

OUR COMMITMENTS

Responsible marketing to children

– IFBA's 2014 Enhanced Global Policy on Marketing Communications to Children Explained

What is the IFBA Global Policy?

The IFBA global policy on marketing to children was first adopted in 2009, and sets out the criteria for food and beverage product marketing communications that are paid for or controlled by IFBA companies in every country where they market their products worldwide. The policy was updated in 2011 to increase coverage and cover company-owned websites. This latest iteration of the policy strengthens the policy in a number of areas, significantly raising the bar for all IFBA marketers worldwide. The policy will come into effect by December 31, 2016.

What is the purpose of IFBA's Global Policy?

The IFBA global policy is designed to change how and what IFBA companies advertise to children and ensure their actions are monitored. The policy responds to the 2010 WHO Set of Recommendations on the Marketing of Foods and Non-alcoholic Beverages to Children¹, and is designed to reduce the impact on children of the marketing of foods high in fat, sugar or salt and ensure that marketing communications are aligned with the promotion of balanced diets and healthy, active lifestyles.

- The what: Some IFBA member companies do not market any of their products to children under 12 years of age. Others only market better-for-you products that meet strict nutrition criteria based on accepted scientific evidence and/or national and international dietary guidelines (e.g. the Dietary Guidelines for Americans, the U.S.A. Institute of Medicine and EURODIET), to children under 12 years.
- The how: The policy requires that companies do not use certain marketing techniques that appeal primarily to children under 12, that are primarily directed to children under 12 in the media channels covered, for foods not meeting specific nutrition criteria.

¹ <http://www.who.int/dietphysicalactivity/publications/recsmarketing/en/> (See policy recommendation 1 on page 8)

What is new about the 2014 Global Policy?

The policy is new in three ways:

1. The previous policy addressed TV, print, internet and company-owned websites, which represent the vast majority of food and beverage media and marketing spend. The enhanced policy covers additional media, including outdoor, mobile and SMS marketing, interactive games, DVD/CDROM, cinema and product placement, expanding the programme's reach².
2. The enhanced policy addresses the issue of "appeal". Members have committed that use of certain techniques, such as licensed characters, movie tie-ins and celebrities that appeal to children under 12, that are primarily directed to children under 12 in the media channels covered, are only for products meeting the "better-for-you" criteria.
3. Under the previous policy, in the absence of a single global set of nutritional guidelines (largely because of the substantial differences across food cultures and national regulatory frameworks), those companies that advertise better-for-you products to children under 12 defined their own nutrition criteria, based on acceptable international and national guidelines. With the 2014 enhanced global policy, as part of ongoing efforts to expand or enhance regional and national pledges on marketing to children, members have committed, wherever possible, to harmonize nutrition criteria where such criteria do not yet exist, as they have done in the EU and U.S.A. pledge groups. In the EU, the nutrition criteria were reviewed by NGOs and strongly welcomed by the European Commission. In the U.S.A., the Federal Trade Commission, the Department of Agriculture, and the First Lady of the United States all have cited the Children's Food & Beverage Initiative's adoption of uniform nutrition criteria as a positive step forward.

How do you ensure that ads are not primarily directed to children on the basis of creative execution?

Where measured media is not available, ensuring that creative execution of ads is not designed to be directed primarily to children under 12 (versus a teenage, adult or family audience) can be a difficult exercise. Where reliable data regarding the proportion of children under 12 or self-designations by content providers are unavailable, IFBA members will explore ways of addressing this issue of "appeal" in a consistent and coherent manner, including, for example, developing specific internal policies to guide the development of advertising and marketing communications and through ad agency briefings.

² IFBA members are in the process of agreeing the guidelines which will govern outdoor marketing.

What media are covered?

The media we cover are TV, radio, print, cinema, online (including company-owned websites), DVD/CD-ROM, direct marketing, product placement, interactive games, outdoor marketing (to be defined by interpretative guidelines), mobile and SMS marketing, which together constitute the vast majority of a company's food and beverage marketing budget. (See chart opposite based on Kantar Media (US) and Europe estimates)

What media are not covered?

Packaging is not covered as the vast majority of food purchasing decisions are taken by adults and not the children themselves; mothers and adults serve as gatekeepers in these situations. The policy also does not cover in-store, point-of-sale and user-generated content as these are generally not within the control of the brand owner.

