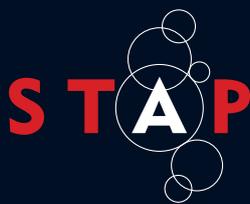




**Don't ask
a bird**

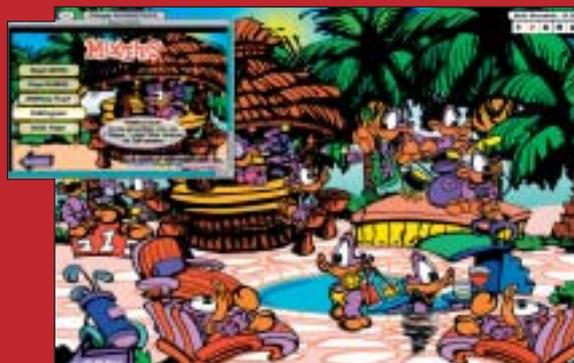
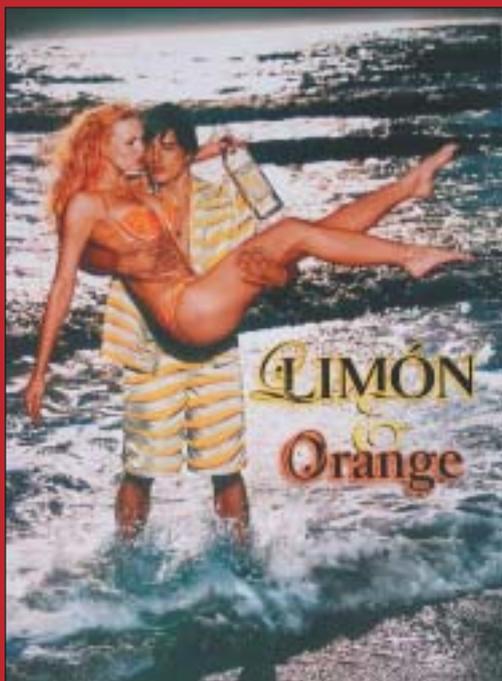
**to clip its
own wings**

Analysis of self regulation of alcohol marketing in the Netherlands



**NATIONAL FOUNDATION FOR
ALCOHOL PREVENTION**

Alcohol marketing in the Netherlands: An update



www.flugel.com



In the Netherlands alcohol advertising is not bound by any specific law. This is remarkable because in many European countries alcohol advertising is not only restricted by self regulation, but also by legislation.

In 1986 the Dutch government wanted to ban alcohol advertising on radio and television. This was prevented through effective lobbying by the alcohol industry. A compromise was reached: the industry was given the opportunity of self regulation. In 1990 the Advertising Code for Alcoholic Beverages came into effect.

In the last few years, concern about the influence of advertising and marketing on young people's smoking and drinking behavior has mounted. Lately, tobacco advertising has been restricted. In many European countries there is a growing tendency to increase the restraint on alcohol advertising as well.

- Alcohol is a narcotic drug that may be harmful to health and may lead to addiction if used excessively. The consumption of alcohol costs the Dutch society an amount of € 2.58 billion per year. (KPMG, 2001).
- Alcohol advertising contributes to the general acceptance of alcohol by young people, it disguises the disadvantages and young people are not sufficiently aware of the risks involved (Secretary of Health and Human Services, 2000).
- Annually an estimated € 273 million is invested in alcohol advertising in the Netherlands (NIGZ/STAP, 2000). In contrast the Ministry of Health invests about € 3 million on information about alcohol (Rutz, 2002). Due to cutbacks this amount will be reduced by at least 10%.

Health Minister Borst in 2001

On 21 December 2001 Mrs Borst, minister of health at the time, wrote a letter to Parliament saying that self regulation of alcohol marketing fails to contribute sufficiently to the success of the alcohol prevention policy, especially with regard to young people. In accordance with her earlier promises and various other motions carried, she promised to put forward a resolution on advertising (parliamentary paper 27565, no. 21).

