**Submission to the Australian National Preventative Health Agency issues paper ‘Alcohol Advertising: The Effectiveness of Current Regulatory Codes’**

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# Alcohol marketing and social media

We wish to respond specifically to the following issues raised in the ANPHA issues paper (December 2012):

* Most research, policy and regulation focusses on ‘traditional’ or ‘above the line’ media, but the majority of alcohol marketing uses interactive, social and below-the-line forms of media and promotion (section 4.44, 5.59). These activities engage with social and mobile media and cultural spaces in an integrated way.
* Below-the-line marketing ‘may seek to ‘normalise’ alcohol and drinking as part of everyday life’ (section 4.45).
* These new forms of marketing pose ‘new challenges for advertisers and regulators’ (section 4.57) and can develop brands through ‘discussions and conversations which do not explicitly reference drinking’ (section 7.71)
* Most regulatory codes focus on content and/or placement of advertisements, but none specifically address content or placement on the internet (section 7.74).

With these issues in mind, the objective of this submission is to specifically address the issue of alcohol marketing on social media platforms like Facebook.

This submission also refers to the 2012 ASB and ABAC decisions relating to alcohol brand activity on Facebook. The decisions we are referring to are:

* ABAC Complaints Panel (2012): Determination 58/12.
* ABAC Complaints Panel (2012): Determination 59/12.
* Advertising Standards Bureau (2012): Case Report 0271/12.
* Advertising Standards Bureau (2012): Case Report 0272/12.

While the ASB determined that:

* A brand’s Facebook page is a marketing communication tool ‘over which the advertiser has a reasonable degree of control and could be considered to draw the attention of a segment of the public to a product in a manner calculated to promote or oppose directly or indirectly that product’.
* All content on the page falls under the industry’s self-regulatory code of ethics, including consumer created content like user-generated comments and photos. Furthermore, user-generated content will be evaluated in the context in which it appears, taking account of how the brand stimulated particular conversations or content.

We would like to draw attention to three characteristics of social media that pose specific problems for current self-regulatory approaches:

* Social media enable brands to be created within an ongoing participatory social process.
* Social media leverage everyday ‘real world’ cultural spaces and practices, incorporating them into the production of brands. The ‘online’ and ‘real world’ activities of brands are interconnected.
* Social media watch and respond to target markets in real time. These surveillance and targeting activities are increasingly central to brand production and management.

# Participation

Current regulatory approaches assume that brands are planned and deliberate messages delivered via media texts like advertisements. Accordingly, they focus their attention on:

* Specific content and meanings in advertisements.
* Placement and accessibility of advertisements.
* Likely reception of meanings by particular audiences.

The current frameworks offer little scope for regulators to consider how brands incorporate the participation of consumers.

As brands rely more extensively on consumer participation they arguably rely less on prescribing particular meanings. Instead, they work toward providing a social context within which brands are incorporated into cultural practices and identities. Brand managers aim to provide cultural resources and pre-structure social spaces so that consumers produce desirable meanings around their brands (Arvidsson 2005, Foster 2008, Holt 2002). Brands now invest significant resources in forming and managing social spaces where cultural intermediaries (like sportspeople, musicians, and celebrities) and consumers create and circulate messages.

Consumers do the work of appropriating the brand into their everyday life. As this process unfolds, consumers generate valuable social connections and cultural practices around the brand. A brand can acquire multiple meanings across many different cultural contexts.

Social media has become central to this process. If brands have always relied to some extent on the participation of consumers, social media enables those practices to be greatly amplified in several ways:

* Brands can use social media to stimulate participation.
* Consumer participation is visible to wider peer networks. Where once a consumers’ practices would have only been visible to their immediate peers, on social media they circulate in much wider social networks.
* As consumers interact with social media they generate extensive portraits of their identities, cultural practices and social networks which brands can use to target them more continuously and effectively.

Brand ‘messages’ and ‘content’ attain a new meaning in a social media environment. To understand what brands are doing we must look not only at ‘static’ and ‘particular’ messages, but instead at the dynamic cultural processes brands are stimulating and leveraging. The meaning of a particular message needs to be considered as part of a larger process of making and circulating content between brands, cultural intermediaries and consumers.

