

2015 Compliance Monitoring Report For the International Food & Beverage Alliance

On Global Advertising in Television, Print and Internet

April 2016

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Introduction

Accenture Media Management has been commissioned by the International Food & Beverage Alliance (IFBA) to produce this report on behalf of its members:

The Coca-Cola Company, Ferrero, General Mills, Grupo Bimbo, Kellogg's, Mars, McDonald's, Mondelēz International, Nestlé, PepsiCo and Unilever.

IFBA is a group of leading food and non-alcoholic beverage companies with a global presence who share a common goal of helping consumers in all nations to achieve balanced diets and healthy lifestyles. In May 2008, they committed to five actions in support of the World Health Organization's 2004 *Global Strategy on Diet, Physical Activity and Health*, including a commitment to extend their existing policies on responsible advertising and marketing to children, globally. In practice, this means changing the way they advertise to children so as to emphasize better-for-you choices and promote physical activity. IFBA members also committed to third-party monitoring of the implementation of this commitment globally.

For 2015, IFBA engaged Accenture to monitor its members' compliance in television, print and internet advertising with their stated global marketing and advertising to children policy:

IFBA members have committed to only advertise products to children under 12 years of age that meet specific nutritional criteria based on accepted national and international evidence and/or applicable national and international dietary guidelines; or to not advertise products to children under 12 years at all. For the purpose of this initiative, "advertising to children under 12 years" means advertising to media audiences with over 35% of children under 12 years.

The monitoring exercise has been on-going since 2009. This report presents the 2015 results and illustrates trends since 2009.

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¹ For more information, please see https://www.ifballiance.org/

Overall Methodology

Accenture independently monitored ten markets for television advertising, five markets for print advertising and four markets for internet advertising. We conducted the monitoring exercise as a random sample of the companies' advertisements. The exercise was carried out during 2015.

All the media research data analyzed in order to produce this report was gained from sources independent of the advertisers and their associated media agencies. Accenture chose the period to be monitored after the advertising had already been purchased by the companies.

To monitor compliance with television advertising, Accenture:

- Examined all advertising spots² for products marketed by IFBA members aired in the selected markets;
- Reviewed those spots for products not meeting criteria for advertising to children against product lists supplied by IFBA members;
- All spots were included for companies that do not advertise any of their products to children under 12;
- Analysed audience composition at the time of broadcast in order to identify those spots aired when over 35% of the audience was composed of children under 12 years of age; and³
- Counted these spots as non-compliant with the IFBA policy.

For print advertising, we isolated all print publications targeting children under 12 years of age in the selected markets, and reviewed each of these to determine if any of these contained any advertising by IFBA members.

There is no reliable demographic audience data for many websites. Therefore, Accenture developed a sample list of child-targeted websites for the selected markets, and performed a manual check during a three-week period on each website to assess compliance.

² Spot means each individual advertising activity, i.e. the airtime used by the advertiser.

³ Please see appendices for exact age group definitions

Summary of Key Results

2015 Compliance Rates

Television: overall compliance rate is 97%

This result is based on the review of <u>more than half a million</u> advertising spots (718,451) promoting products by IFBA members broadcast in Brazil, China (Shanghai), Colombia, Indonesia, Malaysia, Russia, Saudi Arabia, South Africa, Thailand and UAE during the monitoring period. Instances of non-compliance represent all spots for products not meeting IFBA members' nutritional criteria aired at a time when the reported audience share of children under the age of 12 exceeded 35%.

14,561 instances of non-compliance were identified. Of these, a high proportion (13,472) were spots aired during the night (21:00-05:59) or spots with less than 1 GRP⁴. Statistical anomalies may occur when looking at spots with such a low sample. For such spots, any slight changes in the audience can lead to large swings in the % of audience split. Though the profile can show a majority child audience share these programmes tend not to be directed at children. Nonetheless, these spots were considered to be noncompliant.

Print: overall compliance rate is 100%

71 publications were identified as targeting children under 12 years of age. We did not find any advertisements among these publications that promoted products of IFBA members in the countries analysed: Brazil, China, Russia, South Africa, and Singapore.

