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# **MEDIA RELEASE**

# Marketing Industry Questions the Effectiveness of SA Government Ad Ban

Two of the marketing industry's top industry bodies have questioned the effectiveness of the South Australian government's proposed ban on advertising of occasional<sup>1</sup> food and drinks on government-owned assets.

The Australian Association of National Advertisers (AANA) and the Outdoor Media Association (OMA) claim that the planned ad ban will be ineffective and does not address the complex and deeply embedded root causes of obesity.

AANA CEO, Josh Faulks said, "Experience from around the world indicates that similar advertising bans have not been effective in reducing obesity rates. Considering the anticipated impact on both the community and the industry, it is crucial that the South Australian government provide evidence demonstrating where such measures have successfully reduced obesity worldwide."

"Australia enforces some of the world's strictest regulations for advertising occasional food or drinks, effectively prohibiting their promotion to children."

The <u>AANA Food & Beverages Advertising Code</u> met or surpassed nearly all the recent recommendations of the <u>Parliamentary Inquiry into Diabetes</u>.

Josh Faulks continued, "We also know from recent Nielsen research<sup>2</sup> that 65% of Australians felt that additional restrictions are unnecessary and 74% want health education and subsidies for healthy food over additional bans, emphasising the importance of informed decision-making."

The Out of Home advertising industry is a compliant and responsible medium. This is demonstrated by no breaches in 2024 against 16 self-regulation policies. It is the first and only medium in Australia with an industry-specific occasional food and drink advertising policy

<sup>&</sup>lt;sup>1</sup> We use the terms 'occasional' or 'discretionary' based on advice from the Butterfly Foundation that classifying food as good or bad through the use of words like 'junk food' and 'fast food' can encourage eating disorders and/or unhealthy relationships with food.

<sup>&</sup>lt;sup>2</sup> The Nielsen research – Navigating food and beverage choices in Australia – is custom research undertaken with 2,000 Australians and will be released in coming weeks.

which OMA members must comply with in addition to the AANA Food & Beverages Advertising Code.

As an industry, Out of Home advertising leverages its reach and frequency for good and partners with government to promote healthy eating and lifestyle. Last year OMA members donated more than \$12.3 million in advertising value to promote the OMA's national health campaign.

OMA CEO, Elizabeth McIntyre said: "Preventive Health SA's decision not to partner with the OMA for this year's *Fresh veg, deliciously affordable* campaign is in stark contrast to the government's decision to ban occasional food and drink advertising on public buses, trams and trains."

"This national month-long campaign will launch on 25 January 2025 and will feature across Adelaide Light Rail and other Out of Home assets. *Fresh veg, deliciously affordable* is illustrative of our industry and members' commitment to educate Australians on the health benefits and availability of affordable, in-season vegetables at a time when cost of living is critical to families."

The Out of Home industry contributes more than \$40 million to the South Australian economy and invests in local communities by developing and maintaining essential public infrastructure (such as bus shelters and pedestrian bridges) at no cost to taxpayers. In 2023, OMA members donated more than \$97 million in advertising value to support more than 300 not-for-profit organisations.

AANA and OMA also highlighted the potential unintended consequences of advertising bans of occasional food and drinks. According to <u>Deloitte Access Economics Advertising Pays report</u>, \$352 million of public infrastructure across Australian communities is built and maintained by the marketing industry.

Josh Faulks added: "This ban will lead to a reduction in the investment in the operation and maintenance of South Australia's public transport network, leaving Government and commuters to wear the burden of the cost for these services. It will also make it difficult for some providers to advertise at some South Australia's iconic events like Tasting Australia".

The industry bodies have called on the South Australian government to reconsider their decision and to look at more effective ways to collaborate with the marketing industry to improve the health of South Australians.

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#### Media queries:

#### AANA

Contact Megan McEwin on 0412455424 or megan@aana.com.au

## OMA

Contact Vanessa O'Hanlon on 0407800689 or vanessa.ohanlon@oma.org.au

## About AANA

The Australian Association of National Advertisers (AANA) is the leading marketing industry body in Australia. Our purpose is to shape the future of a trusted and sustainable marketing industry in Australia that drives business growth. Our members are many of Australia's leading brands, as well as media agencies, media owners and media platforms.

AANA advocates on behalf of its members and the industry to defend and promote a strong advertising and marketing industry in Australia. We raise and set the standards for the industry through the advertising self-regulatory system to ensure transparent, responsible and accountable marketing.

## About OMA

The Outdoor Media Association (OMA) is the peak industry body that represents companies that display advertisements, own signs, and provide services to the industry. Out of Home (OOH) is advertising for products and services that you see outside the home, on a variety of signs, across various locations.

The OMA exists to promote the creative potential of the OOH channel to advertisers and agencies, and to build a more sustainable industry for its members by developing constructive relationships with government and stakeholders.

