

# Data-driven marketing of harmful and addictive products

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FARE is the leading not-for-profit organisation working towards an Australia free from alcohol harms.

We approach this through developing evidence-informed policy, enabling people-powered advocacy and delivering health promotion programs.

Working with local communities, values-aligned organisations, health professionals and researchers across the country, we strive to improve the health and wellbeing of everyone in Australia.

To learn more about us and our work visit [www.fare.org.au](http://www.fare.org.au).



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FARE and VicHealth acknowledges the Traditional Owners and Custodians of the lands and waters on which we operate throughout Australia. We pay our respects to Elders past and present, and recognise the continuing connection to country of Aboriginal and Torres Strait Islander peoples.

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# Executive summary

Everyone should be able to enjoy the benefits of being able to work, learn, connect and play safely online. This can happen when we have safe online environments that support, rather than undermine, people's health and wellbeing.

Currently, when people are online, they are extensively tracked, profiled and targeted with data-driven advertising of harmful and addictive products.<sup>1-3</sup> Advertisers of these products, including gambling, alcohol and unhealthy food companies, gather and draw on immense data about every facet of people's lives, including the lives of children, young people and others who are most at risk of harm from these products.

- By a child's 13th birthday, advertising technology companies have collected more than 72 million data points on them. This data is used to build a profile of the child to effectively target them with advertising while online.<sup>4</sup>
- Gambling and alcohol companies upload data about people at risk of harm to social media marketing algorithms, including children and young people.<sup>5</sup>
- Alcohol and gambling companies invest in the business of data, with the \$12 billion alcohol and gambling corporation, Endeavor Group, developing an AI-powered engine for tuning alcohol advertising, fuelled by the extensive data they collect and access – including over 5.4 million Australians through the My Dan program and 4.2 million Australians through the Woolworths Everyday Rewards program.<sup>6</sup>

The data-driven marketing process enables harmful product companies to relentlessly target people with hyper-personalised advertising across the digital landscape – when they are learning, socialising, playing, relaxing, shopping and working online.

- Alcohol companies target people with almost 40,000 alcohol ads each year on Facebook and Instagram.<sup>7</sup>
- Social media companies have tagged children and young people with advertising interests for gambling, alcohol and unhealthy foods and targeted them with ads for these harmful products when they use social media platforms.<sup>5</sup>
- People who are at risk of harm from alcohol or gambling products, including people who are experiencing problems with gambling and people with high-risk alcohol use, are targeted the most with alcohol and gambling advertising when they are online.<sup>8,9</sup>

Data-driven digital advertising of harmful and addictive products, including gambling, alcohol and unhealthy food, damages the health and wellbeing of children, individuals and the broader community, driving increased use and harms from these products, while increasing the profits of harmful product companies.

- For children and adolescents, exposure to alcohol and gambling marketing increases the likelihood that they will start to use alcohol and gambling products and go on to use alcohol and gambling products at high-risk levels later in life.<sup>10,11</sup> Similarly, exposure to unhealthy food marketing leads children and adolescents to higher consumption of these products.<sup>12</sup>
- Australians seeking or in treatment for a gambling problem report that being targeted with online gambling advertisements increases their gambling problems.<sup>8</sup> Similarly, people recovering from an alcohol use disorder report that alcohol marketing can trigger alcohol cravings and a desire to drink.<sup>13</sup>
- Australians trying to reduce gambling, alcohol and unhealthy foods are concerned about the amount of marketing for these products online, indicating that seeing this marketing makes it harder for them to reduce these harmful products in their lives and that avoiding these ads online can be near impossible.<sup>14</sup>

People’s wellbeing must be prioritised over the commercial profits derived from harmful data processing and digital marketing practices, so that we can all safely engage in the online environment. To reduce harm from data-driven marketing of harmful and addictive products, measures can seek to:

- Stem the extensive collection, use and generation of data about people, which is used to fuel data-driven marketing systems
- Ensure that people are not profiled and targeted in harmful ways when they are online, to protect people at risk of harm from harmful and addictive products
- Create greater transparency of data-driven marketing practices, to ensure companies can be held accountable for harmful marketing practices.

With digital connection more important in our everyday lives than ever, it is essential that online environments are safe and healthy spaces for everyone.

## We are extensively tracked on- and offline so that alcohol companies can target us with increasing precision



# Glossary

**Artificial Intelligence (AI):** Artificial Intelligence is the capability of computer systems to perform tasks that typically require human intelligence, such as learning, reasoning, and decision-making. It encompasses technologies like machine learning, natural language processing, and computer vision.

**Ad exchange:** An online marketplace where companies can buy and sell advertising space in real-time auctions. It makes buying and selling ads faster and easier for both advertisers and website owners.

**Adtech:** Short for advertising technology, refers to software and tools used to deliver, control and manage digital advertising.

**Algorithmic marketing systems:** Automated systems that use algorithms to analyse data and make decisions about marketing strategies and ad placements.

**Audience segments:** Groups of consumers categorised based on shared characteristics, behaviours, or interests for targeted marketing.

**Beacons:** Small wireless transmitters that use Bluetooth technology to send signals to nearby mobile devices.

**Cookies:** Small pieces of data stored on a user's computer by websites to remember information about the user.

**Custom audiences:** Specific groups of people created by advertisers based on their own customer data or data from third parties.

**Data enrichment:** The process of enhancing existing data by combining it with additional data from other sources.

**Data Management Platform:** A system that collects and organises information about customers from different sources. It helps create detailed customer profiles so ads can be more personalised and targeted.

**Data marketplaces:** Online platforms that facilitate the buying, selling, and exchange of third-party data.

**Data-driven marketing:** Marketing strategies and decisions based on insights from consumer data analysis.

**Demand-side platform:** A tool that helps advertisers automatically buy online ad space from many different places at once. It lets them target specific audiences and optimise their ad spending.

**Dynamic advertising:** Advertising that automatically adjusts its content, format and targeting based on real-time data and user behaviour.

**Geofencing:** Location-based tracking that tracks when a device enters or leaves a virtual geographic boundary.

**Geolocation tracking:** Tracking of the real-world geographic location of a device, such as a mobile phone or computer.

**Lookalike audiences:** Groups of people who share similar characteristics to an advertiser's existing customers or audience.

**Tracking pixels:** Small pieces of code placed on websites and emails to track user behaviour and conversions.

**Predictive models:** Statistical models used to predict future outcomes or behaviours based on historical data.

**Recommender systems:** Algorithms that suggest content or products to users based on their past behaviour and preferences.

**Streaming intelligence:** Data and insights derived from users' streaming behaviour on platforms like Spotify.

**Supply-side platform:** A tool that helps website owners sell their ad space to advertisers. It connects to multiple ad buyers to get the best price for each ad spot.

**Tags:** Snippets of code added to a website to collect data, track user behaviour, or integrate with third-party services.

**Third-party data:** Data collected by organisations that do not have a direct relationship with the individuals the data is about. This data is often aggregated from various sources and sold to other companies to help them understand and target broader audiences.

# What is data-driven marketing of harmful and addictive products?

**Digital marketing is largely driven by the extensive collection and use of data about each of us.**

Traditional marketing models largely relied on buying and serving large-scale audiences the same advertisements, primarily based on the content a given audience was consuming. While this method is still employed in the digital setting, digital marketing increasingly uses an individualised approach, where different advertisements are sent to people using the same website, app or game. In this individualised marketing approach, data is the key currency.

Data offering intimate insights into people's lives is used to tailor and target an advertisement that is most likely to influence an individual's product perceptions and purchase.

This has seen the extensive collection, sharing and sale of people's data, to connect as much data about individuals as possible so that companies can target advertising at individuals with as much precision as possible. A whole advertising technology industry has arisen to facilitate this and there are many data intermediaries involved. Some of these are large multinational companies, including companies selling and marketing harmful and addictive products, that are investing in their own data businesses and technologies to further their data-driven marketing activities.

**Data-driven marketing is dangerous when it comes to the marketing of harmful and addictive products like alcohol and gambling products.**

Alcohol and gambling products cause significant harm in Australia.

