

# GETTING THE FACTS RIGHT ON ALCOHOL ADVERTISING & CONSUMPTION

Advertising for alcoholic beverages is constantly under government scrutiny. Regulating and reducing the visibility of alcoholic beverages is perceived by some as a convincing public health policy measure to reduce alcohol-related harm. Contrary to the general belief, **alcohol advertising does not necessarily increase the desire to drink more alcoholic**

**beverages**, therefore **advertising restrictions/bans** appear to be **ineffective measures to reduce** both **per capita alcohol consumption** and **alcohol-related harm**. This document aims to provide summary information that may help address questions surrounding alcohol advertising and its effects on consumption by reference to empirical and scientific evidence.

## KEY POINTS

**1** Does alcohol advertising increase overall per capita alcohol consumption?

- In a mature market, advertising should not increase total demand.
- Stable per capita consumption levels throughout Europe suggest that most EU Member states have a mature alcoholic beverage market.
- That said, the majority of scientific publications suggest that alcohol advertising is associated with increases in per capita alcohol consumption.

**2** Do advertising restrictions or bans reduce per capita alcohol consumption?

- Empirical evidence does not support the claim that countries with alcohol advertising bans or numerous advertising restrictions have lower levels of per capita consumption than countries that do not have bans and vice versa.
- Denmark, for example, has liberalised advertising regulations over the last decades, but per capita consumption has declined. Per capita alcohol consumption declined in France before the introduction of Loi Evin in 1991 and continued to decline after liberalisations were introduced in 2009.
- The scientific evidence provides a mixed picture, with just half of the publications indicating an association between advertising bans/restrictions and per capita alcohol consumption. This may be due to the fact that it is difficult to isolate a single factor (advertising) from numerous other factors that influence per capita alcohol consumption.

**3** Is alcohol advertising regulation and self-regulation linked to per capita consumption?

- Countries relying heavily on self-regulation show no clear difference in per capita alcohol consumption when compared to countries relying only marginally on self-regulation.
- Empirical evidence does not suggest a link between advertising restrictions, self-regulation and per capita alcohol consumption.
- Irrespective of increased alcohol advertising expenditures and more and more self-regulatory measures, per capita alcohol consumption continuously declined in Germany, for example.

**4** Does alcohol advertising increase adolescents' alcohol use and misuse?

- Empirical evidence does not support a direct association between advertising and adolescents' alcohol use and misuse.
- Survey studies that try to assess a relationship between advertising exposure and alcohol use or misuse often refer to awareness and attitudes rather than behaviour (only behaviour changes the outcome/alcohol-related harm). Moreover, if the relationship were causal, the direction of causation cannot be determined.
- Findings of longitudinal studies are usually mixed and inconclusive. If studies find a correlation between advertising exposure and alcohol use/misuse, the impact size is very small, indicating that other factors, such as parents and peers, likely have a greater influence on adolescents' behaviour.

## Does alcohol advertising increase overall per capita alcohol consumption?

### KEY POINTS

- ◆ In a mature market, advertising should not increase total demand.
- ◆ Stable per capita consumption levels throughout Europe suggest that most EU Member states have a mature alcoholic beverage market.
- ◆ That said, the majority of scientific publications suggest that alcohol advertising is associated with increases in per capita alcohol consumption.

This question is not specific enough to be answered with a single 'yes' or 'no'. Many factors are associated with changes in per capita consumption, such as:

- ◆ The size of the market;
- ◆ Consumers' tastes and preferences;
- ◆ Wealth of market participants that includes income, income distribution and prices for alcoholic beverages;
- ◆ Economic and social climate;
- ◆ Quality of alcoholic beverages that are provided in the market, price, technology and transportation infrastructure; and
- ◆ Culture, ...amongst others.

If the factors above are relatively stable and predictable, as it appears to be the case in most - if not all - EU Member States, it is very likely that the market for a specific good becomes mature over time. By definition, advertising should not increase total demand in mature markets. A mature, or 'saturated' market is highlighted by the absence of significant growth, or, to put it differently, the quantity demanded of a specific product category is relatively stable.

**Between 1975 and 2012, per capita alcohol consumption in the EU declined by 17.3% from 12.7l of pure alcohol to 10.5l of pure alcohol**, according to the WHO. As showed in Figure 1, since the mid-1990s, per capita alcohol consumption in Europe has remained relatively stable. That is an indication that the demand for alcoholic beverages has reached its plateau, and further increases in per capita consumption are very unlikely in the EU.

The fact that the market for alcoholic beverages appears to be saturated in Europe is supported by some peer-reviewed publications, for example, (de Bruijn, Ferreira-Borges, Engels, & Bhavsar, 2014, p. 13).

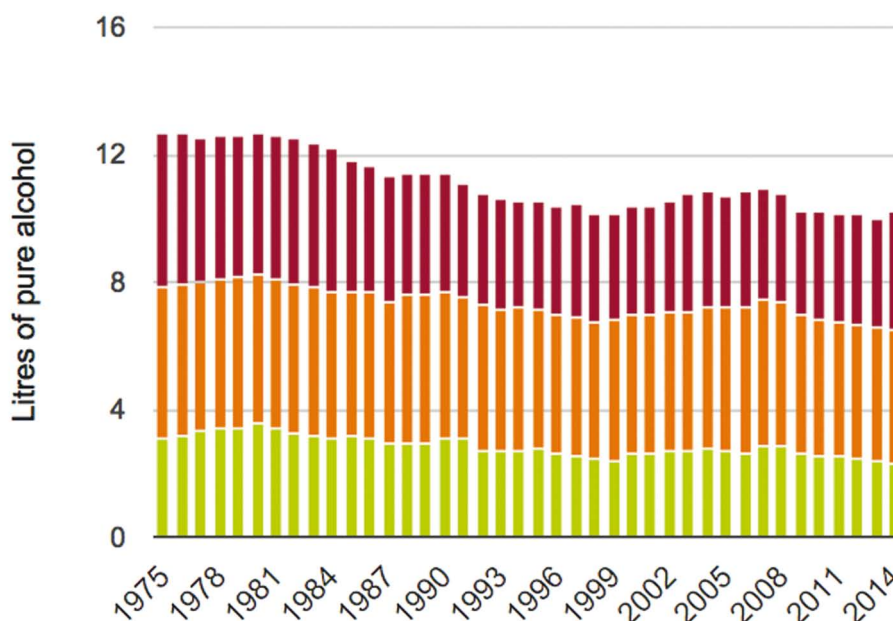
**As the market for alcoholic beverages in the EU appears to be mature, advertising may change market share among participants but, by definition of a mature market, advertising should not increase overall per capita alcohol consumption.** However, advertising may be important for competitors in the market. Advertising may help maintain or gain market share: for example, consumers looking for a bottle of whisky on their next shopping occasion may be inclined to buy an Irish whiskey rather than a Scotch. In this case, advertising does not create, but rather fulfils already existing, demands or desires.

