# **Annual Report** 2017



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#### The ABAC Scheme Management Committee (as at 31 December 2017)



The Hon Alan Tony **Ferguson** (ABAC Chair)



Battaglene



**Tony Hale** 



Alec Wagstaff Brett



Heffernan



**David Laffan** 

### Report from the ABAC Management Committee

The last year has been an exciting year for ABAC. Since the commencement of the ABAC Scheme in 1998 the Code has focused on setting standards for the content of alcohol marketing. In 2017 the **ABAC Management Committee extended** the code to include a new set of rules for the responsible placement of alcohol marketing, aimed at ensuring that alcohol advertising is not directed to minors.

The changes were welcomed by both industry and government stakeholders, with well attended briefing sessions on the new rules held in Sydney and Melbourne prior to implementation. The new rules became effective from 1 November with the Adjudication Panel receiving 10 complaints raising issues under the new placement rules in the two-month period after the rules were implemented.

These changes followed the release of a report by Colmar Brunton Social Research on the alignment of the Code and Adjudication Panel decisions with community expectations of alcohol marketing. It is important that ABAC remains in step with community expectations and we were pleased to see the report shows that community concerns about alcohol marketing are addressed within the ABAC Code standards and ABAC Adjudication Panel decisions are generally more conservative than the community. It is notable that of the 12 marketing communications tested, the unprompted reaction of the community was that only one marketing communication was unacceptable, while the ABAC Adjudication Panel had found that seven of the marketing communications were unacceptable.

Communication with government stakeholders was a focus in 2017. We met with a variety of state government stakeholders to ensure they were aware of the ABAC Scheme and how it operates and to ensure ABAC is informed of key concerns of those stakeholders. We also had an opportunity to present to the Victorian Commission for Gaming and Liquor Regulation Community Stakeholder Forum and reach a variety of community stakeholders. In addition, information about ABAC was provided to the NT Alcohol Policies and Legislation Review and the NSW Inquiry into the Alcohol Advertising Prohibition Bill.

Communication within the regulated community was also an ongoing priority with the introduction of the placement rules providing an opportunity to educate industry about existing and new Code standards and quarterly updates being provided to signatories. The ABAC communications strategy was also reviewed in 2017.

The Committee continues to actively encourage alcohol producers, distributors and retailers to join ABAC and was pleased to welcome Coca-Cola Amatil and Asahi Premium Beverages as a new ABAC signatory in 2017.

It was pleasing that again in 2017 all marketers agreed to remove or modify marketing found by the ABAC Adjudication Panel to breach the ABAC standards. The value of the pre-vetting service to marketers was again demonstrated as only one upheld determination this year related to an ad that had been pre-vetted, and in that case the ad's content was pre-vetted whereas the breach related solely to the placement of the ad.

I would like to thank all the panelists and also the pre-vetters for their valuable service to the Scheme. Also our Executive Officer Jayne Taylor and the Management Committee members for their commitment to the ABAC Scheme.

#### The Hon Alan Ferguson

Chair, ABAC Management Committee

# Overview of Alcohol Marketing Regulation in Australia

The ABAC Responsible Alcohol Marketing Code (the ABAC Code) and the associated Pre-vetting and Complaints Management Systems form the quasi-regulatory ABAC Scheme.

The Scheme was developed in agreement with all major Australian alcohol beverage manufacturing and marketing industry associations and key advertising, media and consumer bodies. The Federal Government is also a key stakeholder and is represented on the Management Committee of the Scheme along with a Professor of Public Health, nominated by government, who is part of all adjudication panels.

The ABAC Scheme is the centerpiece of alcohol advertising regulation in Australia. It is administered by the Management Committee which, along with government, includes representatives from industry and advertising.

Under the Scheme, guidelines for marketing including packaging, have been negotiated with government, consumer complaints are handled independently, and all costs are borne by industry.

The ABAC Scheme is not the only set of rules affecting advertising in Australia. Alcohol beverage advertising must also be consistent and comply with other applicable laws and codes, for example:

- the Federal Competition and Consumer Act and State Fair Trading legislation
- the Australian Association of National Advertisers Code of Ethics
- the Commercial Television Industry Code of Practice
- the Commercial Radio Code of Practice
- the Outdoor Media Association Code of Ethics and Alcohol Guidelines.

# Operation of the ABAC Scheme

The ABAC Scheme is responsible for:

- The ABAC Responsible Alcohol Marketing Code (first introduced in 1998 and substantially updated in 2004, 2009, 2014 and 2017) (Annexure A) which regulates the content and placement of alcohol marketing communications (including packaging) in Australia. Subject to regular reviews, the ABAC Code reflects community expectations and changes in the media and advertising industries. It applies beyond traditional forms of advertising (television, radio, print and outdoor) to alcohol beverage marketing communications in emerging digital and social media, user-generated content on alcohol company controlled digital and social media, point-of-sale advertisements, product placement and surrogate marketing over which an alcohol company has control. The ABAC Guidance notes (Annexure B) have been developed to assist advertisers and agencies in interpreting the Code.
- The Alcohol Advertising Pre-vetting Service (AAPS) provides confidential advice to marketers on whether proposed alcohol marketing communications comply with the Code. This service is offered on a 'user pays' basis.
  - AAPS pre-vetters approve, reject or suggest modification to material submitted to them for pre-vetting.

- AAPS has the support of media associations that encourage their members to check that an alcohol marketing communication has AAPS approval prior to placement of the communication.
- Many alcohol beverage marketing communications are considered by AAPS each year. In 2017 AAPS considered 1,453 marketing communications.
- AAPS Pre-vetters are independent of the alcohol beverage industry.
- The ABAC Adjudication Panel (the Panel), headed by Chief Adjudicator Professor Michael Lavarch, AO, considers public complaints about alcohol marketing communications that fall within the ambit of the Code.
  - Ad Standards accepts complaints in relation to all types of marketing communications at no cost to the consumer. This streamlined process ensures all relevant Codes are triggered and reduces the risk of duplication and double handling. All alcohol-related complaints received by Ad Standards are provided to the ABAC Adjudication Panel and the Panel considers all complaints that raise ABAC Code issues subject to the exceptions set out in Part 4.3(a)-(d) of the ABAC Rules and Procedures (Annexure C).
  - Ad Standards considers complaints insofar as they raise AANA Code of Ethics issues. The AANA Code of Ethics aims to ensure that all marketing communications are legal, decent, honest and truthful and that they have been prepared with a sense of obligation to the consumer and society. This ensures there is a consistent standard for issues such as discrimination, violence, sexual imagery, obscene language, health and safety across all marketing for every type of product.
  - The ABAC Panel reports its decisions to Ad Standards, the ABAC Management Committee, the marketer and the complainant. Decisions are published on the ABAC website.
  - The Panel and its deliberations are conducted independently of the ABAC
     Management Committee and the broader alcohol and advertising industry.
  - The Panel comprises:
    - the Chief Adjudicator, Professor The Hon Michael Lavarch AO, who has legal expertise (or if unavailable, the deputy Chief Adjudicator, Debra Richards)
    - a health sector panelist, Professor Richard Mattick or Professor Louisa Jorm (both were appointed from a shortlist of health sector professionals provided by the relevant Federal Minister responsible for alcohol issues or his or her nominee)
    - a panelist with market research, media or advertising expertise, Jeanne Strachan or Debra Richards.
  - Each quarter the Chief Adjudicator reports to the ABAC Management Committee
    on the operation of the Panel and the Chief Adjudicator submits an annual report
    on the Panel's operations to the ABAC Management Committee for inclusion in its
    annual report.
- Best Practice Guide for Industry on Digital Marketing (Annexure D). It was recognised that while ABAC, as an industry content code, covered the content of digital marketing, there was no guidance to advertisers on how to best manage alcohol marketing in digital media. In response, ABAC developed best practice guidelines to assist the alcohol industry maintain high standards of social responsibility in the management of digital marketing. The guide is intended to assist alcohol advertisers and agencies in the management of their digital marketing particularly relating to age-affirmation and moderation of user-generated content. It is recognised that digital marketing and social media are evolving rapidly and the best practice guide will therefore be reviewed regularly and updated where necessary.

#### How the ABAC Scheme interacts with alcohol marketing communications—an example



Company and advertising agency staff check the marketing communication and its media placement schedule against the Code standards



Independent AAPS pre-vetters check the marketing communication against the ABAC (and in some cases AANA standards) and either approve or reject



Once a campaign is in the marketplace consumers can lodge a complaint about the marketing communication centrally through Ad Standards and at no cost



Ad Standards refers all alcohol marketing communication complaints to the Chief Adjudicator of the ABAC Adjudication Panel



Complaints raising issues within the ambit of ABAC are referred to the independent ABAC Adjudication Panel for a hearing on whether the marketing communication or its placement meets ABAC standards



If the ABAC Adjudication Panel finds the ABAC standards have not been met the marketer is asked:

- in the case of a product name, packaging or marketing collateral—to cease further production orders immediately
- in the case of all other marketing communication content—withdraw or modify the material within five (5) business days
- in the case of placement of a marketing communication—withdraw, discontinue or modify the placement within five (5) business days.



The written decision of the ABAC Adjudication Panel is sent to the consumer and published on the ABAC website

#### Management of the ABAC **Scheme**

The Management Committee manages and reviews the operations of the ABAC Scheme and considers amendments to the ABAC Code and Scheme procedures with a view to:

- encouraging industry members, large and small, to participate in the quasi-regulatory system
- ensuring an effective quasi-regulatory system
- monitoring ABAC operations and improving them where necessary
- managing AAPS as an effective mechanism to support and strengthen the aims of ABAC and encouraging participation by industry members in AAPS
- coordinating the development and completion of an annual report with copies to be provided to the relevant Ministerial Council for alcohol policy and strategy, Ad Standards, other key stakeholders and published online to ensure its public availability.

During 2017 the ABAC Management Committee comprised:

- an independent Chair, The Hon Alan Ferguson
- Chief Executive of the Brewers Association of Australia, Mr Brett Heffernan

- Chief Executive of the Distilled Spirits Industry Council of Australia Inc, Mr Alec Wagstaff
- Chief Executive of the Winemakers' Federation of Australia, Mr Anthony Battaglene
- Chief Executive of the Communications Council Limited, Mr Tony Hale
- Assistant Secretary responsible for alcohol issues at the Commonwealth Department responsible for health policy as the representative of Australian Governments, Mr David Laffan.