Internet: overall compliance rate is 99.8%

We found 2 non-compliant advertisements for products advertised by IFBA members on the websites reviewed in Brazil, China, Russia and Singapore.

⁴ Gross Rating Points (GRPs) measure the size of an audience reached by a specific media vehicle or schedule. The small audience size means that the reported audience share data is statistically not reliable. Audience data can be skewed if even very few viewers that are part of the measurement panel misreport their viewing (e.g. reporting a child under 12 years of age watching instead of an adult in a given household).

Television Compliance Monitoring 2015

Methodology

- For the purposes of this verification, ten sample markets were chosen: Brazil, China (Shanghai), Colombia, Indonesia, Malaysia, Russia, Saudi Arabia, South Africa, Thailand and UAE. (See Appendix 1 for a list of the monitored television channels)
- All spots by IFBA member companies aired in the 10 markets from 1 April to 30 June 2015 were collected. Total sample size: 718,451 spots.
- Spots for products that do not meet IFBA companies' nutritional criteria, where applicable (some member companies do not advertise any products to children under 12 years of age), were identified on the basis of product lists supplied by companies.
- Audience composition at the time each spot was aired was analysed on the basis of national ratings data. This allowed us to identify advertisements aired in and between programmes in which over 35% of the audience were children under 12 years of age.⁵
- All spots for products that IFBA member companies have committed not to advertise to children under 12 years of age, aired at times when the audience was composed of over 35% of children under 12 years of age, were deemed non-compliant.
- In the analysis we have included all platforms and channels that are monitored by market by year. Please note that for some markets the list of channels has increased compared to previous years as more channels and platforms are now monitored.

⁵ Please see appendices for exact age group definitions. (See footnote 3)

Results

Fig. 1: Television Overall Compliance Results (All spots included) (2015 based on occurrence)

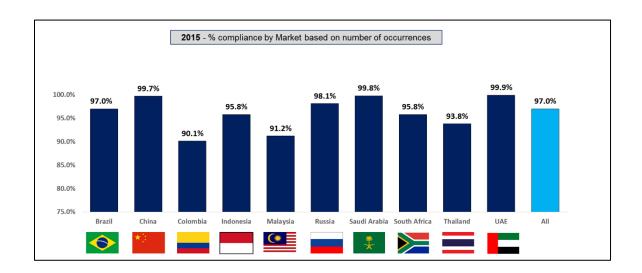
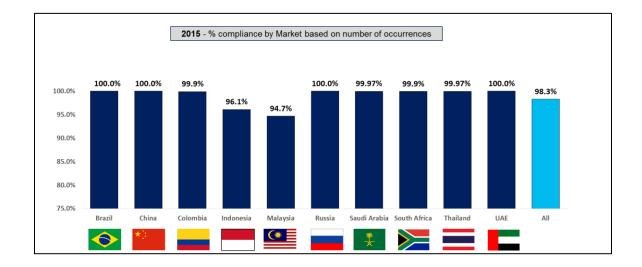


Fig. 2: Television Overall Compliance Results (Daytime spots with greater than 1 GRP) (2015 based on occurrence)



Measuring Change: Trends in IFBA Member Companies' Television Advertising

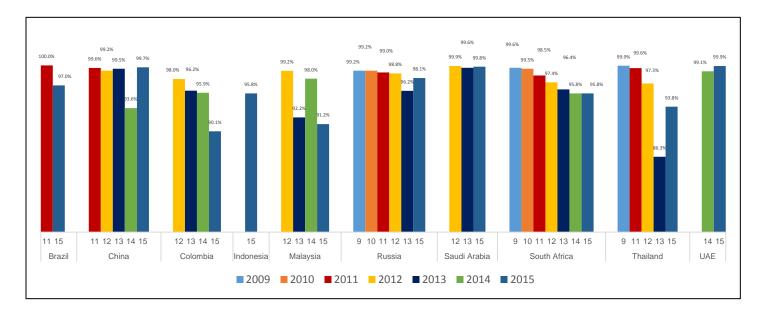


Fig. 3: Compliance Results (All Spots)

When looking at all spots, we can see that since 2009, the compliance rate has always been above 90% for these markets, except Thailand, showing 86.3% compliance in 2013, due to spots with very low audience (less than 1 GRP). However, in 2015 the compliance rate for Thailand shows improvement with 93.8% compliance across all advertisers.