**Figure 1 - Per Capita Consumption in the EU (WHO)**

For people aged 15+

■ Spirits - Litres of pure alcohol ■ Beer - Litres of pure alcohol ■ Wine - Litres of pure alcohol

## EUROPEAN UNION





## WHAT DO WE LEARN FROM THE SCIENTIFIC EVIDENCE ON THIS TOPIC?

A systematic literature search of PubMed, Google Scholar, and CBA International revealed 99 publications between January 1990 and spring 2016 (for detailed search terms see appendix). All abstracts were examined cursorily. Of these, 45 report that advertising is associated with an increase in per capita alcohol consumption, 21 find that no such association, 12 report neutral or inconclusive evidence and 21 do not state any association in the abstract. Below is a selection of quotes that suggest that alcohol advertising is not associated with an increase per capita consumption.

**Coulson** (2001) points out that *'[t]ime-series models of the demand for alcoholic beverages have been criticised for use of annual data; omitted variables; mis-measurement of advertising; simultaneous equations bias; and inadequate attention to nonstationarity and dynamics'* (p. 31). Therefore, this publication used quarterly time series data and took the above listed points of criticisms into account. Coulson concludes, *'[...]advertising has virtually no influence on the steady-state level of alcoholic beverage consumption'* (p. 31).

An econometric study by **Calfee & Sheraga** (1994) that analysed *'the alcoholic beverage markets of France, Germany, the Netherlands, Sweden (where alcohol advertising has been prohibited since 1979), as well as [...] the UK market'* finds *'that advertising does not have a substantial effect on alcohol sales. The data also shows that social forces other than prices and income were bringing about a strong reduction in demand for alcoholic beverages during the 1970s and 1980s, and that advertising did nothing to ward off this trend'* (p. 287).

In inspecting the UK beverage market, **Broadbent** (2008) finds that although *'[m]any observers believe advertising increases market size (with the implication that fewer people would smoke or drink alcohol or buy cars if there were no advertising for those products) ...It turns out that very few advertisers have tried to increase the size of their market or claim to have done so. In the few cases that describe an increase in market size, we see consumers*

*switching from one type of product to another, without increasing their total category consumption. No case claims to have created a new desire. The inference is that banning or restricting advertising may be an ineffective instrument of social policy'* (p. 745).

A UK study by **Duffy** (2001) concludes, *'Advertising is found to have had no significant effect upon the "product composition" or "level" of total alcoholic drink consumption in the UK over the period from 1964 to 1996, and this result is robust with respect to variations in the specification of functional form'* (p. 437). In an earlier paper, **Duffy** (1995) finds, *'In an empirical application to data for the alcoholic drinks and tobacco markets in the United Kingdom, it is concluded that aggregate advertising appears to have had little or no effect upon product demand in this sector over the past three decades. The scope for restraining consumption of these products through advertising bans may be negligible'* (p. 557).

In an editorial, **Henry** (1996) concludes: *'Advertising can be an effective tool of competition between brands, but in mature food markets seems to have no visible effect on market size'* (p. 16).

**Gius** (1996) concludes that *'brand-level spirits advertising results only in brand switching and does not increase the overall size of the market'* (p. 73).

**Larivière et al** (2000) show that *'advertising is not effective in enlarging markets and this suggests that firms (especially breweries) use advertising to compete in zero-sum market share games'* (p. 147).

**Lee & Tremblay** (1992) argue, *'Although many have argued that advertising promotes beer consumption, the empirical results of this study do not support this hypothesis'* (p. 69).



**Nelson** (1999) concurs, *'The results for [...] total alcohol indicate that advertising has little or no influence on demand. The empirical evidence thus supports the notion that regardless of media, advertising affects mainly brand shares'* (p. 774).

**Nelson & Moran** (1995) declare, *'There is no effect of advertising in the composite demand function for alcohol. Hence, the results from system-wide modelling suggest that alcohol advertising serves to reallocate brand sales, with no effect on total ethanol consumption and very small effects on beverage consumption'* (p. 1225).

**Wilcox et al** (2012) concludes: *'These findings are consistent with previous research in that alcohol advertising appears to support the brand in the marketplace instead of impacting the overall consumption of the category'* (p. 829).

Three years later, **Wilcox et al** analysed *'the relationship between annual advertising expenditures and sales, using a time series regression procedure, for beer, wine, and liquor sold in the United States from 1971 to 2012. [...] Even though per capita alcohol consumption has not changed much throughout this period, alcohol advertising media expenditures for all alcohol beverages have increased almost 400% since 1971. [...] Despite other macro-level studies with consistent findings, the perception that advertising increases consumption exists. The findings here indicate that there is either no relationship or a weak one between advertising and aggregate category sales. Therefore, advertising restrictions or bans with the purpose of reducing consumption may not have the desired effect'* (2015, p. 641).





## 2 Do advertising restrictions or bans reduce per capita alcohol consumption?

### KEY POINTS

- ♦ Empirical evidence does not support the claim that countries with alcohol advertising bans or numerous advertising restrictions have lower levels of per capita consumption than countries that do not have bans and vice versa.
- ♦ Denmark, for example, has liberalised advertising regulations over the last decades, but per capita consumption has declined. Per capita alcohol consumption declined in France before the introduction of Loi Evin in 1991 and continued to decline after liberalisations were introduced in 2009.
- ♦ The scientific evidence provides a mixed picture, with just half of the publications indicating an association between advertising bans/restrictions and per capita alcohol consumption. This may be due to the fact that it is difficult to isolate a single factor (advertising) from numerous other factors that influence per capita alcohol consumption.

Since empirical data regarding total advertising bans are lacking, we have used two different datasets to review high to low restrictive advertising regulations across EU Member States. We draw, firstly, on the 'Nanny State Index', developed by the Institute of Economic Affairs and,

secondly, on a WHO ranking. We have not critically assessed whether these two rankings are correctly designed but assume they are. Consequently, we compare the findings of these rankings to per capita alcohol consumption to see if a clear empirical pattern can be identified.

#### WHO Ranking (2012)

The WHO supplies broad alcohol advertising information for the year 2012, listing whether a country has no restrictions, self-regulation, partial restrictions, or complete bans on a slew of categories: national television, cable television, national radio, local radio, print media, cinemas, billboards, point-of-sale, the internet, social media, sporting event sponsorship, youth event sponsorship. Each category is divided between spirits, beer, and wine.

