

Green paper “promoting healthy diets and physical activity: a European dimension for the prevention of overweight, obesity and chronic diseases”

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Egta and the obesity epidemic

The association of television and radio sales houses, egta, is the European voice of over 70 television and radio advertising sales houses. The business of sales houses consists in selling available advertising space on television or radio channels for which they work and thus contribute to their financing.

Egta members are aware of the growing public health concerns about the rising prevalence of obesity across Europe, and notably among children. As member of the EU platform on “nutrition, physical activity and health” egta is already working with other stakeholders to take actions on the prevention of obesity. Beyond this involvement, television and radio sales houses are committed to play their role in ensuring that unhealthy lifestyles are not encouraged in commercial communications.

The belief in responsible advertising is a cornerstone of egta membership. As long as it is legal, decent, honest and truthful, advertising is highly beneficial to our modern societies and should not be subjected to disproportionate regulatory measures.

Introductory comments

Egta welcomes the Commission's green paper on *Promoting healthy diets and physical activity: a European dimension for the prevention of overweight, obesity and chronic diseases*. The title of the green paper emphasises on the concept of "promotion", which implicitly supposes that encouragement to lead healthy lifestyles is the best tool to prevent obesity. It is on this basis that egta wants to make the following comments on Community policy input to the promotion of healthy lifestyles.

According to egta, enhanced consumer information and education are central in persuading people to embrace healthy lifestyles. We believe the notion of "promotion" implies an explicit recognition that people make their own choices freely. On that basis, promotion of healthy lifestyles means convincing people that they should take carefully thought decision with health considerations in mind. Persuading people is a very challenging task but it is key in today's reflection on the prevention of obesity.

In debates on obesity issues, the idea that the solution lies in additional advertising restrictions can regularly be heard whereas egta believes prevention does not necessarily imply restrictions. Regulatory interventions might eventually bring benefits but egta is of the opinion that their necessity should be clearly demonstrated by sound evidence. In addition, egta is supportive of the European Commission in its efforts to better regulate and welcomes the idea that regulation "*must achieve the stated public policy objectives without imposing unnecessary or disproportionate regulatory burdens*"¹.

With regards to advertising, the option of restricting the amount of advertising for food products under certain conditions is sometimes raised². Before envisaging such option, egta believes that policy makers should first respond to a fundamental question: would quantitative restrictions on the advertising for food products have an impact on the prevalence of obesity in Europe?

On this matter, egta has serious doubts that limiting the advertising and marketing of energy-dense and micronutrient-poor foods³ would be either appropriate and / or efficient in the prevention of obesity⁴. Following most experts conclusions, there is a wide consensus that obesity is a multi-factorial problem⁵. In this context, advertising of food products is not always considered as one of these factors or is considered to have a relatively small influence⁶. In fact, data show no correlation at all between the number of food and beverage advertising viewed and the evolution of obesity rates⁷. It is at this stage impossible to observe any connection between advertising viewed and people's dietary

¹ European Commission – *White Paper on European Governance* – COM(2001)428 – 2001.

² It is unclear if such measure would enjoy wide support. According to a recent OFCOM study, UK parents tend to be primarily concerned by the content of advertising and information given while there is very little support for restrictions on the quantity of advertising for products high in fat and sugar.

OFCOM – *Childhood obesity, food advertising in context* – 2004.

³ Egta does not want to discuss the relevance of this reference to this type of products or of any other distinction between products. This reference in egta's paper is just done to address issues raised in the present green paper.

⁴ This strong belief within egta members has been reinforced by conclusions of two recent European studies:

OFCOM – *Childhood obesity, food advertising in context* – 2004.

German Ministry of Consumer Protection – *Food advertising for children's products* – 2005.

⁵ This idea was endorsed by the Council of the EU in its conclusions of 2 December 2003 and seems also taken on board in the Commission's present green paper. Council of the EU - *Conclusions on healthy lifestyles: education, information and communication* - (2004/C 22/01)- 2001.

⁶ To cite only the latest study conducted in Europe: OFCOM – *Childhood obesity, food advertising in context* – 2004.

⁷ On this matter, Nielsen data on the number of food advertisement can be read in conjunction with the International Obesity Task Force researches on the evolution of obesity rates. In the UK, the estimated number of food and restaurant commercials viewed per child aged 4-15 declined by over 50% between 1994 and 2004 whereas childhood obesity increased by over 40% during the same period (UK National Office of Statistics, 2004). In Germany and Italy, the volume of food and drink advertising spend has stagnated over the past decade, (Nielsen, 2004), while childhood obesity has risen dramatically.

balances⁸. At last, current advertising bans have not proved successful in reversing or even slowing the incidence of obesity⁹. Interestingly, all studies were centred on children that are defined as vulnerable consumers so one can seriously question the existence of any link between advertising and obesity if one considers the entire population.

