

Harmful advertising and promotion of alcohol products

23 March 2023



 **Alcohol
Change
Vic** 

Victorians for
policy reform



Harmful advertising and promotion of alcohol products

About Alcohol Change Vic

Alcohol Change Vic is a collaboration of health and allied agencies that share a vision of a community that supports all Victorians to be healthy and well. The alcohol industry and its products cause significant harm and health impacts to people in our community. Alcohol Change Vic campaigns for policy change to free the Victorian community from the industry's aggressive marketing and normalisation of alcohol products.

The members of Alcohol Change Vic are:

-  Australasian College for Emergency Medicine
-  Alcohol and Drug Foundation
-  Cancer Council Victoria
-  Centre for Alcohol Policy Research, La Trobe University
-  Foundation for Alcohol Research and Education
-  Public Health Association of Australia (Victoria)
-  Royal Australasian College of Surgeons
-  St Vincent's Health Australia
-  The Salvation Army
-  Turning Point
-  Victorian Alcohol and Drug Association
-  Violence Prevention Group, School of Psychology, Deakin University
-  Uniting Church in Australia, Synod of Victoria and Tasmania

Summary

- Everyone in the community should have the opportunity to lead healthy lives and be free from harmful alcohol advertising. But the alcohol industry

bombards all Victorians with relentless alcohol advertising.

- The community expects the Victorian Government do more to protect children and young people from alcohol advertising.
- Alcohol advertising causes children and young people to start drinking alcohol at an earlier age, and to drink more heavily and frequently once they start.
- The alcohol industry places advertisements where they know children and young people will see them, including on their journeys to and from school, in their daily activities and at sporting events.
- Alcohol retailers use data about people's online browsing, purchase habits, interests and product preferences to target them with digital alcohol advertising. Alcohol ads are designed to reach people who are frequent alcohol purchasers, which means they are more likely to target people who use alcohol at high-risk levels, and people experiencing alcohol dependence or other harms.
- Alcohol retailers' promotions often focus on price discounts and create incentives for people to buy alcohol in bulk. These promotions appeal most to young people and people who use alcohol at high-risk levels, encouraging them to buy and consume large quantities of cheap alcohol.
- Alcohol retailers promote Buy Now Pay Later schemes, urging people to go into debt to buy alcohol.
- Victorian liquor laws are not working to prevent harmful alcohol advertising. There is no provision that directly prohibits irresponsible or harmful alcohol advertising, which means alcohol retailers are unlikely to face penalties for this type of advertising.

Summary of recommendations

The Victorian Government should introduce sensible safeguards to protect the community from harmful advertising and promotions by liquor licensees:

- Use of data about people's characteristics, preferences, attitudes or behaviour to target people with online alcohol advertising, and sending direct prompts or push notifications promoting alcohol products to a person's phone or device.
- Use of delayed payment schemes to buy alcohol products online.
- Promotion of excessive discounts and bulk purchase discounts.

- Inducements to buy alcohol products, such as vouchers, credits, product give-aways, discounts or free delivery that are conditional on purchasing alcohol, or spending a minimum amount on alcohol.
- Placement of outdoor alcohol advertising at sporting grounds and facilities used by children, within a 500-metre radius of schools, and on all public transport infrastructure.

Background

Alcohol advertising compromises the health and safety of our communities

All individuals, families and their communities should be supported to be healthy and safe. Everyone in the community, especially children and young people, and people experiencing alcohol dependence or other harms, should have the opportunity to lead healthy lives and be free from harmful alcohol advertising.

Each year, alcohol products cause nearly 6,000 Australians and more than 1,300 Victorians to die from alcohol-related disease,¹ and are responsible for more than 39,000 hospitalisations in Victoria.²

Alcohol use is known to cause at least seven types of cancer: breast, bowel, mouth, pharynx, larynx, oesophagus, and liver cancer.³ Alcohol causes more than 3,200 new cancer cases,⁴ and more than 2,000 cancer deaths,⁵ in Australia each year.

