

14 March 2013

Australian National Preventive Health Agency
GPO Box 462
Canberra ACT 2601
Phone: (02) 6289 2879

By email: alcoholadvertising@anpha.gov.au

Dear Sir/Madam

RE: ALCOHOL ADVERTISING: THE EFFECTIVENESS OF CURRENT REGULATORY CODES IN ADDRESSING COMMUNITY CONCERNS

Woolworths welcomes the opportunity to provide this submission on alcohol advertising.

Woolworths has a total of 1,346 liquor outlets across Australia trading under Dan Murphy's, BWS, and Woolworths Liquor (presently being re-branded to BWS). In addition, we operate 324 of Australia's best and most responsible pubs through our controlling interest of the ALH Group.

In operating each of these outlets, Woolworths fully acknowledges that it has a key responsibility to work with the Governments as well as the community to minimise harm to individuals and local communities. It is for this reason that Woolworths continues to operate our liquor business beyond the required standards of legal compliance and has implemented a wide range of voluntary product and service control initiatives across our stores which are focussed on responsible supply and promotion of alcohol.

The present alcohol advertising framework and its administration and procedures reflect worlds best practice and complement Woolworths own internal policies and procedures. The ability to make a complaint and be confident in a decision reflective of prevailing community views is a hallmark of the system as is its flexibility to respond to trends and changes in society such as the growing digital economy. Woolworths encourages the Australian National Preventative Health Agency to work with industry to develop industry-led and well-evidenced approaches to alcohol advertising reform that build on existing initiatives such as ABAC and Drinkwise.

If you require further information, please do not hesitate to contact [REDACTED]

Yours sincerely [REDACTED]

Andrew Wilsmore
Manager, Public Affairs

WOOLWORTHS LIMITED

Woolworths Limited

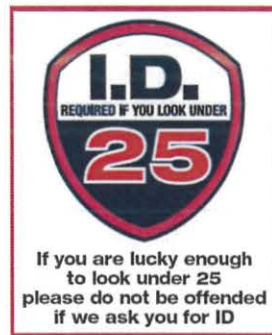
**Response to ANPHA Discussion Paper on
*Alcohol Advertising: The Effectiveness Of
Current Regulatory Codes In Addressing
Community Concerns***

1. Overview of Woolworths Ltd

Woolworths is Australia's leading operator of packaged liquor stores with more than 1,300 stores operating under the Woolworths Liquor, BWS and Dan Murphy's brands. We have a further 324 of Australia's best and most responsible pubs through our controlling interest of the ALH Group (Australian Leisure and Hospitality Group).

In operating each of these outlets, Woolworths fully acknowledges that it has a key responsibility to work with governments, as well as the community, to minimise harm to individuals and local communities. It is for this reason that Woolworths continues to operate our liquor business beyond the required standards of legal compliance and has implemented a wide range of voluntary product and service control initiatives across our stores which are focussed on the responsible supply and promotion of alcohol. In recent years these have included:

- the ID25 program supported by staff training and point-of-sale material. Under this program, if a customer looks under the age of 25 our staff will ask to see proof of age identification prior to selling alcohol to that customer;
- the *Don't Buy It For Them* Secondary Supply Program supported by staff training and point-of-sale material;
- the Woolworths responsible buying charter¹ incorporating ranging prohibitions on products that are packaged and marketed irresponsibly and de-ranging all RTD products that contain more than two standard drinks in a single serve container; and
- ongoing point-of-sale information campaigns on responsible drinking. Examples include explanations of standard drink icons, a campaign to encourage consumers to measure rather than free-pour spirits, and a specific campaign targeted at Schoolies areas.



We also have a very proud record of working with police and local councils and community groups to tackle problem drinking. This has included removing products from sale and reducing store hours particularly in remote communities with vulnerable populations.

2. Industry-led initiatives

Woolworths strongly believes industry has a role to lead responsible drinking initiatives in the community. In recent years, Woolworths has partnered with DrinksWise, a fact-based not-for-profit

¹

http://www.woolworthslimited.com.au/page/A_Trusted_Company/Responsible_Service/Hotels_and_Liquor/Buying_Charter/

organisation that dedicates resources to educating the public on the impacts of consumption of alcohol by minors and adults through television and print media. DrinkWise is responsible for the very successful “Kids absorb your drinking” and “Alcohol and Pregnancy” campaigns whose communications materials are displayed and available throughout Woolworths-owned liquor stores and ALH pubs.

Woolworths fully supports the efforts and activities of DrinkWise that aim to affect generational change in the way all Australians consume alcohol. This cannot occur successfully without a strong communications strategy that encompasses electronic and social media and supported by POS materials.

A core focus of DrinkWise work is to increase the age that young Australians are first introduced to alcohol, as the evidence emerges of the impact that alcohol has on a developing adolescent brain.

