# Forcing the dark arts of digital alcohol advertising into the light of day

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### Call for urgent reform of digital marketing

Australians are wittingly shackled to digital platforms. On the upside, hi-tech devices and platforms mold our experiences and drive our socialisation, entertainment and learning.

The down side is that, unwittingly, every one of us is incessantly tracked, profiled and targeted by corporate juggernauts, intent on marketing addictive and harmful consumables like alcohol brands, betting and junk food.

It is astounding that this is such a poorly regulated frontier, given the rapid maturing of granular digital marketing models that are wired to ‘learn’ to exploit people’s vulnerabilities.

At the same time, it is evident that industry codes are simply incapable of policing the widespread practice of non-disclosure, especially when it comes to deals with influencers.

The Alcohol Beverages Advertising Code (ABAC) scheme, which is described as a ‘quasi-regulatory system’ paid for by the alcohol industry, has reportedly never received a complaint about esports and alcohol advertising; but this just proves the code is flawed.

This is because self-regulation depends on the principle of public scrutiny; but this is not feasible in the digital space where marketing is invisible except to the targeted recipient, and therefore is not transparent to the public.

This lack of disclosure and transparency was one of the key issues discussed at the FARE-hosted forum at Parliament House in Canberra this week which raised the alarm among Australian political leaders and policymakers for urgent reform of digital marketing to better protect those in our community who are vulnerable, especially young audiences.

The forum, *In their sights: The dark arts of digital alcohol marketing*, coincided with the launch of Australian-first research into unhealthy advertising and sponsorship in the exploding esports arena (competitive video gaming), which has become a billion-dollar enterprise with 500 million eager and addicted followers across the globe, including four million Australians.

The University of Queensland study found that heavy gamers were more likely to purchase alcohol brands that sponsor an online game that they play or watch, and they drink more alcohol while gaming. It also found addicted gamers and heavy gamers (those who played or watched three to four days per week or more) drink more heavily and drink more frequently than casual gamers.

Lead researcher, Associate Professor Sarah Jane Kelly from the University of Queensland Business School presented her initial findings to the forum saying esports is a particularly successful environment for alcohol companies to reach minors and young adults.

Firstly there has been explosive growth and monetisation of esports, highlighted in Australia by the recent announcement that the largest esports venue in the southern hemisphere would open in Melbourne in 2020.

Sarah outlined a range of other success factors that are specific to esports, including a bigger range of sponsor activations, the lengthy duration of audience participation, and the fact that more than half of the study cohort would be considered addicted gamers.

Dr Nic Carah, who is a FARE Director and Deputy Head of the School of Communication and Arts at the University of Queensland, also provided expert opinion through a forum panel discussion, saying that Australia is in the grip of a dangerous paradox.

He explained that we are in the situation where advertisers know everything about us, while we know less about what they are doing than ever before.

To demonstrate how ‘dark’ and unethical digital advertising has become, Nic shared the example of someone chatting on Messenger with a health professional about alcohol dependence, and then seeing their Instagram feed fill up with alcohol ads.

The take-home message from the forum, and to all political leaders and policymakers is a simple truth – that there is no escape for vulnerable people.

There is no regulation or tools for people to defend themselves against predatory targeting by alcohol advertisers online, and there is no regulation or capacity for the public to monitor these practices and the harm caused.

The forum was a productive foray into the policy challenges we face with marketing and advertising in the digital world and it certainly supercharged my resolve to see this on the political and policy agenda as the ACCC Digital Platform Inquiry is progressed.

The ACCC Final Report is a substantial and important piece of work with an underlying message that the current regulatory settings for advertising, data management and privacy, among other things, are woefully incapable of providing critical safeguards for consumers.

FARE supports the Government’s position that we need a safer online environment for all Australians, including families and children.

Young people are disproportionately affected by inconsistent advertising regulation and suffer the greatest consumer harm arising from predatory data practices.

One of the Report’s recommendations proposes a platform-neutral media regulatory framework, with consistent advertising restrictions across all media platforms.

This will give us the right regulatory architecture to provide the vital safeguards that children and young people need.

Children should be able to engage in the online world without being tracked and targeted. Therefore we support the ACCC’s recommendation for additional protections for children’s data through a digital platforms privacy code.

But this does not go far enough.

We’d like to see the government outright prohibit the collection, use or disclosure of children’s data for the purposes of profiling or targeted marketing.

We also encourage the government and the ACCC include broader investigation into the collection and use of consumer data, with a particular focus on vulnerable consumers.

This would enable investigation of the type and extent of data handling practices and identify any resulting social harms emerging from the commodification of consumer data.

The lack of legal protections to stop alcohol companies and digital platforms directly targeting vulnerable people, especially children is a grave concern. We now await to see how the Federal Government will respond to the recent ACCC report.

### Metadata

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