Big alcohol companies know that their alcohol products cause cancer and other health problems, yet they promote and glamorise their products relentlessly – online and on social media, in streets and sports stadiums, through sports sponsorship, and on television, newspapers and radio. The alcohol industry is among the top ten spenders on outdoor advertising in Australia – well above the gambling industry.⁶ Children and young people are exposed to huge volumes of this advertising.^{7,8}

The community wants the Victorian Government to set higher standards for alcohol advertising

The community wants the Victorian Government to set higher standards for alcohol advertising. Most Victorians want alcohol advertisements to be restricted so they are less likely to be seen by children.⁹

Australians are concerned about online marketing of harmful products, including alcohol, and want to see less of it. A recent survey of 220 young people in Australia found that 83 per cent of those surveyed agreed or strongly agreed that online marketing of harmful or unhealthy products, including alcohol, gambling and unhealthy food, makes it difficult for them to reduce their consumption of these products. More than half agreed or strongly agreed that they are personally targeted by marketing of harmful products, and most said they would prefer to see less marketing of these products.¹⁰

Alcohol retailers target and expose children to alcohol advertising

We all want our children to be healthy and safe. Alcohol products damage the developing brains of children and young people, and drinking alcohol increases the risk they will engage in risk-taking behaviour, causing injury or

¹ National Drug Research Institute, *National alcohol indicators: Estimated alcohol-attributable deaths and hospitalisations in Australia, 2014 to 2015*. National Drug Research Institute Bulletin 16.

² Gao C, Ogeil RP, Lloyd B 2014, *Alcohol's burden of disease in Australia*. Canberra: FARE and VicHealth in collaboration with Turning Point.

³ International Agency for Research on Cancer. IARC monographs on the evaluation of carcinogenic risks to humans: Volume 100E, Personal habits and indoor combustions. In: Lyon, France: International Agency for Research on Cancer; 2012; World Cancer Research Fund. Summary of global evidence on cancer prevention. In: London, UK: World Cancer Research Fund; 2017.

⁴ Pandeya, N, Wilson, LF, Webb, PM, Neale, RE, Bain, CJ & Whiteman, DC 2015, 'Cancers in Australia in 2010 attributable to the consumption of alcohol', *Australian and New Zealand Journal of Public Health*, vol. 39, no. 5, pp. 408-413.

⁵ National Drug Research Institute, *National alcohol indicators: Estimated alcohol-attributable deaths and hospitalisations in Australia, 2014 to 2015*. National Drug Research Institute Bulletin 16.

⁶ Outdoor Media Association (OMA) 2021, *Together Again Annual Report 2021*, OMA, https://www.oma.org.au/sites/default/files/uploaded-content/website-content/Media_Release/foma_ar_2021_digital_view_aw.pdf.

⁷ Faulkner A, Azar D & White V 2017 'Unintended' audiences of alcohol advertising: exposure and drinking behaviors among Australian adolescents' *Journal of Substance Use*, vol 22, no 1, pp. 108-112.

⁸ Jones, SC & Magee CA 2011, 'Exposure to alcohol advertising and alcohol consumption among Australian adolescents' *Alcohol and Alcoholism*, vol 46, no. 5, pp. 630-637.

⁹ Victorian Health Promotion Foundation, *Community Attitudes to Alcohol Policy – Survey Results 2010*, unpublished.

¹⁰ Foundation for Alcohol Research and Education (FARE) and VicHealth (2023) *Experiences with online marketing of alcohol, gambling and unhealthy food: a survey*. FARE. <https://fare.org.au/wp-content/uploads/Community-Voices-Report.pdf>.

death, or experience alcohol dependence or harm later in life. For these reasons, the *Australian guidelines to reduce health risks from drinking alcohol* advise that children and young people should not consume any alcohol.¹¹

Children and young people are highly vulnerable to alcohol advertising. We know that the more alcohol advertising children are exposed to, the younger the age they start using alcohol, and the more often and more heavily they drink once they start.^{12, 13} In this way, alcohol advertising can cause them to establish high-risk drinking habits that lead to both short term harm and health problems later in life. A Cancer Council Victoria study of alcohol advertising on billboards and print media found that the more children aged 12-17 years saw alcohol advertising on billboards, or in newspapers or magazines, the more likely they were to use alcohol regularly and at high-risk levels.¹⁴

Despite the well-known risks to children and young people from alcohol products and the expectations of the community, alcohol companies continue to expose children to advertising for alcohol products – as they travel to school and around their communities, play sport, and go about their daily lives.