### How do alcohol brands incorporate consumer participation?

Some of the ways alcohol brands currently stimulate consumer participation on Facebook include:

* Asking questions: many brands post questions or status updates on Friday afternoon or over the weekend asking consumers about their drinking practices. For instance, ‘almost 5pm, time for a beer?’, ‘what do you drink while getting ready to go out?’ or ‘what’s your favourite place to drink?’ These questions often prompt hundreds of likes and comments from consumers.
* Consumption suggestions and recipes: many spirit brands provide regular cocktail recipes. These are often distributed in images that can be shared via consumers’ own Facebook profiles. Other alcohol brands will provide images of desirable social and cultural contexts to consume the product (like a cool bar or the beach). These images generate likes and comments from consumers.
* Competitions: brands run competitions often in conjunction with sponsorships of cultural events. The competitions can require consumers to interact online by making and posting content.
* Prompt conversation: Brands post about natural disasters, sporting events, or cultural performances to prompt conversations with consumers that aren’t specifically about the brand. These conversations embed the brand in everyday life.
* Photography: Brands employ photographers to go to clubs and other cultural events and photograph consumers. These photos are these then uploaded to the brand’s pages. Consumers like, tag and comment on them.
* Real world ‘activations’: Brands build themed bars at cultural and sporting events. They use these spaces to interact with consumers and encourage them to use their own smart phones to create and circulate images, updates and check ins from the bar on social media. We address this practice in the next section.

Each time a consumer interacts with a brand on Facebook that interaction:

* Incorporates the brand into their personal online portrait. This makes the brand an authentic and credible part of their identity and cultural world. It also makes the brand flexible and adaptable. For example, a motor sport enthusiast might interact with a whiskey brand on one Facebook page making it part of their ‘blokey’ Aussie identity, while on another Facebook page a young rock music fan might interact with the same brand making it part of an identity based around the enjoyment of live rock music.
* Is visible to their wider peer network. Each time a person interacts with a brand on Facebook that interaction is distributed into the news feeds of their friends. If those friends then interact with the content, the brand is pushed further into those peer networks. Each of these interactions also makes consumers’ social networks visible to brand, enabling more direct targeting.

In this section, we have aimed to illustrate how branding relies on the participation of consumers. The implication is that regulators should consider whether defining alcohol marketing predominantly in terms of the messages brands produce obscures the value created by, and consequences of, these participatory and culturally-embedded practices. In the next section we consider how harnessing consumer participation often depends in the first instance on engaging with material ‘real world’ social spaces and practices.

# ‘Real world’ cultural spaces and practices

In its current form, the ABAC scheme does not cover non-traditional forms of advertising, such as sponsorships, promotional events and other below-the-line marketing activities. This has been regarded as a serious shortcoming (see Jones and Jernigan 2010; Pettigrew 2012).

Brand activity on social media exacerbates this shortcoming. Brands frequently generate content for social media by building ‘activations’ (themed social spaces and bars) in nightlife precincts, music festivals and sporting events. These ‘real world’ social spaces are not just for product promotion. They are sites of brand production.

Themed bars and installations embed the brand within cultural experiences. For instance, at Australian music festivals brands build themed bars where musicians play exclusive DJ sets or one brand built a bar on the deck of a large sailing ship. Consumers tell us that these branded spaces become part of the enjoyable memories of the festival experience. They connect their enjoyment of a DJ’s set with the ambience of the branded bar, or they remember sitting on the deck of the branded ship watching a favourite band play and feeling like they are ‘sailing’ through the crowd. The brand becomes ‘affectively’ embedded in the consumers’ cultural experiences and memories.

The brands then work to convert those experiences and memories into media texts that circulate on social media. Brands take and upload photos of consumers in these themed spaces. They also encourage consumers to ‘check in’ at these spaces on Facebook. As described above these images and check-ins then circulate within peer networks on social media. They create links between consumers’ enjoyment of cultural events, the brand and alcohol consumption.

These spaces also stimulate and capitalise on the productive activity of consumers. Taking and circulating photos, checking in, and posting status updates on social media are integral to the enjoyment of cultural and nightlife experiences for many young consumers. Brands aim to get caught up in these activities. In addition to building the spaces within which consumers socialise, they also distribute branded artefacts like hats, sunglasses, beach balls and so on. Consumers’ images of themselves and their enjoyment of a cultural event like a music festival then incorporate brand logos. These images circulate as peer-to-peer advertisements on social media. In terms of creating brand value, there is little difference between a brand taking photos at events and uploading them to Facebook or the brand encouraging consumers to take the photos and upload them to their own Facebook pages. Images created and circulated by consumers are arguably more valuable than those created by brands. These images create credible and authentic links between brands, consumers and their cultural world.

