



ALCOHOL MARKETING IN SOUTH AFRICA

A RESOURCE GUIDE FOR JOURNALISTS



A Soul City Project

Produced by the Advocacy Department of the Soul City Institute for
Health and Development Communication

Soul City Advocacy Manager: Savera Kalideen

Soul City Phuzza Wize Drink Safe Live Safe Campaign Manager: Aadielah Maker

Author: Jason Hallman

The Soul City Team has contributed significantly to the production of these materials through their administrative support, research and editorial input. Their expertise is valued and appreciated.

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Design and Layout: SALT Visual Communications

Photographs: Soul City Institute for Health and Development Communication

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ALCOHOL AND THE MEDIA

Background

A public health crisis

Public health researchers frame the burden of disease in terms of loss of disability-adjusted life years (DALYs), which are years lost due to premature death plus time lost due to poor health. Globally, *alcohol is the leading risk factor* for DALYs lost in the fifteen to fifty-nine year old age group.¹

While many news stories around alcohol consumption in South Africa lead with the fact that *alcohol is the third leading cause of death in the country*, the full picture of the role that alcohol plays is far more complex and varied. Alcohol has a role in social issues such as violence, crime, and the breakdown of family structures, and economic problems such as joblessness and poverty.

Health promotion advocates suggest that a multifaceted approach is needed to change this story; with a key intervention being a radical shift in the social norm that promotes and admires excessive alcohol consumption.

The industry modus operandi

The alcohol industry profits from existing social norms that connect masculinity, patriotism, modern womanhood, and various forms of success with alcohol consumption.

Advertising is the key tool that the industry uses to expand its markets to address new generations of drinkers.

A crucial role for the media

An independent and vibrant media are uniquely poised to unpack and critically interrogate the role of alcohol advertising and marketing, and shape the public debate around alcohol-related harm reduction.

A battle for more than hearts and minds

Industry representatives claim that drinking alcohol in moderation is healthy (or is not unhealthy) and attempt to redefine the negative health impact as a problem related to the behavior of a small minority of drinkers who “do not know how to drink responsibly.” Public health advocates and researchers focus on the the fact that alcohol is a drug, albeit legal, that is designed to affect the functioning of the central nervous system. This effect is present irrespective of the quantity of alcohol consumed. Public health advocates also focus on

the health and social harm caused by alcohol consumption including violence, accidents, injuries, and mortalities, as well as a range of illnesses such as heart disease, cancer, and others.

Public health research has shown that South African drinking patterns tend on the whole toward risky and dangerous styles of consumption. The alcohol industry spends millions annually to promote and encourage this hazardous pattern of consumption.

What is the core issue?

Current discourse around alcohol consumption is replete with both confusing and contradictory information. There is no getting around one salient and underdiscussed fact: the alcohol industry, while promoting a product that is legal, purports to be on the side of public health in reducing the harm associated with alcohol consumption, but at the same time their advertising is driven by the need to increase consumption, not simply to affect brand choice, as the industry contends. In this context, it is vital that the media make public health research more visible while upholding high ethical standards when dealing with industry representatives. The stakes on these issues are too high to simply accept that the industry lobby can or should play an effective role in mitigating the harm caused by its products.

I WHO 2011

INDUSTRY CLAIMS

The alcohol industry lobby shares some common viewpoints and advocacy positions. Unfortunately, as one prominent public health scholar has tersely pointed out: "From a research point of view, these points of view are controversial, unconfirmed, or unsupported by current research evidence."²

#1: Drinking alcoholic beverages in moderation provides net health benefits to society and is part of a balanced lifestyle.

1. While some research has demonstrated positive health benefits of moderate alcohol consumption, most of the research has been conducted in Europe and the United States, where many drinkers consume alcohol with meals.
2. In South Africa, the situation is not comparable: a large number of drinkers consume alcohol recklessly.
3. On the other hand, many South Africans are lifetime abstainers, which leads some health promotion advocates to worry that the "drinking is healthy" message could play out very differently here, normalizing drinking and encouraging consumption in a context where a large number of people are living with infectious disease, poor nutrition, and other factors that make them more vulnerable to the harmful impacts of alcohol.
4. In addition, hazardous patterns of consumption (e.g., heavy episodic drinking, drinking without consuming food, etc.) that are popular among South African drinkers – particularly the young – are connected to increased incidence of violence and crime, but also higher risk for contracting a sexually transmitted disease, and a host of other ills.

#2: Alcohol-related harm is a behavioral problem. In other words, the issue is simply a matter of controlling the bad habits of a small minority of drinkers. Responsible drinking can be learned.

1. It is essential to move the conversation away from individual behavior. The product is the problem. The negative health and social consequences of drinking alcohol are not exclusive to abusers.
2. Public health advocates argue that the greatest problems linked to consumption are social. We all share the cost of alcohol-related harm, and perhaps more importantly, harm reduction efforts to target individual behavior alone are destined to fail. In a rapidly changing society like South Africa, with high unemployment, increasing income inequality and urbanization, and a conspicuous consumer culture, the outsize problems posed by drinking need to be seen in a more holistic, interconnected light.
3. Industry campaigns oriented toward teaching responsible drinking are hobbled at the outset by competition from industry advertising that promotes consumption and glamorizes alcohol as a part of the "good life."

Moreover, educational campaigns have been shown to be less effective than other types of interventions, and often act as stealth PR campaigns to create positive impressions of the producer.

4. Industry advocates point to the overriding importance of parenting in a young person's drinking decisions. While the influence of family is undeniably important, studies demonstrate that the more common and acceptable young people think drinking is, "both in society as a whole, and among their peers" the more likely they are to drink and drink more.³

#3: The problem is not with consumption but patterns of drinking. Moreover, there is no proven causal link between alcohol advertising and consumption.

1. By focusing on individual or aberrant subgroups, thus minimizing the larger impact that advertising and other forms of marketing have on creating pro-alcohol social norms, the industry sidesteps the uncomfortable problem of reconciling their professed interest in reducing harm with the use of commercial marketing as a means of increasing consumption.
2. To address the alcohol-related health burden, both levels of consumption and patterns of drinking need to be addressed. Despite the industry position that advertising simply affects brand choice and competitiveness, analysis of marketing and advertising campaign documents from the U.K. and elsewhere demonstrate that increasing consumption is another important goal.
3. In the South African context (see Key Industry Data section), where SAB Ltd. operates in nearly monopolistic conditions, it is even more obvious that branding is less about increasing market share and more about increasing consumption levels.
4. The industry lobby repeatedly highlights a few studies, mostly population-wide models that look at aggregate spending (i.e., econometric), in support of their position that advertising does not impact consumption, but rather affects brand choice and brand share in the market. Public health advocates have repeatedly stressed the serious methodological flaws with these studies, and instead point to high-quality studies with actual people and their behavior over time (i.e., longitudinal), which have demonstrated a small but significant impact of advertising on consumption.
5. More specifically, these studies have shown that young people exposed to advertising begin drinking earlier while those who are already drinking will consume more.⁴
6. Despite a professed interest in changing unhealthy drinking patterns, the industry has accelerated its research into effective manufacture, marketing, and distribution in lower income countries.
7. It is not in the industry's interests to change the patterns of drinking.

#4: Public / private partnerships should and can influence the development of alcohol policy.

1. Industry pursues partnerships through lobby organizations designed to represent their interests and to influence alcohol policy development.
2. These advocacy organizations believe they have an equal right to sit at the table in policy negotiations, but they represent industry, which is profit driven, and are not public health or scientific bodies whose sole interest is the public good.
3. There is ample evidence that industry uses partnerships with NGOs and governments as a means to influence how alcohol is perceived and alcohol policy is formulated.
4. The industry actively pursues the dissemination of its agenda through “stakeholder marketing,” including media advocacy, public relations, and information dissemination, nominating representatives to sit on government bodies or on research review committees.⁵
5. Industry lobby organizations routinely distort the evidence base on effective harm reduction in favor of their own agenda.
6. Currently, SAB Ltd. continues to attempt to establish stakeholder meetings with government ministries and NGOs. It is imperative to critically interrogate the implications of these kinds of meetings and alliances.

