ADVERTISING



European Snacks Association

European savoury snack manufacturers believe in the value of commercial communication and advertise their products for competitive reasons: to promote new product developments or features, including healthier options, while abiding by European and national advertising regulation and codes¹.

Our members support the critical examination of their marketing communications and acknowledge that children need to learn how to understand and assess them. We take our responsibility as advertisers seriously. We have endorsed guidelines on commercial communication and vending and support initiatives to develop and spread responsible advertising practices. ESA is Europe's only trade association to endorse the <u>EU Pledge commitments</u> to change food and beverage advertising to children in the EU.

The value of advertising

Advertising is a part of our everyday life. It drives consumer choice and catalyses market competition, and savoury snack manufacturers use it to communicate improved product attributes and new products, including healthier options. New media and digital advertising have opened opportunities for businesses to promote their products across a variety of channels and engage in conversations with consumers.

ESA members abide by European and national advertising regulation and codes

Advertising takes place within the limits of proportionate regional and national legal frameworks, which set fundamental rules that ESA members abide by. We recognise the important role of self-regulatory systems in implementing the objectives of the law. Accompanying these rules with industry-wide self-regulatory codes, individual corporate food marketing communications policies and the promotion of best practice is crucial to ensure a high level of competition, transparency and responsibility in advertising.

Advertising and lifestyles

Advertising food products helps consumers purchase according to their preferences and get better value for money. Successfully combating obesity - which is driven by a multitude of factors from sedentary lifestyles to unbalanced diets - is a societal challenge that can only be tackled by a collective effort of the public and civil society. ESA encourages its members to promote healthier eating and lifestyle habits and has made several commitments to the EU Platform for Action on Diet, Physical Activity and Health², striving to contribute to a healthier Europe (active actions: no. 1513, 1514, 1515, 1516).

² EU Platform for Action on Diet, Physical Activity and Health: <u>https://ec.europa.eu/health/nutrition_physical_activity/platform_en</u>

¹ At EU level, the Audiovisual Media Services Directive (AVMSD) governs EU-wide coordination of national legislation on all audiovisual media, both traditional TV broadcasts and on-demand services.

Advertising and children

Marketing communications need to be critically examined and children need to learn how to decipher and assess them.

Academic evidence suggests that by the age of 12 children have developed their behaviour as consumers³: Most academic reviews recognise that by this age children are able to articulate a critical understanding of advertising, even becoming sceptical or distrustful of it⁴. This is one of the reasons why almost all countries have identified an age cut-off for policy restrictions at 12 years.

Professor David Buckingham, in his preface to the Literature Review of Research on Online Food and Beverage Marketing to Children produced for the Committee of Advertising Practice (CAP) in 2014, notes that Millennials "are better equipped to identify commercial intent than children of the same age just a generation ago; having grown up with the Internet and all things digital" before adding that "the available evidence is both limited in its scope and extent and open to challenge in terms of the reliability of its methods". Talking about potential solutions, he emphasises that "Policy options that fundamentally restrict the ability of Millennials to access content are likely to force a backlash from the very same audiences we might be looking to protect".

Children under 12 should receive special consideration in the case of food and non-alcoholic beverage advertising. European savoury snack manufacturers acknowledge that they have a role to play in this respect and take their responsibility in regard to children extremely seriously.

Parental and public education has a key role in helping children understand what commercial messages are and in learning how to deal with them. Parental responsibility cannot be replaced by advertising control, be it regulatory, self-regulatory or voluntary at the initiative of advertisers. In addition, there is no clear scientific evidence supporting an alleged causal link between advertising exposure and obesity. Thus, a legislative ban on advertising would both be ineffective and disproportionate in its wider impact.

The EU Pledge initiative

In 2010, ESA decided to endorse the EU Pledge⁵. It remains the only European trade association to do so.

The EU Pledge is a voluntary initiative by leading food and beverage companies in Europe to change food and beverage advertising to children under 12 in the European Union. By changing savoury snack food advertising to children, we aim to support parental efforts to promote healthier snacking choices and balanced lifestyles among children.

ESA recommends that member companies:

- do not advertise their products to children under 12 years of age on TV, print and internet at all, or only products that fulfil nutrition criteria based on accepted scientific evidence and applicable national and international dietary guidelines.
- do not engage in any commercial communications related to savoury snack products in primary schools, except where specifically requested by or agreed with the school administration for educational purposes.