One Australian dies every 90 minutes, and another is hospitalised every three and a half minutes because of alcohol,<sup>15</sup> with alcohol use causally linked to over 200 disease and injury conditions.<sup>16</sup> Contributing to significant social, health and financial harm, gambling companies take \$25 billion each year from Australians.<sup>17</sup>

The data-driven marketing process enables harmful product companies to relentlessly target people with hyper-personalised advertising across the digital landscape – when they are learning, socialising, playing, relaxing, shopping or working online.



Almost 40,000 distinct alcohol advertisements are targeted through Facebook and Instagram each year – equating to 765 alcohol advertisements per week.<sup>7</sup>

Harmful product advertisers' extensive tracking of people when they are online and offline, and their use of personal, behavioural and psychographic data to profile and predict their highest value targets, means that the people who are most at risk are the people who are most targeted with the advertising. In addition, **the advertising is automatically fine-tuned and optimised to take advantage of people's emotional triggers and moments of heightened susceptibility.**<sup>18, 19</sup>

When it comes to data-driven alcohol advertising, the result is that people experiencing alcohol dependence or other problems with alcohol are frequently targeted with personalised triggers to use alcohol products, at the times they are most vulnerable, sent straight to the palms of their hands through their devices.

The advertising is tailored specifically to appeal to them, and to push them to make impulsive purchases, making it extremely difficult for people to avoid or reduce alcohol use. Research has found that people experiencing problems with alcohol are more attentive to marketing cues, which in turn leads to increased cravings for alcohol.<sup>13</sup>

Alcohol and gambling products are illegal to sell to children and young people under 18, and have harmful impacts on their health and wellbeing. Yet children and young people are also extensively profiled and targeted with data-driven harmful product advertising, including alcohol and gambling advertising, when they use social media, communicate with their friends, play online games or learn online.

For children, exposure to alcohol advertising increases the likelihood they will start using alcohol at a younger age and go on to drink at risky levels.<sup>10</sup> Alcohol use by children and young people can interfere with their brain development, lead to accidents, injury and self-harm, and increases their risk of developing alcohol use disorders or dependence later in life.<sup>20</sup>

Harmful product companies target people with data-driven advertising through a series of steps involving multiple players (described in the 'Key players' box below). These steps are integrated and dynamic rather than discrete or sequential and the key steps can be summarised as:

- Collecting people's data and tracking their online and offline behaviour
- Data aggregation and enrichment
- Profiling and segmentation of people and audiences
- Targeting and personalisation of harmful product advertising.

These key steps are described in more detail in the below sections of this report.

## Key players in data-driven harmful product marketing

**Harmful product advertisers:** Companies that advertise and promote products that are harmful and addictive, such as alcohol, gambling, and unhealthy foods.

**Digital platforms:** Online services and websites, such as social media networks, search engines, and e-commerce sites, that collect and analyse user data. Examples include Meta (Facebook), Google, Amazon, YouTube, and TikTok. These platforms provide tools and technologies that allow advertisers to track user behaviour, create detailed profiles, and deliver targeted ads based on users' interests and activities. They play a crucial role in enabling harmful product advertisers to reach specific audiences with precision, often using sophisticated data-driven and algorithmic marketing systems.

**Data broker:** A data broker is a company that collects personal information and data from various sources, such as public records, online activities, and purchase histories, and sells or licenses this data to other businesses. These businesses use the data for targeted marketing, risk assessment, and other purposes. Data brokers can gather sensitive information, including demographics, interests, and even health data, which can be used to create detailed profiles of individuals.

**Data clean rooms:** Data clean rooms are secure environments where companies can share and analyse data without exposing personal information. They are designed to ensure that sensitive data remains anonymised and aggregated, allowing companies to gain insights and measure campaign performance without compromising user privacy. These rooms are essential for maintaining compliance with privacy regulations while enabling sophisticated data-driven marketing strategies.

**Adtech companies:** Adtech companies provide the technology and tools necessary for managing, buying, and analysing digital advertising. They offer solutions such as demand-side platforms, supply-side platforms, ad exchanges, and data management platforms. These tools help advertisers target specific audiences, optimise ad placements, and measure the performance of their campaigns, often using extensive data to personalise and enhance the effectiveness of ads.

**Data firms:** Data firms specialise in collecting, analysing, and enriching data to provide valuable insights for businesses. They offer services such as data enrichment, profiling, segmentation, and targeted advertising. Data firms help harmful product advertisers identify and reach their target audiences more effectively by improving the quality and depth of the data used in marketing campaigns.

# Collection and aggregation – How the data in ‘data-driven’ is collected

## Data collection and tracking

Harmful product advertisers use tools and technologies developed by digital platforms, adtech companies and data brokers to collect and upload vast amounts of highly personal data about individuals from multiple sources, including extensive data from monitoring and tracking of people’s location and online behaviour and activity, and data purchased from data brokers and other companies.

This includes **personal information**, such as people’s:

- Names
- Addresses
- Email addresses
- Other personal identifiers
- Telephone numbers
- Gender
- Age
- Relationship status
- Educational attainment

**Intimate and sensitive data** about people’s:

- Financial transactions
- Purchases
- Location and movement patterns
- Behaviour
- Characteristics
- Attitudes
- Values
- Interests
- Preferences
- Moods
- Emotions
- Physical health
- Mental health

The Australian Competition and Consumer Commission (ACCC) has reported that advertisers are increasingly collecting multiple data points about children younger than 18, including their gender, location, relationship status, interests, hobbies, moods and mental health.<sup>21</sup>

## It is estimated that companies collect around 72 million data points about each child by the time they turn 13.<sup>4</sup>

Methods used to track and monitor individuals, and collect or acquire their data for the purposes of data-driven harmful product marketing include the following, discussed in more detail below:

- Requiring people to provide their personal information and data
- Monitoring and tracking people's online behaviour
- Tracking people's financial transactions and purchases
- Tracking people's location
- Buying people's data from third parties
- Inferring data about people

### Requiring people to provide their personal information and data

Harmful product advertisers and digital platforms collect personal information that individuals are required to provide when they sign up for accounts, loyalty schemes or subscriptions, such as social media accounts, gambling accounts, supermarket, alcohol and unhealthy food loyalty schemes, and media subscriptions. This may include people's names, addresses, emails, and phone numbers, and their age, gender, relationship status and family composition.

In some circumstances, **harmful product companies assume an individual's consent to collection of their personal information and data** based on their behaviour or failure to opt out, even without their explicit permission.

Many companies bundle their consent mechanisms, making it difficult for individuals to opt out of specific data collection or use practices. For example, an individual might be required to accept all terms of service to use a platform, with no option to selectively opt out of certain data collection practices. This 'all-or-nothing' approach forces people to consent to extensive data collection if they wish to use a service, such as a social media platform.

The complexity of privacy policies also makes it challenging for people to understand the uses of their data they are agreeing to, particularly for children.

The ACCC has raised concerns about these practices, particularly in relation to digital platforms, noting that many digital platforms use clickwrap agreements and take-it-or-leave-it terms, which limit people's ability to make informed choices about their data.<sup>22</sup>



Currently privacy policies of leading apps and websites are an average of 4,000 words and many require university-level reading skills to understand.<sup>23</sup> **It would take 14 hours just to read the privacy policies of the sites and apps a person typically uses over a single day.**<sup>24</sup>

## Monitoring and tracking people's online behaviour

Harmful product advertisers, digital platforms, data brokers and adtech companies monitor and track people's online activity and behaviour using tracking technologies such as cookies, tracking pixels and tags.<sup>25</sup>

Meta enables advertisers to add the 'Meta pixel' (a piece of code) to their websites **to track people's response to their advertising and behaviour on their websites**, such as visiting a webpage or adding an item to a shopping basket.<sup>26</sup>

**Harmful product advertisers** track and share data on people's visits, searches, browsing, clicks and purchases on their websites and apps. This includes alcohol and gambling retail websites and apps, such as Coles and Woolworths online, Liquorland, BWS, Dan Murphy's, Sportsbet, Bet365 and food and alcohol delivery apps, such as Uber Eats and Jimmy Brings.

