

## **Marketing to children: implications for the food business**

Food manufacturers are fighting a losing battle over marketing to children. Despite voluntary moves to reduce advertising to kids, the Federal Trade Commission's round of subpoenas shows governments are increasingly prepared to step in.

What it all comes down to is a chicken and egg argument. And while the chicken may be in a KFC bucket and the egg might be a chocolate one, the principle holds true. Are our children getting fatter because marketers of processed high-fat, salt and sugar (HFSS) foods incite them to, or because we are lazy and fail to offer them exercise and balanced diets?

As recent news indicates, this once academic argument is increasingly between food marketers and governments and is now coming to a head. For example: last month, at the European Congress on Obesity in Budapest, the University of Liverpool published a study of children aged between nine and 11 years, which claims to show that children of normal weight increased their food intake by 84% after being exposed to television adverts followed by a cartoon. Obese children increased their intake by 134%, according to the study.

The previous argument from food marketers, according to the report, had been that adverts did not encourage increased consumption, only influenced brand loyalty. But the adverts used in this study were not for the actual foods offered to the children: "This was beyond a brand effect," the report's author Dr Jason Halford told Reuters. This particular study was of 60 children in the UK and, whether or not one considers such research to offer conclusive evidence, what is true is that such studies are proliferating and government bodies are increasingly acting on their results.

### **Nanny states?**

Time was that being plump was a coveted social signifier of economic prosperity. But times have changed. Now, children are being treated for type-2 diabetes and cardiovascular problems, ailments linked with obesity. Two years ago, the US surgeon general identified obesity as the fastest growing cause of death in the US. Health watchdogs and consumer groups have been quick to point the finger at marketers of processed HFSS foods, low-nutrition soda drinks and fast-food chains. "It is impossible to avoid junk food marketing aimed at your children," Margot Wootan, director of nutrition at the US Center for Science in the Public Interest told Children's Advocate magazine, back in 2005, reflecting a general consensus that advertising was to blame. Since then, researchers have been busy.

The US Centers for Disease Control (CDC) launched a study in association with the US Congress. The Kaiser Foundation launched a study. Stanford University too. The results of the CDC report caused the US Committee on Food Marketing and the Diets of Children and Youth to conclude as follows: "Along with many other interceding factors, food and beverage marketing influences the diets and health prospects of children and youth". The World Health Organisation also published a report and called for governments to discourage advertisements that "promote unhealthy eating by kids". In turn, the European Union called for an end to "junk food" advertising aimed at children.

The food business and the media have already taken voluntary action and spent billions reformulating foods and advertising healthier options. For example, in 2005, Kraft Foods decided to stop advertising its low-nutrition foods during children's programmes, replacing them with ads for healthy alternatives. Around the same time, kid's TV channel Nickelodeon refused to licence its Dora character to fast food chain Burger King unless a piece of fruit was included in the meal. Many other companies, such as chocolate manufacturer Hershey, have adopted voluntary codes too. But there is a sense in which the industry as a whole is not moving as fast as those who would rule against it. Here is a summary of recent legislative progression in Europe (Sweden and Norway banned the advertising of "junk food" to children under 12 as early as 1982):

#### 2005

France: vending machines selling carbonated drinks and chocolates banned from schools.

UK: vending machines selling carbonated drinks and chocolates banned from schools.

#### 2006

Ireland: Television ban on adverts for sweets and fast food. Celebrities banned from endorsements of "junk food".

Latvia: first EU country to place an outright ban on the sale of "junk food" in schools and universities. The Latvian definition of "junk food" includes food and drink that contains artificial colours, sweeteners, preservatives, amino acids and caffeine.

UK: Confectionery, carbonated drinks and crisps (potato chips) banned from school meals, along with other stringent guidelines for school practices.

#### 2007

France: "unhealthy food" advertisements over print, broadcast and online media must carry a health warning

UK: "junk food" advertisements prohibited between television programmes that target children, or which have a high proportion of viewers between the ages of four and nine.

#### 2008

UK: ban to be extended to television programmes targeting children under 15 and possibly to magazines targeting the under-16s.

Source: EPHA

### **Scapegoats?**

It is perhaps comforting that governments are also addressing some of the "many interceding factors" in their hunt, such as removing chocolate bars and crisps from school meals. It is arguable that products such as potato chips and chocolate bars have always been intended by their manufacturers as snacks between nutritious meals and not the meal itself and it would have been unfair to penalise advertisers while schools were giving children sweets for lunch. However, the trend shows that advertisers are next up against the wall. And not only collectively, but individually. In April, the US Federal Trade Commission (FTC) issued compulsory requests for information from 44 unnamed food, beverage and fast-food restaurant chains. The FTC says it wants a "more complete picture" of their marketing practices towards children, with an emphasis on hitherto unexplored areas, such as internet and video-game marketing and product placement.

Given the summary above, one can conclude there is every indication that legislation will follow the FTC requests. But is legislation what is needed? Scotland's ban on smoking in public places, for example, has not stopped people smoking. Its national newspaper, *The Scotsman*, reports on the proliferation of "smokeasy" clubs. Five years from now will there be underground chocolate clubs? In food, the biggest stumbling block may turn out to be the definition of so-called "junk food". As UK magazine *The Grocer* reports, attempts by the country's authorities to categorise food according to its percentage of salt, sugar and fat per 100-gram portion -- the now notorious Nutrient Profiling Model -- has caused nutritious foods such as raisins, cheese and honey to fall foul of regulations and get banned from the airwaves, when in reality, no one gives a child a 100-gram block of cheese.

To the untrained eye, such legislative moves seem irrational.

Indeed, back in Budapest, Dr Jason Halford readily conceded that banning HFSS advertising to children would not be enough to solve the problem of child obesity. "It is not just food, it is lifestyle," he said, indicating that the responsibility cannot be laid wholly at the door of marketers. Or, as one biscuit manufacturer put it to FBN: "We would make a healthy biscuit tomorrow, but we know consumers don't want it. They like chocolate." It isn't rocket science. As long ago as 1999, child psychologist Stephanie Pratola, talking about marketing to children in general, told *Time* magazine: "You have to look at it in the context of our culture ... you can't expect children to rise above our culture."

So we are back to our chicken and egg argument. Except that the argument is entirely irrelevant now: governments will decide for us. Ron Urbach, a partner at legal firm Davis & Gilbert in New York, told *Adweek* magazine the FTC was "continuing the process of beating on the advertising industry for a complex problem that doesn't have a simple solution." US Senator Sam Brownback, a vocal critic of food advertising to children, is cited in *Advertising Age* magazine as saying: "Advertising is a target ... one I think we can address and move forward with quickly." If Brownback's comment is representative, than plainly put, politicians are looking for a vote-winning quick win and big food advertisers are being made scapegoats for wider social issues: those "many interceding factors", which now risk being glossed over.

It will therefore be interesting to see what happens when the various marketing bans fail to curb our taste for what ails us. In the meantime, food retailers are extremely well positioned to ride the current climate by consolidating their roles as purveyors of choice.

*Source: Richard Lewis, CIES - The Food Business Forum.*