According to these data: Finland, France, Poland and Slovenia are considered *least free*, whereas Luxembourg, Greece, Belgium, Germany and Austria are considered *freest*. Focusing purely on spirits, Finland, Croatia, Sweden, Slovenia, Poland, France and Latvia are *least free*. Luxembourg, Greece, Belgium and Germany are *freest*.

(See Table 2 WHO Index, by Product Category and Table 3 spiritsEUROPE Average Index (from WHO data) for a complete list).

#### The Nanny Index (2016)

In 2016, the Institute of Economic Affairs published the first edition of the Nanny State Index, as an initiative from the European Policy Information Center (EPICENTER). It is '*a league table of the worst places in the European Union to eat, drink, smoke and vape [...] The alcohol category includes taxation (50%), advertising restrictions (20%) and other (30%)*' (Institute of Economic Affairs, 2016). The alcohol-advertising portion considers TV/radio advertising, outdoor advertising, and sponsorship and each of these portions is divided between spirits and beer/wine.

From a possible score from no restrictions (0) to full ban (20), France, Latvia, Poland, Finland, Croatia, Sweden and Slovenia are considered *least free* with points ranging from 9–18. The UK, Slovakia, Denmark, Germany, Czech Republic, Netherlands, Cyprus and Belgium are deemed the *freest* countries with points ranging from 0–2 in respect to alcohol advertising. Focusing purely on spirits categories, Poland, Finland, Croatia, Latvia, France, Sweden, Slovenia, Austria, Bulgaria, Lithuania and Ireland fall into the 9-20 range. Conversely, the UK, Slovakia, Denmark, Germany, Czech Republic, Netherlands and Cyprus fall into the 0–2 range. (See Table 1 Nanny Alcohol Advertising Index for a complete list).



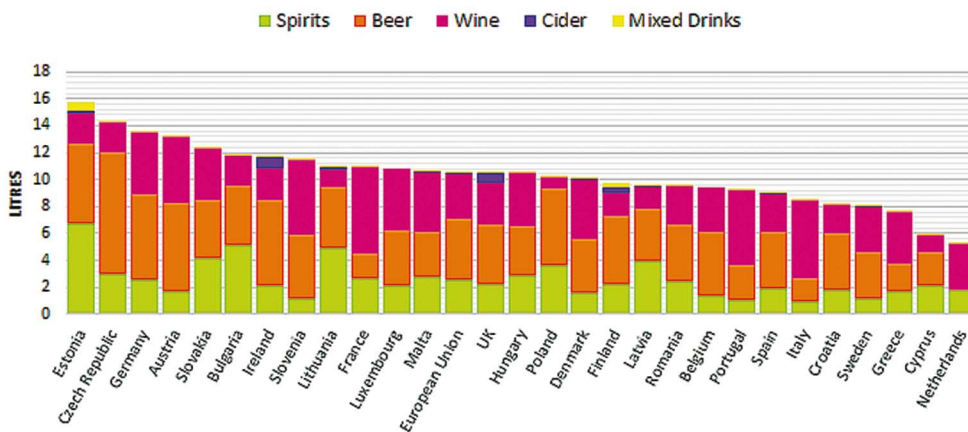
### MEMBER STATE CONSUMPTION COMPARISON

With these restriction indices in mind, the question becomes, '**Do countries with more restrictive advertising laws have lower per capita consumption than those that do not?**' This question is obviously difficult to answer precisely, given the variety of factors that affect consumption (as mentioned in the section '*Does alcohol advertising increase overall per capita alcohol consumption?*')

If advertising restrictions and bans induce populations to drink less, high consuming countries should have few to no restrictions and low consuming countries should have many restrictions. **The reality, however, is that several countries with high consumption rates have bans and numerous restrictions, and countries with numerous restrictions and bans drink at rates above the EU average, rates near the average, and rates far below the average.**

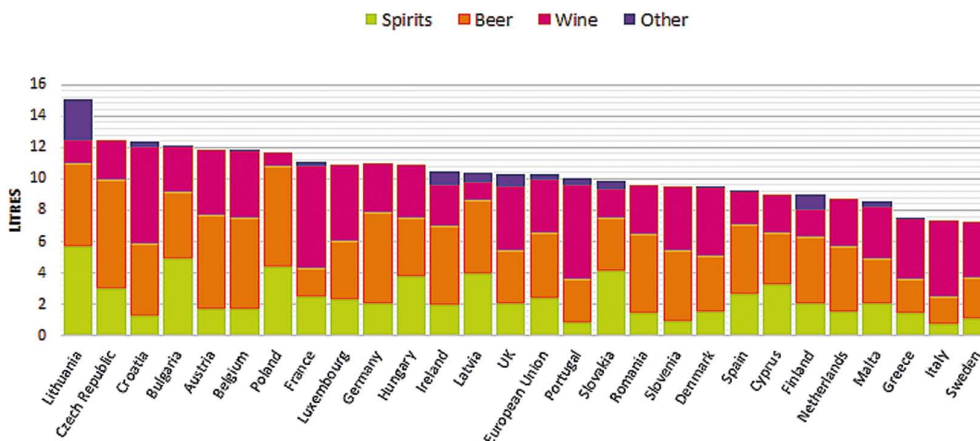
**Figure 2 - Per-Capita Consumption in the EU (IWSR and WHO)**

**Off-Trade Per-Capita Consumption for people aged 18+ in 2014**



Source: IWSR

**Reported Per-Capita Consumption for people aged 15+ in 2013**



Source: WHO

Looking only at consumption (for the most recent year for which comparable data are available), we see that the most regulated countries are found across the consumption spectrum.

According to the WHO ranking, Sweden is the most restrictive country, with 10 different advertising bans on spirits and six on both wine and beer. Indeed, consumption for Sweden is very low when compared to the rest of the EU, according to both WHO and IWSR. However, Latvia, France and Poland, all highly restrictive countries, do not have low consumption, when compared to the EU average.

The WHO consumption data for 2013 put all three countries above the EU average, whereas IWSR has Latvia and Poland below the average and France in the highest place. Conversely, WHO reports that Belgium, Luxembourg and Greece do not have any restrictions on any of the included types of advertising, but they fall on all ends of the consumption spectrum. The WHO also reports Belgium as having the sixth highest consumption rate, with Luxembourg coming in at ninth highest, whereas it reports Greece as having the third lowest consumption rate.

France, the highest-ranking Nanny State, has a drinking level just above average for the EU, according to IWSR, and roughly 8% above the EU average, according to WHO. The “freest” Nanny State ranking country - the UK, consumes at the EU average, according to both WHO and IWSR.