Many harmful product advertisers also create social media pages and accounts and engage with followers by posting interactive and shareable content and running competitions. They monitor people's engagement with their accounts, advertising, and social media influencers they pay to promote their products, including how people react to posts and whether they click 'Shop now' buttons on ads.<sup>1</sup>



**Harmful product advertisers share the data they collect about people with other advertisers. They upload this data to digital platforms, using tools such as the Meta pixel, whether or not people have an account with or use those digital platforms.**<sup>27</sup>

**Digital platforms** track people's posts, clicks, likes, comments, and shares on social media platforms such as Facebook, Instagram, YouTube, X, TikTok and Snapchat, including their engagement with social media accounts, influencers and posts promoting harmful products.

Digital platforms also track:

- Online activity and behaviour of social media friends and connections.
- Internet searches on search engines like Google, and visits to websites. This may include searching and visiting websites for help or support with mental health, or for gambling or alcohol support and treatment.
- Online browsing, products added to carts, and purchases across platforms and online retailers, such as Amazon, Facebook marketplace and eBay.
- Music listened to on music streaming services like Spotify.
- TV and movies watched on streaming platforms, like Netflix, Bing, Stan, Apple TV, Amazon Prime TV, and Disney, and free-to-air TV streaming services, like 7Plus, 9Now and 10Play.
- Books downloaded on e-reader platforms like Amazon Kindle.
- Activity and behaviour on online gaming platforms, such as Roblox, and Esports platforms.
- News and other media consumed on social media and news media platforms, including those owned by News Corp and 9 Entertainment.



**Adtech companies and digital platforms, including Meta, are exploring facial coding technology that could enable them to detect and track people's emotions based on their facial reactions to advertising and other content using smart phone cameras.**<sup>28</sup>

## Tracking people's financial transactions and purchases

Digital platforms and harmful product advertisers engage in activities such as monitoring, tracking and sharing data about people's online and in-person financial activity, transactions and purchases (including credit card information) to understand their income bracket, purchasing power and purchase habits.

Some monitor and track online and offline purchases through people's membership of loyalty schemes, such as Flybuys (Coles Group's and Wesfarmers' loyalty program), Everyday Rewards (Woolworths' loyalty program), and My Dan's (Dan Murphy's loyalty program). They share this data across related companies and with third parties.

### Alcohol retailers' collection of loyalty scheme data

Many alcohol retailers require people to sign up to loyalty schemes to access lower prices for products, such as My Dan's, Vintage Cellars Wine club, Everyday Rewards and Flybuys.

**The schemes are designed to enable retailers to collect extensive data about people, which they share with digital platforms and other businesses, and use to develop highly personalised and targeted alcohol marketing.**

People's membership of loyalty schemes allows these businesses to seamlessly and extensively profile and track people's personal information and purchases, and develop insights into their behaviours and susceptibilities, which may include frequent engagement with alcohol advertisements or websites selling alcohol or alcohol purchases by people experiencing alcohol dependence or high-risk alcohol use.

For example, Woolworths collects people's purchase data through its Everyday Rewards scheme, including scanned Everyday Rewards transactions at BWS, which can then be shared across the entire Endeavour Group of alcohol companies, including Dan Murphy's, Jimmy Brings, Pinnacle Drinks and ALH Hotels. The data is used to understand people's alcohol use and purchasing patterns, and to identify and target people most likely to buy alcohol products with personalised alcohol advertising.

Many alcohol retailers also sell data they collect through loyalty schemes to digital platforms and data brokers, enabling it to potentially be used by other harmful product advertisers.

For example, Flybuys states that it provides aggregated audience segments, based on de-identified member data, to advertisers, data brokers and digital platforms, including Facebook, Google, Yahoo!, Adobe, The Trade Desk, LiveRamp, Amobee and MediaMath. It also provides partners and advertisers with anonymised analysis, reporting and insight services related to their use of Flybuys data for advertising.<sup>29</sup>

## Tracking people's location

Digital platforms track people's physical location through their mobile phones, devices, apps and transactions to pinpoint where they are and their movement patterns. This may include using geolocation tracking to monitor people's proximity or visits to harmful product stores and venues.

This location data is gathered or inferred from sources, including GPS, IP addresses and information from Wi-Fi access points, mobile towers and Bluetooth-enabled devices.<sup>20</sup>

Companies are also increasingly investigating and implementing in-store tracking, for example using Wi-Fi, Bluetooth, GPS and beacon technologies. This can be used to directly target individuals with marketing based on their movements and behaviours within stores.<sup>2</sup>

Dan Murphys is among the companies that are implementing this tracking technology, to target people using push-notifications when they are in store.<sup>30</sup>

## Buying people's data from third parties

Advertisers and digital platforms purchase or obtain data from third parties, including data brokers and other companies. Third party data is drawn from thousands of sources, including data collected through loyalty programs and tracking pixels.<sup>21</sup>

An analysis of over 900,000 apps on the US and UK Google Play store found that **most apps contained third party trackers, with apps that are targeted at children amongst those with the highest number of third-party trackers.**<sup>31</sup>

## Inferring data about people

Digital platforms and data brokers infer additional data about people through analytics that combines different data sources, such as 'first-party data' collected directly from them, combined with 'third party data' collected about their interactions with a third-party website or app, purchased from a data broker.<sup>21</sup>

By monitoring and tracking people and acquiring data from digital platforms and other advertisers and companies, advertisers gather, infer and aggregate extensive behavioural and psychographic data about people's attitudes, interests, preferences, lifestyle, values, moods, triggers and susceptibilities.<sup>21</sup>

### Meta's collection of data for targeted advertising

Meta tracks and combines data about people's activity and behaviour on the different devices they use, including phones, tablets, computers and internet-connected TV, across Facebook, Messenger, Instagram and Threads. It also collects data from various third parties, such as advertisers and data brokers.<sup>27</sup>

According to Meta's privacy policies, data it collects for targeted and personalised advertising and sponsored content includes:

- Information provided when signing up for a Facebook or Instagram account.
- Demographics, including education level.
- The time, duration and frequency of activities across Meta platforms.
- Content people create and share, such as posts, comments, photos, videos and audio.
- Content from cameras and camera rolls, and voice-enabled features.
- Community chats in Facebook and Messenger groups.
- Types of content, including ads, that people view or interact with, and how they interact with it.
- Information about friends, followers, groups, accounts, pages people are connected to and interact with, including information about the behaviour and activity of friends and connections, across Meta platforms.
- Purchases and financial transactions, including credit card information, such as purchases within an online game, donations to a friend's fundraiser, purchases in Facebook Marketplace or groups, and money transfers to family and friends.
- Information about location, including where people live, places and businesses they visit, and businesses and people they are near.
- Information from third parties, including advertisers, on people's activity on and off Meta platforms, including apps they use, online video games they play, websites they visit, and their activity on those apps, games and websites.
- Information about purchasing and use of advertisers' products and services, online and in person.

**Harmful product advertisers share information about people with Meta using tools like the Meta pixel, whether or not they have an account or are using Meta platforms.** This includes information about people's activity on other websites, ads they see and interact with, and their online and offline purchases.<sup>27, 32</sup>

## Data aggregation and enrichment

Data brokers, adtech companies and digital platforms aggregate people's data from multiple sources into vast databases.

They use data enrichment techniques to combine additional attributes or inferred information with first-party data about individuals. This can include demographic information, interests, purchase behaviours, and other inferred characteristics, such as their values, moods and emotions, based on data analysis and modelling.

For example, this might involve matching data collected through people's membership of loyalty programs with data from their social media activity to create models that link people's harmful product purchase patterns with the time of day, week or month, their location, social events they are attending, and/or their mood or emotions.<sup>1</sup>

Digital platforms and data firms also use 'data clean rooms' to compare, match, exchange and enrich data they have collected about people, enabling them to build consumer and audience profiles and models.<sup>21</sup>

# Profiling and targeting of people online – How data is used to drive digital marketing

## Profiling and segmentation

Harmful product advertisers engage data firms and digital platforms to combine and analyse the data they collect to create detailed demographic and behavioural profiles of individuals and consumer segments. This involves combining data points related to the same person across multiple devices and platforms to create a comprehensive profile of their behaviour.