3. Alcohol advertising regulatory framework

The current regulatory framework for the advertising of alcohol in Australia is widely recognised as world best practice. It provides a robust pre-vetting service, an open and accessible complaints process, and an objective and transparent adjudication process funded entirely by industry. Its management structure is flexible to both industry and government agency / ministerial needs and can respond to matters more rapidly than a full bureaucratic regulatory framework could possible manage.

ABAC has been regarded by successive Governments as being well balanced and transparent. The credibility of present arrangements ensures the Scheme reflects community attitudes and is keeping pace with developing communications mediums. The involvement of the Department of Health on behalf of all state and territory jurisdictions on the ABAC Management Committee, and the requirements for a person from the public health field being involved in adjudication decisions ensures an appropriate and sensible framework for balanced decisions in keeping with community standards.

The effectiveness of the current regime is reflected in the level of complaints. As the Discussion Paper² notes, complaints in relation to alcohol advertising are generally “low”. This is despite the accessibility and ease with which a complaint can be lodged.

This level³ of complaints indicates a general acceptance that the industry’s advertising and marketing practices are aligned with community expectations. Further, the Australian Association of National Advertisers has stated⁴ that “The current self-regulatory system for alcohol advertising delivers a tangible public benefit and is underpinned by a responsive and transparent complaints handling system”.

On a practical level, Woolworths routinely cooperates with the ABAC Panel. This includes enabling a determination to be made and are increasingly utilising the pre-vetting service for branded advertising. Woolworths is not presently an ABAC signatory, however we are in the process of

² Alcohol Advertising: the effectiveness of current regulatory codes in addressing community concerns. ANPHA. December 2012.

³ According to the Advertising Standards Bureau alcohol advertising makes up just 3.78% of all complaints. Community awareness campaigns attract close to double this figure at 7.14% (<http://www.adstandards.com.au/publications/reviewofoperations>).

⁴ <http://www.aana.com.au/news.php/56/self-regulatory-system-is-effective>

conversations with the ABAC Management Committee about either becoming signatories in our own right or through extending the scheme to our industry body, the Australian Liquor Stores Association.

3.1 Marketing to children

Woolworths strongly believes that alcohol products should not be marketed in a way that appeals to children. Currently, the ABAC scheme states that alcohol advertising “should not have a strong or evident appeal to children or adolescents”. Woolworths support this position, with our own Buying Charter clearly prescribing that a “product should not have the potential to appeal to children”. Woolworths also contributes to positive work of DrinkWise and its social marketing campaigns that provide a social positive influence on parents and young people’s later consumption habits and behaviours.

4. The challenges of new media

New advertising platforms, social media and the expansion of the digital economy present challenges for all regulators, including those responsible for maintaining advertising standards. One of the key advantages of a flexible framework such as the ABAC Scheme is its capacity to effectively adapt to changed circumstances and market developments. For instance, ABAC and the Advertising Standards Board have reported that complaints are increasingly being received relating to online advertising and marketing.

Woolworths supports a consistent approach to alcohol advertising, irrespective of the platform. However, we recognise that social media presents particular challenges for regulators. For instance, finding ways to engage non-brand owner controlled content that is user-generated, including regular posts to social media that glorify behaviours not condoned under ABAC guidelines.

While brand owners will be active in protecting their reputations, it is reasonable that the ANPHA, the Department of Health and Ageing (DoHA) and state jurisdictions establish within their social marketing campaigns the capacity to engage in social media to help shape conversations around what is acceptable community and individual behaviours for alcohol consumption.

There is also an opportunity for DrinkWise to partner in this activity by highlighting that it isn’t “cool” to brag on social media about how drunk and disorderly or a public nuisance a person may have been on the weekend and the impacts this may have on future career opportunities.

5. Evidenced-based policy

Woolworths fully acknowledges that it has a key responsibility to work with the Governments as well as the community to minimise harm to individuals and local communities. It is important however that the regulatory environment balances the needs of the majority who consume in moderation and sensibly against the small minority who abuse alcohol.

When considering potential reforms to the current framework, Woolworths encourages ANPHA to ensure that any policy is based on robust evidence and aligns with community views and expectations. Future policy development needs to reflect an above-reproach evidence base and demonstrate proper costs-benefits analysis. This must involve extensive community consultation, consumption trends analysis and studies of complaints data.

Further work by ANPHA and consideration by Governments should reflect the Office of Best Practice Regulation processes and procedures and consider the full implications that would be realised under a Regulatory Impact Statement-based approach.

6. Conclusion

Woolworths supports the current governing framework for alcohol advertising and marketing in Australia as it balances the views of society and the needs of alcohol advertisers to promote and market their products responsibly.

The ABAC Scheme provides the underlying principles for best practice alcohol advertising to take place across all mediums and the pre-vetting and adjudication processes ensure community views are upheld despite the low level of concern expressed through the complaints process.

Considerations of further advertising or marketing regulation or restrictions require a stronger evidence base than that presently offered in the Discussion Paper. Contextualising proposals to ban alcohol advertising against other policy mechanisms that have far greater community support would also better position policy-makers.