

# IN THEIR SIGHTS

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## DIGITAL ALCOHOL ADVERTISING REFORM:

EFFECTIVE MEASURES TO BETTER PROTECT CHILDREN AND YOUNG PEOPLE

- Exposing children to alcohol marketing is harmful and dangerous - it is linked with earlier and heavier use of alcohol, which increases the risk of dependency later in life.
- There is no regulation to restrict online alcohol advertising and marketing to children.
- Children are tracked online, their data is collected, packaged, sold and used.
- There are no effective rules to stop predatory marketers including alcohol retailers using children's data.
- The Australian Competition and Consumer Commission (ACCC) Digital Platforms Inquiry Final Report confirms that vulnerable groups including children are disproportionately affected by inconsistent advertising restrictions, and face the greatest consumer harm arising from problematic data practices.
- Immediate action is needed to develop a new advertising framework and restrictions to protect children and young people from marketing of unhealthy products.

### ENSURE STRONG PROTECTIONS FOR CHILDREN ACROSS ALL MEDIA CHANNELS

The ACCC Digital Platforms Inquiry Final Report (the Report) found the sector-specific approach to media regulation has not kept up with digitalisation. Advertising is an area of stark regulatory disparity, where community safeguards, including rules for alcohol marketing have not been transferred to the internet.

Evidence clearly shows that young people's exposure to alcohol marketing increases their alcohol consumption and increases their likelihood to drink at a younger age.<sup>1,2,3</sup> In 2014 the Australian National Preventive Health Agency noted alcohol advertising online was growing at unprecedented levels and yet there are "few mechanisms to limit children's and adolescents' cumulative exposure to the volume of alcohol advertising that occurs frequently across different media channels"<sup>4</sup>

There is no regulatory framework to restrict marketing of harmful and addictive products, such as alcohol, on the internet. Esports is another unregulated and fast growing platform for advertising to children and young people.

Traditional formats such as free-to-air television restrict alcohol advertising during children's viewing hours (unless during sports broadcasts). The *End Alcohol Advertising in Sport* campaign is working to lift the exemption that allows alcohol ads to be shown during sports broadcasts when kids are watching TV.

- » **Establish mandatory advertising restrictions for alcohol, gambling and unhealthy food and harmonise these across all media platforms.**

## PREVENT EXPLOITATION OF CHILDREN'S AND VULNERABLE PEOPLE'S DATA

The Report documents the extent to which Australians, including children, are tracked online, and their data is packaged, used and sold, often without their knowledge. This can lead to consumer harm, including decreased consumer welfare from decreased privacy, and risks to consumers from increased profiling. Children are at particular risk.

Collecting and using data that identifies consumer vulnerabilities is unethical. A recent ABC *Background Briefing* episode highlighted the dangers, speaking with a young woman recently out of detox:

**“ She can do her best to stay away from pubs or boozy social events, what she can't get away from is the digital advertising and marketing.”**

The risks from wrongful data use are acute for children. The data that is collected when their brains and bodies are still developing will remain with companies for the rest of their lives. In recognition of the heightened risks the ACCC recommended additional protections for children's data.

» **Develop and implement the Digital Platforms Privacy Code.**

» **Prohibit the collection, use and disclosure of children's and young people's data for profiling and targeted media.**

## STRONG AND INDEPENDENT MONITORING AND ENFORCEMENT IS ESSENTIAL

The Report clearly shows digital platforms cannot be trusted to regulate themselves in the best interests of the consumer. Neither can alcohol advertisers. Consumers need a regulator with monitoring capacity and enforcement powers. The proposed ACCC Digital Platforms Branch should be established with dedicated funding, and tasked with protecting vulnerable consumers from any exploitative practices by the digital platforms.

» **Establish and fund the specialist Digital Platforms Branch within the ACCC, with a reference to look into harms for vulnerable consumers.**

## NEED FOR FURTHER INQUIRY

The ACCC identified problematic data practices and the potential for consumer harm online and offline. The focus of the ACCC Inquiry was on digital platforms and did not contain a specific reference to vulnerable people or wider societal harms. These are in urgent need of further investigation.

As Ecommerce Director Matthew Craig explained to the ABC's *Background Briefing*:

**“ ... the problem is that the technology is faster than the regulators can keep up. I mean like the opportunities for us to collect data and how that's changing and expanding on a month-to-month basis... It's so fast. You can't necessarily stay on top of that and make sure that every single process is necessarily fitting the realms of whether it's ethical or not, or legal I guess is the really big question.”**

» **Establish a Parliamentary Joint Select Committee Inquiry into the collection and use of consumer data. The inquiry should have a particular focus on vulnerable consumers and societal harm.**

- 1 Jernigan D., Noel J., Landon J., Thornton N. & Lobstein T. (2017). Alcohol marketing and youth alcohol consumption: a systematic review of longitudinal studies published since 2008. *Addiction* 112(Suppl 1):7-20.
- 2 Anderson P., De Bruijn A., Angus K., Gordon R., & Hastings G. (2009). Impact of alcohol advertising and media exposure on adolescent alcohol use: A systematic review of longitudinal studies. *Alcohol and Alcoholism* 44(3), 229-243.
- 3 Smith L., & Foxcroft D. (2009). The effect of alcohol advertising, marketing and portrayal on drinking behaviour in young people: Systematic review of prospective cohort studies. *BMC Public Health* 9(51).
- 4 Australian National Preventive Health Agency (2014). Alcohol advertising: The effectiveness of current regulatory codes in addressing community concern. Commonwealth of Australia. Retrieved 19/09/2018 from: <http://www.fare.org.au/wp-content/uploads/Alcohol-Advertising-Final-Report-30-April-2014.pdf>.