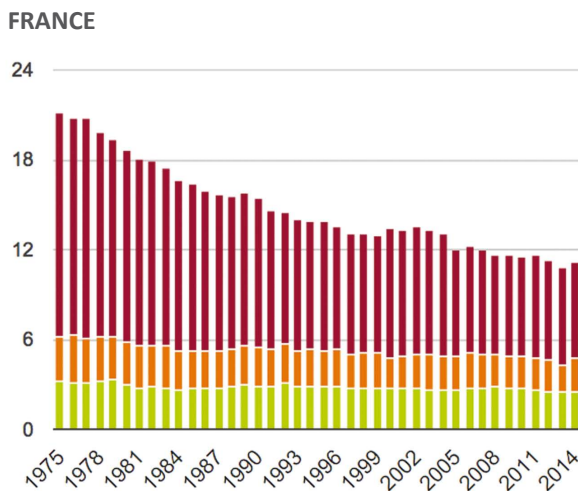
## CASE STUDIES

Aside from the question of whether highly restrictive countries have higher drinking rates than less restrictive countries, one must consider the consequences of tightening or loosening restrictions on per-capita consumption. This section will consider a few example countries to see whether changes in alcohol advertising restrictions coincide with any changes in per capita consumption rates.

### France

The Loi Evin, passed in 1991, significantly restricted alcohol advertising. It banned all advertising on TV and in cinemas, as well as all sport and cultural event sponsorship. Furthermore, permitted advertising is strictly controlled for content. In 2009, the law was liberalised to allow alcohol advertising on online platforms. Despite these changes in advertising restrictions, WHO consumption data shows that per capita consumption in France has decreased steadily for decades. There is no large drop following the 1991 legislation, nor is there a significant increase following the 2009 liberalisation.

Figure 3 - Per-Capita Consumption - France



For people aged 15+

■ Spirits - Litres of pure alcohol ■ Beer - Litres of pure alcohol ■ Wine - Litres of pure alcohol

### Denmark

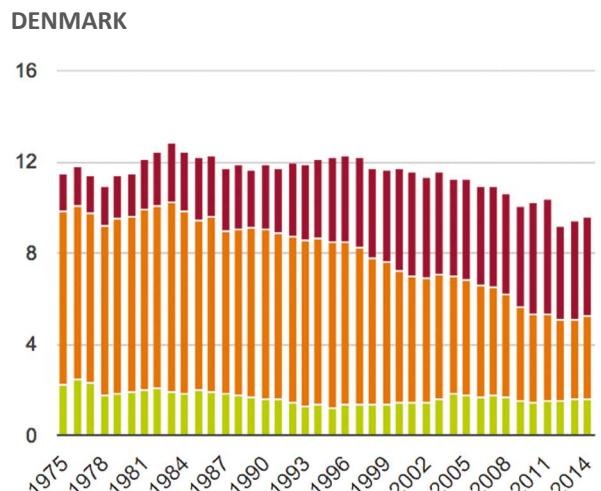
Restrictions regarding alcohol advertising in Denmark have been lifted or liberalised over the last 16 years.

- ◆ In 2000, the general ban on marketing for alcohol products over 2.8% ABV was lifted in favour of self-regulation.
- ◆ In 2003, the ban on alcohol marketing in television and radio was repealed.
- ◆ In 2006, alcohol marketing directed at children and young people was banned.
- ◆ In 2010, language was changed to prohibit linking alcoholic beverages with active sports exercise, but the subsections prohibiting alcoholic beverage marketing in sports clubs, sports arenas, etc. was removed.
- ◆ In 2011, a ban on product placement was lifted.

Despite the liberalisation of alcohol marketing restrictions, per capita alcohol consumption in Denmark has declined significantly since 1996, with total reported per capita alcohol consumption dropping 25% (WHO).

In short, **empirical evidence does not support an association between advertising restrictions and per capita alcohol consumption both at a country-level comparison and at individual country changes over time.**

Figure 4 - Per-Capita Consumption - Denmark



## WHAT DO WE LEARN FROM THE SCIENTIFIC EVIDENCE ON THIS TOPIC?

A systematic literature search of PubMed, Google Scholar and CBA International revealed 77 publications between January 1990 and spring 2016 (for detailed search terms see appendix). All abstracts were examined cursorily. Of these, 21 report that advertising bans and restrictions are associated with a reduction in per capita alcohol consumption, 12 find that no such association, 8 report neutral or inconclusive evidence, and 36 do not state any association in the abstract. Below is a selection of quotes that suggest that advertising bans or restrictions are not an effective means to reduce alcohol consumption or misuse.

**Siegfried et al** (2014) conclude: *‘There is currently no robust evidence for or against recommending the implementation of alcohol advertising restrictions’* (p. 22).

**Nelson** (2001) surveyed literature on advertising bans and alcohol consumption, concluding that *‘advertising bans do not reduce alcohol consumption or abuse; advertising expenditures do not have a marketwide expansion effect; and survey-research studies of youth behaviors are seriously incomplete as a basis for public policy’* (p. 329).

**Nelson** (2001) *‘The chapter concludes that advertising bans do not reduce alcohol consumption or abuse; advertising expenditures do not have a market-wide expansion effect; and survey-research studies of youth behaviors are seriously incomplete as a basis for public policy’* (p. 1).

**Nelson** (2003) analysed *‘a panel of 45 states for the period 1982–1997’*, investigating *‘several restrictive alcohol regulations’* (p. 1). He concludes: *‘Bans of advertising do not reduce total alcohol consumption, which partly reflects substitution effects. The study thus demonstrates the possible unintended consequences of restrictive alcohol regulations’* (p. 1).

**Nelson** (2010) finds: *‘The effects of advertising bans are statistically insignificant or have contrary coefficient signs, while a composite index for other alcohol control policies is negative’* (p. 74).

**Nelson & Young** (2001) find: *‘We study bans on broadcast advertising in 17 OECD countries for the years 1977 to 1995, in relation to per capita alcohol consumption, liver cirrhosis mortality and motor vehicle fatalities. The results indicate that advertising bans in OECD countries have not decreased alcohol consumption or alcohol abuse’* (p. 273).

**Makowsky & Whitehead** (1991) conclude: *‘A 58-year ban on advertising of alcoholic beverages was lifted in Saskatchewan in 1983. Data on monthly sales of beer, wine and distilled spirits were examined for the years 1981 to 1987. [...] This evaluation suggests that alcohol advertising is not a contributory force that influences the overall level of alcohol consumption’* (p. 555).