Moreover, egta wants to highlight that any restriction on the quantity of food and beverage advertising would have very substantial consequences on the financing of audiovisual content. Even if shares of the food and beverage sector in television advertising markets have been declining in most EU countries over these recent years¹⁰, the food and beverage industry remains by far the first sector in terms of television advertising investments in Europe¹¹. If one considers gloomy forecasts for television advertising markets in Europe¹² and the serious challenges that television channels must face in the eve of convergence and digital switchover, it is clear that such a measure would have important social, but also cultural and economic impacts that would need to be carefully assessed.

These preliminary comments are an integral part of egta's reflection on questions addressed in the green paper. More specifically, egta will concentrate its responses to questions relating to issues of "consumer information, advertising and marketing" and "consumer education".

At last, egta is a member of the European Advertising Standards Alliance, EASA, and of the Responsible Advertising and Children group, RAC. Both organisations submitted responses to the green paper on the promotion of healthy diet and physical activity and the following egta comments must be read in conjunction with contributions submitted by these organisations.

V.1. Consumer information, advertising and marketing

Egta largely shares the European Commission's assertions presented as an introduction to questions raised on advertising.

"As far as advertising and marketing is concerned, it has to be ensured that consumers are not misled, and that especially the credulity and lacking media literacy of vulnerable consumers and, in particular children, are not exploited. This regards in particular advertising for foods high in fat, salt and sugars, such as energy-dense snacks and sugar-sweetened soft drinks, and the marketing of such products in schools."

⁸ A recent US study of the Institute of Medicines has made the headlines by concluding that food and beverage marketing has influence on children's preferences (2 to 11). However children of this age do not usually decide on their diets by themselves. In addition, the same study also concluded that "there is not enough evidence to determine the extent to which marketing influences the preferences and consumption habits of 12-to 18 years old." It also highlights that "the evidence on whether television advertising directly affects children's long-term dietary patterns is limited and not conclusive".
Institute of Medicines – *Food marketing to children and youth: threat or opportunity?* – 2005.

⁹ Current bans on advertising to children in Sweden and Norway do not prevent these countries from being faced with relatively high obesity rates (as compared to similar countries), which are still on the rise. Out of Europe, the situation is similar in Quebec.

¹⁰ In most EU countries, food and beverage advertising has been regularly declining in relative terms as compared to other sectors for the last 4 years. These data confirm Nielsen gross figures which show declines or very stable television advertising investments from the food and beverage industry in most EU countries.
egta – *Television advertising cost per thousand database* – 2005.

¹¹ Out of 20 European countries covered by egta database, food and beverage is the first sector in television advertising in 18 countries. In average, this sector represents 15% of TV advertising investments in occidental Europe and much higher in central and Eastern Europe (up to 37% in the Czech Republic).
egta – *Television advertising cost per thousand database* – 2005.

¹² It is rather difficult to predict the evolution of advertising markets in the years to come. However, in its impact assessment for the proposed directive on audiovisual media services, the Commission presents gloomy forecasts.
European Commission – *Impact assessment, Proposal for a directive on audiovisual media services* – 2005.

Industry self- regulation could be the means of choice in this field, as it has a number of advantages over regulation in terms of speed and flexibility. However, other options would need to be considered should self-regulation fail to deliver satisfactory results.”

Egta strongly believes in the added-value of self-regulation to make sure advertising is decent, legal, honest and truthful. As member of the European Advertising Standard Alliance, EASA, egta participates to the “get-fit programme”¹³ and contributes to the improvement of national self-regulatory mechanisms across the EU.

At national level, egta member sales houses are key members of self-regulatory organisations, contributing both to their funding and to their management. In practice, television and radio sales houses screen ads before they are broadcast to make sure these comply to industry codes and companies’ own ethical guidelines. In this respect, they can be depicted as the last “gate-keepers” in the self-regulation process. This involvement from sales houses goes actually beyond their core business. It is an illustration of their commitment towards channels for which they collect advertising revenues since it is the latter that bear legal responsibility for advertisements broadcasted.

“Are voluntary codes (“self-regulation”) an adequate tool for limiting the advertising and marketing of energy-dense and micronutrient-poor foods? What would be the alternatives to be considered if self-regulation fails?”

In addition to what was previously highlighted in the preliminary comments, egta wishes to stress that to its opinion, these interrogations are inappropriate.

Sales houses’ involvement in self-regulation is rooted in a belief that advertising must be made in sensible and responsible ways. Self-regulation is thus about the definition, enforcement and monitoring of qualitative standards for advertising. In this respect, all types of products including energy-dense and micronutrient-poor food, are submitted to self-regulatory codes. In fact, many countries, such as Spain or the Netherlands, have specific national codes setting even higher standards for the advertising of food products than the internationally agreed ICC code on food and beverage advertising¹⁴.