#5: Better self-regulatory mechanisms are the best way to manage any negative consequences of alcohol advertising.

1. While industry claims that self-regulation is the fastest, cheapest, and most flexible way to restrict alcohol advertising, the standards bodies (such as the Advertising Standards Authority) have a poor record of self-policing.
2. A study conducted in Brazil, for example, found that of the top beer commercials on television at the time all violated the voluntary codes, and precisely in ways that would make the advertisements most appealing to youth.⁶
3. Industry self-regulation is voluntary, and even if companies agree to abide by the codes, the penalties for violation have minimal impact and are hardly a disincentive for pushing the boundaries again in the future.

For more information on this topic see Problems with Self-Regulation.

2 Jernigan 2009, 11

3 Hastings & Angus 2009

4 Anderson et al. 2009, Smith & Foxcroft 2009

5 Babor 2008, 42

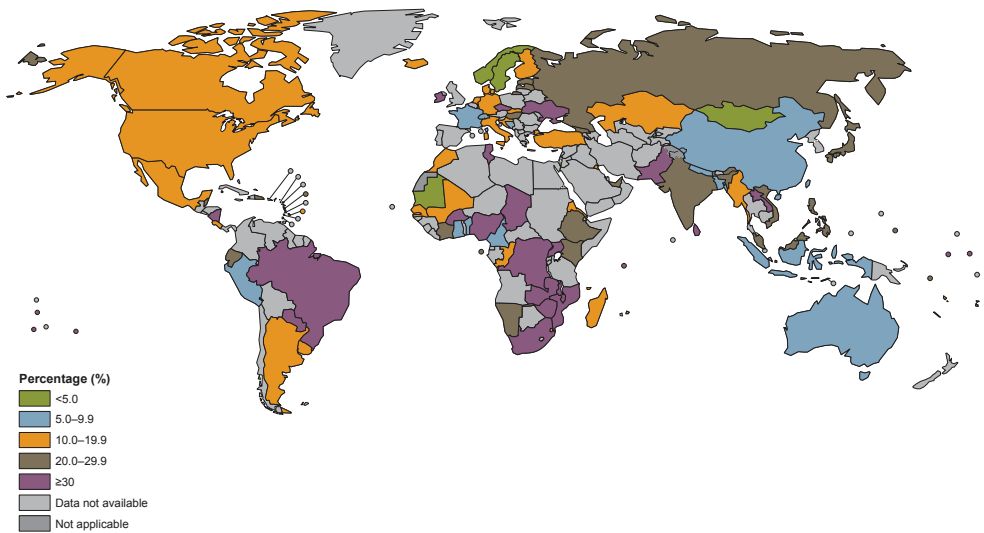
6 Pinsky et al. 2010

IMPACTS OF ALCOHOL IN SOUTH AFRICA

Drinking patterns

It is notoriously difficult to get accurate estimates of consumption levels in South Africa due to the prevalence of unrecorded home-brewed beer or alcohol consumed in unlicensed establishments. According to the World Health Organization's (WHO) most recent global status report on alcohol and health, from 2003–2005 the average per capita consumption of alcohol (in litres of pure alcohol) in South Africa was 7.0 (recorded) and 2.5 (unrecorded). The total of 9.5 is substantially higher than the total for the WHO Africa region as a whole at 6.2 litres.⁷ South African public health research has put the combined number much higher, at 15–20 litres per drinker per year.⁸ To put the cumulative impact of these figures into perspective, nearly one in four adult males and one in ten adult females in South Africa will experience symptoms of alcohol problems.⁹

Figure One: Prevalence of heavy episodic drinking among past-year male drinkers, 2004^a



a Best estimates for 2004 based on surveys carried out within the time period 1997 – 2009.

Source: WHO 2010

General statistics only tell part of the story. Actually, alcohol has a wide number of impacts that need to be considered when telling the story of its effect on South African society. See box one for a brief overview of some salient research on the various impacts of alcohol on South African public health.

BOX ONE

Mortuary statistics (2002) In Cape Town, Durban, Gauteng, and Port Elizabeth (PE), 45% of all non-natural deaths had blood alcohol concentrations (BACs) greater than or equal to 0.05g/100ml (Durban: 37%, Gauteng: 40%, Cape Town 53%, PE: 61%). The national figure was 46%. Levels of alcohol were particularly high for transport-related deaths and homicides, with 63% of transport-related deaths and 69% of homicides in PE, for example, having levels above the legal limit for driving (0.05g/100ml).

Trauma unit statistics (2001) In Cape Town, Durban, and PE, 39% of trauma patients had breath alcohol concentrations (BrACs) greater than or equal to 0.05g/100ml (Durban: 22%, Cape Town 36%, PE: 57%). Levels of alcohol were particularly high for transport- and violence-related injuries with, for example, 73% of patients with violence-related injuries in PE and 46% of patients with transport-related injuries in Cape Town having levels above the legal limit for driving (0.05g/100ml).

Demand for specialist treatment services (2003) Of 5886 persons treated at 52 specialist substance abuse treatment centres in Cape Town, Durban, Gauteng, Mpumalanga, and PE in the first half of 2003, 52% reported having alcohol as their primary drug of abuse, with a further 13% having alcohol as a secondary drug of abuse.

Alcohol and risky sex (2003) Research conducted in Atteridgeville among persons aged 25–44 years found a significant positive association between various measures of alcohol use (past month use, frequency, and problem use) and having multiple sexual partners or sexual relations that are regretted in the past three months.

Source: Fact sheet: Alcohol use in South Africa

In its most recent Global Status Report on Alcohol and Health, the WHO (2011) mentions South Africa (alongside another BRICS member: Brazil) as one of the few countries characterized by heavy episodic drinking, which is defined by the WHO as drinking at least sixty grams of alcohol on at least one occasion in the past seven days. Soul City defines heavy episodic drinking as two units for a woman or four for a man per day. Using their “patterns of drinking score,” the WHO lists South Africa among the small number of countries in the world where the most risky drinking patterns prevail.

Hazardous drinking patterns that characterize South African alcohol consumption include drinking first thing in the morning, drinking to intoxication, and drinking frequently apart from meals. For example, almost one in four high school students report past month heavy episodic (i.e., binge) drinking.¹⁰

Table One: Alcohol consumption risk status (binge drinking) by geolocality, province, race, formal education and sex

	1998 DHS <i>Risky drinking weekends from current drinkers (15 yrs & above)</i>		2005 SABSSM II <i>Past month binge drinking = overall (from current drinkers) (15 yrs & above)</i>		2003 WHS <i>Past week binge drinking (18 yrs & above)</i>	
	Men	Women	Men	Women	Men & Women	
Urban	29.8	29.0	16.8 (37.2)	4.2 (19.1)	12.2	
Rural	37.9	39.0	10.5 (34.4)	2.0 (26.0)	8.5	
Province						
Western Cape	33.2	29.6	24.0 (39.7)	9.5 (24.3)		
Eastern Cape	30.9	33.0	7.1 (28.6)	1.9 (19.3)		
Northern Cape	36.7	47.6	11.9 (25.6)	5.2 (25.8)		
Free State	27.2	29.4	14.9 (43.7)	2.1 (21.5)		
KwaZulu-Natal	31.2	36.2	13.6 (41.7)	1.7 (18.6)		
North-West	42.2	42.1	20.4 (49.8)	4.6 (30.7)		
Gauteng	23.3	21.9	16.0 (32.1)	4.4 (17.7)		
Mpumalanga	48.5	46.5	9.6 (27.7)	1.2 (8.0)		
Limpopo	40.6	45.4	8.4 (29.5)	0.9 (18.1)		
Race						
Black African	35.6	41.9	12.9 (41.0)	1.9 (24.0)		
Coloured	39.0	34.0	22.7 (41.3)	9.8 (32.7)		
White	17.6	13.7	16.1 (24.5)	6.5 (12.7)		
Indian/Asian	5.5	0.0	6.7 (17.7)	0.9 (7.4)		
Education						
No education						
Sub A-Std 3	36.0	38.2	15.5 (38.0)	3.4 (25.6)		
Std 4-Std 5	40.2	44.7	18.4 (42.0)	4.2 (40.3)		
Std 6- Std 9	43.0	44.9	11.4 (38.4)	3.6 (29.7)		
Std 10	23.4	23.4	18.8 (39.0)	3.9 (17.3)		
Higher	23.5	12.7	16.1 (29.4)	4.4 (12.4)		

I = defined for males as drinking 5 or more drinks and women 3 or more drinks per day

Source: Peltzer and Ramlagan, 2009

Violence

These patterns of drinking are closely associated with the highest rates of harm and violence.