As early as 1 November 2000 the new Licensing Act had been passed, including the possibility of restraining alcohol advertising by means of regulation. The motion could be implemented without further ado. Then, nothing happened for two years. The draft for the proposed advertising regulation was shelved and it still is.

'Happy hours' were not banned (motion Oudkerk and others), and neither were promotions by the catering industry (following Oudkerk's motion). No ban on record low prices (motion van der Vlies and others) was passed, nor any restriction of alcohol advertising aimed at young people (motion Oudkerk and others).

Health Minister Hoogervorst in 2003

On 8 July 2003 Mr Hoogervorst, the present minister of Health, wrote in reply to questions in parliament from Boelhouwer and Timmer, PvdA: (extract) 'This coming autumn I will approach the alcohol industry to consult about marketing aimed at young persons under the age of 18. In this matter I am not satisfied with the effect of self regulation and I support the evaluation made by my predecessor in her letter of 21 December 2001 (27565, no. 21). This consultation should lead to new, concrete agreements that are easy to interpret, that are obligatory, and that are aimed at the protection of young people. In the event that this is unsuccessful I will propose an Advertising Regulation based on the Licensing Act. In drawing up such regulation I will use the draft of the advertising regulation drawn up by my staff last year.'

About self regulation

The current Advertising code for alcoholic beverages dates back to January 2002 (STIVA, January, 2002).

The Advertising code for alcoholic beverages (self regulation by the alcohol industry), was drawn up by the Foundation for Responsible Alcohol Consumption (STIVA) as part of the Dutch Advertising Code of the Advertising Code Foundation (SRC). Advertisements are checked by the Advertising Code Committee on the basis of complaints only.



Alcohol advertising in the Netherlands reaches many young people

Television: 'Tom Cat'

NIPO research showed 83% of children between the ages of 10 and 15 say without prompting they know these adverts. 34% of young people indicate they would like to try this alcopop after seeing the advert.



In the street: 'Wanna Beer?'

Young people overawed by alcohol advertising in busy public places. In the centre of The Hague a ban on the consumption of alcohol in public areas had just been imposed when this advertising was put up. In Switzerland several regions enforce a ban on this type of alcohol advertising visible in public areas.



Events

Of the top 20 sponsors of events for teenagers, 40% are producers of alcoholic drinks. Bacardi Martini takes second place. Sponsoring is only allowed provided less than 25% of those present are under 18. Absolute numbers show many young people are reached.

(ReSpons 2003):

'Dauwpop Hellendoorn' 2002; sponsor Heineken; 10,000 visitors including 24% of 19 years and younger.

'Amstel Bright Beach Soccer' 2002; 134,500 visitors including 33% of 19 years and younger.

'Sweet valley parade' 2002; sponsor Bacardi a.o.; 9000 visitors including 40% of 19 years and younger.



Internet

Research by STAP shows that more than 50% of 34 reviewed Dutch websites of producers of alcoholic drinks are attractive to minors. Language style, games and competitions make these sites very popular. The promotion site of Bacardi Breezer scores highly.

Ministry of Health wants youngsters to drink less

The main aim of the policy on alcohol of the Ministry of Health is to reduce alcohol consumption among young people under 18.

In the Advertising code for alcoholic beverages minors are referred to as a vulnerable group. Of the 35 lines in the text of this advertising standard 10 are specifically intended to curb alcohol advertising directed at minors. Nevertheless alcohol advertising still reaches many young people.

The EU and the WHO want to put an end to alcohol advertising reaching young people.

Reducing alcohol advertising directed at young people is also at the centre of important European policy developments:

In the EU Council Recommendation on alcohol consumption by young people (5 June 2001) it has been laid down that member states should make an effort to ensure that alcohol marketing is not directed at young people and that, if necessary, sanctions should be imposed on those who fail to comply with the agreement. When the WHO 'Declaration on young people and alcohol' (Stockholm, 21 February 2001) was signed, it was

agreed that alcohol marketing aimed at young people should be minimized: 'By the year 2006 [...] minimize the pressures on young people to drink, especially in relation to alcohol promotions, free distributions, advertising, sponsorship and availability, with particular emphasis on special events.'

