

7 food majors pledge responsible advertising

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MUMBAI: Seven major food and beverage companies have signed a unique pledge committing themselves to responsible advertising and marketing to children. This is the first such self-regulatory pledge in India on the lines of the one in the European Union.

According to people familiar with the development, companies which have become signatories to the pledge are Indian subsidiaries of global majors such as Coca-Cola, PepsiCo, Nestle, Kellogg, Mars International, General Mills and Hindustan Unilever. While more are expected to join in, Cadbury India is the only notable exception from the list.

The pledge provides a framework for food and beverage companies to help promote healthier dietary choices and a more active lifestyle for Indian children. Besides, it also demonstrates their commitment to social responsibility in marketing their products to children. Consequently, the companies could stand to forego the lure of unrestricted advertising on hundreds of channels that the Indian market offers, integral to developing the huge but lowly penetrated desi market.

Though this is a voluntary move towards self regulation, it could have been driven by the increasing focus on obesity among children and allegations that unrestricted consumption of fast food and beverages are some of the factors leading to it.

Sidharth Singh, VP, Packaged Foods, Hindustan Unilever, believes that the self regulation practices adopted by the seven signatories will help to further promote dietary choices and a more active lifestyle among children.

It's not yet clear as to how the advertising industry will get impacted because of the move.

According to the regulation, these companies cannot advertise food and beverage products to children under the age of 12 on TV, print or the internet, except for products that fulfil specific nutrition criteria based on scientific evidence and dietary guidelines. For this pledge, "advertising to children under 12 years" means advertising to media audiences where at least half are children under the age of 12.

Together, these companies represent a substantial part of the food and beverage advertising spends in India. Their pledge follows international developments in which the participating companies have made similar individual commitments on food and beverage advertising to children. Besides, this is in addition to the existing ASCI (Advertising Standards Council of India) Code for self regulation in advertising.

When contacted by TOI, ASCI chairman Dhananjay Keskar described it as a laudable move by the seven companies. "It will go a long way in developing the cause of ASCI," he said. Keskar, who is also the director of IBSI, a Pune-based business school, said that there would not be any impact on advertising volumes, only the content would be different in cases.

Under the 'India Pledge', participating companies will make individual commitments on food and beverage advertising to children and develop and publish a company action plan which will be monitored and reviewed. The seven participating companies are also committed to implementing, by December 31, 2010, company-specific voluntary measures on food and beverage advertising to children.

The other standards include not engaging in any commercial communications related to food and beverage products in primary schools, except for products that fulfil specific nutrition criteria except, where specifically requested by or agreed by the school administration for educational purposes. Besides, they will also have to commission an independent compliance monitoring of the advertising commitment on TV, print media and the internet, starting January 2011.

The other countries where similar pledges have been signed include the US, Canada, Australia, Thailand, South Africa, Brazil, Russia, Portugal and Mexico. In addition, the Gulf Cooperation Council and the European Union have also signed a similar pledge.