The Management Committee is supported in its role by the ABAC Executive Officer, Ms Jayne Taylor.

Each member of the Management Committee represents a group of stakeholders in alcohol beverage marketing regulation. Any member of the Management Committee may raise issues for consideration by the Committee and the Committee in practice operates on a consensus basis.

The ABAC Management Committee meets at least four times a year and any issues raised by any member or referred by the Panel or pre-vetters receive full consideration.

# ABAC Scheme coverage

- Membership and compliance with the Scheme is voluntary. However, the individual
  members of the Brewers Association of Australia, Distilled Spirits Industry Council of
  Australia and Winemakers' Federation of Australia have agreed to be bound by the
  Scheme. This means the great majority of alcohol marketing in Australia is regulated
  by the Scheme.
- Other companies that market alcohol are encouraged to become direct signatories and to utilise the Pre-vetting Service. Both Woolworths Liquor and Coles Liquor joined the Scheme as direct signatories during 2013 and Campari Australia and Lion Cider became direct signatories in 2015. In 2017 Coca-Cola Amatil and Asahi Premium Beverages joined the scheme as direct signatories.
- Many non-signatories currently use the Pre-vetting Service and the Scheme has the support of media associations. In 2017, 13 per cent of pre-vetting applications were from non-signatories.
- The alcohol industry (both signatories and non-signatories) and advertising agencies have access to training sessions held with the ABAC Chief Adjudicator and a pre-vetter in Sydney and Melbourne where all aspects and obligations of the Code, Pre-vetting Service and complaints processes are explained. In addition, the ABAC pre-vetters, alcohol beverage industry associations and ABAC Executive Officer are all available to explain the Code and the Scheme to alcohol beverage marketers and their agencies.
- The ABAC Adjudication Panel made 43 determinations in 2017, of which seven upheld complaints. In every case the advertiser agreed to withdraw or modify an advertisement or packaging so as to comply with the ABAC standards, as required by Part 4.9, 4.10 and 4.14 of the ABAC Scheme Rules and Procedures.
- Three of the seven upheld complaints related to non-signatory advertisers that all
  cooperated with the Scheme. One of the upheld complaints related to an advertisement
  that had received pre-vetting approval for the content of the advertisement, however
  the complaint related solely to placement and was found to be a no fault breach.
  All adjudication decisions are published on the ABAC website.

#### Recent ABAC Initiatives

- ABAC Placement Rules implemented on 1 November extended the code standards
  to placement for the first time. The new standards include additional safeguards for
  minors, namely a requirement to use available age restriction controls in digital media
  to exclude minors from an audience, to only use media platforms with a 75%<sup>+</sup> adult
  audience, verification of ages as 18<sup>+</sup> for electronic direct mail and no placement with
  content or programs primarily aimed at minors.
- ABAC Education was a focus for 2017. ABAC increased its engagement with State
  Government stakeholders to ensure they were informed about ABAC and could
  provide their views on alcohol marketing regulation direct to the Scheme. In addition,
  ABAC engaged in education of the regulated community by training on the new ABAC
  placement rules and regular communication via quarterly reports.
- Community Standards Research. Early in 2017 Colmar Brunton Social Research
  explored whether the ABAC Code and decisions made by the ABAC Complaints Panel
  are in line with community expectations. This was an update of research first undertaken
  in 2013. Six face-to-face focus groups along with an online survey of 1,225 people
  tested 12 alcohol advertisements that had been subject to consideration by the ABAC
  Complaints Panel. Key findings:
  - Of the 12 advertisements tested, seven complaints had been upheld, while five had been dismissed, by the Complaints Panel. Prior to being exposed to the Code only one of the 12 marketing communications was considered unacceptable by a majority of community respondents.
  - After the respondents were exposed to the Code it was found that the Complaints Panel had:
    - dismissed complaints about two advertisements that were deemed acceptable by the community (alignment with the community)
    - upheld complaints against three advertisements/packaging that were deemed unacceptable by the community (alignment with the community)
    - upheld complaints against four advertisements/packaging that were deemed acceptable by the community (more conservative than the community)
    - dismissed a complaint against one advertisement and one product label that
      was deemed unacceptable. In both cases, when unprompted the material was
      considered acceptable by a majority of respondents and when prompted it was
      only a small majority of respondents that found the material to be unacceptable
      (46:40% and 56:32%). In the case of the advertisement, a majority of the focus
      group participants found the ad to be acceptable
    - Community opinions on one advertisement was evenly split with 44% of respondents aligning with the Panel decision and 40% of respondents reacting differently (alignment with the community).

- Overall, there was slightly less alignment between Complaints Panel decisions and community standards compared to 2013. However, as was the case in 2013, the Complaints Panel was still generally more conservative than the community on both an unprompted and informed basis.
- Knowledge of alcohol advertising regulation was low across all groups, but once prompted a majority (65%) were aware that they could complain to Ad Standards.
- In the last 12 months, 64% of the general public had no concern or offence about advertising standards in general and 62% of the general public were not particularly concerned about the content of alcohol advertisements in Australia.
- The unprompted assessment of the 12 advertisements (one of the 12 were found to be unacceptable) against the decisions of the Complaints Panel (seven of the 12 complaints were upheld) is generally reflective of the high standards set by the Code for alcohol advertising.

#### Section 4

#### 2017 ABAC Statistics

Pre-vetting		2015	2016	2017
Number of advertisements, names	1,589	1,416	1,453	
Of the advertisements pre-vetted:	1,318	1,318	1,220	
	Number that were accepted subject to conditions	67	39	35
	Number that were rejected	212	186	198

Complaints	2015	2016	2017
Number of complaints received	133	139	130
Number of marketing campaigns these complaints referred to	71	78	67
Number of complaints considered by the Alcohol Beverages Advertising Adjudication Panel (i.e. complaints that resulted in a Panel determination)	35	47	73
Number of determinations from complaints received that year	29	34	43
Number of complaints upheld (at least in part):	8	12	7
Number of determinations upholding complaints	7	10	7
Number of upheld determinations found to be a 'No Fault Breach'	n/a	n/a	1

#### **Observations**

- Marketing complaints resulting in a determination took an average of 15 business days to be completed (target of 30 business days).
- All companies agreed to withdraw or modify marketing communications referred to in upheld complaints.
- Complaints about irresponsible or offensive alcohol-related behavior and alcohol as a cause of success increased, while complaints about appeal to minors, change in mood or encouragement of excessive consumption decreased.
- Complaints about television, radio, cinema and outdoor advertisements increased while complaints about digital and print marketing decreased. However, for the second year in a row, digital was the medium attracting the most complaints.
- Of the 43 determinations made, 27 related to advertisements that were pre-vetted.
   Of the seven determinations upholding complaints, one related to an advertisement that was pre-vetted as to content (although the breach related solely to placement concerns).
- Detailed ABAC statistics are included in Section 6 of this report.

### Report from the Chief Adjudicator



Professor The Hon Michael Lavarch AO Chief Adjudicator of the ABAC Adjudication Panel

At the commencement of the ABAC Scheme in 1998, the options available to alcohol marketers to promote their products relied heavily on mass communication channels of television, radio, cinema and hardcopy publications. These channels by their nature are accessible by all demographic groups including under 18-year-olds. The ABAC Scheme's design did not seek to restrict where an alcohol marketing communication might be viewed, but instead concerned itself with the content of the marketing item. In other words, the ABAC provisions would not be breached by the mere fact that a marketing item might be viewed by under 18-year-olds.

In more recent years, the revolution in digital media platforms has transformed communication and significantly altered the way in which alcohol marketers have sought to engage with their customers. These new channels enable marketers to develop a dialogue model of communication with individual consumers and to more precisely direct their marketing towards particular groups based on a range of consumer choices and customer demographics. Given that digital platforms enable targeting of specific audiences, it is equally open for these platforms to be used to better ensure that alcohol marketing is directed towards adults and away from minors.

That's why the introduction of the Placement Rules into the ABAC from 1 November 2017 is an important reform and represents a significant reorientation of the ABAC Scheme. Early indications are that the focus of the Panel's work will shift as a result, with the Panel receiving a significant number of complaints raising issues under the Placement Rules in the last months of 2017.

The most significant feature of the new rules goes to the use of digital platforms and broadcast media. The requirements for broadcast media mean that an alcohol marketing communication can only be placed with programming expected to comprise of at least 75% adults and with content that is not primarily aimed at minors.

The same expectations are placed on the use of digital platforms with an additional requirement that age restriction controls to exclude minors must be utilised. Collectively, the new rules should see alcohol marketing more precisely targeted towards adult audiences. While the ABAC standards applying to the content of alcohol marketing will remain a primary focus of the Panel's work, the operation of the new Placement Rules will be closely monitored and any matters of concern will be reported to the scheme's Management Committee. Further, it would be sensible that the provisions be reviewed after 12–18 months of operation, to assess if they are being effective in meeting the policy objective of directing alcohol marketing away from minors and whether any practical implementation issues have arisen in making the new rules work.

A further change made to the Scheme in 2017 was the inclusion of a 'no fault breach' category of upheld complaints. This recognises that, particularly in digital settings, a marketer might take all reasonable steps available to it to ensure ABAC requirements are being satisfied but due to a breakdown in the chain of the placement of a marketing communication, a breach has nonetheless occurred. Importantly, a consequence of a no fault breach finding is that the offending marketing item be removed or modified in order to meet ABAC requirements, but in doing this recognition is given to the appropriate steps taken by a marketer to meet the ABAC Scheme requirements

2017 saw the highest number of Panel decisions made since the scheme's commencement, with 43 individual determinations relating to 73 separate complaints. This was from a total number of 130 individual complaints received and indicates that there is a shift in complaints being more directed towards alcohol as a product issues rather than more generic concerns about marketing which fall within the domain of the AANA Code of Ethics considered by Ad Standards . Notwithstanding this increase in Panel determination numbers, it is pleasing to note that the average timeframe in finalising complaints was 15 days, well within the target timeframe of 30 business days.

A significant decision made by the Panel in 2017 concerned Product Placement. This is the marketing technique where an alcohol brand is placed within an ostensibly unrelated media item such as a music video clip or a television program. Product Placement has been a controversial issue in some jurisdictions, notably the United Kingdom and its use in Australia needs to be carefully monitored.

I wish to extend my thanks to my fellow Panel members for their contribution to the scheme during the year and to Ms Jayne Taylor, the scheme's Executive Officer for her sterling support of the Panel's processes.