Children and youngsters between the ages of 10 and 15 are familiar with alcohol advertising

In 2002 The Dutch Institute for Public Opinion and Market Research (TNS NIPO) was commissioned by STAP to ask young people between the ages of 10 and 15 about their opinion on alcohol advertising. They were asked to give marks to commercials promoting Pisang Ambon, Hooghoudt Vodka, Heineken beer, Smirnoff Ice and Bacardi Breezer. The more often the target group had watched these commercials, the higher the mark. The Breezer advertising 'Tom Cat' received the highest score. Many children could easily recall alcohol advertising they had watched in the past three months (Van de Pol & Duijser, 2003).

Jasmine (15) on alcohol advertising:

'I believe that people will drink more if there is more alcohol advertising. If alcohol advertising were banned, I would not try out any new drinks: now I sometimes see new drinks in the commercials and then I sometimes want to try them.'

Statement from an interview with the Young Persons Committee on Alcohol & Marketing of STAP (2002).

Percentage approach is not a good standard

Letter from the former Minister of Health, 21 December 2002: 'The 25% criterion for radio and TV stations broadcasting to young people is also used for other large scale events and activities covered by mass media. It is precisely this criterion that, in my opinion, needs to be adapted to have the motion implemented (the motion to reduce Alcohol advertising, ed.). Even if the limit of 25% minors is not exceeded, large groups of young people are still involved. Standards of a different type are necessary to regulate marketing aimed at young people' (parliamentary paper 27 565, no. 21).

Alcohol producers in a dilemma

Alcohol advertising must not be aimed at minors. And advertisers say they never aim their adverts at young people in particular. Complaints lodged with the Advertising Code Committee are more often than not won by the advertiser because there is no solid evidence. However, to producers of alcoholic drinks it is definitely important to reach young people (in their jargon 'young adults'), because they are their future consumers. In addition, young people like to emulate young adults and so advertising intended for a 20-year-old has a strong effect on a 15-year-old as well (Duijvestein et al., 2003). Since alcohol advertisers are neither able nor willing to solve this marketing dilemma, the government will have to come to the aid of the minors.



Supermarkets

At 28 of 69 visited supermarkets (41%) cash discounts for mixed drinks, were found (STAP 2003).

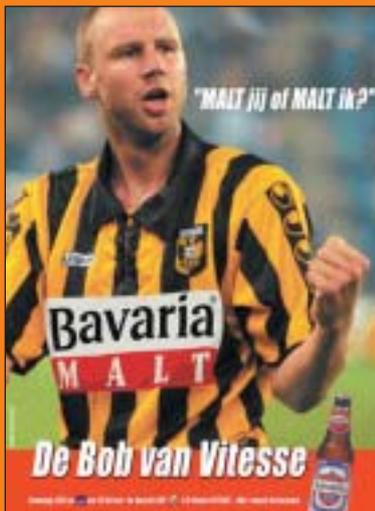


Catering promotions

Research in 2002 and 2003 showed that alcohol promotion teams were active in catering establishments despite the presence of over 25% of minors (Meerkerk, 2002 and STAP, juni 2003).

The Advertising code for alcoholic beverages is violated regularly

Bavaria



Sport

Shirt advertising is not allowed; because the brand Bavaria also stands for beer containing alcohol, the complaint against Bavaria was considered to be justified. At the time of the decision the football season had already come to an end.

Heineken



Minors

Heineken put this advert in a sports magazine for young footballers and in doing so violated article 14 of the Advertising code for alcoholic beverages

Discotheque The Palace



Discounts

Several discos charged record low prices for beer during the summer of 2003; after the complaint had been judged to be well-founded by the Advertising Code Commission, the disco The Palace continued selling at record low prices.

Bavaria



Excessive

The Standard demands restraint. In this commercial Piet Paulusma heaps his trolley with Bavaria beer in view of the fine weather predictions.

Citizens do not complain about alcohol advertising and, if citizens want to complain at all, they usually do not know how to do so. The Ministry of Health has commissioned STAP to monitor the self regulation of alcohol advertising. The activities of STAP over the past two years show that compliance with the Advertising code for alcoholic beverages leaves much to be desired.

In 2002 STAP lodged 68 complaints with the Advertising Code Comitty and so far 88 in 2003*; 28 complaints were dismissed, 23 were withdrawn and 11 are still under consideration. From 2002 up to and including 29 March 2003, 7 private consumers lodged complaints (STIVA, March 2003).**

Of the 156 complaints lodged by STAP 94 (60%) were honored.

* 2003: complaints up to and incl. September, 11 complaints still under consideration

** STAP withdrew these complaints because the advertisers stopped or adapted their advertisements immediately.

Marketing studies also indicate that self regulation does not function appropriately.

Supermarkets and catering establishments sell beer at incredibly low prices

Research in 2002 (STAP, December 2002) indicated that supermarkets offer beer at very low prices on an all but weekly basis, with discounts ranging from 8% to 54%, with an average of almost 25%. In the summer of 2003 over a course of five weeks STAP tracked 41 cashdiscounts on beer at 7 supermarkets with an average of about 25% (not yet published). Catering establishments regularly sell at incredibly low prices as well: STAP filed complaints about many special offers in 2003 because the establishments advertised unlimited consumption (57x) or free beverages (8x).

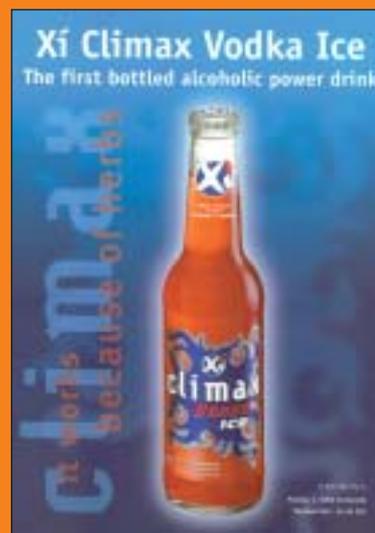
Johnny Walker



Minors

Advertiser Diageo violated the advertising standard for alcohol because its advertisements were aimed at children in particular. The verdict was given after the campaign had run its course.

Heineken



Misleading

Advertising should not be misleading. This advert of Vrumona (Heineken) promotes beer (a drug) as a power drink. According to the Advertising Code Committee this is misleading.

Price advertising

Albert Heijn advertises a price more than 50% below the regular price. Even this patently obvious rule (article 31 Advertising code for alcoholic beverages) is regularly violated.

Wieckse Witte (Heineken)



The Advertising code for alcoholic beverages is vague and open to multiple interpretations

Article 10

Advertising for alcoholic beverages should not suggest that consumption of alcoholic drinks has a positive effect on sporting achievements.

Sporting events regularly bear the name of beer brands. Many TV-commercials promoting alcohol are related to sports or are broadcast before, after and during games. This frequently suggests there is a connection between alcohol consumption and

sport. Every complaint against this form of marketing is dismissed because the link between the consumption of alcohol and sporting achievements is not explicitly made.

Amstel



Article 12

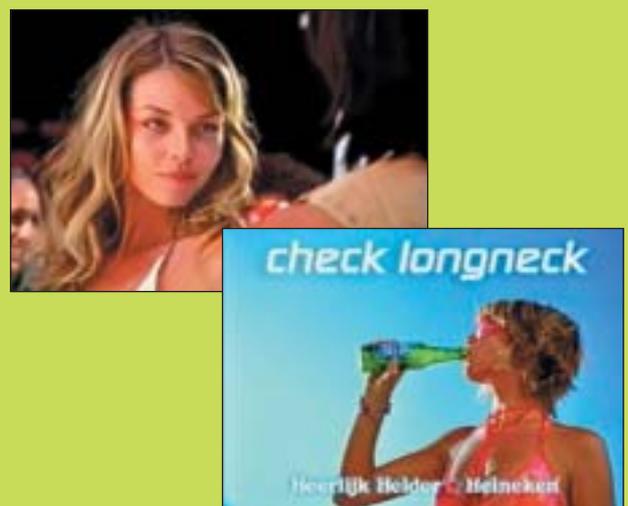
Advertising of alcoholic beverages may not create the impression that consumption of alcohol contributes to social or sexual success.