Male-on-male violence

Some studies have found larger effects of alcohol on aggression in men than in women, which is one reason why the vast majority of crimes, including alcohol-related offences, are committed by men. The research literature posits several important effects of alcohol on the escalation of aggression and lack of concern over its consequences. One very interesting study showed that young men have increasing themes of power and violence in their fantasies as they consume more alcohol.

In 1996, a survey of male prisoners in South Africa found that 42.2% of respondents reported having been drinking prior to or at the time they committed their offence.¹¹ Whether or not this can be directly linked to social factors, subcultural norms, or biological causes, men are both responsible for a disproportionate share of crime and are the heaviest drinkers.¹²



Scene from *Soul City* series 10

Women and sexual violence

Alcohol has been linked to issues of power and dominance, notably male violence toward female partners. Attitudes and expectations, which are informed by social norms, appear to be important factors in predicting violence after drinking, including expectancies around sexuality (e.g., violence against a woman who drinks may be justified because of the stereotype that women who drink invite sex).

General social norms

Social norms that have been found to correlate to an increased risk of violence are the belief that drinking is a “time out” from normal behavior and a willingness to hold a person less responsible for their actions when drinking.¹³

The costs of this link between heavy drinking and violence are far-reaching:

- Economic costs (e.g., property damage, lost worker productivity, etc.)
- Various forms of stress on families (e.g., impacts of incarceration, forcing children into the labor market prematurely due to parental unemployment, etc.),
- Health costs (e.g., HIV infections, unwanted pregnancies from forced sex, etc.)

- Reputational costs (e.g., adding to the perception of South Africa's "culture of violence")
- Social and human costs such as the psychological impacts on individuals and communities

For a more detailed discussion of the economic costs of alcohol-related harm see the section Positive Industry Impacts versus Public Health Costs section.

Why South Africans drink

There are many different reasons why people drink. Research shows that some people consume alcohol to relax, to overcome shyness, as a part of social rituals, and so forth, but there are also distinct cultural and national phenomena that need to be accounted for in order to understand different drinking patterns. The impacts of alcohol-related harm in South Africa do not discriminate based on race, yet given the complex social legacy of apartheid, there is an indisputable racial and spatial dimension to the current patterns of consumption (see table one for a breakdown of heavy episodic drinking by region and race).¹⁴

History¹⁵

South Africa has a long history with alcohol, and as with most other sub-Saharan cultures, the majority of this history was relatively peaceful. When sorghum based and other nutritious "cloudy beers" were the only alcohol available, consumption occurred around communal gatherings in prescribed contexts. The introduction of Europeanized alcoholic beverages is inextricable from the development of a highly racialized and Social Darwinist discourse, whereby black bodies were constituted as other than white bodies (e.g., blacks are biologically more susceptible to alcohol and morally lax, thus less adept at impulse control) which justified and substantiated using alcohol as a means of exerting social control.

Legacy of apartheid

The complex relationship of Social Darwinism and the paternalism of the apartheid state meant that different races were conceived as having different abilities to "handle" alcohol and different resources were allocated to problem drinkers: whites received ample treatment for alcohol abuse, coloureds received some assistance and Africans none at all. The use of alcohol as remuneration on the wine farms (the 'tot' system) and the bars sponsored by the mines contributed to the increasing consumption of alcohol, eroding communal drinking habits and helping to create cultures of heavy drinking. In the 1970s, with increasing stratification among the black community, consumption of spirits became constituted as a privilege and a way to demonstrate upward mobility. Alcohol marketing has always differentiated parts of the population, targeting the "African market" in particular ways.

Alcohol producers were never afraid of targeting black consumers, while at the same time they created campaigns to normalize women's drinking and to play on traditional ideas of alcohol as a symbol of male sociability. With the rapid increase of exposure to marketing in the 80s, alcohol producers adroitly played on themes of masculinity, heritage, and culture in order to capitalize on increasing consumer demand. At the same time, these advertisements reinforced and helped to construct the connection of drinking to masculine prowess, sexual control, nation building, identity, and belonging.

The new South Africa: The emerging middle class

With the rise of a newly democratic South Africa, alcohol marketing continues to target different demographics with separate campaigns. The members of the emerging African middle class are constructed as conspicuous consumers and are now targeted by aspirational campaigns explicitly linking higher social status with consumption. The increasing sophistication of marketing messaging has led to the creation of drinking cultures that are driven by structural and cultural norms that posit alcohol as a way to establish one's identity. Common markers for this include the significance attached to:

- whether one drinks "green bottle" versus "brown bottle" beer
- blue label whiskey
- norms of strength and masculinity attached to what one drinks
- ideas of "modern" women and femininity

In short, advertising associates alcohol brands with cosmopolitan values, which are often divorced from the local context.

New types of alcohol beverages

In addition, alcohol producers are constantly introducing stronger drinks, including the category of flavored alcoholic beverages (FABs), or ready-to-drink beverages (RTDs), which use soda or fruit juice to mask the strength of the alcohol and to appeal to younger consumers. As modern alcohol producers utilize their international supply chains and global advertising firms to promote and distribute a wide array of alcoholic beverages, South Africans are participating in a globalized drinking culture, where alcohol is naturalized as an integral part of having fun, relaxing, socializing, and impressing one's peers.

Case study: Flavored Alcoholic Beverages

Ready-to-drink beverages (or RTDs) are alcohol products that are usually sweet, and may combine soda or fruit juice with alcohol (in effect including the mixer in the drink). Ciders are often included in this category, which are also known as "alcopops" or flavored alcoholic beverages (FABs).

Research shows that RTDs are marketed in ways that are particularly appealing to young people and that RTDs are very popular with girls and young women. Advertising campaigns for RTDs often circulate images of women as flirtatious, sexually open, fun-loving, and ready for adventure.

RTDs often have higher alcohol content (5–12%) than beer (usually 4–6%) and are explicitly designed to help bring young people to inebriation.

Other products designed to appeal to youth include shots and "shooters" (alcoholic mixed drinks that contain between 25ml and 100ml of two or more spirits). With their high alcohol content by volume, they are explicitly designed to cause inebriation quickly. In fact, internal brand positioning documents from the U.K. refer to a shot brand called Sidekick being used to "crank up the evening, accelerate the process of getting drunk with less liquid."

Source: Casswell 2004, Hastings 2009, 17

Rural and township communities

Looking beyond the middle class, the destructive drinking patterns in village shebeens can be seen as a response to the hopelessness of contemporary rural life. Some South Africans living in rural communities may still drink in traditional patterns, but more likely (according to the data) they are spending a disproportionately large amount of their incomes (sometimes sacrificing basic necessities) (see table two) on alcohol. In the urban environments, new arrivals to Johannesburg who move to the township of Alex may drink to overcome the isolation of the city, or to cope with the extreme violence that characterizes many of the poorer South African communities.

Recently two development economists, Esther Duflo and Abhijit Banerjee, studied data from the World Bank and Rand Corporation to look for spending trends among the world's poorest inhabitants. They found that the poorest South Africans (both rural and urban) spend more of their income on alcohol than education, health, and entertainment combined.

Table Two: The Economic Lives of the Poor

	As a Share of Total Consumption						%HHs with any Festival Expenditure
	Food	Alcohol	Education	Health	Entertainment	Festivals	
Living on less than \$1 a day							
Rural	71.5%	2.5%	0.8%	0.0%	0.1%	3.2%	90.3%
Urban	57.9%	5.0%	1.2%	0.0%	0.1%	4.2%	92.2%
Living on less than \$2 a day							
Rural	67.4%	3.4%	1.0%	0.1%	0.3%	3.1%	91.0%
Urban	56.9%	5.1%	0.9%	0.2%	0.3%	2.9%	89.4%

Source: Banerjee and Duflo 2006

As income levels rise, these large corporations become ever more vigilant about expanding their market share by attracting new drinkers, or attracting current drinkers to higher-end products. From a business perspective this is perfectly rational, yet set in the reality of increasing income disparity, unequal access to health and educational resources, and a “culture of violence,” the ubiquitous association of drinking with positive lifestyle aspirations, national identification, and gender norms needs to be unpacked.

