

Advertising & EU Pledge

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, abiding by European and national advertising regulation and codes.

Our members support the critical reflection of their marketing communications and acknowledge that children need to learn how to understand and assess them. We take up our responsibility as advertisers and have endorsed guidelines on commercial communication and vending, support initiatives to develop and spread responsible advertising practices. As Europe's only trade association ESA has endorsed the EU Pledge commitments 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 on 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 & codes

Advertising takes place within the limits of proportionate regional and national legal frameworks, which set fundamental rules that ESA members abide by and recognise the important role of self-regulatory systems in implementing the objectives of the law. Accompanying these rules by 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 & lifestyles

Advertising food products helps consumers purchase according to their preferences and get better value for money. Yet there is no evidence that food advertising causes overweight or obesity, which is driven by a multitude of factors from sedentary lifestyles to unbalanced diets.ⁱ Successfully combating obesity, especially childhood obesity is a societal challenge, which 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 holds several commitments to the EU Platform for Action on Diet, Physical Activity and Healthⁱⁱ striving to contribute to a healthier Europe (active actions: no. 1513, 1514, 1515, 1516).

Advertising & children

Marketing communications need to be critically reflected 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 consumersⁱⁱⁱ: Most academic reviews recognise that by this age children are able to articulate a critical understanding of advertising, even becoming sceptical or distrustful of^{iv}. Indeed, all

government-led reviews of the existing academic research conducted in the context of the debate on food marketing communications identified an age cut-off for policy restrictions at 12 years.

If this is commonly accepted for TV advertising, there are still gaps in knowledge when it comes to digital marketing. 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 in any situation 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. Empirical evidence from Canada, Sweden and Norway shows that a ban on advertising to children does not have positive weight effects on children. 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.

ESA’s track record on advertising to children

In 2010, ESA decided – as Europe’s only trade association – to endorse the EU Pledge^v

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 at supporting 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 which fulfil nutrition criteria based on accepted scientific evidence and applicable national and international dietary guidelines.**

Since the end of 2014, common EU Pledge Nutrition Criteria^{vi} apply to those companies that use nutrition criteria to determine what may be advertised to children under the age of 12. 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.

- **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.**

In a continuing effort to strengthen the Pledge commitment, members have decided to extend the scope of the initiative to cover a number of additional media and to address the content of their marketing communications by the end of 2016.

Extension of scope: From 31 December 2016, EU Pledge member companies will also apply the commitment to radio, cinema, DVD/CD-ROM, direct marketing, product placement, interactive games, mobile and SMS marketing.

Addressing creative execution: 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.

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 Pledge^{vii} and 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 website^{viii}. **Throughout the years, ESA members have achieved continuously excellent results on compliance with the commitments.** In 2015, approximately 98 of ESA pledge signatories' spots were compliant, as well as 100% of company-owned websites for the third consecutive year.

The EU Pledge commitment led to a significant change in the balance of food advertising to children.

For the 6th year running, compliance monitoring demonstrates **high compliance rates** and a **significant impact on children's exposure to TV food advertising.** Overall 2015 results demonstrated:

- 98.5% compliance for TV advertising
- 97% compliance for company websites

Results in TV advertising showed a marked decline in children's exposure since 2005:

- A very substantial reduction in children's exposure to advertising for products that do not meet nutrition criteria through children's programmes (>35% <12 audiences): **-88% in 2015 (compared to 2005 baseline)**.
- A reduction in children's exposure to advertising for products that do not meet nutrition criteria in all programmes: **-52% in 2015**.

An overall reduction in children's exposure to advertising for all EU Pledge member companies' products (regardless of nutrition criteria): **-42% in 2015**.

ESA contributes to the continuous improvement of the EU Pledge commitment and monitoring

On 1 January 2012, EU Pledge signatories enhanced their commitments by lowering the audience threshold from initially 50% to 35% of children under 12. This tougher threshold led to a higher coverage of media channels that have a significant child audience.

Furthermore, EU Pledge member companies broadened the application of their commitment from third-party internet advertising also to company-owned websites.

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. 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 applicable since the beginning of 2015. The new criteria will make a tangible difference in practice as they mean that significantly fewer products will be eligible for advertising to children below 12 than is currently the case.

Those companies that do not to advertise any of their products at all to children under 12 will continue not doing so.

ⁱ B Butland (2007): Foresight Tackling Obesity: Future Choices – Project report. