



Your voice
on advertising matters

Submission No. 20
(Inq into Obesity)

JE 16105108

Eat Well, Play Well, Live Well

A Submission To
The House of Representatives
Standing Committee on Health & Ageing
Inquiry into Obesity in Australia
On Behalf Of
The Australian Association of National Advertisers

May 2008

While the House Committee Inquiry has a broad terms of reference,
this submission focuses on matters within the expertise and experience of the
Australian Association of National Advertisers
with regard to the role of advertising in relation to obesity.

Overview

The Australian Association of National Advertisers shares the concern of the Federal Government in relation to the threat of obesity to the health of individuals and to the socio-economic future of the country.

While there are some within the Australian community believing and/or wanting others to believe that advertising is a contributor to the global epidemic of rising obesity statistics, this submission strongly refutes such a contention.

Recognising that beyond the moral obligations it has to society, private enterprise has commercial interests best served by a resolution of the obesity threat, the AANA is actively involved in global considerations of possible causes and potential cures. To this time, the AANA's representation on the World Federation of Advertisers and its involvement with the World Health Organisation has failed to find a consistent medical or academic view on cause or cure. But the commitment continues.

Advertising and Obesity

While advertising can play a significant role in support of the Australian Government's obesity response, the contrary-to-reason selective use of surveys and statistics to support calls for commercial communication restrictions in reaction to obesity concerns is no more relevant today than at any time over the course of a sustained campaign against advertising.

Claims that food & beverage advertising—particularly that directed at children through television—promotes unhealthy dietary habits prompted a research recommendation from the Senate Standing Committee on Education & the Arts as far back as 1978. It resulted in a 1982 study under the auspices of the Broadcasting Tribunal Research Branch concluding:

“One cannot say that viewing large amounts of television causes children to have incorrect knowledge of diet or to eat less nutritional foods.”

While that Australian report suggested *“family characteristics and habits are probably the clearest explanation,”* a 2008 report by international researchers Frontier Economics, following a review of available evidence in relation to continuing obesity-justified calls for advertising restrictions states:

“Prohibiting TV ads for foods high in fat, salt and sugar (HFSS) looks like an easy policy response to the growing obesity problem in the UK and other developed economies. However, a wide range of studies of the impact of similar bans, notably on alcohol ads, indicate that they are ineffective in reducing harmful consumption and may even have perverse effects.”¹

From a knowledge base built on leading experts in advertising, marketing and media, supported by their creative agencies, media analysts & strategists and academics, the AANA supports this view, believing continuing calls for advertising restrictions to reflect misunderstandings and/or misrepresentations of the purpose and proven positive performance of advertising and related marketing communications.

This submission sets out to correct some of these misunderstandings and/or misrepresentations, and to otherwise assist the House of Representatives Committee in considering the positive applications of advertising & marketing communications in a Government-led response to obesity.

¹ Frontier Economics, Food For Thought Research Review, January 2008

Understanding Advertising

As the peak industry body representing Australian advertiser, marketer and related media interests for the past 80 years, the AANA has invested in development of a new tool to assist understanding of advertising and marketing communications activity that will contribute \$30 billion to the country's economy in 2008/09.

With its current stage of development attached to and forming part of this submission in DVD format, this work-in-progress initiative is due for completion and incorporation into the AANA website from July 1 2008 as interactive aid to appreciation of the *capabilities* and *limitations* of advertising.

While not restricted to current obesity considerations, it assists them by demonstrating that the power of advertising can generate *awareness* of a product, service or issue but, of itself, is incapable of achieving associated *behavioural change*. It cannot, therefore, lay claim to affording a *cure* for obesity any more than being its *cause*.

Researched reality shows Australian advertising to be a minor influence on family food choices.

***"Families do see advertising as concentrating particularly on sweet snacks and drinks, but its overall influence is minor compared with other sources, both in absolute terms and compared with other sources of influence on snack and sweet consumption."*²**

In Australia, the contribution of advertising to increasing community awareness of obesity, has been amply evidenced through the AANA-led advertising, marketing & media industry's "Eat Well, Play Well, Live Well" campaign, which has already provided a \$10 million promotion to children of healthy living through diet and exercise.

With this internationally-applauded campaign now included in considerations of a government/industry response to obesity in the UK, the AANA has renewed essential licensing for further application in Australia.

While advertising has the capacity to promote healthier lifestyles, however, it is important to recognise its limitations; as stated above, advertising cannot bring about behavioural change, or otherwise achieve on behalf of either political or private enterprise:

- Public persuasion against better judgements; or
- Success for unwanted or poor quality propositions.

Global expertise and experience also prove that *"advertising cannot ignore societal expectations of responsible promotion of products and/or services."*ⁱ

It is on this basis, and in the knowledge of reducing advertising of snack foods to children under the influence of a new AANA Code for Advertising & Marketing Communication to Children,ⁱⁱ that the Committee Inquiry into Obesity is advised that while increased awareness may have already achieved a *slowing* of obesity trends, *correction* of a condition with no known cause and no known cure will require a more complete set of tools.

² AdMap, 1994

The Role of Research

The AANA is committed to research. It is as dedicated to an evidentiary based response to obesity as it is to research based advertising and marketing communications.

A review of available scientific evidence in relation to obesity indicates that, while simplistically a consequence of an 'energy in/energy out' imbalance, the most *probable* origins—in both adults and children—are rooted in natural human development, particularly the major and very broad sociological changes and economic circumstances of the past 50 years, including:

- Increasingly sedentary lifestyles;
- Reduced physical exercise;
- Increasing use of transport to and from workplaces and schools;
- Lack of parental guidance/involvement in diet and exercise choices by children (*resulting excessive 'junk diets' rather than 'junk food'*);
- Increasing food & beverage choices;
- Changes in family structures (*more single parents or dual parents working*); and
- Peer group pressures.

While it is clear that advertising can neither be credited nor blamed for each of these and other *negative* influences, the AANA and WFA continue to research its *positive* application as a lead element in a co-ordinated response to obesity.

With particular reference to children—and as a further indication of the role of advertising and the more extensive tool set required to counter obesity—research provides pointers to centres of primary influence.

“There is little evidence to support the position that children are particularly vulnerable to advertising. Every study on the subject finds that children are more influenced by parents and playmates than by the mass media. Youth fads such as line in-line roller skates, POGs,³ and the earrings that adorn young men, begin not with advertising but by word of mouth imitation.”⁴

Research points to advertising providing an initial awareness role for a necessarily broad-based obesity response, with subsequent support through a multiplicity of communication channels funded by what has grown to a \$30 billion a year investment by Australia's modern marketers. Over recent years these have extended from the mainstream newspapers, magazines, television, radio, cinema and outdoor media dependent on traditional advertising revenues, to an explosion of so-called 'new media' and on-line opportunities.

Socio-economic benefits flowing from on a contribution to the economy equating to 3% of GDP also include sponsorship of arts and sporting activity ranging from elite cultural events that would not be seen in Australia without such support, through professional sports to young people's amateur athletics and games not otherwise affordable by the majority of participants and their families—all providing promotional opportunities for anti-obesity messages.

³ **Pogs** is a game originated in Hawaii in the 1920s, and returned to popularity when the Canada Games Company reintroduced it commercially in the 1990s.

⁴ **Children & Advertising**, UK July 1998.

A Role for Reason

While anti-advertising lobby groups continue to fund surveys and studies to support their cause, the combined efforts of their domestic and international activities have not been able to establish a causal link to justify their calls for censorship of commercial communication, and restrictions of private enterprise and personal freedoms.

AANA efforts to engage with such groups have mainly been rejected, with their stated and demonstrated preference being pressure on politicians through news media publicity of narrow focused viewpoints.

By contrast, the AANA has offered politicians and bureaucrats access to its knowledge base resource supported by domestic experience and expertise and international affiliations through its executive committee representation on the World Federation of Advertisers.

Further, over a series of State and Federal Obesity Forums dating back to 2000, the AANA has consistently demonstrated that, by its very nature, advertising is *incapable* of being a cause of a global epidemic that is as prevalent in areas without advertising as those benefitting from it.

In Quebec, for instance, where there has been a prohibition on advertising to children for 25 years—and a language barrier to over-the-border advertising—obesity trends are equal to any (and ahead of some) in the surrounding provinces of Canada.

Such evidence continues to be ignored by advocates of advertising restriction—some of whom acknowledge an ‘advertising free childhood’ agenda behind their obesity activism—along with research showing that adult Australians want to be responsible for their own and their children’s diet and exercise choices.

In specific regard to obesity in children, a 2002 study⁵, found 64% of respondents saying parents should be solely responsible for teaching children about sensible eating; 35% said parents and schools should share equal responsibility; 1% said schools should be solely responsible. In the broader area of personal health, 65% of respondents said adults should be responsible for teaching children; 34% said schools and parents should be equally responsible; and 2% said schools should be solely responsible.

In previous submissions, the AANA has pointed out that:

“Given that parents do want to take responsibility for these areas of behaviour in their children, and that healthy lifestyles are a major part of the solution, then children and their parents need to be more conscious of what makes a healthy lifestyle and understands it better than they do currently.”

Through this submission, the AANA again points to the requirement for a multi-dimensional program of activities designed to promote healthy lifestyles, and further suggests it should be led by an advertising awareness campaign that raises consciousness in the community.

Further, the AANA now submits that the Committee of Inquiry should recommend involvement of all contributors to the debate that has developed around obesity in the design and delivery of a multi-faceted campaign to extend such consciousness to the voluntary action necessary to its containment, if not its cure.

⁵ AustraliaSCAN 2002, Quantum Market Research (2,000 18+ people weighted according to ABS figures)

Conclusions

In conclusion, the AANA urges the Committee of Inquiry to take note of the research review findings of Frontier Economics⁶ that:

in mature markets such as Australia, food & beverages advertising affects the share of the market enjoyed by different brands rather than increasing the total size of the market ... explaining the apparent paradox that companies continue to spend a lot on advertising products without materially increasing total purchases ... and apparently even more perverse results of certain studies, which suggest that consumption might actually increase when advertising is restricted.

Advertising provides the opportunity to differentiate (a product, service or concept) in the eye of the consumer—which in turn allows competition on characteristics other than price, accepting that in markets such as those for foods & beverages where advertising helps to secure market share and underpin price premiums, a ban on advertising forces companies to depend more on price competition.

Price-cutting is likely to increase consumption. A study by three researchers for the US National Bureau of Economic Research in 2003 suggested that the decrease in the food prices per calorie was sufficient to explain most of the increase in the body mass index of Americans—the downward trend in physical activity could not explain nearly as much of the change.

The opportunity of fresh attention to the threat of obesity, both to the health of individuals and to the collective socio-economic future of Australia, is taken to urge the Committee of Inquiry to recommend Government leadership of what the expertise and experience associated with AANA has been reasoning for 10 years is an all-of-community problem that is going to require an all-of-community response.

Australia's advertisers, marketers & associated media remain ready to support such an initiative as the most positive option available now to promote and protect the best interests of Australia's future.



Collin Segelov
Executive Director
Australian Association of National Advertisers



Jo Lively remains ready for adoption by Federal or State Governments in the fight against obesity.

⁶ Frontier Economics, *Food For Thought*, 2008

May 15 2008

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Dear Mr Catchpole,

With reference to your letter of March 27 addressed to AANA Chairman Mr Ian Alwill, I am pleased to provide the enclosed submission to the Inquiry into Obesity in Australia.

This submission has also been forwarded by email.

The enclosed version is provided in printed form and on the included DVD, which also contains an interactive version of the PowerPoint presentation forwarded as a PDF attachment to the emailed version of the submission.

If you have any further need to contact the AANA, I will be pleased to assist you to the best of my ability.

We wish your Committee well in its considerations.

Sincerely,



Collin Segelov
Executive Director