of young people aged 14-19 years old.

ANNEX

1 - Alcohol consumption in Germany

Sources: Deutsche Hauptstelle für Suchtfragen / German Head Office for Dependency Matters:
<http://www.dhs.de/index.html>

In 2004, the consumption of alcoholic beverages per capita in Germany equals to 10.1 liters. Since 1990, the consumption of alcoholic beverages per capita has decreased by 18% in Germany.

In the former communist East Germany, the advertising for alcoholic beverages was prohibited, which did not prevent a steady rise in alcohol consumption. After the reunification, this ban on television advertising was lifted but the consumption level started to decline.

	1950	1960	1970	1980	1990	2000	2004
Former West Germany	3.1	7.3	10.8	12.5	11.8	...	...
Former East Germany	...	5.2	7.3	12.0	12.9	...	...
Reunified Germany	...	...	...	...	12.3	10.5	10.1

egta is the association of television and radio advertising sales houses (both independent of a channel or in-house) that commercialise the advertising space of both private and public TV / radio channels all over Europe.

- 60 TV members
- 25 Radio members
- 27 European countries including 19 EU Member States
- Nearly 70% of the TV advertising investments in Europe
- 50 % of the Radio advertising investments in the countries represented by egta members

egta provides a network for its members based on relationships with more than 1000 high-level executives from 32 countries. Egta fulfils different functions for its members in fields of activities as diversified as regulatory issues, audience measurement, sales methods, interactivity, cross-media etc.

Over the years, egta has become **the reference centre for television and radio advertising in Europe.**