Passoã Diablo



The advert shows a boy (with a bottle of Passoã) and a girl who seem to have had sexual contact. Because it is not clear whether the consumption of Passoã Diablo actually contributed to sexual success, the complaint against this advert was dismissed.

Heineken



Donny does not know how to approach a girl he likes. He fails to find the right words and finally asks: 'Wanna beer?' The advert suggests that drinking Heineken will lead to social acceptance. The complaint lodged by STAP was dismissed because there was no proof that the question 'Wanna Beer?' actually resulted in success.

Advertising for big brands such as Heineken, Amstel, Bacardi and Smirnoff often seems to violate the Advertising code for alcoholic beverages. Commercials and billboards display erotically colored pictures, an environment attractive to young people or they have a strong association with sports. Relevant restricting rules have been included in the advertising standard.

However, the advertising agencies cleverly steer clear of the advertising standard so that the campaigns can be completed undisturbed. As it is, economics carry a lot of weight.

Steering clear of the advertising standard is possible because some articles in the standard are vague and can be interpreted in more than one way. It is the experience of STAP that lodging complaints about suggestive advertising is pointless. The advertiser is judged to be right in most cases.

Advertising messages can be conveyed in all sorts of ways. An atmosphere with a suggestive message, behavior evoking associations, pictures symbolizing

good health and happiness. Alcohol advertising may therefore be in sharp contrast to the intentions of the Advertising code for alcoholic beverages without actually being breaching the rules.

In 2003 Heineken sponsored '6-pack', a rebellious TV program for young people with an underground character. Heineken: 'We are not the sponsor, but the initiator'. The Advertising Code Committee judged it was indeed a matter of sponsoring alcohol. But the Committee did not share the opinion that the programme was aimed at young people in particular. As a consequence the complaint of STAP was not upheld.

Article 14:
Advertising of alcoholic drinks may not be aimed specifically at minors. This applies to all media, cinemas, theatres, concerts, events and the like.

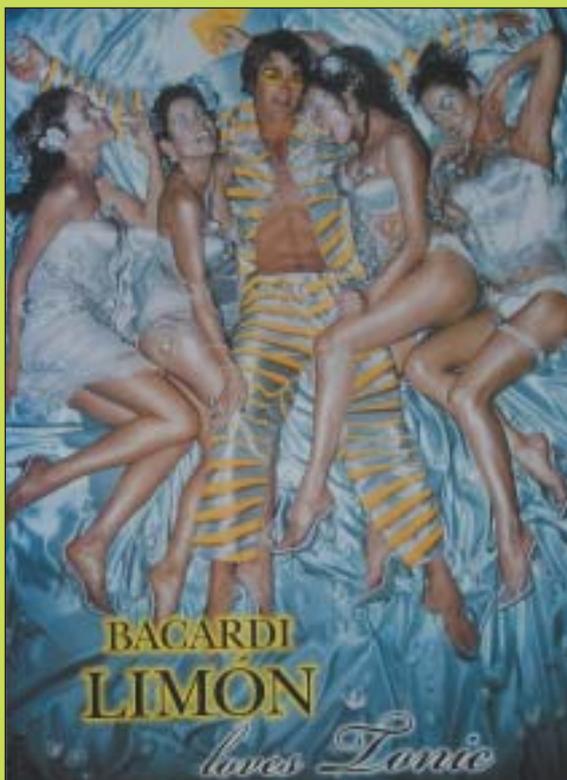
Flügel



Many alcohol commercials and products are designed in a style that appeals to young people. A complaint on the grounds of article 14 is therefore usually dismissed. A brief summary of the arguments offered by the Advertising Code Committee is: If pictures or music in commercials also appeal to young people, and if they identify with them, this does not prove that such advertising is specifically aimed at them.