Digital platforms and data firms analyse people's data to identify and predict patterns, preferences and interests, including those related to their purchase and use of harmful products. This can include the type of products people buy and use, the time they are most susceptible to harmful product marketing and most likely to buy the products, and the amount they buy and spend.<sup>1</sup>

Using machine learning models and algorithms, data firms and digital platforms generate 'custom' audiences of the most valuable existing customers, such as people who buy and spend the most on alcohol. They generate 'lookalike' audiences of potential new customers with similar characteristics to existing customers or to a target audience to target their marketing to.<sup>1,33</sup>

Through this process, they segment people into distinct audience groups and subgroups, based on their differing characteristics, assumed interests, and behaviours, including their level of use of a product. This may include audience segments based on harmful product use, like 'frequent gamblers', 'frequent drinkers' or 'social drinkers.'

The World Health Organization reported in 2022 that alcohol company Stella Artois identified three audience segments, according to data on demographics, alcohol use and assumed preferences, to target their marketing: 'Connoisseurs' ('up-market drinkers' interested in alcohol quality and taste), 'Headbangers' (heavy drinkers interested in alcohol strength) and 'Style-seekers' (fashion-oriented, up-market drinkers).<sup>34</sup>

Data firms and digital platforms then sell these profiles and segments to advertisers, including harmful product advertisers.

## Using the extensive data collected about us, we are profiled and targeted with alcohol marketing

**Jack**

Jack, 23, is looking to make changes that support his health and wellbeing. He has decided to cut back on alcohol for health and financial reasons.

**Profiling** → **Targeting**

**Kevin**

Kevin, 47, drinks alcohol most days of the week. He orders alcohol online to be delivered to his home. He is searching for support to help him cut back on alcohol.

**Profiling** → **Targeting**

**Natalie**

Natalie, 33, is a stay-at-home mum of two young kids. She uses social media to connect with friends, find parenting tips, and follow lifestyle influencers.

**Profiling** → **Targeting**

## Data marketplaces and platforms

Data firms provide data marketplaces or platforms where harmful product advertisers can sell, buy and exchange specific high-value audience segments or data sets, such as segments with certain demographics, and alcohol, gambling or unhealthy food preferences.

These platforms allow alcohol advertisers to create custom audiences, build lookalike models, and integrate the data into their own marketing and advertising platforms.

Data firms integrate their audience data and targeting technology with various ad tech platforms, such as demand-side platforms, data management platforms, and ad exchanges. This integration allows harmful product advertisers to use the data firm's data, audience segments and targeting technology within their own advertising infrastructure.

### Profiling of people most at risk of harm from harmful and addictive products

The consumer profiling and segmentation process is tuned to identify people who are susceptible to harmful products, including **people experiencing alcohol dependence or gambling addiction, as high-value consumers for harmful product advertisers**. This is based on a person's own characteristics and behaviour, including frequent or high-volume use of alcohol or gambling products, as well as behaviour and patterns they share with people in custom 'lookalike' audiences.<sup>1,34</sup>

A person may be classified as having an interest in alcohol or gambling based on location data, which frequently places a person close to bottle shops, pubs or gaming venues.<sup>33</sup> It may also be based on keywords they use in social media comments, chats or internet searches that data-driven marketing systems interpret as indicating a preference for alcohol or gambling, or related pastimes.<sup>33</sup> **This can include searches or comments related to seeking help or support with alcohol or gambling.**

For example, **people seeking help with alcohol, such as attending Alcoholics Anonymous meetings or following support pages, have raised that they are targeted with an increased volume of alcohol advertisements online**.<sup>35</sup> The same phenomenon has also been observed for people searching for other health-related information, such as information about diabetes, cancer prevention and depression support, who were later targeted with advertising for pharmaceuticals related to these health conditions.<sup>36,37</sup>

The ACCC has warned that these segments can be used to target people experiencing vulnerability in potentially harmful ways, for example by identifying people who are experiencing gambling addiction in a 'frequent gamblers' segment and targeting them with gambling advertising.<sup>21</sup>

Alcohol and gambling companies have also been shown to upload data about people at risk of harm from alcohol and gambling directly to digital platform marketing algorithms to fuel targeted marketing. An Australian study found that 201 alcohol and 63 gambling companies had uploaded data to the Facebook marketing algorithm on just ten people who had experienced or were at risk of harm from alcohol and/or gambling products. One person who was trying to reduce their high-risk alcohol use had 123 alcohol companies upload data on them, while another person who was engaged in high-risk gambling had 52 gambling companies upload data about him for targeted marketing. Further, Facebook had tagged these 10 people at risk of harm with a total of 89 different alcohol and gambling related advertising interests to use in targeting them with alcohol and gambling advertising.<sup>38</sup>

This propensity to target the people who are at the highest risk of harm underpins the main business model of alcohol and gambling companies, who sell the vast proportion of their harmful and addictive products to the people who use these products in the most harmful amounts. In 2019, alcohol companies sold more than a third of all alcohol in Australia (36.1%) to just 5% of the Australian population (who were

drinking almost eight standard drinks per day).<sup>39</sup> When it comes to data-driven marketing of harmful and addictive products like alcohol and gambling, this means that these are the people who are targeted the most by design, making it a particularly harmful form of marketing for these products.

## Microsoft's profiling of people with vulnerability to gambling advertising

In 2023, 650,000 Australian and international audience segments were discovered on Microsoft's advertising technology platform Xandr. Reset Australia analysed the data and found that it contained segments of people who were frequent gamblers that advertisers could then use for targeted gambling advertising.

This included segments such as 'casino frequenters', 'people who have gambled in the last 7 days', and 'people who have gambled in the last 4 weeks.'

The segments also included children, teenage girls and teenage boys.<sup>40</sup>

## Profiling of children and young people

Digital platforms use data they collect to create profiles of children and young people under 18 years.

Leaked Meta documents revealed that Meta gathered psychological insights on almost two million children in Australia and New Zealand to sell targeted advertising, including monitoring children in real-time to identify their mood, including when they felt 'overwhelmed' or 'anxious'.<sup>41</sup>

**Research by Reset Australia has also found that Facebook has tagged children as interested in smoking, gambling or alcohol use for advertising purposes, as part of its day-to-day business model.**

Their 2021 report found alcohol advertisers would pay around \$3 to reach a thousand children and young people profiled as interested in alcohol.<sup>42</sup>

## Research on Meta's profiling of children for harmful product advertising

Research by the Victorian Health Promotion foundation (VicHealth) investigated data-driven online advertising of harmful products to Victorian children and young people aged 16-25 years. The research found that 194 advertisers uploaded data about the children and young people to Meta, which then generated 787 advertising interests about them.

Meta assigned an average of 6.3 alcohol-related advertising interests to the participants (e.g., 'alcohol', 'bars', 'beer'), including 41 alcohol-related advertising interests to five participants who were under the age of 18. In addition, two alcohol retailers uploaded data about a participant under the age of 18 years old.

As a result, the children and young people were frequently targeted with social media advertising for harmful and addictive products, including alcohol and gambling. Of the 54 participants who were younger than 18, over half reported being targeted with alcohol advertisements on social media either regularly (17.2%) or sometimes (41.4%).<sup>5</sup>

## Targeting and personalisation of harmful product advertising

Data-driven and algorithmic marketing systems developed by digital platforms enable harmful product companies to develop highly personalised, data-driven marketing campaigns that target individual people and audience segments.

**Much of this advertising is dark and below the line, only visible in the social media feeds of people who are targeted, and invisible to those not in these target audience segments.<sup>1</sup>**

### Data-driven targeting, personalisation and optimisation

Digital platforms use the vast amount of data they have captured to train and optimise predictive recommender systems and algorithmic models.<sup>1</sup> Harmful product advertisers buy targeted advertising spots from digital platforms, which use these recommender systems and algorithmic models to target advertising on their platforms.

These models and systems are tuned to target ads to people who are most likely to go on to buy the advertised product and in ways that are most likely to resonate with these people. In the case of harmful product advertisements, this means that the digital platform marketing systems **target the people who are most likely to buy harmful products, in the moments they are most susceptible to this advertising.**<sup>43</sup>

Harmful product advertisers then track people's actions after they have been targeted with their ads through the tools and infrastructure provided by digital platforms, such as analytic dashboards, beacons and pixels.