In **Young’s** re-examination of **Saffer** (1991), he concludes: *‘Third, estimates based on the components of consumption – spirits, beer and wine – mostly indicate that bans are associated with increased consumption’* (Young, 1993, p. 213).

---

*“Advertising bans do not reduce alcohol consumption or abuse”*

◆  
NELSON (2001)





### 3 Is alcohol advertising regulation and self-regulation linked to per capita consumption?

#### KEY POINTS

- ♦ Countries relying heavily on self-regulation show no clear difference in per capita alcohol consumption when compared to countries relying only marginally on self-regulation.
- ♦ Empirical evidence does not suggest a link between advertising restrictions, self-regulation and per capita alcohol consumption.
- ♦ Irrespective of increased alcohol advertising expenditures and more and more self-regulatory measures, per capita alcohol consumption continuously declined in Germany, for example.

#### WHO RANKING (2012)

In addition to providing information about whether a country has no restrictions, self-regulation, partial restrictions, or complete bans on a slew of categories, WHO supplies information about whether self-regulation is the only source of regulation for the same categories: national television, cable television, national radio, local radio, print media, cinemas, billboards, point-of-sale, the internet, social media, sporting event sponsorship, youth event sponsorship. Each category is divided between spirits, beer, and wine.

According to these WHO data, Germany, Cyprus and the UK employ self-regulation the most, followed by Ireland, Denmark and Austria. However, Belgium, Czech Republic, Estonia, Finland, France, Greece, Latvia, Lithuania, Luxembourg, Malta, Poland, Portugal, Slovakia, Slovenia and Spain do not employ self-regulation at all. (See Table 2 WHO Index, by Product Category and Table 3 spiritsEUROPE Average Index (from WHO data) for a complete list).

#### MEMBER STATE CONSUMPTION COMPARISON

Do countries that use more self-regulation have higher per capita consumption than those that use statutory restrictions and bans? Furthermore, do countries that use more self-regulation have lower per capita consumption than those that have no restrictions?

There does not seem to be any pattern regarding self-regulation and per capita consumption (also when compared to strict/no regulation). Germany, Cyprus and the UK are the countries that rely the most on self-regulation (though not exclusively). Figure 2 (on page 2) on per capita consumption (IWSR/WHO) makes it clear that self-regulation is unlikely to be related to per capita consumption. According to IWSR, Germany is the third highest consumer, whereas the UK consumes right at the EU average, and Cyprus is the second lowest consumer. According to the WHO, Germany and the UK consume near the EU average, and Cyprus is the seventh lowest consumer. Looking further, Ireland, Denmark and Austria can be found at all ends of the consumption spectrum.

Aside from the question of whether countries relying on self-regulation have higher drinking rates than more restrictive countries, one can consider again the consequences of tightening or loosening restrictions on per-capita consumption.

#### THE CASE OF GERMANY

Aside from regulations regarding young people, Germany has relied heavily on a voluntary advertising codes of conduct developed by the German Advertising Standards Council founded in 1972. In 2005, the code was extended to cover all forms of commercial communication, including direct marketing and communications via the internet, mobile telephones, sponsorship, and sales promotions. Finally, in 2009 it was further extended to prohibit alcoholic beverages from appearing on sportswear of children's and youth teams or in advertising and sponsorship campaigns associated with minors. (Wilks, Gordon, Eadie, & MacAskill, 2009). Nonetheless, per capita consumption has been on the decline since the late 1970s. Irrespective of increases in alcohol advertising expenditures of 42% (from €89m to €126.1m) between 2000 and 2015 (Statista, 2016), per capita consumption dropped by 15% (from 12.9 litres of pure alcohol to just 11.0) between 2000 and 2014.

#### BENEFITS OF SELF-REGULATION

**Advertising self-regulation exists to ensure that advertising is legal, decent, honest, and truthful.** When specifically applied to alcohol beverages, self-regulation complements national laws by creating a level playing field between operators by further interpreting and clarifying certain provisions and always goes beyond the legal requirements. In fact, advertising self-regulation works best within a regulatory framework, and has numerous advantages both for consumers and advertisers, as well as regulators.

- ♦ Advertising is a vital element of the economy by informing consumers of the different products and services available. Effective advertising self-regulation helps ensure that this advertising is responsible and can be trusted. It also provides an additional layer of consumer protection, especially in areas such as taste and decency of an ad.

- ♦ It offers advantage to the industry by maintaining consumer trust and brand reputation. Consumer trust in a brand is crucial to corporate success, which is why brand reputation is extremely important. Advertising self-regulation, through the promotion of responsible advertising, helps build consumer trust in brands, which in turn builds brand loyalty, and strengthens market share.
- ♦ Advertising self-regulation is designed to complement regulation. The costs of developing, implementing, and enforcing ad standards are carried by the local self-regulating system, saving time and money for the regulators.

#### spiritsEUROPE Guidelines for the Development of Responsible Marketing Communications



The alcohol beverage sector recognises the need for social responsibility in the sphere of commercial communications. The spiritsEUROPE Guidelines for Responsible Marketing Communications stress that alcohol advertisements should not encourage excessive or irresponsible consumption, present abstinence, or moderation in a negative way, or suggest any link with violent, aggressive, dangerous, or antisocial behaviour. The protection of minors is another fundamental pillar of advertising self-regulation and ads for alcoholic drinks should not be aimed at minors, should not show minors consuming alcoholic beverages, and should not be placed in media or events where more than 70% of the audience is known to be underage.

Studies aiming to measure the efficiency of self-regulation should, therefore, look at the improvement of advertising practices and advertising content within the context of the applicable code. Public health advocates applying public health metrics to self-regulation often fail to grasp this objective of self-regulation in the first place.



## Does alcohol advertising increase adolescents' alcohol use and misuse?

### KEY POINTS

- ♦ Empirical evidence does not support a direct association between advertising and adolescents' alcohol use and misuse.
- ♦ Survey studies that try to assess a relationship between advertising exposure and alcohol use or misuse often refer to awareness and attitudes rather than behaviour (only behaviour changes the outcome/alcohol-related harm). Moreover, if the relationship were causal, the direction of causation cannot be determined.
- ♦ Findings of longitudinal studies are usually mixed and inconclusive. If studies find a correlation between advertising exposure and alcohol use/misuse, the impact size is very small, indicating that other factors, such as parents and peers, likely have a greater influence on adolescents' behaviour.