In 2015 Malaysia and Colombia have a lower compliance rate as compared to other markets majorly due to spots with very low audience (less than 1 GRP).

Print Compliance Monitoring

Methodology

- As age-specific readership data for children's print titles is not available, Accenture prepared a list of children's titles in each of the five monitored markets
 Brazil, China, Russia, South Africa, and Singapore - on the basis of national genre classifications used in the media industry. (See Appendix 2 for a list of the monitored print titles)
- Accenture purchased children's magazines available from the local newsstands for a spot check. The findings across most markets were that children's magazines were mostly comics which did not have advertising in them.
- Using advertising data from national monitoring agencies (databases of all advertisements placed in print titles), Accenture reviewed these publications for advertisements for products that IFBA member companies have committed not to advertise to children under 12 years of age.
- Any advertisement for such products in any of these titles was deemed noncompliant.

Results

Print Advertising: All markets were 100% Compliant: Brazil, China, Russia, South Africa, and Singapore

Internet Compliance Monitoring

<u>Methodology</u>

- A list of younger children's websites in each of the four monitored markets
 Brazil, China, Russia and Singapore was selected by Accenture's local offices
 to represent a sample of child-oriented websites. (See Appendix 3 for a list of the monitored websites)
- The websites were accessed over a period of three weeks to check for advertising content relating to the non-compliant products from IFBA members.
- Any advertisement for such products in any of these websites was deemed noncompliant.

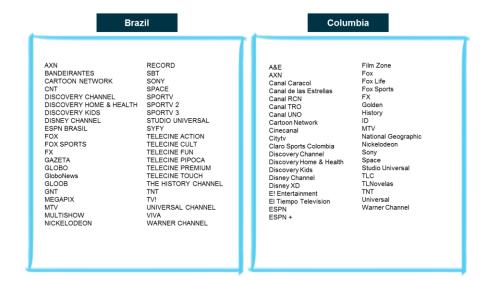
Results

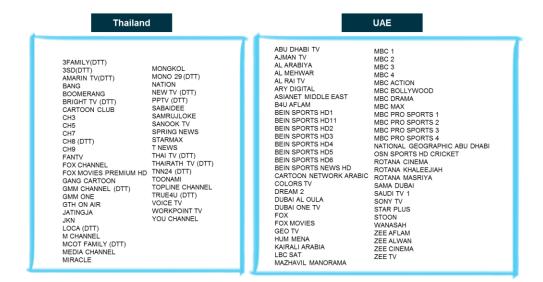
Internet Advertising: Markets were 99.8% Compliant: Brazil, China, Russia and Singapore

There were 2 instances of non-compliance. One instance was observed in China and one in Singapore.