#### **Professor The Hon Michael Lavarch AO**

Chief Adjudicator of the ABAC Adjudication Panel

### Most complained about alcohol advertisements in 2017

#### **XXXX Gold**

In 2017, 22 complaints were made about a Lion television campaign for XXXX Gold. The advertisement featured a man taking friends out on his boat, with XXXX Gold being consumed by the passengers. The complainants were concerned that the ad depicted unsafe boating practices, i.e. no life jackets, too many passengers for size of boat, driver drinking alcohol, passengers drinking alcohol, unsafe boat launching, presumption one of the people consuming alcohol will need to get the boat out of the water and drive home. The Panel decided the ad did not breach the ABAC standards noting:

- it is set on a clear, sunny day and the sea conditions are calm
- alcohol use is depicted on the water while the boat is anchored, no alcohol use is implied prior to the launch of the boat
- the main character who is seen launching the boat does not consume alcohol before or during the launch
- it is established the 'Captain' of the boat on the water is not the main character but another man called 'Cap' who is given the keys to the boat prior to its launch



- on the water, moderate alcohol consumption occurs, established by the loading into the boat's esky of only six cans of beer and one can per person is shown consumed on the boat
- the person in control of the boat on the water does not drink alcohol and is shown with a bottle of water
- prevailing weather conditions at sea do not suggest life jackets are required as per State Maritime regulations
- it is not clear who drove the car and boat trailer to the ramp and nor is it clear if a motor vehicle will be used and if so by who after the boating trip is concluded. As a result, it cannot fairly be concluded that the main character will drive the vehicle.

#### Canadian Club 'Wake up Call'

The most complained about ad for the period 2014-16 dropped to second place in 2017. The tv ad features a woman going into a bar for a refreshing drink and selecting Canadian Club and Dry. A fantasy scene follows where an attractive man dressed in alpine clothing throws a snowball at the woman after she takes a sip of her drink accompanied by the voiceover, 'Canadian Club tastes refreshing like a snowball in your face from a sexy person'. The woman then says, 'You don't get that from a beer'.

Five separate complaints were made about this ad in 2017, however each raised concerns relating to violence against women, an issue previously considered by the Panel in one of two separate determinations made in 2014. The Panel had previously found that the ad did not breach the ABAC provisions raised as:

 the scene where the man throws the snowball at the woman is established as a fantasy that does



not actually occur (i.e. the woman imagines the event as a reaction to the consumption of the product)

- the woman's reaction to being hit by the snowball does not indicate any sign of distress or alarm that would be occasioned by an unexpected and random violent act. In fact, the impact of the snowball is shown as having been welcomed by the woman
- taken in the full context of the ad, the snowball scene is illustrative of the brand feature of refreshment and would not be taken as actually condoning violence towards women
- there was no suggestion the man or woman will be sexually successful because of the product.

# Alcohol advertisements found by the Panel to breach the ABAC Code

During 2017 the
Panel made seven
determinations that
upheld public complaints
about alcohol marketing
communications.

#### Cellarbrations Facebook Post by Australian Liquor Marketers

A breach of ABAC standards as it showed a transition from one scene to another where the mood in the second scene is noticeably elevated from the first scene as demonstrated by the faces and smiles on



two of the three visible characters and the change in strapline from 'Christmas Day' to 'Christmas Yay'. Alcohol is shown as a contributor to the elevated mood.

### Fireball Whisky Instagram post by SouthTrade International

This post was found by the Panel to breach the ABAC provision as to unsafe activity as:

• it is a reasonable and direct implication from the way the bottle is shown (partially open and with the lid ajar) and the phrase 'Diva la' that the consumption of the production



Andre Salva des spir of principal des princi

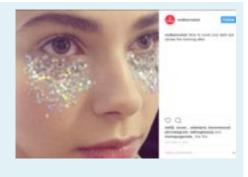
'Dive In' that the consumption of the product has recently occurred

- the bottle is located on the edge of a cliff and traversing a clifftop is an activity which requires a high degree of alertness and coordination to be conducted safely
- a reasonable person would interpret the post as showing consumption of alcohol occurring immediately before or in conjunction with the accessing of a cliff top.



#### Vodka Cruiser Instagram posts by Asahi Premium Beverages

The model in the first post appeared to be under the age of 25 and the message, 'How to cover your dark eye circles the morning after', could reasonably be taken in the context of a digital site for an alcohol product to be referring to a night after the use of alcohol.



The other 'party' posts were found to have strong or evident appeal to minors as they create bright visual scenes and use of images of balloons and glitter as well as glow sticks which could be associated with a children's party. The accompanying text refers to using props such as the frozen balloons and glow sticks as a means to impress party guests.

The posts which depict the valentine card and the picnic also use images and props (colouring pencils, glitter, pink polka-dot cups) which could reasonably be said to have strong appeal to children.

#### **Cellarbrations radio promotion by Australian Liquor Marketers**

A Cellarbrations promotion during a Nova radio segment referred to as 'Jacuzzi Friday' that implied alcohol consumption while using a jacuzzi was found by the Panel to be inconsistent with the alcohol and safety provision on the basis that there are safety risks in using a jacuzzi.

#### Vodka Cruiser Facebook post by Asahi Premium Beverages

This post was found in breach of the ABAC given the combination of the phrase 'guaranteed to get you matches' and the image of a woman holding the product on Tinder which would be reasonably taken as suggesting the product will contribute to the achievement of social or sexual success.



### Heineken 3 Instagram post by Heineken Lion

The text of the post together with the image of the use of the product suggests that alcohol will contribute to being socially successful by impressing a partner on a date and will assist a person 'stay on top of their game'.



#### No fault breach

### Carlton Draught ad placed with an online game

The Panel decided that the placement of an advertisement with an app/online game named 'Rodeo Stampede: Sky Zoo Safari' was a breach of the ABAC placement rules on the basis that the content was primarily aimed at minors.

This was not disputed by the marketer but it was demonstrated that the marketer correctly selected delivery only to an over 18 audience but the content had been incorrectly coded by a third party so that it was not recognised as children's content.



# Annexure A ABAC Responsible Alcohol Marketing Code

#### 1 Preamble

The ABAC Responsible Alcohol Marketing Code is designed to ensure that alcohol is marketed in a responsible manner. Signatories to the Code are committed to ensuring that the content of their marketing complies with the Code's spirit and intent.

The Code complements Australian legislation, the AANA Code of Ethics and mediaspecific codes relevant to the placement of marketing.

From time-to-time, the ABAC Scheme may publish best practice advice to industry. That advice does not form part of the Code but complements it by assisting industry to achieve high levels of responsibility in the management of its marketing.

#### 2 Application

- **a** The Code APPLIES to all Marketing Communications in Australia generated by or within the reasonable control of a Marketer, except as set out in Section 2(b). This includes, but is not limited to:
  - brand advertising (including trade advertising)
  - competitions
  - digital communications (including in mobile and social media and user-generated content)
  - Alcohol Beverage product names and packaging
  - advertorials
  - alcohol brand extensions to non-alcohol beverage products
  - point-of-sale materials
  - retailer advertising
  - marketing collateral.
- **b** The Code does NOT apply to:
  - (i) materials or activities whose sole purpose is to educate about misuse or abuse of alcohol beverages and which do not include a company's product branding;
  - (ii) information in company annual reports, corporate public affairs messages or internal company communications;
  - (ii) the name or packaging of an Alcohol Beverage product, including the use of a trademark on a product which a supplier can demonstrate, to the satisfaction of the Adjudication Panel, had been supplied for bona fide retail sale in the ordinary course of business in Australia prior to 31 October 2009;
  - (iv) point-of-sale Marketing Communications initiated by Alcohol Beverage retailers
     (as these are regulated by liquor licensing legislation), provided that a producer
     or distributor of Alcohol Beverages has no control over the point-of-sale
     Marketing Communication;
  - (v) Sponsorship.

# 3 Standards to be applied

- a Responsible and moderate portrayal of Alcohol Beverages
  - A Marketing Communication must NOT:
  - show (visibly, audibly or by direct implication) or encourage the excessive or rapid consumption of an Alcohol Beverage, misuse or abuse of alcohol or consumption inconsistent with the Australian Alcohol Guidelines;
  - (ii) show (visibly, audibly or by direct implication) or encourage irresponsible or offensive behaviour that is related to the consumption or presence of an Alcohol Beverage;
  - (iii) challenge or dare people to consume an Alcohol Beverage; or
  - (iv) encourage the choice of a particular Alcohol Beverage by emphasising its alcohol strength (unless emphasis is placed on the Alcohol Beverage's low alcohol strength relative to the typical strength for similar beverages) or the intoxicating effect of alcohol.
- **b** Responsibility toward Minors
  - A Marketing Communication must NOT:
  - (i) have Strong or Evident Appeal to Minors;
  - (ii) depict a person who is or appears to be a Minor unless they are shown in an incidental role in a natural situation (for example, a family socialising responsibly) and where there is no implication they will consume or serve alcohol;
  - (iii) depict an Adult who is under 25 years of Age and appears to be an Adult unless:
    - they are not visually prominent;
    - they are not a paid model or actor and are shown in a Marketing
       Communication that has been placed within an Age Restricted Environment; or
  - (iv) be directed at Minors through a breach of any of the Placement Rules.
- **c** Responsible depiction of the effects of alcohol
  - A Marketing Communication must NOT:
  - (i) suggest that the consumption or presence of an Alcohol Beverage may create or contribute to a significant change in mood or environment;
  - (ii) show (visibly, audibly or by direct implication) the consumption or presence of an Alcohol Beverage as a cause of or contributing to the achievement of personal, business, social, sporting, sexual or other success;
  - (iii) if an Alcohol Beverage is shown (visibly, audibly or by direct implication) as part of a celebration, imply or suggest that the Alcohol Beverage was a cause of or contributed to success or achievement; or
  - (iv) suggest that the consumption of an Alcohol Beverage offers any therapeutic benefit or is a necessary aid to relaxation.
- d Alcohol and Safety

A Marketing Communication must NOT show (visibly, audibly or by direct implication) the consumption of an Alcohol Beverage before or during any activity that, for safety reasons, requires a high degree of alertness or physical coordination, such as the control of a motor vehicle, boat or machinery or swimming.

# 4 No fault breach

A breach of this Code that is reasonably unforeseeable by or outside the reasonable control of the Marketer or their agency will be classified as a no fault breach.

#### 5 Interpretation

Compliance of a Marketing Communication with the Code is to be assessed in terms of the probable understanding of the Marketing Communication by a reasonable person to whom the material is likely to be communicated, and taking its content as a whole.

Capitalised terms have the meanings set out in section 6 below.

Headings do not expand the Code.

#### 6 Definitions

In this Code:

**AANA Code of Ethics** means the Australian Association of National Advertisers Code of Ethics.

**ABAC Scheme** means The ABAC Scheme Limited.

**Adjudication Panel** means the panel convened to adjudicate a complaint received by the ABAC Scheme.

**Adult** means a person who is of legal purchase age in Australia.

#### **Age-Restricted Environment means:**

- licensed premises that do not permit entry by Minors; or
- a non alcohol-specific age-restricted digital platform (including, for example, a social media website or application) which:
  - requires users to register and login to use the platform, including the provision of their full date of birth; and
  - is able to hide the existence of any alcohol-related pages, sites and content such that they are not visible other than to a user who has registered on the platform as being 18 years of age or over.

**Alcohol Beverage** means a beverage containing at least 0.5% alcohol by volume.

**Australian Alcohol Guidelines** means the electronic document 'Australian Guidelines to Reduce Health Risks from Drinking Alcohol (1–2)' published by the National Health and Medical Research Council (NHMRC) as at 1st January 2010.

**Code** means this ABAC Responsible Alcohol Marketing Code.

Marketer means a producer, distributor or retailer of Alcohol Beverages.

**Marketing Collateral** means material used by a Marketer to promote a brand and support the sales and marketing of Alcohol Beverages, including gifts with purchase, competition prizes and branded merchandise.

**Marketing Communications** means marketing communications in Australia generated by or within the reasonable control of a Marketer (apart from the exceptions listed in Section 2(b)), including but not limited to brand advertising (including trade advertising), competitions, digital communications (including in mobile and social media), product names and packaging, advertorials, alcohol brand extensions to non-alcohol beverage products, point-of-sale materials, retailer advertising and Marketing Collateral.

**Minor** means a person who is under 18 years of age and therefore not legally permitted to purchase an Alcohol Beverage in Australia.

#### Placement Rules means:

 (i) a Marketing Communication must comply with codes regulating the placement of alcohol marketing that have been published by Australian media industry bodies (for example, Commercial Television Industry Code of Practice and Outdoor Media Association Alcohol Guidelines

- (ii) if a media platform on which a Marketing Communication appears has age restriction controls available, the Marketer must utilise those age restriction controls to exclude Minors from the audience
- (iii) if a digital, television, radio, cinema or print media platform does not have age restriction controls available that are capable of excluding Minors from the audience, a Marketing Communication may only be placed where the audience is reasonably expected to comprise at least 75% Adults (based on reliable, up-to-date audience composition data, if such data is available)
- (iv) a Marketing Communication must not be placed with programs or content primarily aimed at Minors
- (v) a Marketing Communication must not be sent to a Minor via electronic direct mail (except where the mail is sent to a Minor due to a Minor providing an incorrect date of birth or age).

#### Strong or Evident Appeal to Minors means:

- (i) likely to appeal strongly to Minors;
- (ii) specifically targeted at Minors;
- (iii) having a particular attractiveness for a Minor beyond the general attractiveness it has for an Adult;
- (iv) using imagery, designs, motifs, animations or cartoon characters that are likely to appeal strongly to Minors or that create confusion with confectionary or soft drinks; or
- (v) using brand identification, including logos, on clothing, toys or other merchandise for use primarily by Minors.

**Sponsorship** means any agreement or part of an agreement involving payment or other consideration in lieu of payment by a Marketer to support a sporting or cultural property, event or activity, in return for which the sponsored party agrees to be associated with or promote the sponsor's Alcohol Beverage or outlet. Sponsorship also includes naming rights of events or teams and the inclusion of a brand name and/or logo at an event venue or on uniforms of participants (excluding branded merchandise).

# **Annexure B Guidance Notes** ABAC Responsible Alcohol Marketing Code

#### **Overview**

The ABAC Scheme is an initiative in quasi-regulation funded by industry and administered with the support of government. The key components of the Scheme are the ABAC Responsible Alcohol Marketing Code (Code), the Alcohol Advertising Pre-vetting Service (AAPS) and the ABAC complaints handling process (ABAC Adjudication Panel).

All marketing for alcohol beverages are required to comply with the ABAC as well as the Australian Association of National Advertisers' (AANA) Code of Ethics. In addition, where appropriate, alcohol advertisements must comply with other Codes of Practice such as the Commercial Television Industry Code of Practice, the Codes for Commercial Radio and the Outdoor Media Association Code of Ethics and Alcohol Guidelines.

# Purpose of the Guidance Notes

The ABAC Management Committee has developed the following Guidance Notes to assist advertisers and agencies in interpreting the essential meaning and intent of the Code by providing clarification through definition, explanation or example. The Guidance Notes are not intended to replace or extend the provisions of the Code itself.

The Guidance Notes represent the opinions of ABAC's administrators and are based in part on previous decisions made by the independent ABAC Adjudication Panel. The ABAC website—www.abac.org.au—includes an advanced search facility that enables all adjudication decisions relating to a particular issue or provision to be located and accessed and may be useful in providing further understanding of the issues involved in a particular clause of the Code. Insofar as the Code contains new or amended provisions untested by the Panel, these Guidance Notes will evolve as those provisions are interpreted by the ABAC Adjudication Panel and precedent is set.

Notwithstanding the content of these Guidance Notes, the AAPS Pre-vetter remains the final arbiter on how the Code should be interpreted and applied at the pre-vetting stage. Likewise the ABAC Adjudication Panel remains the final arbiter on how the Code should be interpreted and applied at the complaints adjudication stage.

Whilst AAPS Pre-vetters undertake to provide the best possible advice, any complaint regarding an alcohol advertisement will be assessed through the ABAC complaints handling process. It should be noted that successful pre-vetting does not serve as a guarantee or an argument that a complaint should be dismissed. The ABAC complaints handling process and the AAPS Pre-vetting Service are conducted separately by independent experts.

#### 1 Preamble

The ABAC Responsible Alcohol Marketing Code is designed to ensure that alcohol is marketed in a responsible manner. Signatories to the Code are committed to ensuring that the content of their marketing complies with the Code's spirit and intent.

The Code complements Australian legislation, the AANA Code of Ethics and mediaspecific codes relevant to the placement of marketing.

From time-to-time, the ABAC Scheme may publish best practice advice to industry. That advice does not form part of the Code but complements it by assisting industry to achieve high levels of responsibility in the management of its marketing.

#### **Guidance note: Section 1**

Users of these Guidance Notes are strongly encouraged to work within both the spirit and the letter of the Code as it stands. Advertisers are reminded that examples, real or perceived, of attempts to circumvent the provisions of the Code threaten the industry's reputation for responsible regulation and are in direct conflict with the interests of industry and the wider community.

#### 2 Application

- **a** The Code APPLIES to all Marketing Communications in Australia generated by or within the reasonable control of a Marketer, except as set out in Section 2(b). This includes, but is not limited to:
  - brand advertising (including trade advertising)
  - competitions
  - digital communications (including in mobile and social media and usergenerated content)
  - alcohol beverage product names and packaging
  - advertorials
  - alcohol brand extensions to non-alcohol beverage products
  - point-of-sale materials
  - retailer advertising
  - marketing collateral.
- **b** The Code does NOT apply to:
  - i Materials or activities whose sole purpose is to educate about misuse or abuse of alcohol beverages and which do not include a company's product branding;
  - ii information in company annual reports, corporate public affairs messages or internal company communications;
  - **iii** the name or packaging of an Alcohol Beverage product, including the use of a trademark on a product which a supplier can demonstrate, to the satisfaction of the Adjudication Panel, had been supplied for bona fide retail sale in the ordinary course of business in Australia prior to 31 October 2009;
  - iv point-of-sale Marketing Communications initiated by Alcohol Beverage retailers (as these are regulated by liquor licensing legislation), provided that a producer or distributor of Alcohol Beverages has no control over the point-of-sale Marketing Communication;
  - v Sponsorship;

#### **Guidance note: Section 2**

#### **Remit**

The remit of the Code is set out in section 2 and must be read together with the section 5 definitions. The ABAC applies to marketing communications in Australia generated by or within the reasonable control of an alcohol beverage producer, distributor or retailer apart from the exceptions specified in Section 2(b).

#### Reasonable control

This term has been included in recognition that a brand may be included in a communication that is not generated by the brand owner and is not in the reasonable control of a brand owner.

Examples of marketing communications that are not likely to meet the reasonable control test are:

- unauthorised product fan sites
- product placement over which a brand owner has no reasonable control
- user profiles of Facebook fans that appear on a brand owners facebook page, as they are automatically updated on the brand owner's page whenever a user changes their profile

Examples of marketing communications that are likely to meet the reasonable control test are:

- brand extension (use of a brand on a non-alcohol beverage product)
- marketing communications by an agent or employee of a brand owner
- user-generated content on a brand controlled social media site or page
  - posts by a social media influencer where the brand has reasonable control over the post (for example pre-campaign influencer recruitment and post moderation of content)
  - product placement where a company has reasonable control over the way in which their brand is portrayed

#### **Exceptions**

Part (b) sets out clearly the limited circumstances in which the Code will not apply to a marketing communication by an alcohol beverage producer, distributor or retailer.

# 3 Standards to be applied

- a Responsible and moderate portrayal of Alcohol Beverages
  - A Marketing Communication must NOT:
  - i show (visibly, audibly or by direct implication) or encourage the excessive or rapid consumption of an Alcohol Beverage, misuse or abuse of alcohol or consumption inconsistent with the Australian Alcohol Guidelines:
  - **ii** show (visibly, audibly or by direct implication) or encourage irresponsible or offensive behaviour that is related to the consumption or presence of an Alcohol Beverage;
  - iii challenge or dare people to consume an Alcohol Beverage; or
  - iv encourage the choice of a particular Alcohol Beverage by emphasising its alcohol strength (unless emphasis is placed on the Alcohol Beverage's low alcohol strength relative to the typical strength for similar beverages) or the intoxicating effect of alcohol.