## ADVERTISING REGULATIONS

Commercial communications are subject to restrictions (AVMS Directive and codes) regarding audience profiles. Article 9 states that *'Member States shall ensure that audio-visual commercial communications provided by media service providers under their jurisdiction comply with the following requirements: [...] (e) audio-visual commercial communications for alcoholic beverages shall not be aimed specifically at minors and shall not encourage immoderate consumption of such beverages'*. Additionally, per Article 22, *'Television advertising and teleshopping for alcoholic beverages shall comply with the following criteria: (a) it may not be aimed specifically at minors or, in particular, depict minors consuming these beverages'*.

In addition to regulations at EU level, all EU Member States apply restrictions to alcohol advertising within their territories. The national laws are then complemented by self-regulatory codes aiming to clarify interpretation of the law for economic operators, and going beyond the legal benchmark. The spirits sector was a pioneer in imposing the '70/30' rule for the placement of its advertising content across the EU to ensure due diligence is exerted not only regarding the content of its commercial communications but also the placement of it.

## MEMBER STATE YOUTH CONSUMPTION COMPARISON

The data for youth alcohol consumption comes from two primary sources: Health Behaviour in School-aged Children (HBSC-Inchley et al 2016) and the European School Survey Project on Alcohol and Other Drugs (ESPAD-Kraus et al 2016)

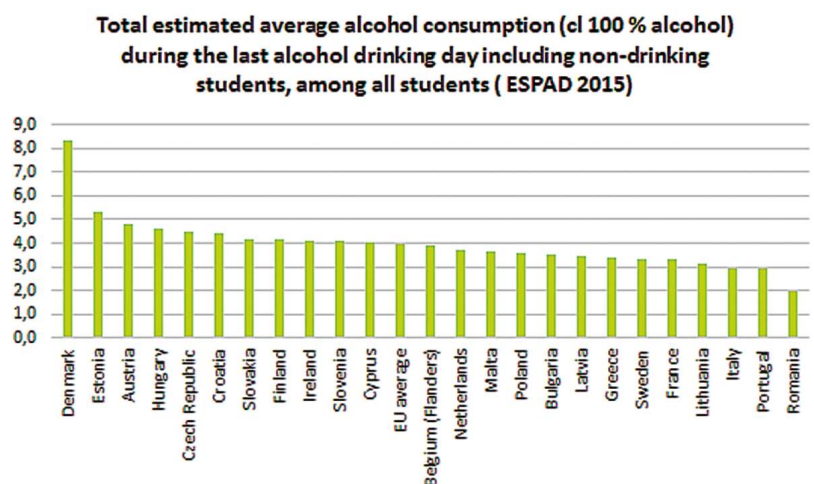
While these surveys do not always provide complete information for each country, and they are only conducted every four years, the bottom/top differences among Member States can be seen.

According to ESPAD, 26% (Sweden) to 73% (Denmark) of 15- and 16-year olds had consumed alcohol in the last 30 days in 2015, and drank 2.8 centilitres (Romania) to 9.3 centilitres (Denmark) of pure alcohol on the last drinking occasion. Additionally, ESPAD reported that 21% (Sweden) to 57% (Denmark) of 15 - 16 years olds

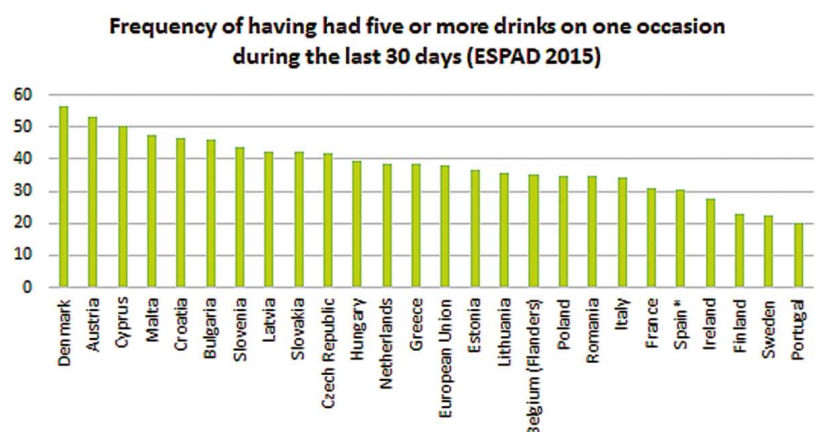
consumed 5+ drinks on a single occasion at least once during the last 30 days. HBSC reported for 2014 that 14% (Sweden) to 49% (Estonia) of 15-year olds initiated drinking at or before the age of 13.

Finland, France, Poland, Slovenia and Croatia appear to be most restrictive regarding advertising in both the Nanny State Index and WHO Ranking and yet, as shown in figures below, there appears to be a lack of correlation between restrictive legislation and the level of drinking and alcohol misuse: we see that the most regulated countries are found across the entire spectrum.

**Figure 5 - average consumption in cl of pure alcohol (ESPAD 2015)**



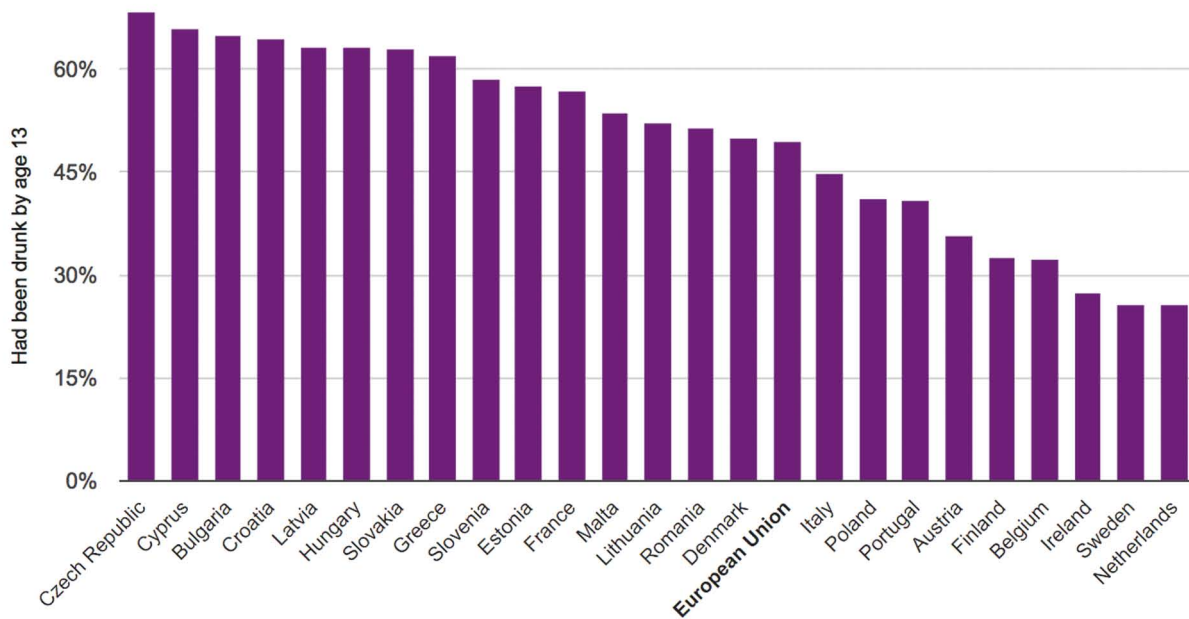
**Figure 6 - Frequency of heavy episodic drinking (ESPAD 2015)**