Regardless of the demonstrated negative consequences of this kind of alcohol consumption, and in spite of their social consciousness and community development rhetoric, the alcohol producers continue to promote their products as a part of the “good life.” Many South Africans drink to become a part of what might best be called an imagined community, often very far removed from their own circumstances. When this is paired with that fact that South African drinkers’ consumption patterns are among the most risky in the world, the picture becomes even more concerning.

7 WHO 2011

8 Parry 2005

9 Parry et al. 2005

10 Reddy et al., 2003. There is no internationally recognized definition of *binge drinking* and many public health advocates prefer the more descriptive term *heavy episodic drinking* instead.

11 Peltzer and Ramlagan 2009, 5

12 Martin 2001, 143-144

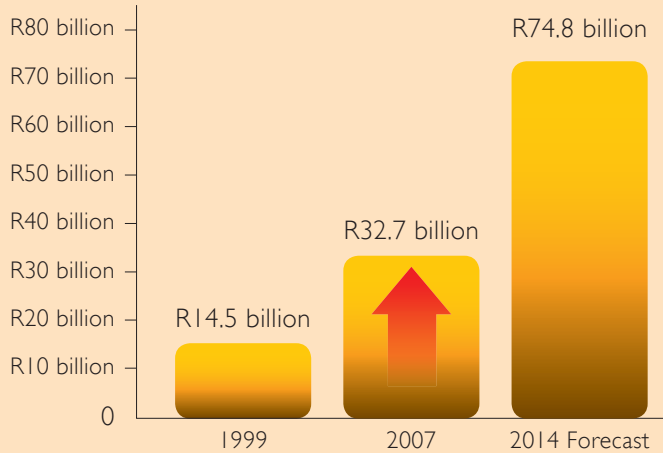
13 Martin 2001, 146

14 It is worth noting that according to the 1998 South African Demographic and Health Survey, of all racial groups, white men were most likely (71%) to be current drinkers (Department of Trade and Industry 2009, 48)

15 Mager 2004

KEY INDUSTRY DATA

Figure Two: Liquor Industry Sales Value Growth



Source: Research Report on the liquor industry, *Who owns Whom, 2010*

In their recent overview of the alcohol industry in South Africa, the research firm Datamonitor (2010) forecasts that in 2014, the South African alcoholic drinks market will have a value of USD\$10,691.9 million, representing a 13.2% increase since 2009. In 2003, beer accounted for approximately 55% of the total alcoholic beverages market. Spirits and wine accounted for the remainder.¹⁶ The total spend on advertising in 2009 was R364 million for SAB, R305.2 million for Distell, and R337 million for Brandhouse.

In South Africa, the wine industry includes not only natural wine, fortified wine, and sparkling wine, but also wine distilled into brandy and other spirits. In 2008, the total turnover of the wine alcohol industry was R19.2 billion. Between 2003 and 2008, total turnover grew by 79%. Unlike other sectors of the alcohol industry, much of this revenue was generated from international sales (R6.3 billion in 2008).¹⁷

Currently, SAB Ltd. has the largest share of the South African alcoholic drinks market, with roughly two-thirds of the total volume sales. The next largest player is United National Breweries, which controls the sorghum beer market and its Country Blue and Elephant dark beer brands. The Distell Group is the third largest company, with its dominance of the cider and wine markets. The fourth place is held by Brandhouse Beverages (Pty) Ltd, which, as well as producing spirits, competes directly with SAB Ltd. in the premium beer markets.¹⁸

SABMiller, the world's second largest beer brewer, operates on six continents and is listed on both the London and Johannesburg stock exchanges. SAB Ltd. is a subsidiary of SABMiller. SAB Ltd. operates forty-two depots in South Africa, and sells a variety of premium international lagers (i.e., Grolsch, Miller Genuine Draft, Peroni Nastro Azzurro, and Pilsner Urquell), locally oriented beers (i.e., Castle, Carling Black Label, and Miller Lite), and Castle Milk Stout. In fiscal year 2009, South Africa accounted for 18.5% of the total revenues for SABMiller.¹⁹

South Africa is an important market because it represents almost a third of Africa's total beer consumption. **From January to August 2010, SABMiller averaged the third largest advertising expenditure of all companies in South Africa.** In the period of January to December 2009, it was number six.²⁰ As a part of the company's acknowledged growth strategy, SABMiller aims to reduce the price of clear ale to make it more readily affordable to more consumers in Africa.²¹ Despite the market strength of beer, the alcoholic beverages in the South African market that have the most growth potential is for RTDs and FABs, which, in 2009, generated total revenues of USD\$4.3 billion. This is equivalent to 45.5% of the market's overall value.²²

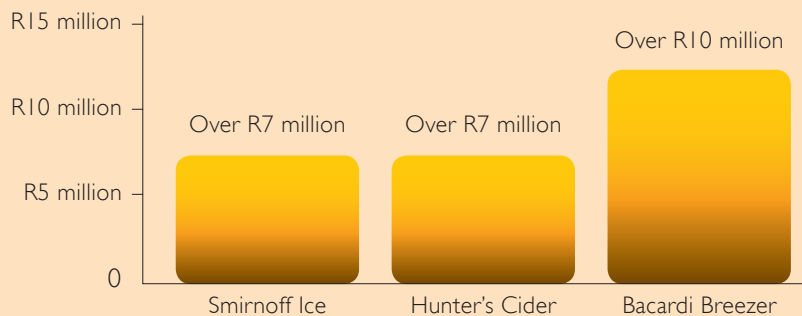
BOX TWO

According to a November 18, 2010 press release from the SAB Ltd. Web site (accessed March 22, 2011), in the six-month period ending September 30, 2010, SAB Ltd. revenue grew 19% to US\$2.432-billion in the review period, from \$2.051-billion previously (or 8% on a constant currency basis).

According to the company's own estimates, SAB Ltd. spent nearly R40 million (approximately USD\$579,071) in 2010 on social responsibility campaigns.

Using "back of the envelope" calculations, this amounts to little more than one percent of SAB's total profit during the same period.

Figure Three: Liquor Brand Advertising Budgets in 2010



Source: SA Food Review 2002

Some relevant alcohol consumption figures

For their recent analysis of drinking trends in South Africa, Karl Peltzer and Shandir Ramlagan (2009) reviewed several epidemiological surveys to determine patterns. See table one for a detailed breakdown of heavy episodic drinkers.

Table Three: Percentage of males and females (aged 15 years or older) reporting lifetime and current use of alcohol

Background Characteristics	Ever drunk alcohol		Drink now (Current Drinking)	
	Males	Females	Males	Females
Age				
15-24	35.5	15.9	23.5	8.5
25-34	65.7	24.5	51.8	15.6
35-44	71.8	29.4	61.1	21.0
45-54	72.8	31.6	60.1	23.5
55-64	67.2	29.8	54.2	20.4
65+	65.3	33.4	45.8	20.3
Geographic Setting				
Urban	59.9	29.2	46.7	19.2
Non-urban	55.0	20.1	41.4	13.2
Province				
Western Cape	61.4	40.1	43.6	24.2
Eastern Cape	60.2	22.3	47.5	16.2
Northern Cape	63.4	34.3	48.5	23.1
Free State	66.4	31.6	56.2	24.5
KwaZulu-Natal	54.4	17.9	39.8	11.5
North West	57.5	23.7	46.6	17.0
Gauteng	59.1	32.4	49.7	20.6
Mpumalanga	62.1	21.0	45.9	14.2
Northern	45.1	15.7	28.3	8.6
Education				
No Education	70.3	33.5	54.6	22.9
Gr. 1 - Gr. 5	63.2	24.2	50.7	16.3
Gr. 6 - Gr. 7	55.2	20.5	42.0	13.2
Gr. 8 - Gr. 11	51.2	20.7	39.6	12.7
Gr. 12	59.6	28.8	46.7	18.5
Higher	70.4	45.7	57.8	33.4
Population Group				
African	53.4	18.8	41.5	12.3
Afr: Urban	54.1	19.9	43.6	12.8
Afr: Non urban	52.4	17.6	38.8	11.8
Coloured	63.6	40.4	44.8	23.2
White	84.9	69.8	71.4	50.5
Asian	64.6	14.7	37.4	9.0
Total	58.1	25.7	44.7	16.9

Source: Freeman and Parry 2006, 7.