Appendix 1: Television Channels Monitored

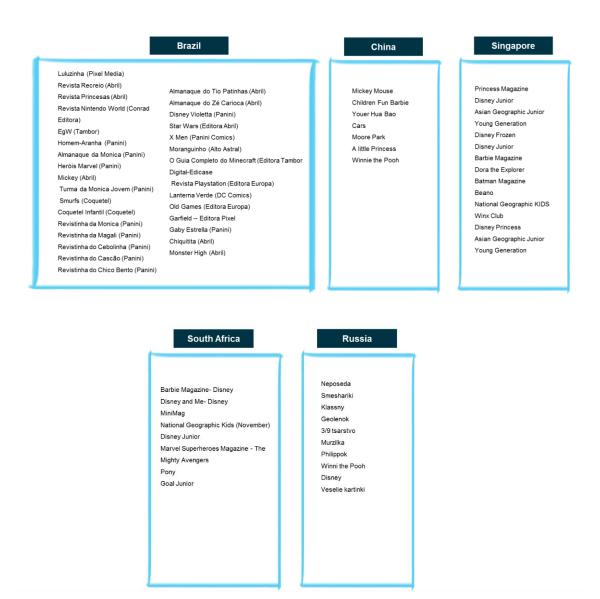
Saudi Arabia South Africa MBC 1 MBC 2 MBC 3 MBC 4 MBC ACTION MBC BOLLYWOOD MBC DRAMA MNET M-Net Analogue M-Net Edge M-Net Movies Action M-Net Movies Action Plus M-Net Movies Family ABU DHABI TV AJMAN TV AL ARABIYA DSTV Nat Geo Wild Africa Magic Movies 1 DSTV National Geographic DSTV New Supr Sport 4 DSTV Sky News BET 2 AL MEHWAR AL RAI TV ARY DIGITAL ASIANET MIDDLE EAST CBS Drama DSTV Sonv Entertainment Comedy Central Discovery ID Discovery TLC DSTV SS4/UPDATE DSTV Super Sport 1 DSTV Super Sport 2 M-Net Movies Premiere MBC MAX MBC PRO SPORTS 1 MBC PRO SPORTS 2 MBC PRO SPORTS 3 M-net Movies Showcase M-Net Movies Zone M-Net Series Zone B4U AFLAM BEIN SPORTS HD1 BEIN SPORTS HD11 BEIN SPORTS HD2 DSTV Super Sport 2 DSTV Super Sport 3 DSTV Super Sport 5 DSTV Super Sport 6 DSTV Super Sport 7 DSTV Super Sport 8 Disney XD DSTV Africa Magic DSTV Africa Magic Plus DSTV BBC ENTERTAINMENT M-Net Stars MBC PRO SPORTS 4 NATIONAL GEOGRAPHIC ABU DHABI OSN SPORTS HD CRICKET Mzansi Bioskop Mzansi Magic Mzansi Music BEIN SPORTS HD3 BEIN SPORTS HD4 DSTV BBC KNOWLEDGE BEIN SPORTS HD5 BEIN SPORTS HD6 BEIN SPORTS NEWS HD DSTV BBC LIFESTYLE DSTV Boomerang DSTV Super Sport 9 DSTV Super Sport 9 DSTV Super Sport Select DSTV Trace Mzansi Wethu ROTANA CINEMA ROTANA KHALEEJIAH ROTANA MASRIYA DSTV Cartoon DSTV Channel O Nick Toons Nickelodeon SABC1 CARTOON NETWORK ARABIC **DSTV Travel** DSTV Crime & Investigation DSTV Discovery DSTV Discovery World COLORS TV DREAM 2 DSTV Vuzu ETV Food Network FOX Crime SAMA DUBAI SABC2 DUBAI AL OULA SAUDI TV 1 SONY TV STAR PLUS SABC3 Sony Max Soweto TV/ DSTV Soweto DUBAI ONE TV DSTV Disney channel DSTV E! ENTERTAIMENT FOX FOX MOVIES Fox Entertainment DSTV History Channel DSTV Home Channel STOON Hallmark (UNIVERSAL) Kyk Net kykNet & kie TV WANASAH Studio Universal GEO TV HUM MENA ZEE AFLAM ZEE ALWAN DSTV Magic World DSTV MTV Base Telemundo Trace Sports KAIRALI ARABIA LBC SAT MAZHAVIL MANORAMA kykNet Musiek Lifetime Entertainment DSTV MTV Europe ZEE CINEMA Vuzu Amp ZEE TV Zee World





Russia Indonesia Malaysia China Chinese Business Network(24) Dragon TV(24) Shanghai East Movie(24) 8TV AEC FRIDAY ANTV ESPN 2X2 DOMASHNY GTV INEWSTV HUA HEE DAI Mustika HD NTV7 ONE HD Asian Food Channel ASTRO ARENA ASTRO CERIA ASTRO CITRA ASTRO DISCOVERY Shanghai East Movie(24) Shanghai Education TV(24) Shanghai TV Arts Humanities(24) Shanghai TV Arts Humanities(24) Shanghai TV Documentary(24) Shanghai TV Entertainment(24) Shanghai TV Great Sports(24) Shanghai TV International(24) Shanghai TV News(24) Shanghai TV Drama(24) Shanghai TV Young(24) Toonmax TV(24) KANAL DISNEY KARUSEL IVM KOMPASTV MIR MUZ TV NTV METRO MNCTV PRIMA RTM1 RTM2 STAR WORLD ASTRO NG NET ASTRO NG ASTRO OASIS ASTRO RIA ASTRO SHUANG XING PERETZ RCTI RTV SCTV TRANS PEREIZ PERVY KANAL PYATY KANAL REN TV TV3 TV9 WAH LAI TOI XING HE ASTRO SUPERSPORT ASTRO SUPERSPORT ROSSIYA 1 TRANS7 ROSSIYA 2 RU.TV TVONE 3 ASTRO WARNA AWANI AXN AXNHD DIVA STS STS LOVE TNT TV TSENTR TV-3 U ZVEZDA