Alcohol companies are aware that online alcohol marketing causes young people to drink more alcohol, and that this has damaging impacts. Numerous studies have consistently found that online alcohol marketing causes young people to use more alcohol.¹⁵ Despite this, alcohol companies increasingly target underage children and young people with digital marketing in their social media feeds and by social media influencers.¹⁶

In a 2023 study, researchers at the University of Queensland and Monash University, in partnership with VicHealth, analysed the Facebook and Instagram feeds of 16-to-25-year-olds and found they are dominated by highly targeted marketing of unhealthy and harmful products, including alcohol. The study found that alcohol ads appeared in the Facebook feeds of 93 per cent of the 16-to-17-year-olds in the study.¹⁷ It was also reported in 2023 that Meta has collected psychological insights about almost 2 million children in Australia and New Zealand, including real-time monitoring of their mood, which it uses to sell targeted social media advertising. Meta tags children and young people as interested in harmful products, including alcohol, and allows advertisers to target children with sponsored advertising of these products.¹⁸

Alcohol retailers target people at risk of harm with online alcohol marketing

Big alcohol retailers' business models rely on selling high volumes of alcohol to a small proportion of people who drink most heavily. Analysis of 2019 data has found that the heaviest drinking five per cent of people in Australia drank more than a third of all alcohol consumed, and the heaviest drinking 10 per cent of people drank more than half of all alcohol consumed in the country.¹⁹

Big alcohol retailers relentlessly promote alcohol specials, alcohol delivery and drinking at home, despite their products being both addictive and harmful. They use insidious tactics, such as collecting people's data people's data

¹¹ National Health and Medical Research Council (NHMRC) 2020, *Australian guidelines to reduce health risks from drinking alcohol*, NHMRC, <https://www.nhmrc.gov.au/about-us/publications/australian-guidelines-reduce-health-risks-drinking-alcohol>.

¹² Jernigan D, Noel J, Landon J, Thornton N & Lobstein T 2016, 'Alcohol marketing and youth alcohol consumption: a systematic review of longitudinal studies published since 2008', *Addiction*, vol 112 (Suppl 1), pp. 7-20; Anderson, P, de Bruijn, A, Angus, K, Gordon, R & Hastings, G 2009, 'Impact of alcohol advertising and media exposure on adolescent alcohol use: A systematic review of longitudinal studies', *Alcohol and Alcoholism*, vol. 44, no. 3, pp. 229-43.

¹³ Smith, LA & Foxcroft, DR 2009, 'The effect of alcohol advertising and marketing on drinking behaviour in young people: Systematic review of prospective cohort studies', *BMC Public Health* (online), vol. 9, no. 51.

¹⁴ Faulkner A, Azar D & White V 2017 'Unintended audiences of alcohol advertising: exposure and drinking behaviors among Australian adolescents' *Journal of Substance Use*, vol 22, no 1, pp. 108-112

¹⁵ Buchanan L, Kelly B, Yeatman H, Kariippanon KA 2018, 'The effects of digital marketing of unhealthy commodities on young people: A systematic review'. Faculty of Social Sciences - Papers. 3627. <https://ro.uow.edu.au/sspapers/3627>

¹⁶ World Health Organization 2022, *Reducing the harm from alcohol by regulating cross-border alcohol marketing, advertising and promotion: a technical report*, WHO, <https://www.who.int/publications/i/item/9789240046504>.