16 Department of Trade and Industry 2009

17 Who Owns Whom 2010

18 Ibid

19 Ibid

20 AIS/ADEX The Nielsen Company 2010

21 Who Owns Whom 2010

22 Datamonitor 2010

WHAT IS THE PROBLEM WITH ALCOHOL MARKETING?

Marketing takes place within a full range of environmental influences on behavior, and operates synergistically with other elements, including pricing and availability. In many countries, including South Africa, exposure to alcohol advertising has increased substantially over the past twenty years. In developing countries, this exposure is often augmented through internet access and satellite television. The full range of marketing and promotional activities goes beyond mass media to include so-called below-the-line activities, such as sports sponsorship, social media sites, and so forth. While current data are unavailable, figures from the late 90s show that alcohol producers spend the majority of their budgets on below-the-line activities.²³ Increasingly advertisers and marketers rely on complex branding activities that take place in quite diverse contexts and across a wide number of channels.

As mentioned previously, alcohol producers insist that advertising and other marketing activities are used solely as a means of influence over brand choice and increasing brand share. Recent analysis of internal industry documents in the U.K. demonstrates that this is patently not the case. Not only does advertising aim to increase consumption, but companies use market research to reach population segments who have traditionally been low alcohol consumers (e.g., young women, traditional communities in developing countries) through products like FABs and RTDs. The problem becomes worse when you note that, overall, the alcoholic content of their products has increased in strength over the past two decades.²⁴



Case study: The dark side of market research

As a part of its 2009 investigation of the conduct of the U.K. alcohol industry, the House of Commons Health Select Committee obtained access to internal marketing documents from both producers and advertisers. They reveal that alcohol producers know exactly how their customers drink and, if anything, are interested in finding ways of exploiting irresponsible consumption. Some troubling findings include:

- Research data on fifteen and sixteen year olds is used to guide campaign development and deployment
- The acknowledgement that certain products appeal to children
- Producers focus on increasing category sales and consumption, which directly contradicts industry claims that advertising impacts brand choice and market share only
- Industry intends to by-pass voluntary industry codes using social media by explicitly capitalizing on the fact that posted messages appear to come from friends rather than industry representatives
- Advertisements draw on themes of drunkenness, sex, and social success

Source: Hastings 2009

Branding

As societies become less focused on the production of goods and services, and more focused on consumption, identities—particularly for the young—are formed through brand choice and loyalty. New marketing methods and the creation of compelling “brand capital”—through which consumers establish meaning and become emotionally tied to a particularly brand—serve an extremely important function for producers: to encourage and maintain new cohorts of drinkers.²⁵ This brand capital uses different seductive imagery, like national pride and sportsmanship, affluence, and attractive models to create the illusion that consumers belong to social worlds, often dramatically removed from their actual lived realities. Moreover, alcohol producers know how to exploit these fantasies using targeted cultural messaging and are keenly aware of the socioeconomic and spatial dimensions of their target audiences. *In a newly democratic society, it is important to ask how mechanisms of commercial marketing reinforce social and class divisions.*

Advertising saturation, and the types of campaigns used, are very different in Johannesburg’s northern suburbs than in Alex. In the wealthier areas of the city, such as Rosebank, you are likely to find the majority of advertisements using seductive lifestyle imagery to promote their products, while in Alex nearly all of the advertising is oriented around price promotion. Though the two communities are in close physical proximity, from a marketing perspective they are approached completely differently.

Role of multinational alcohol producers in Africa: The importance of emerging markets

As alcohol consumption in the developed world plateaus and alcohol production becomes increasingly consolidated in the hands of a few multinational companies, emerging markets become an increasingly important source for new revenue. Unfortunately, many of the issues that typify the societies of sub-Saharan Africa (e.g., high income inequality, rapid urbanization, high rates of infectious disease, poor nutrition) result in impacts of drinking on African populations that are disproportionately negative. Perhaps more importantly for South Africa, multinational alcohol companies—with their overseas headquarters and access to international media and advertising firms—have immense resources for changing attitudes and norms. As some researchers have noted, one negative consequence of the globalization of the alcohol industry is the convergence of drinking patterns, and “not necessarily ... to the most favorable patterns of regular light to moderate drinking predominantly with meals.”²⁶ As economies advance, their aggregate levels of alcohol consumption tend to increase. This means more potential profit for alcohol producers, but research demonstrates that increases in population-wide consumption translate into increasing alcohol-related harm.

Focus on the poor

SAB has actively pursued the so-called bottom-of-the-pyramid (BOP) consumers in Africa. The BOP consumers are those who are the poorest of the poor, often living on less than USD\$2/day. In a statement from the 1990s, SAB Ltd.'s then General Director noted that there are nearly 400 million consumers in Africa in this category. BOP strategies are often discussed in terms of their positive development impacts (the case of SABMiller's promotion of commercially produced Eagle “cloudy beer” in Zambia, and the support and praise the project has received from participating international NGOs, like CARE, is a good example).

On the other hand, given the analysis conducted by Banerjee and Dufflo (see table two), it is obvious that the poorest South Africans already spend a surprisingly large percentage of their income on alcohol. Some critics of BOP strategies see this as yet another example of the reach for profits in emerging markets, without a comprehensive concern for or analysis of the costs. Moreover, proponents of BOP strategies often romanticize these social entrepreneurship projects as means of creating income without state intervention. As mentioned before, alcohol is not a typical commodity, and these kinds of projects can result in too little regulatory, legal, and social protections for the poor.

Case study: The fight for township markets

According to a rare ethnographic participant observer research study conducted by a masters student in industrial sociology from the University of Witwatersrand, two of the biggest alcohol brands in South Africa—SAB Ltd. and Brandhouse—compete intensively for customer attention in the Johannesburg township of Soweto through below-the-line tactics. According to her research, both companies pursue aggressive promotions and competitions to attract market share. The shebeen owners appreciate the promotions, through which customers can receive a wide variety of products provided by the alcohol company (e.g., music, T-shirts, key rings, cooler bags, etc.), because they increase business and the participants—many of whom are poor—presumably enjoy the festivity and free goods.

In 2010, the two companies participated in a highly publicized brawl, with complaints lodged by both Brandhouse and SAB Ltd. toward the other with ASA. The conflicts arose over bottling and crating issues involving brands oriented toward the market for 750ml beer bottles, which are prevalent in the townships. These contentious disagreements demonstrate how important low-income consumers are for these companies, and is another example of the lengths they go to in order to compete for this market.

Source: Tsoue 2009

Focus on youth

In many of these debates, the health promotion community focuses their concern on youth. There are several reasons for this, including the significant fact for South Africa that youth constitute the largest section of the population. As of 2008, the population of youth under age twenty was 20.8 million, comprising 42.7 percent of the total population. If the age group of twenty to twenty-four is included, the total percentage comes closer to 53 percent.²⁷ Other compelling reasons include the demonstrated impacts of alcohol advertising on youth drinking, and the fact that young people are an important target market for alcohol producers looking to recruit a new generation of customers loyal to their brands.