However, self-regulation has never been meant to govern the quantity of advertising space available to specific products. The potential misleading nature of an advertisement has indeed little to do with the amount of advertising space. Should self-regulation’s objective be this type of restriction to advertising space, one can be sure that television and radio sales houses would not voluntarily commit to it. Restrictions on the advertising space available for food products could indeed have tremendous impacts on sales houses economic viability¹⁵.

As a consequence, egta wishes to stress that it cannot concretely answer these questions considering it does not understand nor share the underlying assumption that the quantity of advertising for certain types of products needs to be limited. Along with findings of a recent OFCOM study, egta believes much work is instead needed on qualitative aspects of advertising¹⁶.

¹³ This programme is based on industry criteria for self-regulation effectiveness. All EASA members invest resources to ensure that all national self-regulation bodies across Europe operate according to these standards of effectiveness. The programme is monitored via a “get-fit table” which is regularly updated to reflect improvements in SROs operations. <http://www.easa-alliance.org/>

¹⁴ International Chamber of Commerce – *Framework for responsible food and beverage product marketing communications* – 2004.

¹⁵ In view of previously mentioned data on the share of the food and beverage industry in the television advertising markets across Europe, it is clear than restrictions could have tremendous impacts if one keeps in mind that average profitable margins of European sales houses are comprised between 2 and 6%.

¹⁶ OFCOM – *Childhood obesity, food advertising in context* – 2004.

How can effectiveness in self-regulation be defined, implemented and monitored?

In view of its above comments, egta wishes to stress that a certain consensus on what self-regulation should and can possibly achieve should first be reached among the widest range of stakeholders if one wishes to answer this question.

If one assumes that industry self-regulation is one mean of ensuring that advertising is made responsibly, then there are already a certain number of studies¹⁷ and political declarations¹⁸ highlighting self-regulation's effectiveness. In order to constantly reinforce these conclusions, self-regulation stakeholders have agreed to subscribe to the 10 key principles established in the EASA Advertising Self-Regulation Charter¹⁹. These principles illustrate the industry's vision of effective self-regulation and egta believes that these principles already offer tangible criteria for an operational evaluation of self-regulatory organisations.

Further work is indeed needed to generalize these principles and egta, as part of its involvement into the EASA, devotes a lot of efforts to make sure these principles govern the functioning of all national self-regulatory organisations across Europe. In addition, precise performance indicators for the monitoring of self-regulation effectiveness should ideally be agreed with the widest range of advertising stakeholders in a constructive way. To that end, egta fully supports the on-going discussions in the framework of the "Advertising Round Table" launched by the European Commission and hopes it will soon deliver tangible results.

Television and radio sales houses are daily practitioners of advertising self-regulation. As such, they are confident that transparent monitoring indicators would provide evidences of self-regulation's added-value in delivering high degrees of consumer protection in broadcasted commercial communications.

Which measures should be taken towards ensuring that the credulity and lacking media literacy of vulnerable consumers are not exploited by advertising, marketing and promotion activities?

Television and radio advertising sales houses' input on this matter is strictly limited to advertising on the broadcast media, which are, by far, the most highly regulated medium in terms of commercial communications.

If one considers the case of television, many provisions already exist, such as the ban on misleading advertising²⁰, on surreptitious advertising and the obligation that advertising be "readily recognisable

¹⁷ On the issue of self-regulation in-put in the implementation of higher standards on the protection of minors: INRA (Europe) / Bird & Bird - *Study on the impact of television advertising and teleshopping on minors* – 2002.

With regards to self-regulation as a whole, one can cite the findings of the recent study commissioned by the European Commission on co-regulation measures. Many of the regimes studied and defined by the research as co-regulation are what egta, EASA and the European advertising industry refer to when discussing advertising self-regulation.

Hans Bredow Institute – *Study on co-regulation measures in the media sector* – 2006.

¹⁸ For instance, in a speech Commissioner Reding recently said that "I want to insist again that this is an area where co- and self-regulation have made enormous progress in many of the EU member states." – Liverpool Audiovisual Conference – 2005.

¹⁹ For more information on the EASA Charter and the ten principles referred to: www.easa-alliance.org When speaking at the above-mentioned Liverpool Audiovisual conference, Commissioner Reding notably highlighted the added-value of this Charter and the firm commitments it implied from the industry side.

²⁰ *Directive 2005/29/EC of the European Parliament and of the Council concerning unfair business-to-consumer commercial practices in the internal market*- 2005.

as such”²¹. To a great extent, the last two provisions are in place to make sure that vulnerable viewers lacking media literacy are aware of the commercial purpose of advertising. In the framework of discussions on the proposed directive on “*Audiovisual Media Services*”, egta supports these principles and the idea that all commercial communications must be distinguishable from editorial content.