¹⁷ Foundation for Alcohol Research and Education, Alliance for Gambling Reform, Obesity Policy Coalition. Media release: 'Facebook and Instagram are bombarding young people with targeted alcohol, gambling and unhealthy food ads'. 21 February 2023, FARE, <https://fare.org.au/facebook-and-instagram-are-bombarding-young-people-with-targeted-alcohol-gambling-and-unhealthy-food-ads/>.

¹⁸ Hayden L, Brownbill A, Angus D, Carah N, Tan XY, Hawker K, Dobson A, Robards B 2023, Alcohol advertising on social media platforms - A 1-year snapshot. Foundation for Alcohol Research and Education: Canberra.

¹⁹ Cook M, Mojica-Perez Y, Callinan S 2022, *Distribution of alcohol use in Australia*. Centre for Alcohol Policy Research; Foundation for Alcohol Research and Education. <https://fare.org.au/wp-content/uploads/CAPR-report-Distribution-of-alcohol-use-in-Australia.pdf>

from social media platforms and search engines and using this to target people with highly personalised advertising, tailored to their interests, habits and preferences.²⁰ Alcohol companies target people online, in their social media feeds, and even with direct prompts to their phones, pushing them to impulsively buy alcohol by pushing a button. A 2022 analysis of the 100 largest Australian online alcohol retailers found they target Australians with direct marketing, including via emails and SMS messages, usually advertising a special or discount.²¹

Alcohol marketing can increase positive emotions and thoughts about alcohol, and trigger alcohol cravings for people at risk of, or experiencing, alcohol dependence.²² Alcohol retailers know this, and use data and algorithms to target people most likely to buy alcohol – meaning they often target people who use alcohol at high-risk levels and people experiencing alcohol dependence or other harms.

A WHO report in 2022 found that in addition to targeting young people, alcohol companies increasingly target people who drink heavily with digital alcohol marketing, including through posts in their social media feeds and from social media influencers. Alcohol companies are more likely to target people experiencing alcohol dependence or other alcohol harms who search online for alcohol products or support with alcohol; companies then bombard them with a barrage of ads encouraging them to drink more alcohol.²³

Alcohol retailers also use predatory marketing strategies to target people at risk of harm and encourage high risk alcohol use:

- **Promoting impulse purchases**

Alcohol retailers deliberately design their marketing to push people to make impulsive purchases of alcohol – by promoting inducements such as time-limited specials and discount codes, free alcohol or free delivery if they reach a minimum spend, and using ‘Shop Now’ buttons in digital advertising. Many retailers also promote Buy Now Pay Later delayed payment schemes,²⁴ encouraging people to go into debt to purchase large volumes of alcohol. This is likely to fuel harm to people at risk.

A 2023 research report on alcohol advertising on Meta social media platforms in Australia found that two-thirds of social media advertisements for alcohol retailers contain a ‘Shop Now’ button, linking directly to the alcohol website, often alongside promotion of a discount code or sale. Retailers such as BWS and Jimmy Brings include Shop Now buttons in rapid alcohol delivery advertising, prompting impulsive purchasing.²⁵

- **Extreme discounts, minimum spend discounts, and free delivery**

Alcohol retailers know well that the cheaper alcohol products are, the more people drink, and the more they experience harm.²⁶ They encourage people to buy large volumes of cheap alcohol by promoting extreme price discounts of alcohol products, often at prices lower than soft drink and water. For example, Victorian retailers sell discounted wine for as little as \$3.15 a bottle, less than a 2-litre bottle of Coca-Cola.

Alcohol retailers use promotional offers, such as multi-buy, bulk purchase discounts, minimum spend discounts, free delivery and loyalty programs, to incentivise people to buy large volumes of alcohol. Nearly half of all marketing emails from Australian alcohol retailers advertise free or discounted delivery for purchasing a

²⁰ World Health Organization 2022, *Reducing the harm from alcohol by regulating cross-border alcohol marketing, advertising and promotion: a technical report*, WHO, <https://www.who.int/publications/i/item/9789240046504>.

