Alcohol Marketing and Young People

The Issue in Brief

Attempts to address youth drinking have focused on the various factors that may play a role in shaping patterns of consumption. These include the role of beverage alcohol marketing.

At the heart of the debate is the impact of beverage alcohol marketing on young people’s drinking patterns and any harmful outcomes.

The resulting policy debate has centered on the degree to which the marketing of beverage alcohol should be regulated.

The evidence:

The balance of the evidence does not support a direct causal relationship between overall alcohol marketing and drinking levels or harmful drinking patterns (whether chronic or episodic) [1-6].

Marketing is one of many factors that influence consumer attitudes and drinking behaviors.

Studies have shown that the principal influences on youth drinking are parents and peers.

Methodological approaches and general findings:

The relationship between marketing and alcohol consumption has been studied using various methodologies, with differing results.

- Econometric studies that examine the relationship between marketing expenditure and alcohol consumption have found no correlation or only a modest one [1, 7-11].

- Experimental studies have also attempted to examine the impact of marketing (particularly advertising) on drinking, but have a number of critical shortcomings.

- Longitudinal research shows a modest relationship between exposure to marketing and drinking among young people; the strength of the association varies across studies [12-14].

- Attempts to examine the impact on consumption of restrictions or bans on marketing or advertising have shown varying results for drinking patterns and outcomes [15-17].

Regulation of beverage alcohol marketing:

- In most countries, marketing of beverage alcohol is subject to some degree of government oversight and regulation.

- Beverage alcohol producers also have their own internal codes around marketing, in the form of both company-level efforts and initiatives across a particular sector.

- Industry self-regulation is always set within a broader framework of government regulation.

Limitations:

- Marketing of beverage alcohol involves not only producers but also retailers, both on- and off-premise.

- The impact of alcohol marketing cannot be separated from the many other influences that, cumulatively, shape perceptions and attitudes about drinking.

- The impact of policy measures around marketing is often difficult to separate from the effects of other policy measures.

Relevant ICAP publications:


What Is the Issue?

The consumption of beverage alcohol by young people is an issue of considerable concern around the world. This includes potentially harmful drinking patterns by young people of legal drinking age, as defined by law in different countries, as well as any drinking by the underage.

Attempts to address youth drinking have focused on the various factors that may play a role in shaping patterns of consumption, including the role of beverage alcohol marketing.

The nature of the relationship and implications for policy are topics of considerable debate.

Beverage alcohol marketing

The term marketing refers to a number of different strategies, including:

- advertising (via broadcast, print, and electronic media);
- promotions;
- branded promotional merchandise (merchandising);
- sponsorship of events;
- point-of-sale materials.

Marketing efforts are carried out by producers—for example, through advertising of particular brands to consumers of legal drinking age.

They are also carried out by retailers—for example, through direct point-of-sale advertisements and promotions to consumers in both on- and off-premise retail outlets.

The main purpose of marketing is to create brand loyalty and preference among consumers, but it also aims to protect and build brands.

- Marketing relies heavily on product branding to differentiate among individual branded products, as well as between branded and unbranded products.
- It informs consumers about particular goods, their availability, characteristics, and value, and is intended to encourage them to choose a particular product over similar alternatives.

- Rather than attempting to expand a general product category (for example, total market for beer, wine, and/or spirits), it focuses specifically on market growth for individual brands.

In most mature markets, there is a general leveling off in overall demand for beverage alcohol, indicating a saturation of the market. Therefore, a key commercial goal of marketing is to maintain and increase market share for one brand over others.

What Is the Debate?

At the heart of the debate is whether marketing of beverage alcohol has an impact on alcohol consumption and resulting harm.

Some, notably advocacy groups, have reported what they describe as “disproportionate” marketing efforts aimed at young audiences, including those below the legally mandated drinking age.

Others, including alcohol producers and their trade associations, as well as those working in the marketing sector, point to self-regulatory codes, which prohibit the targeting of those below the legal drinking age.

Industry codes have provisions against marketing efforts that appeal primarily to those below the legal drinking age.

Codes also establish an audience threshold for marketing efforts, since television, radio, outdoor billboards/signage, and Internet marketing cannot be entirely shielded from viewing by underage youth. In the United States, for example, the placement of advertisements is prohibited at events or in media where less than 70% of the target audience is likely to be over the legally mandated drinking age.

The resulting policy debate has centered on the degree to which the marketing of beverage alcohol should be regulated.