#### **Guidance note: Section 3(a)**

#### **Responsible and Moderate Portrayal of Alcohol Beverages**

Alcohol marketing cannot show or encourage:

- excessive or rapid consumption of alcohol
- misuse or abuse of an alcohol beverage
- alcohol-related irresponsible or offensive behaviour (for example, violence, vandalism, providing alcohol to an animal)
- a challenge or dare to consume alcohol
- emphasising the strength or intoxicating effect of an alcohol beverage to encourage consumption of a higher than typical strength alcohol beverage.

#### **Australian Alcohol Guidelines**

The 2010 Australian Guidelines to Reduce Health Risks from Drinking Alcohol advise that to reduce the lifetime risk of harm from alcohol-related disease or injury, healthy men and women should drink no more than two (2) standard drinks on any day and to reduce the risk of alcohol-related injury arising from a single occasion of drinking healthy men and women should drink no more than four (4) standard drinks on a single occasion. There can be no encouragement of consumption contrary to these guidelines.

- **b** Responsibility toward Minors
  - A Marketing Communication must NOT:
  - i have Strong or Evident Appeal to Minors;
  - ii depict a person who is or appears to be a Minor unless they are shown in an incidental role in a natural situation (for example, a family socialising responsibly) and where there is no implication they will consume or serve alcohol; or
  - iii depict an Adult who is under 25 years of Age and appears to be an Adult unless:
    - A they are not visually prominent; or
    - **B** they are not a paid model or actor and are shown in a Marketing Communication that has been placed within an Age-Restricted Environment.
  - iv be directed at Minors through a breach of any of the Placement Rules.

#### **Guidance note: Section 3(b)**

#### Strong or evident appeal to Minors

There can be no strong or evident appeal to Minors. This is defined in Section 5 as meeting any one or more of the following tests. To breach section 3(b)(i) only one of these tests must be met:

- likely to appeal strongly to Minors
- specifically targeted at Minors
- having a particular attractiveness for a Minor beyond the general attractiveness it has for an Adult
- using imagery, designs, motifs, animations or cartoon characters that are likely to appeal strongly to Minors or that create confusion with confectionary or soft drinks
- using brand identification, including logos, on clothing, toys or other merchandise for use primarily by Minors.

Whether material is in breach of any one of the above sub-points is determined looking at the material as a whole. Assessment requires a weighing up of factors such as the visual techniques, themes, age of actors and characters and overall look and feel.

#### **Images of Minors**

People who are or look under 18 may only be shown where:

- they are in an incidental role only
- they are in a natural situation (for example, a family socialising responsibly), and
- there is no implication they will consume or serve alcohol.

#### Images of 18-24-year-olds

There are restrictions on the use of images of 18–24-year-olds that appear to be over 18 years of age that need to be considered carefully. The images may only be shown in marketing communications in the following circumstances:

- if the images are not visually prominent they may be shown in any medium, or
- if the image is visually prominent and is of a real person in a real scenario, rather than an image of a paid model or actor, it may appear in a marketing communication placed in either:
  - licensed premises that do not permit entry by Minors, or
  - in a non-alcohol specific age-restricted digital platform. This is a digital platform that meets all of the following criteria:
    - non-alcohol specific this is a digital platform that has not been set up for the
      purpose of promotion of an alcohol beverage, but for a wide variety of uses.
       Examples of non-alcohol specific digital platforms are Facebook, Youtube or Twitter.
       Examples of alcohol specific digital platforms are alcohol company or brand
      websites, and
    - requires users to register by provision of date of birth and then login to use the platform, and
    - is also able to hide the existence of alcohol pages from those registered as under 18 years of age — Facebook pages can use age restriction settings so that the page is not visible to users under the age of 18.

Facebook pages **that elect to use all available age restriction controls** currently qualify as a non-alcohol specific age-restricted digital platform as defined in the Code and therefore allow the use of images of visually prominent 18–24-year-olds on their websites. Alcohol brand websites which require entry of a date of birth to enter the site do not fall within this narrow exception and may not include images of visually

#### Section 6

prominent 18–24-year-olds. Alcohol marketers must be diligent in ensuring that a platform's age restriction controls meet the specific criteria and that age profiles are reliably obtained before including images of 18–24-year-olds on that platform.

The apparent age of the talent in an advertisement will often be a subjective test. To avoid ambiguity, the pre-vetter will always take a conservative view of the apparent age of the talent. Therefore, agencies should do likewise, irrespective of the actual age of the talent.

#### **Directed to Minors (Placement Rules)**

This provision was implemented on 1 November 2017 to expand the standards to responsible placement of alcohol marketing. The provisions represent accepted practice in the alcohol industry for taking reasonable steps to ensure alcohol marketing is directed to adults and does not appear in media for children and young people and media where children and young people make up a significant proportion of the audience. ABAC has also published a best practice guide that addresses content management and placement in digital media and assists alcohol marketers to manage their marketing responsibly in this medium.

There are five placement rules for alcohol marketing:

- Must comply with codes regulating the placement of alcohol marketing that have been
  published by Australian media industry bodies. Alcohol marketers must ensure they comply
  with the Outdoor Media Association Alcohol Guidelines and alcohol provisions in the
  Commercial Television Industry, Australian Subscription Television and Radio and
  Commercial Radio Codes of Practice.
- If a media platform on which a Marketing Communication appears has age restriction controls available, the Marketer must use those age restriction controls to exclude Minors from the audience. Many digital media platforms such as Facebook have age restriction controls. In addition, alcohol marketers can set up age verification requirements before allowing access to alcohol marketing on company websites. Age restriction techniques should always be used to limit exposure to minors if available. There are circumstances where a minor may register for a platform with an incorrect date of birth or log in via a parent's device but these are parental control issues and outside the reasonable control of alcohol marketers.
- There are media platforms for which age restriction controls capable of excluding Minors from the audience are not currently available but audience composition data is usually available. Examples include free-to-air television, radio, cinema, print and digital media platforms (including streaming platforms such as Optus Sport, Netflix, Stan etc). In these circumstances international best practice is to minimise exposure to Minors by only placing alcohol marketing where the media or platform has a similar or higher proportion of adults in its audience than the proportion in the general population (at least 75% adult audience). Marketers are responsible for obtaining reliable, up-to-date, audience composition data, where available, to satisfy themselves (and in the event of a complaint, the ABAC Panel) as to reasonable expectations of audience composition. ABAC acknowledges that the nature and precision of audience data available to marketers varies between media but marketers are encouraged to make best use of the data available to them to identify the audience of a medium, platform or content (for example, this could include available data for a platform where the content is similar). Where audience data is unavailable or unreliable, the Panel will assess likely audience composition based on data for similar platforms or content or if unavailable will apply a common-sense approach based on an assessment of the media content and other available information. In relation to outdoor advertising where advertisements are visible to the general public, including in community spaces via billboards, and on public transport, signatories observe supplementary protections, to recognise that there can be higher concentrations of minors in the vicinity of certain advertising sites. In particular, in addition to the universal content requirements of the ABAC Code which protects against appeal to minors in any event, signatories apply the OMA policy which

requires OMA members and ABAC signatories to ensure alcohol advertising is not placed on fixed signs that are located within a 150 metre sight line of a primary of secondary school (save licensed premises).

- May not be placed with programs or content primarily aimed (i.e. obviously directed) at Minors (examples are advertising before or during a children's cartoon or a children's movie or within a magazine targeted at teenagers)
- May not be sent to a Minor via electronic direct mail. Alcohol marketers must ensure
  that all electronic direct mail databases are reliably age verified to only include adults.
  There may be circumstances where a minor is on an age verified list as they have
  entered an incorrect date of birth or age but this is again a parental control issue
  and outside the reasonable control of alcohol marketers.
- **c** Responsible depiction of the effects of alcohol
  - A Marketing Communication must NOT:
  - i suggest that the consumption or presence of an Alcohol Beverage may create or contribute to a significant change in mood or environment;
  - ii show (visibly, audibly or by direct implication) the consumption or presence of an Alcohol Beverage as a cause of or contributing to the achievement of personal, business, social, sporting, sexual or other success;
  - **iii** if an Alcohol Beverage is shown (visibly, audibly or by direct implication) as part of a celebration, imply or suggest that the Alcohol Beverage was a cause of or contributed to success or achievement; or
  - **iv** suggest that the consumption of an Alcohol Beverage offers any therapeutic benefit or is a necessary aid to relaxation.

#### **Guidance note: Section 3(c)**

There can be no portrayal of the presence of alcohol as having any causal relationship with mood change, a celebration, success of any kind, a therapeutic benefit or being necessary to relax.

There is no intention to prevent the depiction of alcohol as incidental to a friendly and lively social environment or celebration, but the presence or introduction of alcohol cannot be seen to transform an occasion or directly contribute to its success. Similarly there is no intention to restrict the depiction of alcohol being responsibly consumed by successful or attractive people, provided there is no suggestion that it has caused or contributed to their circumstance. It is also possible to depict the presence of alcohol in a romantic situation provided there is no suggestion it has caused or contributed to the achievement of sexual or other success.

A marketing communication must not suggest that consuming the product is beneficial for a person's health or wellbeing but may make claims about nutritional content such as calories, sugar or carbohydrate levels and compare this information with other alcohol products.

It should be noted that the presence of alcohol includes any elements of the product or brand (such as packaging or brand marks) intended to represent the product.

#### d Alcohol and Safety

A Marketing Communication must NOT show (visibly, audibly or by direct implication) the consumption of an Alcohol Beverage before or during any activity that, for safety reasons, requires a high degree of alertness or physical coordination, such as the control of a motor vehicle, boat or machinery or swimming.

#### **Guidance note: Section 3(d)**

There is no intention to exclude every association between alcohol and activities that, for safety reasons, require a high degree of alertness or physical coordination; however any such association must not depict the consumption of alcohol taking place before or during the engagement in any such activities. The types of activities that have been found to require a high degree of alertness or physical coordination include:

- responsibility for a large barbecue fire (however tending a barbecue did not fall within this category)
- person in control of a motor vehicle, including directing the driver (but not passengers)
- traversing a clifftop near the edge

Showing consumption of alcohol is more than just actual drinking and includes language and images which invoke consumption.

## 4 No Fault Breach

A breach of this Code that is reasonably unforeseeable or outside the reasonable control of the Marketer or their agency will be classified as a no fault breach.