³ P M Valkenburg, J Cantor (2001): *The Development of a Child into a Consumer*, Journal of Applied Developmental Psychology, Vol. 22 Issue 1, pp.61-72.

⁴ S Livingstone (2006): New Research on Advertising Foods to Children. An Updated Review of the Literature. Report to Ofcom.

⁵ EU Pledge: <u>http://www.eu-pledge.eu/</u>

Nutrition criteria

On the basis of a comprehensive discussion informed by the available evidence and guidance and in collaboration with third party nutritionists, EU Pledge signatories have developed common nutrition criteria. Since the end of 2014, these common criteria apply to determine what may be advertised to children under the age of 12. The criteria were since reinforced in 2018⁶.

ESA contributed to the design of nutrition criteria for savoury snacks for the exclusive purpose of defining better-for-you options in the context of food and beverage advertising to children under 12. Savoury snack manufacturers worked hard towards the implementation of these new criteria, which are making a tangible difference in practice since they mean that significantly fewer products will be eligible for advertising to children under 12.

Audience threshold

For the purpose of this initiative "advertising to children under 12 years" means advertising to media audiences with a minimum of 35% of children under 12 years. In the online sphere, the above commitment applies to marketing communications for food and beverage products on company-owned websites, in addition to third-party internet advertising.

Where no reliable audience measurement data is available, advertisers consider not only the placement, but also the overall impression of the marketing communication, to ensure that if the product in question does not meet the common nutrition criteria, the communication is not designed to appeal primarily to children. The implementation guidance is publicly available on the EU Pledge website.

Extension of the scope

In a continuing effort to strengthen the Pledge commitment, members regularly review and extend the scope of the initiative to cope with the fast-evolving media landscape and cover additional media.

The scope was first extended in 2016 to include radio, cinema, direct marketing, product placement, interactive games, mobile and SMS marketing. As of 2018, the EU Pledge also covers social media channels and influencer marketing (e.g. YouTube or Instagram influencers).

Accountability mechanism

The EU Pledge allows members of the public and organisations to monitor the compliance of EU Pledge members' marketing communications with the EU Pledge commitment. In 2018, a complaint mechanism was added to the website for those wishing to fill a complaint regarding a commercial communication potentially in breach of the EU Pledge commitment.

⁶ EU Pledge Common Nutrition Criteria: <u>https://eu-pledge.eu/wp-content/uploads/EU_Pledge_Nutrition_White_Paper.pdf</u>

ESA signatory companies

Companies participating in the ESA Advertising Pledge must all meet the EU Pledge criteria – and can go beyond. Several ESA members have signed either the ESA Pledge or are direct members of the EU Pledge⁷ⁱ. Together these companies represent the bulk of advertising expenditure in the European savoury snacks market. ESA will continue to encourage all its members to commit to the EU Pledge.

Compliance with the EU Pledge is monitored by a third party on an annual basis

These voluntary measures are made by savoury snack manufacturers and other food and beverage companies to the EU Platform for Action on Diet, Physical Activity and Health (action number 1075). In line with the EU Platform's Terms of Reference, EU Pledge signatories are required to monitor these commitments in a transparent, accountable and participative way.

Each year, third-party organisations are commissioned to carry out the independent monitoring and an independent reviewer assesses whether the monitoring was carried out with an appropriate methodology, resources and diligence. Results are published on an annual basis and are available at the EU Pledge website⁸.

Throughout the years, ESA members have achieved continuously excellent results on compliance with the commitments. In 2018, approximately 98% of ESA pledge signatories' spots were compliant, as well as 100% of company-owned websites and social media profiles.

Overall, after more than 10 years, the EU Pledge commitment led to a significant change in the balance of food and drinks advertising to children (below some figures from the latest EU Pledge report for TV advertising).

Outcome: children see a lot less food and soft drink ads on TV*



*Average drop in exposure 2009-2014 compared to 2005

⁷ List of ESA Pledge members: <u>http://www.esasnacks.eu/advertising.php</u>

⁸ EU Pledge Annual reports: <u>http://www.eu-pledge.eu/content/annual-reports</u>