The concern and emphasis on the impact of alcohol marketing on young people also reflects a further variety of issues noted in the research literature:

- Young people are uniquely susceptible to the negative physical, psychological, and social impacts of alcohol consumption.²⁸
- Evidence from the U.K. suggests that the burden of alcohol-related morbidity and mortality is shifting to younger age groups.²⁹ Moreover, there is an indication, born out by analysis of South African data, that young people are increasingly drinking in heavy episodic or other risky patterns.³⁰
- Evidence shows (albeit from the U.S.) that young people are more exposed to alcohol marketing than any other age group.³¹

- Furthermore, some have suggested that young people in developing contexts are vulnerable, because in more traditional, patriarchal societies, access to alcohol was typically reserved for mature males. As youth become emancipated from these older systems, the age of initiating drinking tends to fall.³²
- A well-know normative sector dynamic exists, whereby as old consumers exit, they are replaced by young drinkers.³³
- Young people are more likely to continue to increase their drinking into their twenties in markets with greater overall exposure to alcohol advertising than in markets with less exposure.³⁴
- Marketing often uses subtle messaging strategies that are particularly appealing to young people (e.g., textual strategies of irony, pastiche, parody and playfulness).³⁵

In case there is any doubt about whether South African producers are targeting young people—though not obviously underage youth—one need only read local trade literature. According to a 2002 SA Food Review article discussing the decline in brandy sales, the highest per capita consumption has traditionally been among young people, aged 18–30. The author goes on to discuss how the “explosion of spirit coolers” has pulled a significant number of consumers in the 18–25 category. He explains how one brand, Klipdrift, created an advertising campaign specifically aimed at “younger generations.” Another—Viceroy—has positioned itself as youthful and sexy, with messages oriented around its mixer qualities, in order to pull in the “largest sector of the market—the younger, urban, black population.”

Focus on adults

There is a real lack of research on the impacts of alcohol advertising and marketing on older adult consumers. This is unfortunate, since the work that does exist raises some important issues to consider:

- Older adults serve as role models for younger people and can play a pivotal role in helping to counter pro-alcohol social norms.
- The focus on youth belies the fact that while older drinkers often drink less, this is certainly not always the case. Recent research conducted in the U.S. found that older adults (60+) who were alcohol dependent a) drank more and b) were more prone to binge drinking than their younger counterparts.³⁶
- Many forms of marketing, including sponsorship, target drinkers during a drinking situation, which is aimed at existing drinkers.



Actors in a scene from Soul City Series 10

- “Alcohol attention bias” among dependent or heavy drinkers raises the concern that adults who are currently heavy drinkers may pay more attention to alcohol advertising, and consume more, than those who drink less or not at all.
- Familiarity of alcohol marketing through repeat exposure diminishes the ability of both children and adults to fully evaluate marketing.³⁷

It is difficult to establish with authority how and to what degree marketing reinforces consumption among adult drinkers, but the concerns listed above emphasize the importance of taking marketing of alcohol to older adults seriously, especially in South Africa, where sizeable percentages of all age groups drink in ways that are hazardous or harmful (see table four, which lists data from three major South African surveys).

Table Four: Alcohol consumption risk status (hazardous or harmful drinking) by age and sex in percent

	1998 (DHS)		2005 (SABSSM II)		Educators 2004	
	CAGE ¹		AUDIT		AUDIT ⁴	
	Men	Women	Men	Women	Men	Women
15-19			0.5 ² (4.8) ³	0.2 ² (1.3) ³		
15-24	17.3	5.8	0.9 (9.8)	0.6 (2.3)		
20-24			1.5 (16.7)	0.9 (3.3)		
25-34	34.9	9.7	1.7 (17.2)	0.2 (2.1)	16.6	0.9
35-44	37.9	12.1	2.6 (17.3)	0.4 (2.5)	15.9	0.6
45-54	31.2	13.3	0.8 (14.4)	0.4 (2.5)	12.5	0.8
55+64	27.5	9.5	1.0 (13.9)	0.1 (2.0)	9.7	0.1
65+	22.6	12.0	0.2 (3.9)	0.2 (1.6)		
Total	27.6	9.9	1.2 (12.7)	0.4 (2.2)		
	17.2		0.6 (6.2)		5.3	

1 = alcohol dependent: two or more on the CAGE; **2** = probable alcohol dependence: 20 and above on AUDIT; **3** = 8 and above on AUDIT hazardous or harmful drinking; **4** = hazardous and harmful drinking: 8 and above on AUDIT

Source: Peltzer and Ramlagan, 2009

23 Parry 1998

24 WHO 2009, 11

25 Casswell 2004, 472

26 Rehm et al. 2003

27 Department of Trade and Industry 2009

28 World Medical Association 2005; Akinboade & Mokwena 2010

29 Hastings & Angus 2009, 10

30 Peltzer & Ramlagan 2009; Akinboade & Mokwena 2010

31 Jernigan 2010

32 Room et al. 2002

33 Sinclair 2010, 66

34 Meier 2011

35 Kenyon 2006

36 New Medical 2009

37 Meier 2011

INDUSTRY AND ITS LOBBY


The alcohol industry, and SAB Ltd. in particular, often highlights their contribution to the domestic economy and their commitment to consumer education and social responsibility initiatives (consider, for example, a recent empowerment initiative to increase the number of black shareholders). While some of the efforts undoubtedly have a positive impact, it is also the case that the amount spent on “corporate social responsibility” is tiny in comparison to the profit extracted (see box two) or the amount spent on promoting sales of their products. Furthermore, *the promotion of “responsible drinking” can be interpreted as a marketing tool, particularly in societies where drinking regularly is not a part of the traditional culture.*

In the case of SAB Ltd., the company often invokes their South African heritage and commitment to South African social welfare, while at the same time being a part of a large multinational corporation (SABMiller) whose primary accountability is to its shareholders. In effect, the lion’s share of the profit taking extracts value from South Africans for the benefit of non-South Africans and at a very high cost to public health.

The alcohol industry solicits and promotes research and lobbying activities in support of its agenda. Much of this activity occurs through external organizations, the so-called social aspects organizations, funded by industry. In South Africa the Industry Association for Responsible Alcohol Use (ARA), founded in 1989, is the primary voice for industry. There are also powerful social aspects organizations that operate both nationally and internationally, such as the International Center for Alcohol Policy (ICAP) in Washington D.C., which is sponsored by SABMiller.

Organizations, such as ARA and ICAP, manage issues that may be detrimental to industry interests. They explicitly aim to, among other things:

- influence the alcohol policies of governments and NGOs;
- become members of non-alcohol specific organizations and committees to broaden policy influence and industry respectability;
- recruit scientists;
- host conferences;
- promote high-profile publications; and
- prepare and promote consensus statements and codes of practice.³⁸



Their common viewpoints (discussed in detail in the section, Industry Claims) are designed to benefit industry rather than public health.

Much of the research used by these organizations to support their conclusions is “inconsistent with their own data or unwarranted because of faulty survey methodology.”³⁹ Furthermore, industry initiatives in support of their research may influence public perception in such a way as to confuse the debate about the harmful effects of alcohol, delay effective policymaking, or discredit independent scientists.⁴⁰

38 Anderson 2004

39 Babor 2009, 40

40 Ibid

CURRENT REGULATORY FRAMEWORK

Many, if not most, countries in the developed world rely on some form of co-regulation of alcohol advertising, effectively combining legislative controls with industry self-regulation. South Africa's system relies almost exclusively on industry self-regulation. The regulations that we currently have do not regulate adequately.

The Liquor Act

South Africa's national liquor policy is codified in the Liquor Act of 2003 (NO.59 OF 2003). The legislative control of alcohol advertising, mentioned only nominally in the Liquor Act, is so minimal as to almost be nonexistent. The Act deals with a range of issues related to the manufacture, sales, and distribution of alcoholic beverages, but the section of the Act addressing advertising is very thin (see box three).

BOX THREE

Advertising restrictions

9. (1) A person must not advertise –
- (a) any liquor or methylated spirits –
 - (i) in a false or misleading manner;
 - (ii) in a manner intended to target or attract minors; or
 - (b) any substance that is prohibited in terms of this Act.
- (2) A person must not advertise any substance as liquor or methylated spirits if that substance is not liquor or methylated spirits, respectively, as defined in this Act.

Regulatory agency

The regulation and administration of the Act rests with the Office of the National Liquor Authority (NLA) in the Department of Trade and Industry, which is responsible for:

- Registration of macro-manufacturers and distributors of liquor
- Education of all stakeholders
- Inspection services
- Advisory opinions
- Complaint resolution services

To date, no action has been taken against any alcohol advertising campaign in violation of section 9(1)(a)(ii). DTI effectively has no jurisdiction or power to intervene in the affairs of industry, media companies, or entertainment venues that might be advertising to youth.