#### **Guidance Note: Section 4**

It is for Marketers to satisfy themselves that they have taken appropriate steps to comply with the ABAC Code. Where a Marketer or its agency satisfies the ABAC Panel that it took all reasonable steps to correctly and adequately brief a third party medium or body as to the execution or placement of a marketing communication in compliance with the ABAC Code but an error was made by that third party resulting in a breach of the ABAC Code, the breach will be recorded as a 'no fault breach'. A 'no fault breach' will not be included in the list of breaches published on the ABAC website and in the ABAC Annual reports.

An example may be where a television network incorrectly classified a program for children as a program for adults resulting in placement of an alcohol ad with children's content. This would be a breach of the ABAC but is outside the control of the marketer and is therefore a 'no fault breach'.

#### 5 Interpretation

Compliance of a Marketing Communication with the Code is to be assessed in terms of the probable understanding of the Marketing Communication by a reasonable person to whom the material is likely to be communicated, and taking its content as a whole.

Capitalised terms have the meanings set out in section 6 below.

Headings do not expand the Code.

#### **Guidance note: Section 5**

For the purposes of the ABAC Code, and as it is applied in Australian law, the test of the reasonable person is intended as a reflection of the standards and attitudes of contemporary Australian society. The test of the reasonable person exists specifically to ensure the perceived views and standards of the broader community prevail over those of any individual or minority group. In relation to the context in which alcohol is presented in advertising, we have adopted the test of the reasonable person as it is reflected in widely observed and accepted practice and public opinion, to determine where, when, by whom and how alcohol consumption is portrayed.

The headings in section 3 are not separate standards but only instructive as to the aims of each set of standards.

#### **6 Definitions**

In this Code:

**AANA Code of Ethics** means the Australian Association of National Advertisers Code of Ethics.

**ABAC Scheme** means The ABAC Scheme Limited.

**Adjudication Panel** means the panel convened to adjudicate a complaint received by the ABAC Scheme.

**Adult** means a person who is of legal purchase age in Australia.

#### **Age-Restricted Environment** means:

- licensed premises that do not permit entry by Minors; or
- a non alcohol-specific age-restricted digital platform (including, for example, a social media website or application) which:
  - requires users to register and login to use the platform, including the provision of their full date of birth; and
  - is able to hide the existence of any alcohol-related pages, sites and content such that they are not visible other than to a user who has registered on the platform as being 18 years of age or over.

**Alcohol Beverage** means a beverage containing at least 0.5% alcohol by volume.

**Australian Alcohol Guidelines** means the electronic document *Australian Guidelines to Reduce Health Risks from Drinking Alcohol (1–2)* published by the National Health and Medical Research Council (NHMRC) as at 1st January 2010.

Code means this ABAC Responsible Alcohol Marketing Code.

**Marketer** means a producer, distributor or retailer of Alcohol Beverages.

**Marketing Collateral** means material used by a Marketer to promote a brand and support the sales and marketing of Alcohol Beverages, including gifts with purchase, competition prizes and branded merchandise.

**Marketing Communications** means marketing communications in Australia generated by or within the reasonable control of a Marketer (apart from the exceptions listed in Section 2(b)), including but not limited to brand advertising (including trade advertising), competitions, digital communications (including in mobile and social media), product names and packaging, advertorials, alcohol brand extensions to non-alcohol beverage products, point-of-sale materials, retailer advertising and Marketing Collateral.

**Minor** means a person who is under 18 years of age and therefore not legally permitted to purchase an Alcohol Beverage in Australia.

#### Placement Rules means:

- i A Marketing Communication must comply with codes regulating the placement of alcohol marketing that have been published by Australian media industry bodies (for example, Commercial Television Industry Code of Practice and Outdoor Media Association Alcohol Guidelines).
- ii If a media platform on which a Marketing Communication appears has age restriction controls available, the Marketer must utilise those age restriction controls to exclude Minors from the audience.
- iii If a digital, television, radio, cinema or print media platform does not have age restriction controls available that are capable of excluding Minors from the audience, a Marketing Communication may only be placed where the audience is reasonably expected to comprise at least 75% Adults (based on reliable, up-to-date audience composition data).
- iv A Marketing Communication must not be placed with programs or content primarily aimed at Minors.
- v A Marketing Communication must not be sent to a Minor via electronic direct mail (except where the mail is sent to a Minor due to a Minor providing an incorrect date of birth or age).

#### Strong or Evident Appeal to Minors means:

- i likely to appeal strongly to Minors;
- ii specifically targeted at Minors;
- iii having a particular attractiveness for a Minor beyond the general attractiveness it has for an Adult;
- iv using imagery, designs, motifs, animations or cartoon characters that are likely to appeal strongly to Minors or that create confusion with confectionary or soft drinks; or
- using brand identification, including logos, on clothing, toys or other merchandise for use primarily by Minors

**Sponsorship** means any agreement or part of an agreement involving payment or other consideration in lieu of payment by a Marketer to support a sporting or cultural property, event or activity, in return for which the sponsored party agrees to be associated with or promote the sponsor's Alcohol Beverage or outlet. Sponsorship also includes naming rights of events or teams and the inclusion of a brand name and/or logo at an event venue or on uniforms of participants (excluding branded merchandise).

# Annexure C The ABAC Scheme: Rules and Procedures

# 1 Management Committee

- 1.1 The management and operation of The ABAC Scheme will be undertaken by a Management Committee consisting of
  - **a** the Executive Director of the Brewers Association of Australia Inc or their nominee ('Brewers Association');
  - **b** the Executive Director of the Distilled Spirits Industry Council of Australia Inc or their nominee ('DSICA');
  - **c** the Chief Executive of the Winemakers Federation of Australia or their nominee ('WFA');
  - **d** the Chief Executive of The Communications Council Limited or their nominee;
  - **e** the Assistant Secretary responsible for alcohol issues at the Commonwealth Department responsible for health policy, or their nominee, as a representative of Australian governments.
- 1.2 An Independent chair may be appointed to the Management Committee by the Directors of The ABAC Scheme Ltd, who have been appointed by the members that fund the appointment, following a recommendation by the Management Committee. The position of deputy chair (or chair in the absence of the appointment of an independent chair) will rotate between the Brewers Association, DSICA and WFA representatives on an annual basis.
- 1.3 To manage and review the operation of The ABAC Scheme and to consider amendments to the ABAC Responsible Alcohol Marketing Code ('the Code') and to the voluntary system of compliance with a view to:
  - encouraging industry members, large and small, to participate in the quasiregulatory system;
  - playing an active role to ensure an effective quasi-regulatory system;
  - monitoring the implementation of The ABAC Scheme and improving it where necessary;
  - coordinating the development and completion of an annual report with copies to be provided to the relevant Ministerial Council for alcohol policy and strategy and Ad Standards, and
  - managing the Alcohol Advertising Pre-Vetting Service ('AAPS') as an effective mechanism to support and strengthen the aims of The ABAC Scheme and to encourage participation by industry members in AAPS.
- **1.4** The Management Committee must meet at least four (4) times a year.
- 1.5 Any of the members of the ABAC Management Committee may convene a meeting of the Management Committee which, if not a telephone meeting, must be held by giving not less than fourteen (14) days prior written notice of the meeting to the other members of the Management Committee.

# 2 Board of Directors

2.1 The Directors of The ABAC Scheme Ltd have a responsibility to ensure that the company is adequately funded.

# 3 Adjudication Panel

- 3.1 An ABAC Adjudication Panel ('the Panel') will be formed to adjudicate upon complaints concerning alcohol beverage marketing communications in accordance with the procedures set out in Part 4 below.
- **3.2** Adjudication by the Panel will be in addition to any other legal right or remedy which may exist.
- **3.3** All Code Signatories, including members of Brewers Association, DSICA and WFA will be asked to comply with any recommendation of the Panel.
- 3.4 Non-members are strongly encouraged to become Direct Code Signatories, by applying to the ABAC Executive Officer, which application will be submitted for approval by the ABAC Management Committee.
- 3.5 The Chief Adjudicator of the Panel must prepare a report on the Panel's operations and recommendations made during the preceding year and provide a copy of that report to the Management Committee for inclusion in the ABAC Annual Report.
- **3.6** ABAC Adjudication Panelists ('Panelists') will be appointed by the Management Committee and will consist of:
  - One (1) Panelist appointed as Chief Adjudicator. The Chief Adjudicator will have legal qualifications and experience.
  - At least two (2) Panelists appointed as Health Sector Panelists. The relevant Federal Minister with responsibility for alcohol issues, or his or her nominee, will be invited to nominate a shortlist of candidates with public health expertise to the Management Committee for consideration.
  - At least two (2) Panelists appointed as General Panelists. General Panelists will have a minimum of ten years experience in the marketing, market research or media industries.
  - One of the Panelists will be appointed by the ABAC Management Committee as deputy Chief Adjudicator to act as Chief Adjudicator if the Chief Adjudicator requests or is unavailable.
- 3.7 No Panelist may, at the time of or during the term of his or her appointment to the Panel—
  - be a current employee of a participant or member of the alcohol beverages industry; or
  - have been an employee of a participant or member of that industry during the period of five (5) years prior to the date of his or her appointment.
- 3.8 Each of the Panelists will be appointed for an initial three (3) year term. The ABAC Management Committee may exercise its discretion to renew the appointment for a further period of time subject to assessment of skills fit and performance.

# 4 Panel Procedures

- **4.1** The ABAC Management Committee has a duty to oversee that the process for handling complaints is running efficiently, and in performing this duty must have regard to:
  - i A target of 30 business days on average for the handling of complaints, and
  - ii A need to ensure privacy, where required by law, and
  - iii Any natural justice considerations.
- **4.2** All complaints received from Ad Standards will be considered within the ABAC complaints procedure and all decisions must be recorded in writing for statistical purposes and communicated to the complainant.
- 4.3 The Chief Adjudicator will consider all complaints received from Ad Standards and when interpreting a complaint will use his or her discretion to identify all possible Code provisions raised. If the Chief Adjudicator decides that a complaint raises issues under the Code the complaint will be referred to the Panel unless the Chief Adjudicator decides that the complaint:
  - **a** raises issues fully considered and determined in an earlier determination in relation to a particular advertisement; or
  - **b** raises issues consistently dismissed by the Panel as not being in breach of the Code; or
  - c clearly falls outside the scope of the Code; or
  - **d** relates to a product's name or packaging that has been certified pursuant to paragraph 4.17.
- 4.4 The Panel will have no role in the adjudication of a complaint by an alcohol beverage producer, distributor or retailer about the advertising of a competitor. Such competitive complaints will be referred to the Advertising Claims Board established by the AANA.
- **4.5** The Panel shall consist of three Panelists, one (1) of whom must be a Health Sector Panelist.
- **4.6** Panel decisions will be by a simple majority vote and no member of the Panel will have a casting vote.
- **4.7** Where a complaint is referred to the Panel for consideration, the Chief Adjudicator will, prior to consideration of the complaint by the Panel, notify the company responsible for the marketing communication ('the Marketer') of its referral to the Panel.
- **4.8** When the Panel considers a complaint, it should have before it:
  - a copy of the complaint
  - a copy of the marketing communication (in the case of product names and packaging either a sample or picture of the product or a fair description)
  - any correspondence from the Marketer, either in response to the complaint, or any questions/issues raised with it by the Chief Adjudicator
  - any other materials the Chief Adjudicator deems fit.