In addition, sales houses apply restrictions of self-discipline origin, either self-regulatory codes or in-house codes of conducts. Regardless of their nature, all these standards have one common objective: making sure advertising is decent, legal, honest and truthful. It is clear for sales houses that these four principles imply that advertising does not abuse the credulity of vulnerable consumers. On this issue, reviewed standards along with relevant performance criteria as well as further support to advertising self-regulation would be the speediest and most effective way forward.

Last but not least, egta agrees that particular attention should be given to children as they are the ones most often lacking media literacy. Today’s regulatory framework applicable to television advertising is particularly detailed when it comes to children and many self-regulatory codes also set higher levels of protection for minors. Egta shares the conclusion of a recent study commissioned by the European Commission that “*the provisions of the directive (TVWF) provide an adequate and flexible framework*” with “*television being more heavily regulated than any other media*”²². In conclusion, egta believes that one should tackle the problem’s roots and invest in educating children to media. As member of the RAC, egta supports the Media Smart literacy programme²³ so that it can be launched in some more Member States of the EU.

V.2. Consumer education

As highlighted in the first part on “health across EU policies”, egta believes that the ultimate way forward for the promotion of healthy diets and physical activity lies in educating people on these issues. Egta is not competent to define which messages should be taken forward nor on the best way to deliver these messages. However, sales houses know better than anyone else that both television and radio are powerful media to reach large and targeted audiences and are major sources of information for the public.

As member of the EU platform on “nutrition, physical activity and health” egta is committed to playing its role on the fight against the obesity epidemic. Sales houses have already worked on improved conditions for launching general interest campaigns on these issues by offering either pro-bono time or discounted rates on television or radio space. As reflected in its commitments to the platform, egta is ready to work further in that direction should the CIAA’s proposal for a European framework for a social marketing campaign be endorsed by the other stakeholders.

This type of social marketing campaigns cannot be isolated actions if one wishes to have a clear impact on people’s behaviours nonetheless only with increased presence in the media will preventive messages get through. However, egta wishes to remind that sales houses are not broadcasters and thus do not have the power to take editorial decisions. As a result, egta will not comment on programming aspects and is confident that both the EBU, European Broadcasting Union, and the ACT, Association of Commercial Television, are already working on these issues.

²¹ Directive 1989/552/EEC of the European Parliament and of the Council on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the pursuit of television broadcasting activities – 1989.

²² INRA (Europe) / Bird & Bird - Study on the impact of television advertising and teleshopping on minors – 2002.

²³ For more information, please go to <http://www.mediasmart.org.uk/>

Conclusion

Egta welcomes the Commission's approach when it emphasises on the need to further promote healthy diets and physical activity to prevent obesity. To the extent that it remains under their remit, television and radio sales houses are pleased to play their part by taking concrete actions to promote healthy lifestyles and will keep working in this direction in the framework of the platform on "nutrition, physical activity and health".

In the area of advertising however, egta does not agree with the preconception underlying questions on self-regulation. Egta believes that the potential benefits of quantitative restrictions to the advertising of certain food products remain to be demonstrated and that the tremendous impacts of such measure would need to be carefully assessed.

Egta would like to emphasise once again the numerous benefits of advertising self-regulation to make sure that advertising is legal, decent, honest, and truthful. In this context, egta invites the European Commission to pursue the Advertising Roundtable process, which is very helpful in the development of effective self-regulation as a mean of delivering high levels of consumer protection.

In conclusion, egta wants to remind that television advertising is by far the most regulated and effectively controlled marketing tool in an environment increasingly characterised by the complexity and variety of marketing practices. In view of this, egta believes that television advertising should be treated proportionally and that the focus should be placed on constantly improved qualitative standards.

egta is the association of television and radio sales houses

The egta membership is composed of:

- **51 TV members** (30 independent and/or private sales houses) based across 26 European countries + Canada, Korea, Iran, Morocco, New-Zealand and South-Africa. All together, the egta TV members collect **€ 19.1 billion** (consolidated turnover) through more than 100 mainstream TV channels almost equally public and private. That amount of money represents **65% of the TV advertising investments** in Europe.
- **25 Radio members** based in 16 European countries. In 2003, these members collected over **€ 2 billion** (consolidated turnover) through over 150 radio stations. That amount represents **50 % of the Radio advertising investments** in the countries represented within egta's radio department.

Egta provides a network for its members based on relationships with more than **1000 high-level executives from 32 countries** specialised in all the different aspects of the profession. Over the years and thanks to its network, egta has clearly become **the reference centre for television and radio advertising in Europe**.

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