Brand equity characters are not covered. Why not?

Brand equity characters are part of a brand's intellectual property and so, taking them away from the brand would basically mean that the brand ceases to be the same entity. When the UK government decided to regulate food marketing in 2006, it decided to differentiate between characters which are an integral part of the brand and those that are licensed on an ad-hoc basis³. Other regulators, including for example, in Ireland, Norway, Singapore and Spain, take the same view and our policy is in line with this approach⁴.

Why are children defined as under the age of 12?

Although scientists differ on the age by which children have developed an understanding of the persuasive intent of advertising, few would put that age at 12 years or higher. For this reason, all of the government-led reviews of the existing academic research conducted in the context of the debate on food marketing communications have identified an age cut-off at 12 years^{5,6}.

The U.S. Institute of Medicine (IOM) reviewed the issue of food and beverage marketing to children in 2005 and concluded that marketing does not affect the food

³ http://bcap.org.uk/Advertising-Codes/Broadcast/BCAP-Code/BCAP-TV-Code/BCAP-TV-Item.aspx?q=BCAP+Television+Code_Section+7+-

⁴ http://www.bai.ie/wordpress/wp-content/uploads/201308_CCCC_English_vFinal.pdf (page 6 point 2(i))

⁵ http://info.wfa.be/RAC_AgeEvidence_final.pdf
http://info.wfa.be/RAC_Child_Age_Review_Onepager_200911.pdf

⁶ http://www.bbb.org/Global/Council_113/CFBAI/Audience_definitions_Aug_2014.pdf

behaviours of children over 12 years old. And although the IOM also concluded that there was not sufficient evidence to find a causal relationship between advertising and obesity, the review indicated that advertising, among other factors, may impact the food preferences of children under 12⁷.

How is “advertising to children” measured?

For the purpose of the policy, “advertising to children” under 12 years of age means advertising in child-directed media where 35% or more of the audience is under 12 years of age.

For television advertising, which still attracts the vast majority of food and beverage marketing budgets, independent data are available to show the composition of the audience. We will not advertise products that do not meet the better-for-you criteria when the proportion of children under 12 exceeds 35% of the audience.

For print, similar audience data do not exist. However, publications explicitly state their target audience so as to tailor their advertising space. For publications primarily directed at an audience of children under 12 years, the IFBA policy comes into effect.

For third party internet advertising, independent data may identify the audience composition. However, such data do not exist in many cases for brand-owned websites. For this reason, we use common guidelines to ensure third party verification of IFBA companies’ compliance with the commitment.

For other media where data are often unavailable, companies need to consider other factors, such as the overall impression of the advertising, how they may restrict child access and the target demographic identified in the company’s media plan.

For outdoor and schools, we are currently developing interpretative guidelines for determining what is permissible and what is not.

What is your commitment regarding schools?

IFBA members commit not to engage in food or beverage product marketing communications to children in primary schools.

Members respect that schools are very special environments where healthy lifestyles must be encouraged. As a matter of practice, school administrations often approach IFBA members to request products and support. IFBA members are committed to honour such requests, provided they are for educational purposes and help to

⁷ <http://www.iom.edu/Reports/2005/Food-Marketing-to-Children-and-Youth-Threat-or-Opportunity.aspx>

promote healthy and balanced lifestyles. As part of the 2014 enhanced global policy, IFBA members have committed to developing and making public specific guidelines on permissible activities in schools.

Why do some companies not advertise to children under 12 while others do? Couldn't you all agree to stop advertising to children under 12 altogether?

The food industry is very diverse and companies offer a huge range of food and beverage choices – namely confectionery, beverages, cereals, yogurts, snacks, ice cream, etc. These products differ in terms of their nutritional composition and how they are consumed. Some form part of or the whole of a meal, while others are consumed between meals. Decisions on whether and what to advertise to children should reflect this diversity. In order to ensure the widest possible support from the world's leading food manufacturers, it was important to create a flexible framework to cover all food and beverage categories so we can achieve the objective of promoting healthy products and healthy, active lifestyles.

Whether a member chooses to advertise or not to children under 12, all IFBA members have agreed the fundamental principles which underpin the global policy – to help children under the age of 12 to achieve a healthy, balanced diet.

What is the difference between the IFBA Global Policy and national pledges?