Appendix 2: Print Titles Monitored



Appendix 3: Online Titles Monitored

Brazil China Singapore Russia http://disney.ru/ http://multxit.ru/ www.criancas.uol.com.br/ http://mundonick.uol.com.br/ http://tv.toggle.sg/en/okto http://www.nick-asia.com/ http://www.cartoonnetwork.com http://www.disney.sg/ http://www.doysrus.com.sg/ http://cf-vanguard.com/en/shop/ http://www.61baobao.com/ http://scubiland.ru/ www.disnev.com.br http://www.elpaobac.com/ http://trocc.qq.com/ http://seer.61.com/ http://www.tom61.com/ http://www.dol.cn/index.shtml http://www.chunmiac.cn/ http://kid.qq.com/ www.disney.com.br www.tvglobinho.globo.com www.cartoonnetwork.com www.discoverykidsbrasil.com http://www.jogosdemeninas.net/ www.sbt.com.br/clubinhosbt/ http://teremoc.ru/ http://www.classmag.ru/ http://klepa.ru/ http://murzilka.org/ http://leshiki.ru/ http://dvdmulti.ru/ http://www.brainpop.com/ http://www.knowledgeadventure.com/default.as www.iguinho.com.br http://www.knowledgeadv px http://www.nickjr.com/ http://www.nick.com/ http://pbskids.org/ http://www.funbrain.com/ http://aobi.100bt.com/ http://koshki-mishki.ru/ http://koshki-mishki.ru/ http://www.vividi.ru/ http://www.untik.ru/ http://www.smeshariki.ru/ http://kyww.smeshariki.ru/ http://kyww.fixiki.ru/ http://kyww.fixiki.ru/ http://www.fixiki.ru/ http://www.fixiki.ru/ http://whyw.fixiki.ru/ http://barboskiny.ru/ http://barboskiny.ru/ http://barboskiny.ru/ www.dolls.com.br http://www.beva.com/ http://www.060s.com/ http://www.hezi.com/ http://www.61f.com www.dois.com.br/nintendo www.folha.com.br/folhinha http://tvratimbum.cmais.com.br/ http://www.galinhapintadinha.com.br/ http://www.tunbrain.com/ http://disneyjunior.disney.sg/ http://ssamestreet.org http://www.lego.com http://www.barney.com http://kids.nationalgeographic.com/ http://discoverykids.com/ http://www.tongnian.com/ http://www.61ertong.com/ mundogloob.globo.com/ http://www.barbie.com/pt-br http://www.61ertong.com/ http://www.hongniba.com.cn/ http://wj.youerkaka.cn/ http://www.coppg.com.cn/ http://www.xugu.net/ http://www.hongdaishu.com/ http://www.barbe.com/br/# http://atrevidinha.uol.com/br/# www.recreionline.abril.com/br www.neopets.com* http://www.sbt.com/br/chiquititas/ http://www.neopets.com https://miniclip.com/games/en/ http://dashamult.ru/ http://www.sbt.com.br/carrossel/ http://g.beva.com/xuetang/ http://www.ivi.ru/animation/detskie http://www.patatipatata.com.br/ http://deti.tvzavr.ru/ http://turmadamonica.uol.com.br/

Appendix 4: TV Age Group Definitions

Brazil	4 - 11
China	4 - 11
Colombia	4 - 11
Indonesia	4 - 14
Malaysia	4 - 14
Russia	4 - 11
Saudi	3 - 14
UAE	3 - 14
South Africa	3 - 11
Thailand	6 - 14