According to some, there is a need for strict controls over marketing, even complete bans, in order to "effectively regulate the marketing of alcoholic beverages, including effective regulation or banning of advertising and sponsorship of cultural and sports events, in particular those that have an impact on younger people".

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1 Definitions of “young people” vary. According to the World Health Organization (WHO), a young person is someone between the ages of 10 and 24 years.

2 On-premise outlets are those establishments where beverage alcohol is sold to be consumed onsite (as in restaurants, bars, taverns, or pubs); off-premise outlets are shops where alcohol may be purchased for consumption elsewhere.
According to others, self-regulation and compliance with self-regulatory codes by producers are effective alternatives:

“A well-constructed self-regulatory regime has advantages over government regulation. It conserves limited government resources and is more prompt and flexible than government regulation, given the substantial time required to complete an investigation or to adopt and enforce a regulation. . . . The [U.S. Federal Trade] Commission continues to believe . . . that alcohol industry self-regulation must play a prominent role in addressing concerns about alcohol marketing and youth.”[28, p. 26]

**Government regulation and industry self-regulation are not mutually exclusive but intended to work in tandem; self-regulation is always set within a broader framework of government regulation.**

**What Is the Evidence?**

There is little consensus in the research literature on the nature or size of the relationship between beverage alcohol marketing and consumption or indicators of harm.

**The balance of the evidence does not support a direct causal relationship between overall alcohol marketing and drinking levels or harmful drinking patterns (whether chronic or episodic) [1-6]. This applies both to adults and young people (including underage youth).**

According to the U.S. National Institute on Alcohol Abuse and Alcoholism,

“When all of the studies are considered, the results of research on the effects of alcohol advertising are mixed and not conclusive”[29, p. 422].

**Marketing is one of many factors that influence consumer attitudes and drinking behaviors.**

The relationship between these various influences is complex and difficult to disaggregate; it is mediated through expectancies and intentions [2-5, 30, 31].

For young people, the most important factors in shaping drinking behavior have been identified as parents and peers [32-35].

Environmental factors, including alcohol marketing, play a smaller role.

- Some studies point to a correlation between particular large-volume promotions at points of sale and increased consumption, including extreme drinking, by young people [36].

**Methodological approaches and general findings**

The relationship between marketing and alcohol consumption has been studied using various methodologies, with differing results.

**Econometric studies that examine the relationship between marketing expenditure and alcohol consumption have found no correlation or only a modest one [1, 7-11].**

- According to a meta-analysis of 132 international studies, the elasticity of alcohol advertising is very small (0.029), supporting the notion that advertising has a small impact on demand [37].

**Experimental studies have also attempted to examine the impact of marketing (particularly advertising) on drinking.**

- The evidence is, once again, mixed [38-40]: While some studies report an effect on attitudes and expectancies around drinking, others do not.

- Such studies have been criticized for their inability to adequately account for the cumulative impact of different factors, including marketing influences, on the shaping of beliefs, attitudes, and consumption patterns [38].

**Some longitudinal research shows a modest relationship between exposure to marketing and drinking among young people; the strength of the association varies across studies [12-14].**

- Some evidence suggests that marketing exposure (e.g., advertising or owning of merchandise) may have a small impact on young people’s beliefs about beverage alcohol and their drinking intentions [2-5, 30, 31, 41-49].

- However, drinking intentions are not always the same as actual drinking behavior, and factors other than marketing may influence drinking choices [50].

Any inferences about the effect size are limited by confounders in the studies, which include uneven quality and inadequate controls for confounders [13].

Several other factors that influence young people’s drinking include:

- family environment, including parent and sibling behavior [51-57];
- peer behavior [55, 58, 59];
- socioeconomic status [58, 60, 61];
- personal attitudes and personal problems [41, 49, 62, 63].
Attempts have been made to examine the impact on consumption of restrictions or bans on marketing or advertising [15-17].

The effects of various “natural experiments” have been assessed in different countries:

- The results of a natural experiment in the Canadian province of Saskatchewan, where a total ban on alcohol advertising was lifted, show mixed results, reporting increased beer sales, decreased spirits sales, and no effect on wine or total alcohol sales [64, 65].

- Following a 14-month ban of all alcohol advertising in British Columbia, Canada, in 1971, yearly and monthly analyses showed no substantial effect on sales of beer, wine, or spirits [66].

- Advertising and effects on consumption were studied in France, Germany, the Netherlands, Sweden, and the United Kingdom between 1970 and 1983. Despite significant differences in alcohol advertising policies, alcohol consumption decreased in all five countries [67].