Conclusion by STAP: Alcohol advertising appealing to young people is allowed provided the official target group, specified by the advertiser, is older.

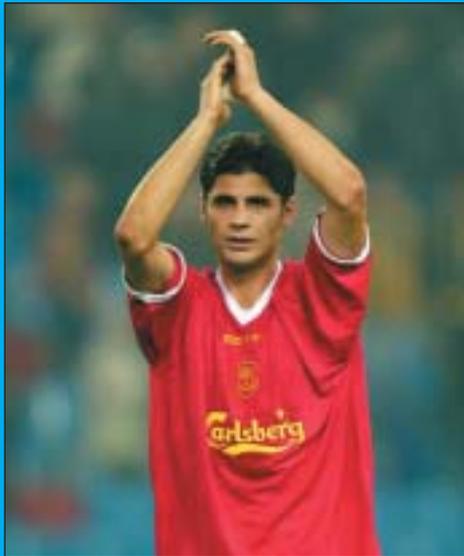
Bacardi



According to Bacardi no sexual success is shown in this advert, but a metaphor for a mix containing 4 parts tonic and 1 part Bacardi Limón. So the complaint was dismissed.

Decisions from the Advertising Code Committee have no impact

Carlsberg



Carlsberg violated the standard twice within one year but was not fined.

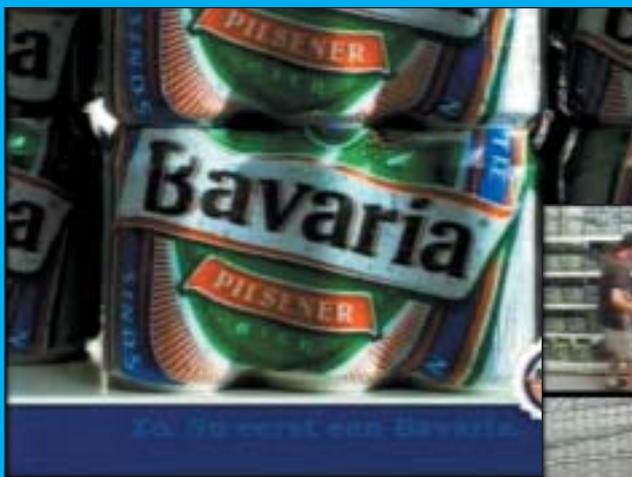
Advertising Code Committee only provides recommendations

Breaches of the Advertising code for alcoholic beverages do not carry a penalty. Even if breaches occur repeatedly, the Advertising Code Committee has, until now, not been willing to impose a fine. Several times STAP requested this explicitly. Officially fines of up to € 50,000.– may be imposed. In case of a proven violation the Committee only recommends that the advertisement in question be discontinued.

Decisions from the Advertising Code Commission : too little, too late

On average it takes a few months before the Advertising Code Committee rules on a complaint about a commercial or advertisement. In most cases the campaign concerned has long been completed when the Committee gives its verdict.

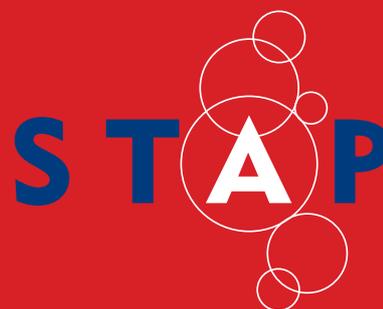
Bavaria



A few months after the advertising campaign had been run the Advertising Code Committee ordered the company to abstain from this type of advertising.



Advice from STAP for review of regulating alcohol marketing



NATIONAL FOUNDATION FOR ALCOHOL PREVENTION

Proposals regarding restriction of the reach of alcohol advertising

To restrict the reach of alcohol advertising in regard to volume and target group, objective rules are needed specifying approved locations, media and broadcasting hours. These rules can be laid down by law and can be easily enforceable.

Recommendations:

a. Alcohol advertising shall not be shown in locations that are visible from public areas.

Purpose: restricted reach of minors.

b. A ban on alcohol advertising on TV, radio and in cinemas before 9 p.m.