The insights generated from these tools enable harmful product advertisers to automatically test, refine and optimise both the audience they are targeting and the advertisements themselves. **This is done to exert the maximum influence on the people they are targeting, to lead to their desired action, such as advertisement click-through to install an app or purchase of harmful products.**<sup>1</sup>

This is a highly dynamic process, through which predictive models generate audiences, target and personalise advertisements, and optimise the relationship between the audiences and the advertisements.

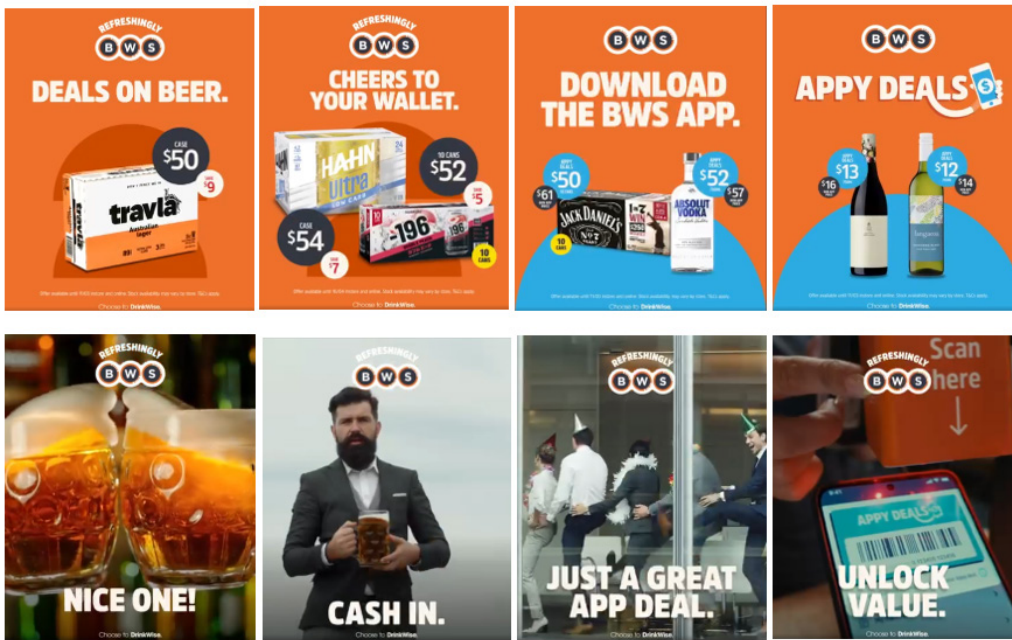
For instance, Facebook's Ad Library contains multiple variations of the same ad for many alcohol brands, whereby the ad might only differ by the product shown or text used in the ad – **so that the alcoholic product shown, the tone used, or references made in an ad are the most likely to appeal to the person that sees that version of the ad (see example below).** Each version of the ad is generated by Facebook's dynamic creative tool and then targeted at custom and lookalike audiences.<sup>1</sup>

Harmful product advertisers also pay data firms to provide 'measurement and attribution' tools, allowing advertisers to track the performance of their campaigns and attribute 'conversions', or desired actions, to specific audience segments or targeting strategies. This feedback loop is used to refine and optimise the targeting models and audience segments to enhance the ability of harmful product advertisers to target people who are most susceptible to the advertising.<sup>44</sup>

## EXAMPLE OF AN AD CAMPAIGN WITH MULTIPLE ITERATIONS

Bargain bevs in your feed

Saving more on your favourites is just a tap away.



Get the BWS app

Offer available until 04/03 instore and online. Stock availability may vary by store. T&Cs apply

Shop Now

Bargain Bevs

Offer available until 04/03 instore and online. Stock availability may vary by store. T&Cs apply

Shop Now

Example: This BWS advertising campaign launched 18 Feb 2025 had 111 iterations of the advertisement combining the ad text, opening imagery with different alcohol products and combinations displayed, and closing shots with different imagery and text displayed, and buy now button texts.

## Endeavour X AI-powered alcohol marketing

Endeavor Group is a \$12 billion alcohol and gambling corporation that was spun off from Woolworths Group in 2021. It operates alcohol retailers including Dan Murphy's and BWS and hospitality venues including the ALH Group (comprising over 250 venues, operating 12,650 poker machines in Australia).

The Endeavour Group has invested heavily in digital marketing through its Endeavour X Initiative.

This has included development of an AI-powered engine for personalisation of alcohol marketing,<sup>45</sup> which is fuelled by extensive data, including data collected on 5.4 million Australians through their My Dans program and 4.2 million Australians through the Woolworths Everyday Rewards program.<sup>6</sup>

The engine performs segmentation of different groups for targeted alcohol marketing. It is trained to find and target people who are most likely to click through an advertisement to buy alcoholic products, and to personalise and optimise the content of advertising and pricing.

This is based on data about purchase history, demographics, and marketing engagement, including whether people have previously clicked on products, or placed products on wish-lists or in shopping baskets without purchasing them.

The engine is also trained to select from approximately 2,000 different types of direct alcohol marketing emails and push them to people, according to factors such as past alcoholic product purchases and prices.

The Endeavour Group is working on other data-driven and digital marketing strategies, including using geolocation data to send "push" promotions to people's phones when they come within certain distances of their alcohol stores.<sup>45</sup>

## Types of data-driven targeting and personalisation

Harmful product advertising is targeted and personalised to people and audiences based on dynamic and predictive integration of demographic, behavioural, location, contextual, mood and emotion-based data.

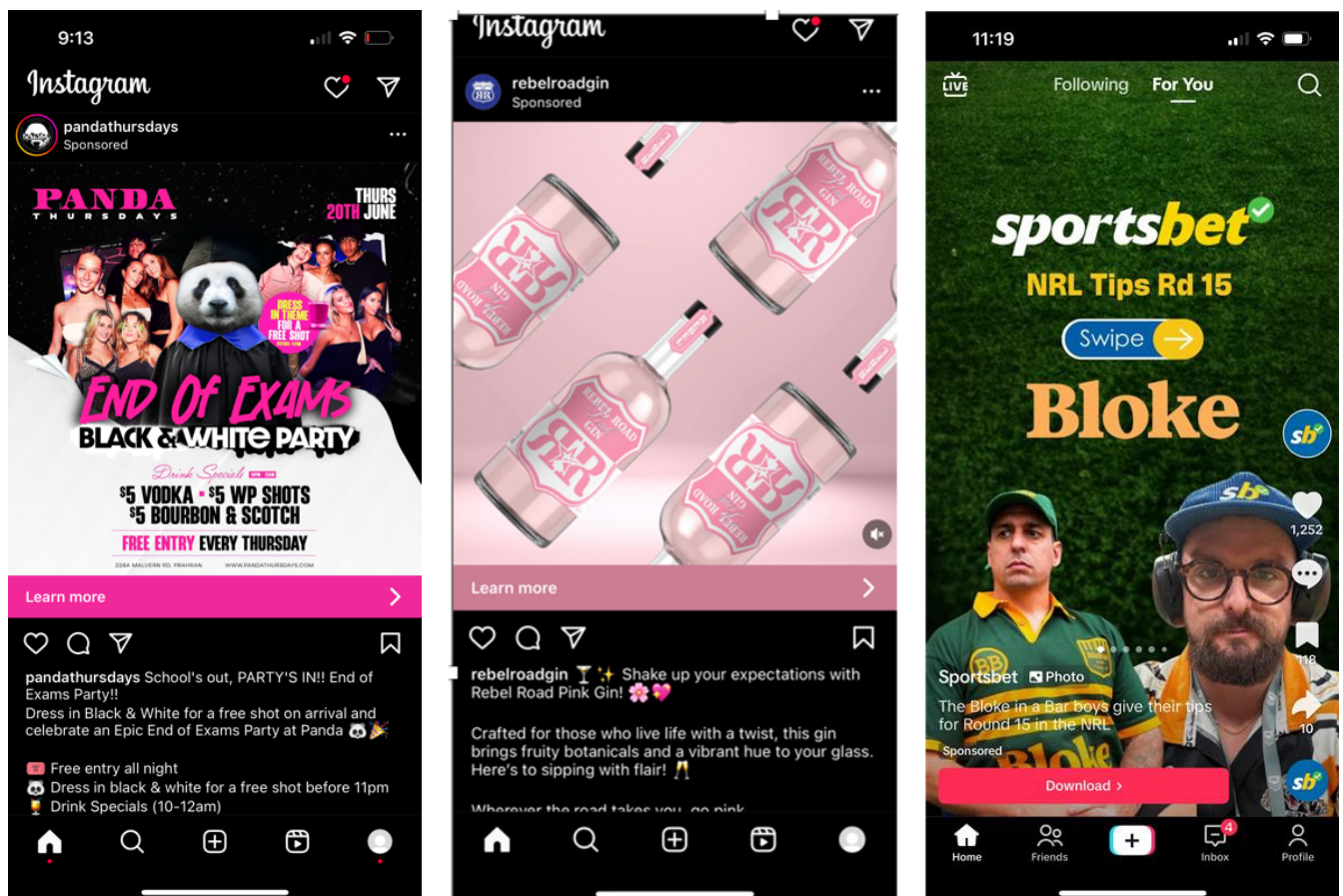
The data is not only used to target people in discrete ways, such as by enabling advertisers to select people of certain demographics, in particular locations or with preferences for certain products, it is also used to train algorithmic models that learn to classify and make predictions about people and their lives.<sup>33</sup> These algorithmic models work to optimise the resonance between ads and consumers in a much more dynamic approach to marketing that 'tunes' advertising to individuals.<sup>43, 18</sup>