- **4.9** If the Panel upholds a complaint about the content of a marketing communication (excepting product names, product packaging and marketing collateral (as defined in the Code)) the Marketer must:
  - withdraw, discontinue or modify the marketing communication as soon as
    possible and no later than five (5) business days after the determination
    (noting that published print material is not able to be withdrawn but must be
    discontinued or modified prior to further publication and that a widespread
    outdoor campaign may take longer than 5 business days to withdraw but will be
    withdrawn as quickly as possible);
  - advise the Panel within five (5) business days of their intended action and timeframes in respect of the marketing communication; and
  - not reinstate the unmodified marketing communication at any time.
- **4.10** If the Panel upholds a complaint about the placement of a marketing communication the Marketer must:
  - withdraw, discontinue or modify the placement of the marketing communication as soon as possible and no later than five (5) business days after the determination (noting that published print material is not able to be withdrawn but must be discontinued or modified prior to further publication);
  - take all reasonable precautions to ensure that the marketing communication will not again be placed in the location, time or manner that was found to breach the Placement Rules in the Code: and
  - advise the Panel within five (5) business days of their intended action and timeframes in respect of the placement of the marketing communication.
- 4.11 If the Panel upholds a complaint about a product's name or packaging, then a provisional determination must be provided to the Marketer, who will be able to seek a rehearing of the provisional determination, by providing a formal written response and further submission within ten (10) business days of receipt of the provisional determination. All or part of this appeal period may be waived by the Marketer, and will be deemed to have been waived upon receipt of a formal written response to the provisional determination.
- 4.12 The onus is on the Marketer to demonstrate to the Chief Adjudicator that a product name or trademark was in use in the Australian market prior to 31 October 2009. The Marketer may do so at any stage of the process prior to the end of the period the Supplier has to seek a rehearing of a provisional determination.
- 4.13 After considering any material provided by the Marketer, or after the elapse of ten (10) business days from the date that the provisional determination is provided to the Marketer, the Panel is free to issue a final determination whenever it deems fit.
- 4.14 If the Panel makes a final determination upholding a complaint about a product name, product packaging or marketing collateral (as defined in the Code), the Marketer must:
  - cease further orders for production of the product name, product packaging or marketing collateral immediately

- advise the Panel within five (5) business days as to their intended action and timeframes in respect of the product name, product packaging or marketing collateral; and
- not reinstate the unmodified product name, product packaging or marketing collateral at any time.
- **4.15** Decisions of the Panel, and the response (if any) of the Company, must be advised to Ad Standards and the Management Committee, within five (5) business days after
  - i in the case where the Panel has not upheld the complaint, the date of the Panel decision; or
  - ii in the case where the Panel has upheld the complaint, the date the response is received (or due) from the marketer pursuant to paragraphs 4.9 and 4.13.
- **4.16** A record of all decisions must be maintained to assist with establishing statistical patterns over time for use in drafting the Annual Report etc.
- **4.17** Where a Marketer has agreed to modify a product name or packaging the Panel determined is in breach of the Code, then it may put proposals for doing so before two pre-vetters for consideration.
  - i The pre-vetters must ensure that any such proposal(s) are dealt with in a timely and confidential manner.
  - ii The pre-vetters shall determine whether the proposed modifications bring the product name and/or packaging into line with the Code (not just the section(s) on which the original complaint and determination hinged). Where the pre-vetters do not both agree that the proposed modifications bring the product name and/or packaging in line with the Code certification may not be given for that name and/ or packaging.
  - iii Where the pre-vetters have certified that modifications to naming and/or packaging are sufficient to bring it in line with the Code, then the Panel will not consider any further complaints against the product so modified. Any minor modifications to the packaging (e.g. bar codes, use-by dates, date or place of manufacture, grape sources etc.) will be deemed to not alter the compliant status of the product. Complaints in respect of marketing communications in which the name and/or packaging is featured will still be considered by the Adjudication Panel.

# 5 Alcohol Advertising Pre-Vetting Service (AAPS)

- 5.1 The Alcohol Advertising Pre-vetting Service (AAPS) assesses whether alcohol beverage marketing communications conform to either or both of the ABAC Responsible Alcohol Marketing Code ('the ABAC Code') and/or the Australian Association of National Advertisers Code of Ethics ('the AANA Code of Ethics').
- 5.2 Signatories to the ABAC Scheme and their agencies must pre-vet specific categories of marketing communications against the ABAC Code as set out in the following table. The table also sets out those categories for which pre-vetting is optional, although encouraged. Signatories may also choose to request the AAPS Service to assess their marketing communications against the Australian Association of National Advertisers Code of Ethics (AANA Code of Ethics).

Media Category	ABAC Pre-vetting requirements
TV	Must pre-vet
Outdoor	Must pre-vet
Cinema	Must pre-vet
Radio	Must pre-vet
Print	Optional
Digital	Optional
Point-of-sale	Optional
Marketing Collateral	Optional
Names and packaging	Optional
Retail Price Advertisements (refer paragraph 5.2)	Optional for all media
AANA Code of Ethics	Optional for all media
Placement	Optional for all media

- 5.3 Non-signatories to the ABAC Scheme and their agencies may use the AAPS prevetting service to assess whether marketing communications conform to either or both of the ABAC Code or the AANA Code of Ethics.
- 5.4 Retail Price Advertisements must comply with the spirit and intent of the ABAC Code and the AANA Code of Ethics but are not required to be pre-vetted. Retail Price Advertisements are marketing communications by retailers which contain no material relating to or concerning the attributes or virtues of alcohol beverages or the retail outlet except
  - i the name of a retailer or retailers offering alcohol beverages for sale,
  - **ii** information about the price or prices at which those beverages are offered for sale.
  - iii the brand name or names of alcohol beverages offered for sale;
  - iv the type and/or style of the alcohol beverages offered for sale;
  - a photographic or other reproduction of any container or containers (or part thereof, including any label) in which the alcohol beverages offered for sale are packaged;
  - vi the location and/or times at which the alcohol beverages are offered for sale; and
  - **vii** such other matter as is reasonably necessary to enable potential purchasers to identify the retailer or retailers on whose behalf the advertisement is published.

In addition, where a retailer has received pre-vetting approval for a marketing communication template they may change the name, image and price of a product featured in that communication without requiring pre-vetting approval for that limited change.

- 5.5 Pre-vetters have no public role in representing the scheme. Their role is to provide pre-vetting services. Any inquiries or correspondence from third parties to pre-vetters must be referred on to the ABAC Executive Officer or ABAC Management Committee to be dealt with.
- **5.6** To encourage the frank exchange of views within The ABAC Scheme, any opinion expressed by a pre-vetter in respect to a matter which is submitted for pre-vetting is confidential to the producer, the pre-vetter, the ABAC Executive Officer and the representative of their respective industry association.

- **5.7** There will be a minimum of two pre-vetters within the AAPS Service, appointed by the Management Committee.
- **5.8** No pre-vetter may, at the time of or during the term of his or her appointment—
  - be a current employee of a participant or member of the alcohol beverages industry; or
  - have been an employee of a participant or member of that industry during the period of five (5) years prior to the date of his or her appointment.
- **5.9** Pre-vetters must have a minimum of ten (10) years marketing communications experience in brand management or promotion.
- **5.10** Each of the pre-vetters will be appointed for a three (3) year term. The ABAC Management Committee may exercise its discretion to renew the appointment for a further period of time.
- **5.11** Where appropriate, all services provided by AAPS Pre-vetters (including pursuant to paragraph 4.17) are to be funded on a user-pays basis by those industry members seeking pre-vetting of alcohol marketing communications.
- 5.12 The ABAC Directors are to be responsible for the setting of any retainers and hourly rates for pre-vetters and approving any related expenses. Further, the Directors are to ensure that a system is in place for the orderly collection of debts incurred through use of the pre-vetting service.

#### **Annexure D**

### Best Practice for Responsible Digital Alcohol Marketing

#### Introduction

The ABAC Responsible Alcohol Marketing Code (the Code) sets high standards for the content of alcohol marketing including the content of digital alcohol marketing including social media.

Digital Marketing means advertising through digital platforms, tools and technologies including: applications, blogs, brand websites, instant messaging, livecasting, microblogs, mobile communications and messaging, online/banner advertising, online gaming, photo sharing, podcasts, proximity marketing, QR codes, relationship marketing, RSS feeds, search engine marketing and optimisation, social channels (for example, Instagram, Pinterest, Reddit, Facebook, Snapchat), user-generated content, video sharing (for example, Persicope, Youtube, Vimeo), and Wikis.

Standards for the placement of alcohol marketing communications are covered by complementary media-specific Industry Codes of Practice. There is no specific code of practice for the placement of digital alcohol marketing, however ABAC recognises that many individual digital platforms provide comprehensive age targeting controls.

ABAC has developed this best practice guide to assist the alcohol industry in maintaining high standards of social responsibility in the management of digital alcohol marketing.

This guide is non-binding and is not intended to replace or extend the provisions of the Code. Rather, it is intended as guidance to assist advertisers and agencies.

It is recognised that digital marketing is evolving rapidly and therefore the best practice guide will be reviewed on a regular basis and updated where necessary.

# Interaction with other regulation

- 1 All digital marketing must comply with the ABAC Responsible Alcohol Marketing Code and the Australian Association of National Advertisers Code of Ethics.
- 2 All digital marketing must comply with guidelines for digital marketing published by the Australian Association of National Advertisers and the Communications Council.
- All digital marketing must respect user privacy and laws governing the collection of personal information.
- 4 All digital marketing must comply with all other relevant laws in Australia.