Purpose: restricted reach of minors.

c. Restriction of alcohol advertising in cinemas, on TV and radio to one alcohol advertisement per block of advertisements.

Purpose: Limiting the volume of alcohol advertising.

d. A ban on alcohol advertising at, during and around sporting events, including during broadcasting of matches.

Purpose: To separate the healthy, achievement-oriented image of sports from the image of alcoholic drinks and the restriction of alcohol advertising reaching young people (who are very much interested in sports).

e. A ban on alcohol marketing on internet that goes beyond product information.

Purpose: restricted reach of (and attraction to) minors.

Recommendation with regard to price advertising

A legal ban on alcohol advertising by means of record low prices, rock bottom prices and offers of free drinks.

Recommendations regarding adjustment of the content of alcohol advertising

The wording of the articles of the Advertising code for alcoholic beverages should be less open to interpretation (see example) and should pay attention to the associative nature of advertising messages.

Example

At present a number of articles state that the impression should not be created that the consumption of alcoholic drinks contributes to certain achievements.

The 'actual consumption' of alcoholic drinks is hardly shown in the advertisements, in spite of the fact that alcohol advertising does promote the consumption of alcoholic drinks. It would therefore be better to mention 'alcoholic beverages' and to leave out the words 'consumption of'. The words 'contributes to' indicate a causal connection which is hardly ever made in advertisements, but can still be suggested. Therefore it is better to use the words 'no reference whatsoever should be made'.

The advertising code should be adhered according to the spirit of the text.

More research should be carried out concerning the effects of alcohol advertising on the opinions and the behavior of young people. The results of such research will have to become the guideline for the contents of the Advertising Code.

An independent committee, instituted by government, should actively test the contents of advertisements. The committee may then decide to impose penalties. This will serve a better enforcement of the Code.

Explanation

Advertising uses association, suggestion and symbolism. Rules intended to restrict the contents of advertising will therefore never be foolproof. For that reason legal restriction of the contents of advertising will probably have no better effect than self regulation. To ensure proper compliance the government will still have to depend on the advertisers intentions. The only alternative which is sure to have effect is a ban on alcohol advertising.

Self regulation of alcohol marketing not effective

Alcohol advertising in the Netherlands is not bound by any specific law, but by means of self regulation (Advertising code for alcoholic beverages). The government has commissioned STAP to monitor the practice of alcohol marketing (Memorandum on alcohol 2001-2003).

This is a report on the monitoring carried out by STAP in 2002 and 2003.

The conclusion reached by STAP is that self regulation of alcohol advertising in the Netherlands is not effective, for the following reasons:

1 Alcohol advertising reaches many young people.

The purpose of self regulation is to protect vulnerable groups such as young people against advertising. This goal has not been realized.

2 The Advertising Code is violated regularly.

The violations are committed by even the big advertisers, and many small advertisers do not even know the Code.

3 The wording in a number of articles in the Code is vague and open to interpretation.

As a result, much advertising, which is contrary to the spirit of the Standard, is shown without hindrance; relevant complaints are dismissed.

4 Decisions by the Advertising Code Committee fail to have an impact.

The Committee only makes recommendations; no penalties or sanctions are imposed and the decisions are frequently made when the advertising campaigns have been completed. In practice, advertisers have nothing to fear.

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STAP (National Foundation for Alcohol Prevention) advocates effective alcohol control policies and works toward greater restrictions on alcohol marketing, and the provision of objective information about the health and social effects of alcohol consumption. STAP is a member of Eurocare, an alliance of voluntary and non-governmental organisations representing a diversity of views and cultural attitudes on a European level and concerned with the impact of the European Union on alcohol policy in Member States. www.eurocare.org

Utrecht, autumn 2003
www.alcoholpreventie.nl
www.alcoholreclame.nl
www.alcoholopvoeding.nl

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www.bacardi-breezer.nl
www.flugel.com
www.stiva.nl (for translation of the terminology referring to the Dutch Advertising code for alcohol beverages).

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* These reports are only published in Dutch.