Some examples of the types of advertisements that may use targeting and personalisation of alcohol advertising are provided below.

### DEMOGRAPHIC TARGETING AND PERSONALISATION

Demographic targeting is based on people's age, gender, income, relationship status, family composition and inferences about people's lifestyles. For instance, alcohol advertising is targeted and personalised to audience segments based on demographics and lifestyles, such as advertisements for sweet alcoholic sodas or nightclubs targeted to young people, and advertisements for rosé and pink gin targeted to women in their 30s.

#### EXAMPLES OF TYPES OF ADS THAT MAY USE DEMOGRAPHIC TARGETING AND PERSONALISATION

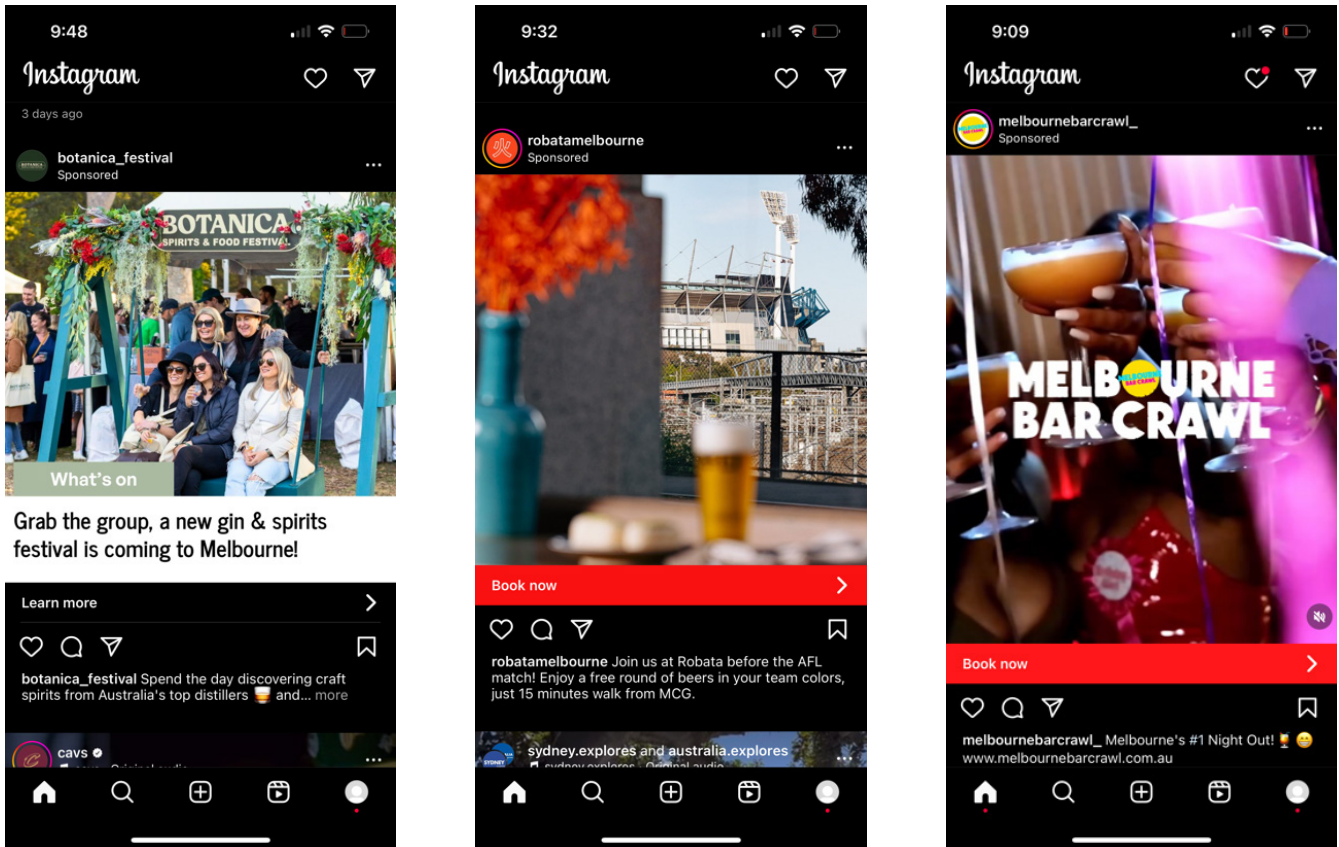


Advertisements for Panda Thursdays, Rebel Road Gin and Sportsbet (Instagram, 2024)

## LOCATION TARGETING

Location targeting uses geolocation data to serve advertising based on people's physical location. One tactic is geofencing, where ads for nearby alcohol retailers and alcohol delivery services are pushed to people's mobile devices when they are in proximity to these locations.

### EXAMPLES OF TYPES OF ADS THAT MAY USE LOCATION TARGETING



Advertisements for Botanic Festival, Robata Japanese Grill and Melbourne Bar Crawl (Instagram, 2024)

## BEHAVIOURAL TARGETING AND PERSONALISATION

Data on people's online behaviour, including their online purchases, is used to target people or audience segments with personalised ads. This includes alcohol ads targeting people based on keywords from social media comments or online searches and specific types of alcohol they have previously purchased.

It also involves dynamic personalisation, where offers, prices, discounts and promotions are automatically optimised based on people's purchasing patterns and engagement with previous ads, and other online profiling of them.<sup>19</sup>

## MOMENT- AND EMOTION-BASED TARGETING AND PERSONALISATION

Harmful product advertisements are designed and timed to appear during moments when people are most likely to respond to them and make impulsive purchases, based on collected and inferred data about their behaviour, moods and emotions.<sup>1</sup>

Advertisers strategically design and personalise the timing and context of alcohol ads to maximise people's engagement with them,<sup>46</sup> and to tie-in with or encourage drinking at a particular time or event, such as after work, on weekends, public holidays and special occasions.<sup>47</sup>

## Data-driven advertising channels

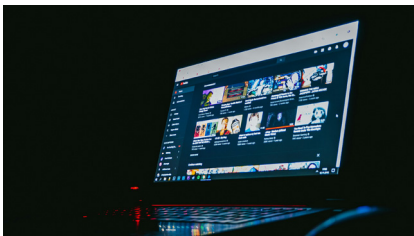
Harmful product advertisers target people with data-driven advertising in a range of channels across the digital landscape, including social media, websites, apps, and streaming platforms. Some examples are presented below.



### Apps

Most apps contain some level of data-driven advertising. Harmful product advertisers can place ads within apps, including apps for food delivery like Uber Eats and mobile gaming.