²¹ Colbert, S., Wilkinson, C., Feng, X., Thornton, L., Richmond, R. (2022), You’ve got mail: Drinks are on sale! A study to assess volume and content of direct marketing received from online alcohol retailers in Australia, *International Journal of Drug Policy*, 105.

²² Murray R, Leonardi-Bee J, Barker A, Brown O, Langley T 2022, The effect of alcohol marketing on people with, or at risk of, an alcohol problem: A rapid literature review. University of Nottingham & SPECTRUM.

²³ World Health Organization 2022, *Reducing the harm from alcohol by regulating cross-border alcohol marketing, advertising and promotion: a technical report*, WHO, <https://www.who.int/publications/i/item/9789240046504>.

²⁴ Colbert S, Thornton L, Richmond R. Content analysis of websites selling alcohol online in Australia. *Drug Alcohol Rev* 2020;39:162–169]

²⁵ Hayden L, Brownbill A, Angus D, Carah N, Tan XY, Hawker K, Dobson A, Robards B 2023, Alcohol advertising on social media platforms - A 1-year snapshot. Foundation for Alcohol Research and Education: Canberra.

²⁶ Wagenaar AC, Salois MJ, Komro KA 2009, ‘Effects of beverage alcohol price and tax levels on drinking: A meta-analysis of 1003 estimates from 112 studies’, *Addiction*, vol. 104, no. 2, pp. 179-190.

specified minimum amount of alcohol,²⁷ and most Australian online alcohol retailers (81.5 per cent) offer discounts for purchasing greater quantities of alcohol.²⁸

These promotions encourage people to drink more and appeal most to young people and people who drink at high-risk levels.

- **Promoting drinking at home to survive lockdowns**

During COVID-19 lockdowns the alcohol industry rapidly pivoted its marketing strategies to exploit the pandemic and push online advertising to people at home. A 2020 study of alcohol marketing in Australia during the COVID-19 outbreak found that sponsored alcohol marketing posts appeared on Facebook and Instagram feeds every 35 seconds, promoting easy access to alcohol without leaving the home, as well as buying more alcohol, and using alcohol at home to cope, survive or feel better.²⁹

When directed at people at high risk of harm from alcohol or those seeking to cut back or recovering from alcohol dependence, these marketing tactics are particularly reprehensible.

Victorian policy environment

Outdoor advertising of alcohol products

The Victorian Government introduced legislation in 2018 to prevent outdoor alcohol advertising within 150 metres of all schools in Victoria (except advertising on the exterior of licensed premises and alcohol businesses, sports grounds and racecourses within this distance). The Government also included clauses in its contracts with private operators of public transport to prevent alcohol advertising on buses, trams, trains, and associated infrastructure, such as stops, shelters, platforms and stations.

While these were welcome steps forward to protect Victorian children from outdoor alcohol advertising near schools and when travelling on public transport, children are still not adequately protected. The contractual alcohol advertising standards do not apply to Southern Cross Station and some bus shelters, as these are not controlled by the Victorian Government, and the 150-metre exclusion zone for outdoor advertising is too small. Data from the Victorian Walk to School program indicate Victorian school children walk an average distance of 700 metres to school. Other research suggests Victorian children travel median distances of further than 1km to school in urban areas, and further than 2km in rural areas.³⁰

The alcohol industry still exposes children to alcohol advertising by placing their advertisements in locations frequented by children on their journeys to and from school and in their daily activities, including on the street (outside the 150 metre exclusions zone from schools), and at sports grounds and facilities.

Harmful alcohol promotions

Liquor legislation does not work to prevent harmful alcohol advertising and promotions in Victoria, with no penalties imposed on alcohol retailers for advertising or promotions that are not in the public interest.

Under section 115A of the *Liquor Control Reform Act 1998* (Vic) (Liquor Act), the Victorian Liquor Commission (VLC) has the power to ban a Victorian alcohol retailer from alcohol promotions or advertising that is not in the public

²⁷ Colbert S, Wilkinson C, Feng X, Thornton L, Richmond R 2022, 'You've got mail: Drinks are on sale! A study to assess volume and content of direct marketing received from online alcohol retailers in Australia', *International Journal of Drug Policy*, 105.