National or regional pledges are based on the core tenets of the IFBA Global Policy. Local pledge programmes build on the global IFBA policy by extending it to include companies operating on a national or regional level that are not members of IFBA. The strengthening of the IFBA Global Policy will require that local programmes review their current policies so that in time their commitments reflect the enhanced IFBA commitments.

Industry has said there is no proof of a causal effect between food advertising and childhood obesity. If not, why the need for a Global Policy?

Overweight and obesity are very complex issues. In one of the most comprehensive studies to date on the subject, the UK Government commissioned the Foresight Obesity System Map which identified more than 100 factors which may be connected

to overweight and obesity⁸. Of these factors, marketing represents only a very small part of the equation. Other factors, such as the decline in physical activity over the past few decades also played a causal role in the rise of obesity over that period.

The food industry recognizes the responsibility we have to do our part to address this global problem. This is why we are taking steps to ensure that we are part of the solution and that food marketing promotes balanced diets and healthy, active lifestyles.

How effective is your approach to responsible marketing to children?

Third-party compliance data from around the world shows a very high rate of compliance with the IFBA global policy and regional and national pledge programmes. For example:

- Since 2009, IFBA has engaged Accenture Media Management to independently and impartially monitor member's compliance with the global policy. Over the course of the past five years, Accenture has found that the compliance rate for television advertising has been above 86% in every market analyzed (including, Argentina, Australia, Brazil, Canada, Chile, China, Colombia, India, Indonesia, Malaysia, Mexico, New Zealand, the Philippines, Russia, Thailand, Saudi Arabia, South Africa, Ukraine and U.S.A.) and 100% for print and internet advertising.
- Similarly consistent high levels of compliance have been reported for pledges in Australia, Canada, the EU and U.S.A.

Impact monitoring data from Australia, Canada, the EU and U.S.A. demonstrate a shift towards the promotion of healthy choices and a major reduction in the exposure of children to marketing communications for products high in fat, sugar and salt. For example:

- Since 2005, children in the EU are exposed to almost 50% less ads for products not meeting better-for-you criteria, over 80% less for such products in and around children's programmes and a third less for all products owned by pledge signatories across all programming. EU pledge members represent well over 80% of EU food marketing spend.
- In 2013, a spot check of television ads that aired in children's programming in the U.S.A., found that 75% of the foods in pledge participants' advertisements contained a food group to encourage - fruit, vegetables, whole grains or

⁸ Foresight. Tackling obesities – future choices – obesity system atlas. Government Office for Science, October 2007, available at :<http://www.shiftn.com/obesity/Full-Map.html>

non/low dairy (either as a separate item or as an ingredient) - representing a 56% increase compared to the 2010 analysis. Members of the Children's Food and Beverage Advertising Initiative (CFBAI) represent roughly 80% of the market.

- In Australia, a study undertaken in 2011 found that ads for non-core foods (i.e. foods and beverages high in fat, sugar and salt) had fallen to 1.6% of all food and beverage ads across eight channels and 0.7% across all channels – representing a 60% decrease compared with 2010.
- In Canada, a spot check of children's advertising in 2012 found that only 20% of the total number of commercials were for food and beverages (down from 25% in 2011) and 86% were for betterfor-you products.

Furthermore, in June 2014, the Consumer Goods Forum, a CEO-led collaboration of more than 400 retailers, manufacturers and service providers across 70 countries adopted resolutions on responsible marketing to children based on IFBA's approach⁹.

Our voluntary actions to implement the 2004 WHO Global Strategy on Diet, Physical Activity and Health, and our work on marketing to children have been recognized by the U.S. Institute of Medicine as an "important step forward". The EU Commissioner for Health has repeatedly spoken out in favour of the EU Pledge commitment, which is based on the global IFBA policy. Equally, the EU pledge has been endorsed by a number of cross-party EU Parliamentary reports¹⁰.

Health and other regulators around the world, including in Australia, Brazil, India, Malaysia, Mexico, New Zealand, the Philippines, Portugal, Romania, Singapore, UK and US have spoken out in support of industry efforts to self-regulate in the field of food marketing.

⁹ <http://www.theconsumergoodsforum.com/strategic-focus/health-and-wellness/board-resolutions-on-health-and-wellness>

¹⁰ http://info.wfa.be/RAC_Alerts/31_August_EU_Pledge.pdf