# Responsible drinking message

5 All websites and social media pages controlled by alcohol beverage advertisers should include a responsible drinking message. Advertisers should also identify to users an appropriate responsible drinking website.

#### **Age affirmation**

Age affirmation is a process by which users provide their full date of birth and country of access to affirm they are of legal purchase age.

Age Restriction, Targeting or Affirmation Technologies should be used, where available, for all digital marketing controlled by alcohol beverage advertisers, to restrict access to users of legal purchase age or over. These technologies rely on users registering with their correct date of birth and registered adults not sharing devices with minors. A decision by users to register with an incorrect date of birth or share devices is outside the control of advertisers and advertisers can not then be responsible for consequent exposure of users under the legal purchase age to alcohol marketing.

Examples of how to use these techniques to meet best practice include:

- 6.1 Direct Marketing Communications directed to a specific person, for example email and SMS, should only be directed to consumers who have provided an age affirmation that they are of legal purchase age or over. A reliable age affirmation mechanism should be used.
- 6.2 **Download Advice, Forwarding Notices, Responsible Drinking Messages or Age Affirmation mechanisms** should, where possible, be included on all digital marketing communications that are intended to be shared, such as with a 'share', 'download' or 'email' option.
  - Download Advice and Forwarding Notices are instructions to individuals forwarding or downloading the content that they should not forward the material to individuals below the legal purchase age.
- 6.3 **Website Age Gates** (website landing pages that require visitors to confirm they are of legal purchase age before they can enter a website) should be used on all websites controlled by alcohol beverage advertisers.

It is recommended that the following age affirmation measures be adopted:

- Users should be required to input their date of birth and country of access to affirm they are of legal purchase age (for example, from a drop down menu) rather than being allowed access through clicking a default option.
- If a user enters a birth date that equates to being under legal purchase age they should be given an appropriate alcohol social responsibility message, or redirected to an appropriate responsible drinking website.
- Repeat users may be invited to set up a 'remember me' option but the invitation should warn on the appropriateness of this option if the computer may be used by someone under the legal purchase age.
- Users that have affirmed their age on a site may access a related site for that company without being required to reaffirm their age.
- Corporate websites with a primary purpose of communicating company information do not require an age affirmation page.
- 6.4 Digital marketing communications on social channels should activate all available age restriction controls to restrict access to users of legal purchase age or over (for example, Facebook, Twitter, Youtube).

- 6.5 Digital marketing communications on a site or page controlled by the brand advertiser that involve **direct interaction with a user** should require age affirmation by the user prior to full user engagement of that communication to determine that the user is of legal purchase age or over.
  - Direct interaction is a two-way communication between the user and the advertiser on a site or web page controlled by the advertiser.
- 6.6 A Nanny Tag should be placed on all websites controlled by alcohol beverage advertisers. A Nanny Tag describes the site's content in a format that parental control software detects.
- 7 **Proximity Marketing** should only be used in situations where people will be of legal purchase age or over, for example, in age-restricted venues such as nightclubs or when directed to users who have been verified as legal purchase age or over.
  - Proximity marketing is a digital communication directed to recipients in a particular proximity via SMS or MMS.
- 8 Digital marketing communications should only be placed in media where at least 75% of the audience is reasonably expected to be of legal purchase age or over and should use Pre-bid Audience Verification Tools that specify an adult audience. Pre-bid Audience Verification Tools are real time monitoring to verify that a URL is safe for a customer according to a defined and individually specified criteria and to ensure an advertisement is consistently only displayed in a suitable environment.
- 9 **Downloadable applications** should only be made available where at least 75% of the audience is reasonably expected to be of legal purchase age or over.

# User-generated content

User-generated content (UGC) is material that has not been created by or for a brand owner but by a person interacting on the digital platform.

- 10 UGC within digital platforms, controlled by an alcohol beverage advertiser (including UGC shared or endorsed by an alcohol beverage advertiser) is within the scope of the ABAC.
- 11 To contribute UGC a user must affirm by their date of birth that they are legal purchase age or over.
- 12 House rules should be accessible to registered users and clearly set out what is and isn't acceptable UGC. Annexure A is a sample set of House Rules that cover the ABAC standards, which should be adapted into the style/voice of the brand to encourage uptake.
- 13 Where possible, a mechanism should be available to provide users with an opportunity to notify the advertiser of any content they consider is unacceptable (such as 'report inappropriate content' links, 'alert administrator' buttons or the provision of contact details).

- 14 **Moderation** of UGC within a digital platform, controlled by alcohol beverage advertisers, should be carried out by either pre-moderation or post-moderation.
  - 14.1 Pre-moderation is where UGC is approved before it appears on brand controlled digital platforms.
    - Where possible, automated software should be used to identify and remove inappropriate content.
  - 14.2. Post-moderation is where UGC is checked by an alcohol advertiser after it appears and is removed if considered to be in breach of the ABAC Code or the AANA Code of Ethics.

If post moderation is used the following measures should be taken:

- Where possible, automated software should be used for identifying and removing inappropriate content.
- The site should be moderated at least once every business day and also on non-business days if the brand undertakes activity on the site during those non-business days.
- The site should be moderated immediately after the brand posts or engages and for at least two hours following the post.

For more information please contact the ABAC Administrator at info@abac.org.au

#### Attachment A: Sample user-generated content house rules

[This sample set of House Rules address compliance with the ABAC Responsible Alcohol Marketing Code only. A company may expand its guidelines to address other issues, including legal obligations and other relevant codes of practice and use its own language designed to encourage users to engage with the House Rules.]

All content on our website, including content posted by users of the site, must comply with the ABAC Responsible Alcohol Marketing Code to ensure all our marketing communications are socially responsible. Accordingly all content posted by users of this site must comply with the following rules. Any content that does not comply with the Rules will be removed and may result in de-registration from this site.

- It must not encourage the excessive or rapid consumption of an alcohol beverage, misuse or abuse of an alcohol beverage or consumption inconsistent with the Australian Alcohol Guidelines.
- It must not encourage irresponsible or offensive behaviour that is related to the consumption or presence of an alcohol beverage.
- It must not challenge or dare people to consume an alcohol beverage.
- It must not encourage the choice of a particular alcohol beverage by emphasising its alcohol strength or intoxicating effect.
- It must not have strong or evident appeal to minors.
- It must not show minors unless they are shown incidentally in a natural situation where there is no implication they will consume or serve alcohol.
- It must not show visually prominent 18–24 year olds [Note: if these house rules are within an age-restricted environment as defined in the Code this rule can be removed].
- It must not suggest that the consumption or presence of alcohol beverages can change a mood or environment.
- It must not show the consumption or presence of alcohol beverages as leading to personal, business, social, sporting, sexual or other success.
- It must not imply or suggest that an alcohol beverage shown as part of a celebration was a cause of the success or achievement.
- It must not suggest that the consumption of alcohol beverages offers any therapeutic benefit or is a necessary aid to relaxation.
- It must not show the consumption of alcohol beverages before or during any activity that
  for safety reasons requires you to be alert or physically coordinated, such as the control
  of a motor vehicle, boat or machinery or swimming.

# **Annexure E**ABAC statistics

AAPS Pre-vetting	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Ads pre-vetted	754	761	936	1,267	1,110	1,369	1,050	1,059	1,229	1,394	1,571	1,589	1,416	1,453
Ads rejected	84	86	182	293	232	238	77	82	192	211	212	204	186	198
Ads accepted with conditions	63	34	53	61	29	85	44	39	59	39	59	67	39	35
Complaints	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Total complaints received	212	105	53	87	162	117	87	119	98	182	94	133	139	130
Number of ads and packaging to which the complaints relate	23	29	26	38	44	42	38	74	63	78	42	71	78	67
Complaints considered by Panel	8	29	13	25	49	47	41	63	53	69	35	35	47	73
Determinations made by Panel	5	12	10	22	36	39	31	45	36	36	27	29	34	43
Complaints upheld, at least in part	3	2	3	8	12	12	15	20	7	20	8	8	12	7
Determinations upheld	3	2	2	8	7	10	11	15	7	4	8	7	10	7
Determinations upheld — no fault breach	-	-	-	-	-	-	-	-	-	-	-	-	-	1
Average business days— Panel determinations	35.1	33	78.6	29.3	19.8	22.5	26.5	25	20	26.3	19.7	21.6	19.7	14.6
Percentage of complaints relating to each	ABAC s	tandar	d			2009	2010	2011	2012	2013	2014	2015	2016	2017
Excessive or rapid consumption, misuse or abuse						26%	35%	22%	11%	44%	22%	28%	32%	12%
Irresponsible or offensive behaviour related to alcohol						26%	35%	20%	14%	50%	55%	33%	12%	33%
Challenge or dare to consume alcohol						-	-	-	-	6%	4%	-	3%	_
Emphasising strength/intoxicating effect of alcohol						-	-	-	-	-	-	-	-	_
Appeal to minors						53%	45%	49%	44%	28%	56%	38%	38%	19%
Placement rules						-	-	-	-	-	-	-	-	22%
Alcohol cause of change in mood						13%	29%	16%	19%	31%	30%	21%	29%	12%
Alcohol cause of success						13%	29%	16%	19%	31%	26%	38%	9%	14%
Alcohol cause of celebration						3%	3%	-	-	8%	4%	-	6%	-
Therapeutic benefit						5%	16%	-	6%	8%	11%	10%	18%	16%
Alcohol use with activities requiring alertness/physical	coordinat	ion				15%	13%	9%	25%	17%	11%	7%	21%	19%
Naming and packaging						N/A	2%	7%	3%	-	4%	3%	6%	7%
Percentage of determinations relating to (	different	media	ı/produ	ct mat	erial	2009	2010	2011	2012	2013*	2014	2015	2016	2017
Outdoor media						5%	23%	16%	22%	19%	22%	40%	17%	21%
Digital media						21%	16%	31%	22%	11%	15%	24%	53%	35%
Television					41%	61%	27%	31%	50%	70%	38%	24%	30%	
Cinema					-	3%	4%	3%	6%	-	3%	3%	5%	
Radio				3%	3%	2%	3%	3%	-	-	6%	9%		
Print				23%	32%	22%	19%	14%	4%	10%	9%	2%		
Point-of-sale				5%	-	-	-	-	-	-	3%	-		
Packaging					3%	3%	6%	3%	-	4%	3%	6%	7%	

<sup>1</sup> In 2013 there were multiple complaints in relation to several of the determinations upholding complaints