²⁸ Colbert S, Thornton L, Richmond R 2020, 'Content analysis of websites selling alcohol online in Australia', *Drug Alcohol*, 39:162–169.

²⁹ Foundation for Alcohol Research and Education, Cancer Council Western Australia 2020, *An alcohol ad every 35 seconds. A snapshot of how the alcohol industry is using a global pandemic as a marketing opportunity*, FARE, Canberra, <https://fare.org.au/wp-content/uploads/2020-05-08-CCWA-FARE-An-alcohol-ad-every-35-seconds-A-snapshot-final.pdf>.

³⁰ Carver A, Watson B, Shaw B & Hillman M 2013 'A comparison study of children's independent mobility in England and Australia', *Children's Geographies*, vol 11, no 4, pp. 461-475.

interest.³¹The Liquor Act was amended in 2021 to set out the following categories of advertising that are not in the public interest:

- Advertising or promotion that is likely to appeal to minors.
- Advertising or promotion that is likely to encourage or condone violence or anti-social behaviour.
- Advertising or promotion that is directly or indirectly sexual, degrading or sexist.

If the VLC becomes aware of advertising or promotions that are not in the public interest, it will usually give the retailer the opportunity to voluntarily withdraw the promotion before issuing a notice to ban the promotion under section 115A of the Liquor Act.³² This means that retailers can use irresponsible and harmful alcohol promotions without any risk of penalty, unless a retailer refuses the VLC's request to withdraw a promotion and then also refuses to comply with a banning notice issued by the VLC. Banning notices have rarely been issued, and when they have, it has been many months after the advertising and promotions have finished running. No banning notices were issued in 2021-2022 and only one notice was issued in 2020.³³ This approach means there is no effective deterrent for irresponsible and harmful advertising and promotions by alcohol retailers.

Recommendations

The Victorian Government should ensure children can travel to and from school and other activities free from alcohol advertising. This should include ensuring sports grounds and facilities used by children, and streets within a radius of at least 500 metres from schools, are free from alcohol advertising. The Government should also close policy gaps to prevent alcohol advertising at Southern Cross Station and remaining bus shelters.

New standards for alcohol promotions in the Liquor Act should include an offence with a penalty if Victorian liquor licensees promote alcohol in harmful ways that are not in the public interest. Types of harmful alcohol promotions that are not in the public interest should include the following:

1. Using data about people's characteristics, preferences, attitudes or behaviour to target people with online or digital alcohol advertising, including sponsored posts in social media feeds, banner posts on websites.
2. Sending direct prompts or push notifications promoting alcohol products to a person's phone or device.
3. Promotions that provide incentives or encourage people to buy increased quantities of alcohol products. This should include preventing the discounting (including bulk or multi-purchase discounting) of alcohol products that results in extremely low prices (e.g. less than \$1.30 per standard drink).
4. Promotion of Buy Now Pay Later delayed payment schemes to buy alcohol products.
5. Promotion of inducements to buy alcohol products. An inducement should be defined as an offer or benefit conditional upon the purchase of alcohol, such as a voucher, product give away, discount code or free delivery. This should include promotions that require the purchase of a minimum amount of alcohol or a minimum spend on alcohol to receive the offer or benefit.

³¹ *Liquor Control Reform Act 1998* (Vic), s. 115A.

³² Victorian Commission for Gambling and Liquor Regulation 2013, *Guidelines for responsible liquor advertising and promotion*, <http://assets.justice.vic.gov.au/vcglr/resources/9f470ae4-b191-46ff-8a58-59211e71e5a6/guidelinesforadvertisingpromotions_lowres.pdf>.

³³ Victorian Commission for Gambling and Liquor Regulation, Promotions banned by the VGCCC webpage, VGCCC, <https://www.vgccc.vic.gov.au/liquor/liquor-wholesaler/understand-your-liquor-licence/compliance-and-enforcement/promotions-banned-vcglr>.