**Figure 7 - Reported drunkenness by the age of 13 or younger (ESPAD 2015)**

As self-reported by youths who are currently 15 and 16 years old, by gender in 2015

■ Yes - Had been drunk by age 13

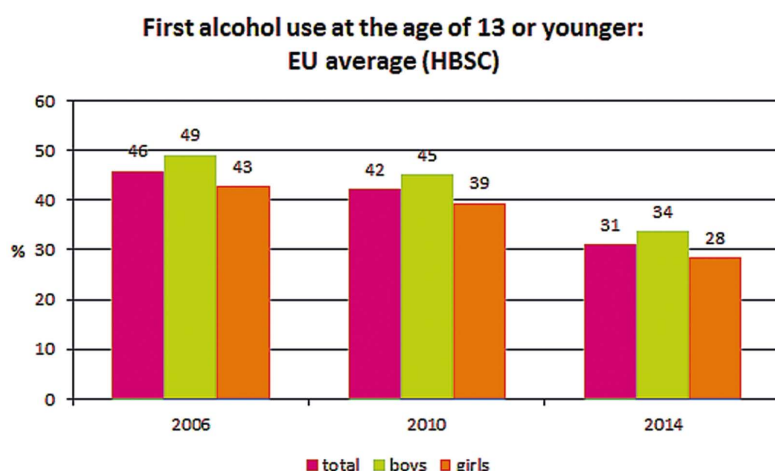


Despite strict regulations, several of the highly regulated countries are among the heaviest and earliest drinking in the ESPAD and HBSC surveys. Finland's youth drank the 4<sup>th</sup> most on the last drinking occasion, but they binged 3<sup>rd</sup> least frequently and were the 5<sup>th</sup> lowest in terms of early drunkenness. In France, youth drank the 7<sup>th</sup> least on the last drinking occasion, they binged 6<sup>th</sup> least frequently but were the 11<sup>th</sup> highest in terms of early drunkenness. Polish youth drank the 10<sup>th</sup> least on the last drinking occasion, they binged 5<sup>th</sup> least frequently and were the 8<sup>th</sup> lowest in terms of early drunkenness. In Slovenia, youth drank close to the EU average on the last drinking occasion, but they binged 7<sup>th</sup> most frequently and were the 9<sup>th</sup> highest in terms of early drunkenness. In Croatia, youth drank the 8<sup>th</sup> most on the last drinking occasion, they binged 4<sup>th</sup> most frequently and were the 4<sup>th</sup> highest in terms of early drunkenness. In short, no real pattern/link across Member States can be discerned.

However, these yearly snapshots do not provide the whole picture. According to the most recent HBSC report, the EU average for the number of students who initiated drinking at or before age 13 dropped by 33% since 2006 (from 46% in 2006 to just 31% in 2014).



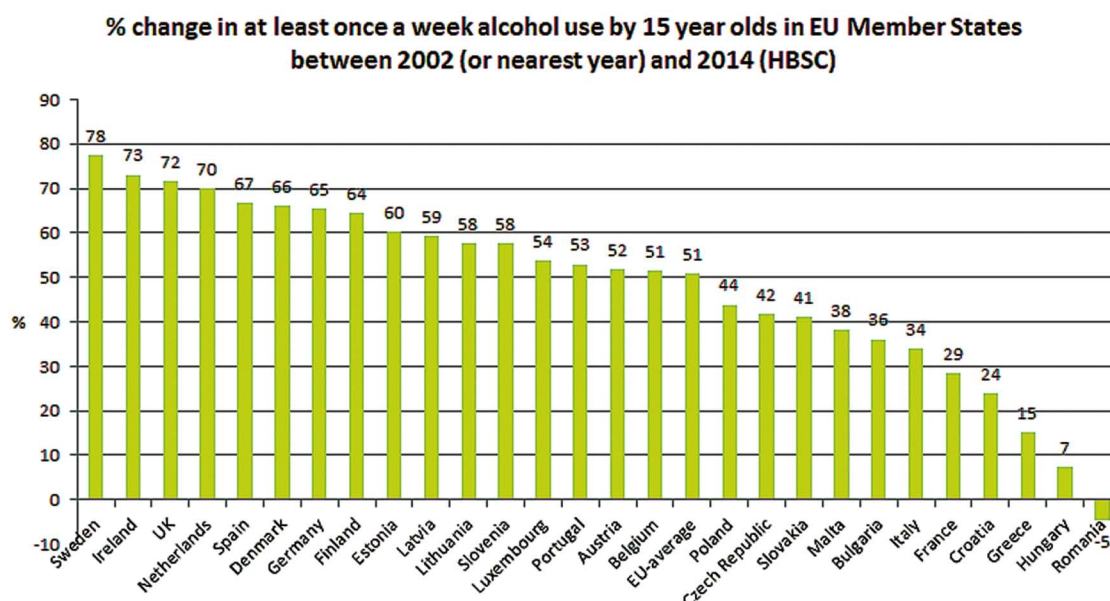
**Figure 8 - First alcohol use (HBSC 2014)**



Indeed, Finland has early onset drinking rates well below the EU average (32% in 2006, 28% in 2010, and 21% in 2014). But the reduction trend nearly matches the EU average at 34%. Similarly, France has a lower than EU-average early onset drinking rate (31% in both 2006 and 2014), but has shown almost zero decrease since 2006. Croatia, on the other hand, has early onset drinking slightly above the EU average (47%, 50%, and 40% in 2006,

2010, and 2014, respectively), and shows a much smaller reduction over the same period (just 15%). Conversely, Austria, with very few voluntary and statutory restrictions, has an early onset drinking rate well above the EU average in 2006 (60%), but the rate decreases significantly (35%), dropping to just 30% in 2014, which is now below the EU average.