This activity is difficult to regulate because:

* consumption of the product in everyday life and the construction of the brand are integrated, and,
* while the brand provides the cultural context and resources, it is often the consumers who create and circulate the media text on social media that promotes the brand.

That said, these are not just incidental activities. They are organised, stimulated and harnessed by brands. Brands invest significant resources in building themed spaces, engaging with cultural intermediaries and events, and creating branded artefacts that circulate within cultural space. Rather than create advertisements and buy media space, the brand invests in organising social spaces as a site of brand production. None of these activities are directly addressed by the current regulatory framework.

The images that brands and consumers circulate are not just advertisements that contain meaning. They are devices that hold in place a network of social connections around the brand. Each of these interactions ‘connects’ that person’s social graph – their network of preferences, interests and social connections – to the brand. This enables the brand to create messages that target consumers in sophisticated ways based on who they are, their cultural preferences, their peer network, and where they are. As a few examples of how this might work, if a consumer has checked in at a branded bar at a music festival:

* It is possible for the brand then to ‘package’ that check-in as a promotional advertisement to their peers. For instance, if friends have ‘checked in’ at the festival the brand might be able to ‘invite’ them to join each other for a drink at the branded bar. This invitation functions as a peer-to-peer advertisement connected to a specific cultural experience, place and time.
* The next time that person attends a music festival a brand might send them a promotional message inviting them to a branded bar.
* The next time the brand builds a bar at a music festival it could identify the ‘cool’ peer leaders who checked in last time and send them targeted messages.
* The brand could identify fans of a particular musician who is scheduled to play in a branded bar and send them targeted messages.

Each of these practices illustrate the potential for brands to use social media to respond to consumers in real time based on their cultural interests, social network and location. Considering that brands’ online fan bases are growing steadily. These could become large scale practices.

Contemporary alcohol branding is interconnected with real world cultural spaces, the everyday cultural practices of consumers, and the surveillance capacities of social media. The practice of branding involves not just producing messages, but creating social environments that stimulate and manage the brand as part of the mediation of everyday life.

# Surveillance

Above we have described how alcohol brands stimulate and manage the mediation of everyday cultural practices.

Over time brands accumulate large online networks of followers. Of alcohol brands with a dedicated Australian presence on Facebook, the top ten have more than 100,000 followers each. These pages generate extensive interaction with Australian consumers. The top three brands collectively had over 100,000 likes, comments and shares within the first two months of 2013. Each of these interactions pushes the branded content out into the news feeds of those consumers’ friends. The reach of this activity into the everyday lives of social media users is extensive.

Reach is not the only issue that needs to be considered. Each time an individual interacts with a brand they add a piece of information to the network around the brand. The denser social networks around brands on social media are, the more information they can use to track, segment and target consumers. For example, photographs of branded bars, promotional material, logos, and products that circulate on social media are not only images that might promote the brand, they also assemble networks that can be watched as those images get circulated via likes, clicks, tags, and comments.

Social media like Facebook provide brands with the capacity to undertake extensive data collection and sophisticated profiling and targeting. This information can then be used for creating personalised messages, based on the particular consumer demographics, expressed interests and location. Branding on social media is not just about disseminating messages, but also about responding to consumers, often in real time. For example, alcohol brands that know where consumers are at a certain point in time can use this information for stimulating or amplifying related cultural practices, often in a personalized way. More and more of these activities are invisible to regulators and researchers, because the Facebook pages and newsfeeds of particular users are only accessible to those individuals and their peers. The surveillance capacities of social media enable alcohol branding to move further ‘below-the-line’ and become more deeply embedded in everyday cultural life.

# Implications for marketing regulation

### Placement and context

The placement of content on social media is highly dynamic. A brand no longer simply sends out a particular message. The brand is built and managed via a continuous flow of content.

An image posted by an alcohol brand to their Facebook page might appear in several different contexts as consumers tag, like, comment on and share those images. As consumers interact with the images they are likely to appear in their friends’ newsfeeds. These constitute different contexts altogether, eliciting different consumer responses and comments specific to those peer networks. An image an alcohol brand uploads of a consumer at a music festival might easily be incorporated within the newsfeeds of consumers alongside many other images of that consumer and their friends enjoying the festival. The brand’s images become part of a series of images that mediate cultural life in many different peer networks. Brands’ images often appear along with consumer generated images of drinking rituals (including excessive consumption and alcohol-related violence).