We provide leadership on policy, communication, innovation, regulation and growth for the OOH industry. Our representation to government, media agencies and advertisers is non-commercial and bipartisan.

#### Background on effectiveness of overseas ad bans

In the United Kingdom, the following advertising restrictions have been implemented:

• In 2006, the UK banned:

- ads for foods high in fat, salt and sugar (HFSS) during all TV programs aimed at children < 16 years (e.g. Simpsons, Friends);</li>
- o celebrities and licensed characters linking with products aimed at younger children
- Child exposure to food ads in the UK was cut almost in half between 2008 and 2017.
- In 2019, Transport for London banned the advertising of HFSS products on all of its assets.
- In Oct 2022, further restrictions were implemented around HFSS product display in shop entrances and check-out areas.

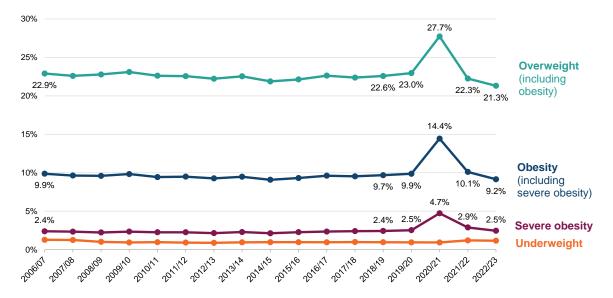
A 2023 <u>report</u> by the <u>Advertising Standards Authority</u> (ASA), the UK independent advertising regulator, reveals that children (U16) and young people (U18) are seeing fewer ads for gambling, alcohol, and products classified as high in fat, salt or sugar ('HFSS' products) on TV. A similar downward trend is seen in children's exposure to all TV ads, in large part due to the changing of children's media habits.

(Sources- https://www.asa.org.uk/static/887860cf-b990-4e51-91f1246a63986846/2023-Childrens-exposure-to-age-restricted-TV-ads-FINAL.pdf

## https://committees.parliament.uk/publications/45128/documents/223543/default/)

However, at the same time that children's exposure to restricted advertising is decreasing, British children's screen time has increased by 52% between 2020 and 2022, according to a <u>report</u> published on 26 May by the UK House of Commons Education Committee released. The report refers to the duration spent engaging with screen-based devices, such as mobile phones, tablets, TVs, and computers. It highlights that nearly all 12 year olds have their own mobile phone and that nearly 25% of young people show signs of behavioural addiction to smartphones. (Source - <u>Screen time: impacts on education and wellbeing (parliament.uk)</u>

Despite British children seeing fewer ads than ever, the restrictions have had very little impact on childhood obesity rates, as illustrated below:



#### Figure 1 - National Child Measurement Program 2006/2007 to 2022/2023

Source: Office of Health Improvement and Disparities Public Health England, Patterns and trends in child obesity: A presentation of the latest data on child obesity, Feb. 2018. https://www.gov.uk/government/publications/child-obesity-patterns-and-trends

In Chile, similar restrictions on advertising were introduced. In 2016, the Chilean government implemented the following restrictions on HFSS product marketing:

- 6am 10pm TV ad ban
- Packaging and visual ads must display warning labels
- Prohibited use of cartoons and 'characters of appeal to children' are also prohibited

Rates of childhood obesity in Chile have increased since the advertising restrictions were implemented:

- 51.2% in 2016
- 54% in 2020
- 58% in 2022

Since 2009, childhood obesity has risen by 15% in Chile, despite the advertising restrictions.

The case of Quebec is most interesting because the rest of Canada did not follow their lead and childhood obesity rates in Quebec increased while childhood obesity rates in the rest of Canada decreased. In 1980, Quebec was the first to ban all advertising to children under 13. As mentioned, the rest of Canada did not follow Quebec's lead.

In 1980, Quebec had the same childhood overweight/obesity rates as rest of Canada. By 1995, Quebec childhood overweight/obesity rates increased by 140%. Between 2004-2015, childhood obesity in Quebec rose to 23.2% amongst children 2-11 years of age. Meanwhile, childhood obesity in the rest of Canada declined over that same period to 18.7%.

<sup>&</sup>lt;sup>1</sup> BBC article: The labels encouraging Chileans to buy healthier food, <u>https://www.bbc.com/news/worldlatin-america-57553315</u>, August 2021. Overweight and obesity data from JUNAEB, the National Board of School Aid and Scholarships, under the Ministry of Health in Chile.

<sup>&</sup>lt;sup>1</sup> In 2022 there are approximately 34% of students with a normal weight, 31% with some degree of obesity, and 27% overweight, that is, in total, 58% are overweight (in 2020 they were 54.1%). Since 2009 total obesity has increased 15.1pp, almost doubling in 13 years (from 15.9% to 31%), while severe obesity has increased 6.6pp. Source: The Chilean Society of Obesity (SOCHOB), https://www.sochob.cl/web1/31-de-ninosobesos-junaeb-detecta-niveles-sin-precedentes/.