**Figure 9 - Weekly underage drinking (HBSC 2014)**



## SOCIAL MEDIA

Online advertising in social media is increasingly discussed among policy makers and inside the alcohol research community. It is sometimes argued that off-line advertising regulations can be circumvented via online marketing, and, therefore, children are less protected and adolescents are increasingly exposed to advertising with potential negative consequences. However, **the most popular social media platforms automatically age-gate commercial content for alcohol beverages to each country's legal purchase age**, make advertising content for alcohol beverage – and adults' interaction with such content - invisible to minors (e.g. **Facebook, Instagram** when using Facebook to login, Google ads, YouTube and **Twitter**).

## WHAT DO WE LEARN FROM THE SCIENTIFIC EVIDENCE ON THIS TOPIC?

It is important to note that most papers related to advertising exposure test whether people or adolescents are aware of (a specific) alcoholic beverage/brand. Awareness does not necessarily translate into consumption or misuse. Moreover, it seems that those adolescents who are already using alcoholic beverages are more aware of advertisements compared to abstainers. It is difficult, however, to determine the direction of causation: is advertising awareness the cause of drinking or drinking the cause of advertising awareness? Some papers nonetheless claim to have found a causal relation instead of an association. Finally, the vast majority of studies maintaining that advertising influences onset and heavy drinking find that the size of the impact is extremely small. That is to say, other factors such as peers and parents are, by far, more influential than advertising.

A systematic literature search of PubMed, Google Scholar and CBA International was carried out between January 1990 and spring 2016 (for detailed search terms see appendix). All abstracts were examined cursorily.

This search revealed 19 publications **on social media marketing**. Of these, 10 report that social media marketing and/or digital marketing are associated with increased alcohol consumption, particularly among young people, 2 find that no such association, 3 report neutral or inconclusive evidence, and 4 do not state any association in the abstract.

This search revealed 216 publications **on association between alcohol advertising and adolescent drinking**. Of these, 99 report that alcohol marketing is associated with adolescent alcohol consumption, 16 find that no such association, 35 report neutral or inconclusive evidence, and 66 do not state any association in the abstract.

Below is a selection of quotes discussing the association (or lack thereof) between alcohol advertising and adolescent alcohol consumption.

**Aspara & Tikkanen** (2013) find: *'As a result of this assessment, the authors conclude that the evidence presented in the studies is not rigorous enough to establish any effect of alcohol advertising on adolescent alcohol consumption. The evidence is undermined by methodological problems, including exclusive use of the survey approach, reliance on self-reported subjective data, focus on the effects general media exposure and brand attitudes instead of advertising, and other validity challenges. It is concluded that bans on alcohol product advertising could even increase alcohol consumption, due to dynamic effects of marketing'* (p. 1).

**de Bruijn** (2014) concludes: *'There is evidence to the effect that exposing children to alcohol consumption in the media increases the chances that they will consume alcohol as minors or as adults, and since alcohol consumption is associated with numerous public health issues, calls for stricter regulation can be heard from many quarters. This article argues that with the available research we cannot conclude that exposure to portrayals of alcohol consumption plays a genuine causal role in bringing about the things with which it is associated, that the strength of the correlation is too weak to justify regulation and that the sorts of things with which it is associated only rarely count as genuine harms from a liberal point of view'* (p. 35).

---

*"Evidence is not rigorous enough to establish an effect of alcohol advertising on adolescent alcohol consumption"*

◆  
**ASPARA AND TIKKANEN (2013)**

**Grube & Waiters** (2005): *‘Overall, the research on the effects of alcohol advertising also presents mixed findings. With some notable exceptions, experimental and ecologic studies have produced little or no evidence that short-term exposure to alcohol advertising expenditures affect drinking beliefs, behaviors, or problems among young people. [...] Thus, policies that are aimed at restricting or controlling exposure to and appeal of alcohol advertising also are likely to have only modest effect’* (p. 339).

**Kinard & Webster** (2010): *‘The results suggest that (1) advertising effects are largely neutralized by parental and peer influence; (2) peer and parental influence strongly predict adolescent tobacco use and alcohol consumption’* (p. 24).

**Molloy** (2016): *‘Although the unconditional correlation between advertising and drinking by youth (ages 18-24) is strong, models that include simple controls for targeting imply, at most, a modest advertising effect. Although the coefficients are estimated less precisely, estimates with models including more rigorous controls for targeting indicate no significant effect of advertising on youth drinking’* (p. 148).

**Jon P. Nelson** (2011) deduces: *‘As noted in prior reviews, the effect of alcohol marketing on adolescent drinking is modest, but the evidence indicates that it may not exist at all for mass media and other exposures. A meta-analysis reveals three problems in the existing literature. First, empirical results in the primary studies are mixed and inconclusive. [...] Second, an examination of comparable results from logistic studies reveals evidence that is consistent with publication bias and misspecification of empirical models. [...] Third, a narrative review of youth drinking studies shows that dissemination bias exists in the public health policy literature’* (p. 224).

**Nelson** (2010) concludes: *‘This paper assesses the methodology employed in longitudinal studies of advertising and youth drinking and smoking behaviors. These studies often are given a causal interpretation in the psychology and public health literatures. Four issues are examined from the perspective of econometrics. First, specification and validation of empirical models. Second, empirical issues associated with measures of advertising receptivity and exposure. Third, potential endogeneity of receptivity and exposure variables. Fourth, sample selection bias in baseline and follow-up surveys. Longitudinal studies reviewed include 20 studies of youth drinking and 26 studies of youth smoking. Substantial shortcomings are found in the studies, which preclude a causal interpretation’* (p. 870).

**Poppelreuter et al** (2010): *‘The analysis of the literature as well as the empirical findings show that the impact of advertising for alcohol on the personal consumption of it by adolescents is marginal. Young people are far less influenced by advertising as often assumed. The more relevant factors are still parents and friends’* (p. 368).

**Schultz** (2006): *‘I challenge the Snyder et al study3 examining alcohol advertising effects on drinking behaviors. The study refutes decades of very sophisticated advertising, marketing communication, and consumer behavior research. For example, during the past 50 years, researchers, globally, have not been able to demonstrate a direct and measurable effect of mass media advertising on consumer behavior except in certain instances of direct response-type appeal’* (p. 857).

**Koordeman et al** (2012) conclude: *‘Assignment to the alcohol advertisement condition did not increase alcohol consumption. [...] Viewing alcohol advertising did not lead to higher alcohol consumption in young men while watching a movie’* (p. 874).

---

*“Young people are less influenced by advertising compared to parents & friends who are still more important”*

◆  
**POPPELREUTER** (2010)

Click [here](#) for the bibliography and tables cited in the document.



rue Belliard 12, 1040 Brussels • [info@spirits.eu](mailto:info@spirits.eu)

[WWW.SPIRITS.EU](http://WWW.SPIRITS.EU)