A regulatory code centred upon the ‘interpretation’ of an individual media text in relation to a particular context cannot adequately account for the fluid nature of content production and dissemination on social media sites. Furthermore, attempts by regulators to judge the meaning of texts are increasingly futile when one singular text is being appropriated in a variety of ways within a social media network.

### Collaboration

For regulatory regimes to be effective the focus should not exclusively be on the individual advertising messages created by brands. Attention should also be given to the social spaces and processes that brands create and engage with. Consumers should be free to say and do what they like. Regulators need to be able to respond however to brands’ significant investment of resources in stimulating and harnessing consumer participation.

To what *extent* are brands responsible for:

* Content consumers post on a brand’s social media page?
* Content consumers post in response to content brands upload to social media?
* The cultural practices brands stimulate and harness within themed bars and spaces at cultural events?
* The content that consumers produce and circulate on social media within a themed bar or space at a cultural event?

Regulatory frameworks need to consider the extent to which brands are responsible for the way they interact with their collaborators. Regulatory frameworks may benefit from broadening their scope to address explicitly the extent to which alcohol brands are responsible not just for what they say, but for the kinds of audience participation and mediation they invite and encourage.

The key question to be considered here is the extent to which brands ‘control’ their mediation on social media. While it is obvious that brands cannot control what consumers do online, it is unclear to what extent they ought to be responsible for the social and cultural practices they engage with, stimulate and harness. The ASB and ABAC decisions concluded that a brand’s Facebook page ‘as a whole is an advertisement’ (ABAC decision 59-12). This however still misses to a large extent how brand value is created on Facebook. Much of the value for a brand is when those images are liked, commented and tagged and pushed out into a wide and fragmented network of users’ newsfeeds. The brand activity is simply not contained within the ‘official’ Facebook page. If the regulatory code directs the adjudicators to consider ‘the content of an ad as a whole’ (ABAC decision 59-12), then on social media the definition of the ‘whole’ ad needs significant clarification. This also raises the question of the role of brands’ use of ‘real world’ social spaces. In these spaces brands encourage consumers to produce most of the promotional images and consequently much of the branded content is not directly connected with that brand’s official Facebook page.

*The ‘real world’*

Regulatory frameworks need to acknowledge that distinctions between advertising and other forms of below-the-line promotions have become obsolete. Brand messages are often created via interactions between consumers and brands in everyday life. Future regulatory regimes would need to address how brands use cultural life and identities as the ‘raw material’ for social media activities and promotions.

Brands invest their resources in sponsoring cultural events and creating themed spaces where they harness consumer participation. Consumers produce much of the branded content that then circulates on social media. The brand here shifts the production of the meaning and messages onto consumers and cultural intermediaries. Rather than invest resources in creating advertisements and buying media space, they invest their resources in facilitating these ‘real-world’ engagements. These ‘real world’ spaces need to be recognised in the regulatory code as places where brands are produced. The current regulatory frameworks leaves the status of these ‘real world’ promotional spaces somewhat unclear.

### The capacity of brands to watch and respond

Regulators need to address how alcohol brands collect information about consumers, what kind of information they collect and how this information is being utilised for targeting consumers. This is not just a matter of consumer privacy, but of considering how surveillance enables more embedded, real-time, and below-the-line interactions with consumers. The surveillance capacities of social media are central to the management of more participatory, targeted and below-the-line forms of brand management.

# Conclusion

In this submission, we have attempted to draw attention to how branding works as a social process embedded in everyday life. The capacity of social media to harness participation, engage with everyday life, and watch and respond to consumers poses several challenges for the regulation of alcohol marketing. Most critically, attention ought to be given to:

* How brands stimulate, manage and exploit consumers’ mediation of everyday life.
* How brands use material cultural spaces to embed the brand in the mediation of everyday life.
* How brands use social media to collect data that enables sophisticated targeting.

Regulators need to acknowledge and engage with the current modes of brand management, which the alcohol and marketing industries themselves describe as open-ended, participatory and culturally-embedded processes. Brands don’t just disseminate particular messages; they invest resources in managing, watching and responding to social life.

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