Self-regulation

The voluntary codes of conduct that the alcohol industry has agreed to abide by in South Africa were created and are administered by the ARA. The codes have been adopted by all the major alcohol producers in South Africa and the Advertising Standards Authority (ASA). They cover a variety of areas, but two of the more significant include:

- The rule that at least 30% percent of the audience is required to be over the legal drinking age (the so-called 70/30 rule)
- A variety of content regulations, assuring that advertisements do not market to youth, do not promote drinking to excess, do not use models that are under 25, et cetera

For a full list of the Codes of Commercial Communication, see References for the Web address.

Problems with self-regulation

1. The codes do not include regulatory requirements for some of the most popular forms of commercial alcohol marketing, including events and sports sponsorship, and the full array of digital media (including social networking Web sites like Twitter, Facebook, etc.)
2. In a comprehensive analysis of the success of American self-regulation conducted by the U.S. Federal Trade Commission in 2008, alcohol producers were found to be mostly in compliance: but the study only examined one code, namely the 70/30 rule. There was no discussion of the content regulations, which make up the vast majority of most self-regulatory systems.

Case study: Soul Buddyz and Hunter's Cider

Soul City recently launched a new series of the Soul Buddyz television program, which is oriented toward young people ages eight to fourteen. Despite the obvious underage youth orientation of the content and audience, an alcohol advertisement for Hunter's cider was run during the airing of one of its weekly episodes.

Continued on next page...

The placement of the Hunter's advertisement during a children's television show is a flagrant violation of the voluntary codes. Again, it is impossible to prove that Distell (the producer of Hunter's cider) specified the placement slot, but given the industry's emphasis on recruiting new and young drinkers, it's hard to avoid speculating that the placement was intentional—not least because ciders (as one of the RTDs) are known to appeal to younger drinkers.

Source: Brain 2000

3. Local public health experts, who have repeatedly challenged and complained about advertisements that violate the codes, have found that the system is slow to respond and often the offending ads are already pulled by the time the complaint arbitration has been settled.
4. In addition, critics of the system note that the third-party adjudicator, who has the final decision-making authority over contentious ads, needs to be free of industry ties.
5. The interpretation of the codes has consistently been shown to depend on whether the reviewer represents industry, the public health community, or the general public. In an Australian study, members of the general public found a large number of advertisements to be in violation of that country's voluntary codes, while the industry review board did not.⁴¹
6. Content analysis from developed contexts has shown that advertisers will employ "plot ambiguity," or integrate elements that are not explicitly prohibited (e.g., humor, irony, animal characters, youth-oriented music, etc.),⁴² which research has shown to hold particular appeal to children and adolescents.⁴³

Case Study: South African Attitudes Towards Alcohol Advertising

The Department of Trade and Industry (2009) commissioned a survey among a representative population sample over a period of three months in 2009. The survey questionnaire covered a wide range of questions to determine the socio-economic impact of liquor advertising. Usable questionnaires were received from 2,375 respondents.

One question asked respondents to answer the question: "Was there anything in the (advertising) message that was unacceptable to you?" 17.3% answered affirmatively, noting as the reason for their negative assessment:

Continued on next page...

- 26.1% answered affirmatively because they thought the product advertised was harmful
- 18.3% because the ad conveyed the message that drinking is fun, “cool,” fashionable, or sociable
- 11.0% because the ad message makes an emotive appeal
- 8.7% because the ad associates drinking with health, social status, success, and performance

According to the survey results, between 51.4 and 73.4 percent of the entire sample argue/strongly argue that advertising in the liquor industry:

- Increases alcohol consumption (55.3%)
- Aims to increase per capita consumption (convince people to drink more than they usually do) (51.4%)

In addition, 20.5 percent of respondents agree/strongly agree with the statement: Regular exposure to alcohol advertising increased my consumption of liquor.

7. The survey results show that a relatively large number of people are offended by alcohol advertising, yet ARA indicates that it receives few complaints (5–10 on average) per year (Joanne Corrigan, email to author on February 22, 2011). Clearly, there is not enough publicity to make the complaints process more visible, or the process is too complex for average South Africans. Either way, it is another example of how the self-regulatory system is ineffective at achieving its goals.

41 Casswell & Maxwell 2005, 348

42 van Zanten 2005

43 Babor et al. 2010; Chen and Grube 2002

REDUCING ALCOHOL CONSUMPTION

Improving self-regulation?

Of course, the industry would prefer to tighten and/or expand its own self-regulatory scheme. Recently, the Beer Institute in the United States—one of the country’s important social aspects organization—announced that they are tightening their advertising and marketing codes for members to include new provisions addressing user-generated content, social media interactions, and placements in unmeasured media. While health promotion advocates would welcome these sorts of reforms of the ARA codes, they would not address the underlying problems with the system.

In a similar vein, the industry draws attention to the number of co-regulatory schemes that exist in developed markets, which are supposed to combine some form of statutory control with self-regulation. *While South Africa could arguably be seen as a co-regulatory environment (with both the Liquor Law and the ARA codes as mechanisms of enforcement), the statutory controls have no “teeth,” which effectively means that the influence devolves to the self-regulatory scheme.* Public health researchers have noted this problem with other co-regulatory schemes.

Bans

Because voluntary bans and self-regulatory codes are unreliable and inherently unstable, statutory bans are an important means of effectively targeting population-wide drinking. Rather than interventions aimed at targeting harmful or irresponsible drinking, these policies affect the entire consumer base. Though there have not been many studies of the effectiveness of bans, certainly not in the developing world, there is some evidence to suggest that bans can be effective when combined with other restrictive measures.⁴⁴ In a recent evaluation of the impact of bans on alcohol advertising drawing on data from twenty countries over twenty-six years, the authors found an effect of decreased consumption. Lessons from the tobacco field further suggest that advertising bans are more effective in developing than developed countries.⁴⁵

Lessons from other countries

Apart from Islamic countries, there are many jurisdictions that prohibit advertising in specific media or for specific beverages. Austria, for example, prohibits spirits advertising on television and radio, as well as advertising and infomercials for alcohol on cable and satellite. Some eastern European countries and several Scandinavian countries prohibit spirits advertising or all alcohol advertising in most media, though recently some of these countries (Norway, for example) have been forced to allow advertising of imported

television programming by the European Union courts. France's nearly comprehensive ban on alcohol advertising is often cited, in part because it has been maintained despite numerous challenges.⁴⁶

France

In 1991, France enacted the Loi Evin,⁴⁷ which nearly entirely banned alcohol advertising from broadcast media and sports sponsorship. Loi Evin has also forced changes in advertising content, as well. It is now no longer acceptable to target young people, include images of drinkers or to depict a drinking atmosphere—only the product itself can be featured. In 2008, the Loi was amended to include restrictions on advertising on the Internet, and in newspaper and magazine editorials. There are serious financial penalties for infringing the Loi.

Unfortunately, no baseline assessment was undertaken before the Loi was implemented, so it is impossible with any authority to demonstrate its impact on reducing consumption among the other confounding variables at play. Despite the impossibility of evaluating the quantitative impacts of this Loi, its symbolic import is worth noting. French health advocates point out that the Loi has successfully changed preconceived notions around the normalization of consumption, and the ubiquity of seductive advertising language that associates drinking with personal, sexual, and social success. The Loi has been repeatedly attacked, but upheld, in the European courts.⁴⁸

The African perspective

In its formulation of a global strategy to reduce harmful use of alcohol, the WHO conducted a consultation with African stakeholders. In its report, the group found that industry self-regulation is not an effective strategy, and generally agreed to support a total ban on advertising.⁴⁹ The South African alcohol industry resists bans at all costs, because reduced consumption would mean reduced profit. Of course, the industry claims that its net contribution to the South Africa economy is so great that any move with negative consequences for their bottom line would also be a negative for the development of the economy.