**Regulation of beverage alcohol marketing**

In most countries, marketing of beverage alcohol, like the marketing of other commodities, is subject to some degree of government oversight and regulation.

Specific provisions cover [68]:

- content and placement of advertising (in print, TV, radio, electronic media, or outdoor advertising);
- restriction of hours during which advertising is permitted;
- sponsorship of sporting, cultural, and other events;
- sponsorship and message placement at youth events;
- inclusion of health warnings on promotional material and advertisements.

Particular attention has been paid to novelty products, including “alcopops” and ready-to-drink beverages (RTDs). Critics raise particular concerns about the marketing of these products to young people [69].

Another area that has received particular attention relates to marketing efforts for beverage alcohol through electronic media, including the Internet [70].

Beverage alcohol producers also have their own internal codes around marketing, in the form of both company-level efforts and initiatives across a particular sector (beer, wine, or spirits) [23-26, 71].

These provisions stipulate the content, placement, and target audience for marketing efforts and include [72]:

- prohibitions against positive depictions of excessive consumption, implication of enhanced abilities (physical, sexual, or social) in relation to drinking, or negative portrayals of abstinence;
- prohibitions against advertising or promotional efforts that may have particular appeal to minors, including limiting advertisement placements to events and media for which the majority of the audience is of legal age.

The increasing use of online and digital media for marketing purposes has resulted in increased attention by industry to guidelines specific to digital marketing and social media [73-75].

The effectiveness of industry self-regulation has been challenged, particularly the lack of consistency in the rigor with which it is applied in mature as compared to emerging markets [76-78].

However, in many developing markets, company codes are actually more thorough and comprehensive than existing government codes around marketing.

Independent reviews of industry self-regulation in mature markets have found industry compliance with codes that prohibit marketing to underage youth to be high.

- The U.S. Federal Trade Commission, for example, has consistently found that beverage alcohol producers comply with current voluntary standards set out in their codes—and even exceed these standards [28, 79].

- Monitoring by the European Advertising Standards Alliance (EASA) of television and print advertisements across the European Union has also found compliance to be high (94% in 2008) [80].

In reality, industry self-regulation is always set within a broader framework of government regulation, even where industry is self-regulating its own marketing efforts.
What Are the Limitations?

**Marketing of beverage alcohol involves not only producers but also retailers, both on- and off-premise.**

Retailers include specialized shops that sell beverage alcohol, grocery stores, and on-premise establishments such as bars, taverns, cafés, and restaurants.

- Research suggests that point-of-sale promotions and drink specials influence the purchasing and consumption behavior of young people [36, 81-83].

In most countries, government regulation of marketing is largely directed at producers through restrictions on advertising and sponsorship; it often excludes promotions and other efforts by retailers at points of sale.

**The impact of alcohol marketing cannot be separated from the many other influences that, cumulatively, shape perceptions and attitudes about drinking.**

Significant methodological shortcomings have been pointed out in studies that have attempted to control for the myriad other influences on drinking behavior [13].

Human behavior, including drinking behavior, is the result of complex interactions over the course of a lifetime and does not lend itself to reductionist analysis.

**From a policy standpoint, the impact of policy measures around marketing is often difficult to separate from the effects of other measures.**

Drinking levels and patterns are also in part shaped by proper enforcement of various regulations around alcohol (such as drinking-age laws and blood alcohol concentration limits for driving), as well as by societal changes (such as economic development and affordability of alcohol) [84].

- From 1980 to 2000, a 30% decrease in average consumption was observed in the Mediterranean wine-drinking countries, despite few restrictions on alcohol marketing and distribution [85].

- Despite significant increases in advertising expenditure in France, the Netherlands, and the United Kingdom between 1970 and 1990, alcohol consumption declined in all three countries over the same period [67].

- In many emerging markets, alcohol consumption remains high even though much of the alcohol consumed is not marketed but is largely unbranded or not commercially produced [68, 86].

**References**


The International Center for Alcohol Policies (ICAP; www.icap.org) is a not-for-profit organization supported by major international producers of beverage alcohol. Established in 1995, ICAP's mission is to promote understanding of the role of alcohol in society and to help reduce harmful drinking worldwide. ICAP’s efforts to foster dialogue and partnerships in the alcohol policy field are shaped by its commitment to pragmatic and feasible solutions to reducing harm that can be tailored to local and cultural considerations and needs. ICAP has been recognized by the United Nations Economic and Social Council (UN ECOSOC) as a non-governmental organization in Special Consultative Status.