Ads can look like: ads integrated into mobile games, ads displayed while browsing food for home delivery, and push notifications from apps like Uber Eats with promotions for alcohol products.



### Websites

Data-driven advertisements are used to target people when visiting or browsing websites.


Ads can look like: targeted and personalised banner and display ads for harmful products on news websites, retail websites and blogs.



### Email marketing

Harmful product advertisers use data and predictive systems to personalise direct email marketing.


Ads can look like: emails advertising products you will be most likely to buy or telling you what others in your area are buying.



### TV and video streaming platforms

Data-driven advertising for harmful products is placed in streaming TV, including during on-demand TV shows and movies on platforms like Netflix, Paramount+, Amazon Prime, Foxtel Now, Kayo Sports, Binge and Stan, as well as free-to-air on-demand TV platforms, such as SBS On-Demand.


Ads can look like: Ads before, during and after shows and movies and displayed in the platform apps while browsing.



### Audio streaming platforms

Music and podcast streaming platforms like Spotify<sup>48</sup> and Pandora<sup>49</sup> use data-driven advertising to target people with personalised audio ads while they listen. Data for targeting these ads include people's listening habits and what this reveals about their lifestyles, moods and emotions.

Ads can look like: targeted and personalised ads for harmful products between songs or during podcasts or displayed in the platform apps while browsing.



### Social media platforms

Social media platforms use algorithmic models to generate feeds of social media content. These are curated and personalised to maximise people's engagement with the platform, including engagement with paid advertising and sponsored content.<sup>31</sup>

Ads can look like: targeted and personalised sponsored posts and stories in people's feeds (e.g., Facebook, Instagram, X, TikTok) and before, during or after video content (e.g., YouTube) with 'buy now' buttons to further create engagement and conversion to harmful product sales.

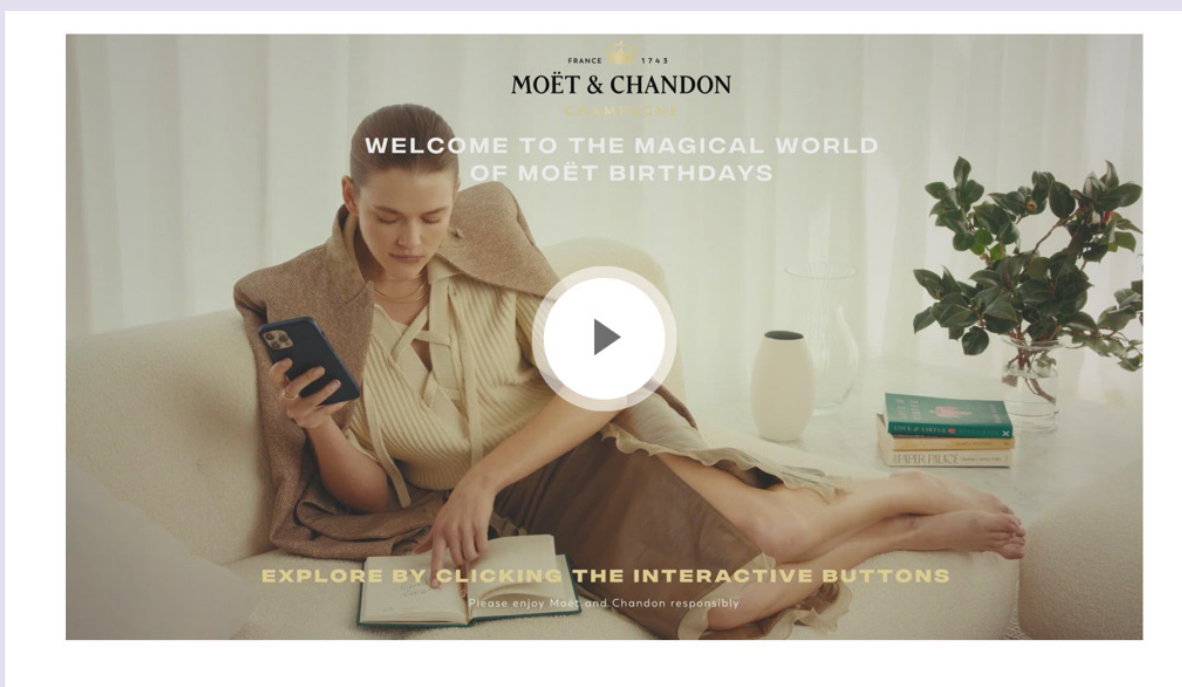
## News Corp's data-driven marketing of alcoholic products

In 2022, News Corp developed a 'shoppable' in-video marketing campaign for alcohol brand Moët & Chandon. As part of the campaign, it used AI to connect data from six million daily transactions from Westpac DataX (a data analytics service offered by Westpac), to enable it to model people's 'purchase intent' and target them with personalised advertising.

It also used geolocation data to track people's visits to Dan Murphy's and Vintage Cellars and matched this to data on people's exposure to the alcohol advertising across News Corp's media services, including news.com.au.

News Corp claimed that the campaign led to 19,000 clicks to shop the alcoholic products and a 37% increase in visits to Dan Murphy's and Vintage Cellars stores.

News Corp also claimed that it has collected data from 16 million people across its businesses, including Foxtel, REA, Binge, Kayo and News Corp media sites.<sup>50</sup>



## Spotify's use of data for emotion-based alcohol marketing

Spotify collects data about the music and podcasts that people listen to so that advertisers can target them with personalised advertising according to what their listening tastes says about their likely product preferences, and inferences about their emotional state and susceptibility to advertising in different moments, based on what they are listening to in a given moment.

Spotify's business marketing material claims, 'multi-device users stream Spotify for 2.5 hours per day, which means we're constantly learning about how people listen in real-time through our streaming intelligence – first-party, contextual data that reveals moods, mindsets, habits, and tastes in the moment.'<sup>51</sup>

Spotify pairs this first-party data with third-party research data to connect people's listening behaviour with their real-world behaviour, enabling alcohol advertisers to reach people with targeted messages at moments they are most susceptible to this advertising.<sup>52</sup>

For example, from data it collects on listeners, Spotify's internal research has indicated that people are particularly susceptible to alcohol advertising that evokes nostalgia. Through their audience segmentation and profiling insights, they identify who the listeners are that make up the highest proportion of people who drink different alcoholic products and provide insights on how to target these people with alcohol marketing to evoke nostalgia.<sup>53</sup>

The company's research also indicates that the majority of people feel that nostalgia helps to improve their mood and to connect people. Therefore, it is in the moments that people are seeking out nostalgia through music or podcasts on Spotify, to provide a mood boost or a sense of connection, that Spotify target them with ads for alcohol, knowing that they are most susceptible to alcohol ads in these moments.

"For consumers, nostalgic marketing is equivalent to comfort food. This is especially true for the Spirits category, which has seen an explosion of nostalgia-based campaigns over the last few years." – Spotify

The advertisement features the Spotify logo and the text 'Spotify Advertising' in the top left. The main headline reads 'Mix Now With Nostalgia' in large white font, with the sub-headline 'Spotify soundtracks what you're sipping' below it. The background is a dark blue grid of nine images, each representing a different nostalgic occasion with a corresponding Spotify playlist cover:

- Drinkin' Songs
- Fiesta
- Cocktail Jazz
- New Year's Party
- Dinner with Friends
- Halloween Party
- Country Cookout
- 4th of July Party
- Soak Up The Sun

# Minimising harm from digital marketing of harmful and addictive products

A strong regulatory response is needed to address the harms associated with the data-driven marketing of harmful and addictive products.