Table Five: South African Attitudes Toward Bans

Effectiveness of Advertising Restrictions	Agree/ Strongly Agree (%)
I think people will drink less if there are fewer liquor advertisements	40.7
Prohibiting liquor advertising will ensure responsible liquor consumption	36.4
Prohibiting liquor advertising will reduce liquor consumption	37.0
Prohibiting liquor advertising will ensure a lower incidence of underage drinking	43.9
Prohibiting liquor advertising will convince young people not to drink	32.9
Prohibiting liquor advertising will encourage alcoholics to drink less	32.3

It is clear from the above tabulated summary that between 32.3 and 40.7 percent of the respondents viewed restrictions/banning of liquor advertisements as effective.

Source: Department of Trade & Industry 2009

WHO Global Strategy to Reduce the Harmful Use of Alcohol

In 2010, the WHO ratified a global strategy to reduce the harmful use of alcohol. The WHO recommends:

- Regulation of the content and volume of marketing
- Regulation of direct and indirect marketing in certain or all media
- Regulation of sponsorship
- Restricting or banning promotions in connection with activities that target young people
- Regulating new forms of alcohol marketing techniques (e.g., social media)⁵⁰

These recommendations highlight the importance of statutory regulation, and effectively refute the industry position that self-regulatory schemes are sufficient to protect the public.

While further restrictions or bans on alcohol marketing are potentially positive steps forward, on their own they will not solve the problems associated with alcohol-related harm in South Africa. A number of other policy changes need to be considered, including:

- Improving the enforcement of existing legislation/regulations (e.g., minimum purchase age, drinking and driving regulations, and retail sector regulations & legal requirements)
- Continuing to increase alcohol excise taxes (including sorghum beer)
- Rolling out more active forms of counter-advertising from sources other than the liquor industry
- Encouraging community mobilization around alcohol abuse
- Implementing brief interventions and other forms of treatment for high risk and hazardous drinkers
- Implementing graduated licensing for novice drivers and administrative license suspension
- Implementing a coherent liquor outlet policy (bringing unregistered outlets into regulated market; encouraging outlets to move to business nodes, training of servers/managers, increasing community input regarding hours of sale, and setting up structures to facilitate increased reporting and accountability)

While industry might be willing to work in partnership with government and public health advocates on a number of these issues, the key is to engage in debate about whether it is appropriate to solicit industry involvement at all.

44 Booth et al. 2008

45 Babor et al. 2010

46 Ibid

47 Formally *Loi n°91-32 du 10 janvier 1991 relative à la lutte contre le tabagisme et l'alcoolisme*

48 Regaud & Craplet 2004

49 WHO 2009a, 38

50 WHO 2010

POSITIVE INDUSTRY IMPACTS VERSUS PUBLIC HEALTH COSTS

Industry claims

Robin Room and David Jernigan (2005), among others, have noted that the alcohol industry often overstates the net benefit of job creation, tax revenue, et cetera, and warns of hidden adverse costs, not least from increased sales and promotion, which can result in a increased public health burden.⁵¹

There is currently no internationally agreed upon methodology for weighing the net contribution to social and economic development of the alcohol industry in developing societies.

Case Study: SAB

It is impossible to discuss alcohol in South Africa without discussing the disproportionately large role played by SAB Ltd. SABMiller claims that SAB Ltd. had the following economic impacts on the South African economy (including multiplier effects) in 2009:

1. Sustained production to the value of R228 billion throughout the economy
2. Supported more than 355,000 jobs
3. Has an employment multiplier of 7.7
4. Generated R28.1 billion in government income (4.5% of total tax revenue)
5. Added R66.2 billion (3.1%) of the country's GDP in 2009
6. For every R1.00 in sales revenue generated by SAB Ltd., R2.02 is added to the country's GDP

Source: SAB Limited 2010

It is difficult to assess the validity of these calculations, not least because multiplier effects inevitably inflate the figures. Despite industry claims, the most likely effect of increased commercialization and globalization of the industry is a loss of direct employment.⁵²

BOX FOUR

A 2009 research report prepared for the South African Department of Trade and Industry quotes ABSA bank statistics, which show that the entire beverages sector (including non-alcoholic) amounts to 4% of GDP.

Who Own Whom reports that the entire wine industry contributed 2.2% of GDP, in 2008.

Based on research conducted in 2009 in two developed and two middle-income countries, the total costs attributable to alcohol range from 1.3% to 3.3% of GDP.

Given these different figures what can be made of SAB's assertion that they alone contribute 3.1%?

Source: Department of Trade and Industry 2009; Who Own Whom 2010; WHO 2011, 36

Public health costs

In her 2009 literature review, National and Provincial Government Spending and Revenue Related to Alcohol Abuse, Debbie Budlender estimates that provincial governments allocated for 2009/2010 close to R7 billion on account of alcohol abuse alone, while national government allocated more than R10 billion. Still, noting the methodological difficulties of estimating the true public sector costs of alcohol, Budlender plainly states that these estimates "represent only a fraction of the true cost that alcohol abuse imposes on society." Other South African researchers have estimated the economic costs of alcohol to be over R9 billion per year.⁵³

51 Caetano & Laranjeira 2006

52 Ibid

53 Parry et al. 2003

ROLE OF THE MEDIA

Most alcoholic beverages sold in South Africa are produced by large multinational companies, with links to sophisticated global advertising firms and handsomely financed lobby organizations on their side.

The media can be an important ally of health promotion. The media can:

1. problematize the agenda of advertising in the context of nation building;
2. substantially alter public perceptions of drinking norms and behavior; something that legislation alone cannot do;
3. educate about the dangers of alcohol use and abuse;
4. explore the relation of alcohol use and abuse to violence and the spread of disease;
5. be the platform for discussion and debate about the role of alcohol advertising and marketing;
6. set the agenda for how we respond to these problems.

FURTHER RESOURCES

Industry resources

INDUSTRY ASSOCIATION FOR RESPONSIBLE ALCOHOL USE (ARA)

Code of Commercial Communication

www.ara.co.za/uploads/ara_code_of_commercial_communication2010.pdf

ADVERTISING STANDARDS AUTHORITY (ASA)

www.asasa.org.za

Public health advocates

SOUTH AFRICAN MEDICAL RESEARCH COUNCIL

Alcohol & Drug Abuse Research Unit

<http://www.mrc.ac.za/adarg/contact.htm>

CAPE TOWN DRUG COUNSELING CENTRES

Mitchells Plain 021-391-0216

Observatory 021-447-8026

Email: ctdcc@iafrica.com

SOUL CITY

www.soulcity.org.za

- Alcohol and Violence Literature Review
- Soul City Legal Literature Review

ALCOHOLICS ANONYMOUS

<http://www.aasouthafrica.org.za/>

THE SOUTH AFRICAN NATIONAL COUNCIL ON ALCOHOLISM AND DRUG DEPENDENCE (SANCA)

<http://www.sancana-tional.org.za/>

STRATEGIC PARTNERS FOR THE VIOLENCE AND ALCOHOL REDUCTION CAMPAIGN

ORGANISATION	CONTACT NUMBERS
Participation Junction	(021) 797 1072
Centre for Applied Legal Studies (Wits)	(011) 717 8621
Sonke Gender Justice	(011) 339 3589
Legal Resource Centre	(011) 838 6601
Lovellife	(011) 523 1000
Western Cape Liquor Board	(021) 483 9098
Central Drug Authority	(012) 312 7244
Medical Research Council	(021) 938-0911
Community Policing Forum	082 525 3123/ 082 799 9177
SAPS In Emergency call: 10111 To report a crime: 08600 10 111	
Nadcao	(011) 339 5560/1 (021) 686 6952
National Liquor Authority	+27 (12) 394 1683
CSIR	012 841 2911
Lifeline	(011) 715 2000
Famsa National	(011) 975 7106
Childline Gauteng	(011) 645 2000
National Department of Basic Education	Hotline: 0800 202 933 Tel: 012 357 3000 Fax: 012 323 6260/0601 www.education.gov.za
National Department of Higher Education and Training	Call Centre: 0800 872 222 Tel: 012 312 5911 Fax: 012 321 6770 www.dhet.gov.za

National Department of Health	Tel: (012)395 8000/9000 Fax: 012 395 9019 www.doh.gov.za
National Department of Social Development	Telephone: (012) 312 7500 Fax: (012) 312 7988 Toll free: 0800 60 10 11 www.dsd.gov.za Media Liason: 012 312 7475

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