Companies that own digital platforms have demonstrated that they will not proactively implement measures that truly seek to create safe online spaces. This is evident, for example, by leaked Meta research and documents that show the company is aware of how its social media platforms harm its users, including to children, but refuse to take meaningful actions to counter this.<sup>54, 55</sup> In July 2021, ahead of the UK's Age Appropriate Design Code, Facebook announced that they would "only allow advertisers to target ads to people under 18 (or older in certain countries) based on their age, gender and location" and that previously available targeting options, like those based on interests or on their activity on other apps and websites, would no longer be available to advertisers.<sup>56</sup> However, an investigation by Reset Australia found that the company continued to harvest children's data, such as their browsing histories and other online activities, to fuel its marketing algorithm.<sup>57</sup>

Below are several measures that can be implemented that aim to:

- Stem the extensive collection, use and generation of data about people
- Ensure people are not profiled and targeted in harmful ways when they are online
- Create greater transparency of data-driven marketing practices for better accountability

## Stemming the extensive collection, use and generation of data about people

The ability to collect and use people's data for marketing purposes underpin the current algorithmic models used to target people with digital marketing. Given the particularly harmful nature of data-driven marketing of addictive products, measures that stem the excessive collection and generation of data about people and reduce the fuel that feeds digital marketing algorithms can work to minimise harmful targeting of addictive products. It also aligns with advocacy by digital rights organisations for better protections of people's privacy in the digital environment.<sup>58</sup>

**Require that companies receive active, informed, voluntary and non-incentivised opt-in consent for the collection, use and disclosure of information about people.**

Implementing an appropriate definition of consent when it comes to the collection and use of people's data would mean that people's information is not collected, used or disclosed for commercial marketing purposes by default – including by companies selling and marketing harmful and addictive products. This would see a shift away from the current situation in Australia, where companies often require a person to accept that their data will be collected and used at the company's discretion in exchange for using their website, platform or app.

**When consent is provided for the collection and use of a person's information for marketing purposes, companies must not collect, use or share sensitive information about people.**

Sensitive information about people is just that – sensitive. It can directly or indirectly be used to indicate vulnerabilities and using this information to target people with marketing exploits their vulnerabilities. Companies should not be able to use this information to target their marketing. This would mean, for example, that a person would not be targeted with gambling or alcohol advertising because they

are seeking help for gambling or alcohol use or because they are identified as likely having a gambling problem or alcohol use disorder.

**Companies should only collect, use or disclose children’s information when in the child’s best interest. The collection, use and disclosure of children’s information for companies selling or marketing harmful and addictive products is not in the best interest of children.**

The current ability for the collection, use and disclosure of children’s personal information is resulting in the commercial targeting of children. Ensuring that a child’s best interest is put before commercial interests when it comes to the collection and use of children’s information would result in significantly less data being collected about children, limiting the ability for data to be used to target children when they are online. It would mean that alcohol and gambling companies couldn’t collect and share information about children, and that social media companies would have less data fed into their marketing algorithms to target children on their platforms.



Almost two thirds of Australians (65%) are concerned about social media platforms collecting their personal data that can be accessed by alcohol companies for marketing purposes and three in four Australians (76%) feel that alcohol companies should not be allowed to collect their data online and use it to target them with alcohol marketing. When it comes to children, most Australians (84%) agree that digital platforms should not be allowed to collect children’s data for commercial purposes like marketing.<sup>59</sup>

## Ensuring people are not profiled and targeted in harmful ways when they are online

Data fuels the ability for people to be profiled and targeted online, and measures that stem the extensive collection and use of people’s data are crucial for safeguarding people’s digital rights and privacy. Measures are also needed to address the design of digital systems, including digital marketing systems, to ensure that they are not harmful by design. While the systems themselves need a critical re-think, below are some specific measures that could be introduced as first step measures for reducing harm when it comes to the data-driven marketing of harmful and addictive products.

**Children must not be tracked, profiled or targeted for commercial purposes.**

Building on the need to ensure children’s data is not collected and used unless it is in the best interests of a child, companies should be explicitly prohibited from the tracking, profiling and targeting of children for commercial purposes. The United Nations Committee on the Rights of the Child have recommended that this be prohibited, so that children’s rights can be upheld in the digital environment.<sup>60</sup> This would be a wide-reaching protection for children online, which would also require that children are not profiled and targeted with advertising for harmful and addictive products when they are online.

**As data-driven marketing of addictive products pose a heightened risk of harm, companies should not use personalised and targeted marketing for harmful and addictive products.**

By design, people who purchase harmful and addictive products the most are targeted by digital marketing models the most. Extensive data is used to develop detailed psychometric profiles of people and used to tailor marketing activities, including content and messaging, towards an individual's specific susceptibilities.<sup>19</sup> When it comes to the marketing of harmful and addictive products, this ability to prey on people's susceptibilities is particularly harmful because it can disproportionately target people who are most at risk of harm.<sup>61</sup> This measure would mean that alcohol and gambling companies would no longer be able to draw on extensive insights about individuals that let them know exactly what is most likely to persuade a person to go on to drink or gamble; they would no longer be able to use these intimate insights to develop their advertising content and delivery strategies.

**To further reduce the risk of harm, companies should not expose people to advertising for harmful and addictive products online, unless the person opts-in to receive this through active, informed and non-incentivised consent.**

While data-driven advertising that is personalised and targeted at individuals is common online, contextual advertising is still used by advertisers (e.g., when an advertisement is placed on a webpage based on the content of that page). Therefore, people at risk of harm from addictive products like alcohol and gambling, including children, would still be exposed to advertising for these products if the above measures addressing data-driven targeted marketing are implemented. While the above would contribute to minimising harm from this marketing in the online environment, measures that more broadly work to ensure that people are not exposed to this marketing by default would provide further protection to people most at risk of harm, along with people that simply do not want to see this advertising. Requiring opt-in consent to receive this marketing is one avenue that could work to address this issue and could be implemented, for example, under privacy legislation.



A survey with 220 Australians seeking to reduce gambling, alcohol and unhealthy foods found that over 90% of participants were concerned about online marketing for the products they are trying to reduce and 83% felt that this marketing makes it harder for them to reduce their use or consumption of these products. People who were trying to avoid advertisements for these products indicated that they were unable to avoid these online, even when they had tried to opt out of marketing.<sup>14</sup>

## Creating greater transparency of data-driven marketing practices for better accountability

While digital platforms like social media companies are developing increasingly complex data-driven digital marketing systems that provide marketers with intimate insights into people's lives, their marketing activities are becoming less visible to the public. Transparency of data-driven marketing practices is essential to holding companies accountable for harmful marketing practices.

**Clear and simple explanations are needed about the kinds of information that companies are collecting, generating and using about people, and how automated decision systems are used in the targeting of individuals with marketing content online.**

As it stands, there is little transparency about the breadth and nature of data collection, use and disclosure by online platforms, including when it comes to their marketing models. People have the right to know what information is being collected and generated about them and the ways in which this is being used – including how this information is used to target them with content that could potentially be harmful to them. This information is also important to provide insights into the systemic use of data and targeting of marketing as it can help in the identification of harmful functions imbedded in the design of automated decision systems. Requiring transparency on these matters also requires companies to acknowledge their responsibility when it comes to automated data-driven marketing systems.

**All online advertising for harmful and addictive products should be tagged as such to facilitate monitoring of this advertising content and relevant regulatory enforcement.**

The below-the-line and ephemeral nature of digital alcohol advertising makes it particularly challenging to monitor. Few digital platforms provide a way to view what advertisements are being disseminated.<sup>62</sup> For those that do, there is no simple capability to view advertisements based on a category like alcohol advertising. This means that extensive measures are required to capture harmful product advertising on digital platforms for monitoring and regulatory purposes. Requiring all online advertising for harmful and addictive products to be tagged and categorised as such would better facilitate the reporting, monitoring and auditing of this online marketing by researchers and regulators.

# Conclusion

With digital connection more important in our everyday lives than ever, it is essential that online environments are safe and healthy spaces for everyone.

Data-driven marketing brings with it serious privacy concerns and risks of harm when it comes to the marketing of harmful and addictive products. Extensive data is collected and used to drive digital marketing practices and there is a heightened risk from data-driven marketing that targets people most at risk of harm.

Measures that aim to stem the extensive collection, use and generation of data about people and ensure that people are not profiled and targeted with marketing in harmful ways when they are online are important to reduce these risks of harm. This would be supported by measures that also aim to create better transparency of data-driven marketing practices, which is essential for holding companies accountable for harmful marketing practices.

People's wellbeing must be prioritised over the commercial profits derived from unfair and harmful data processing and digital marketing practices, so that we can all safely engage in the online environment.

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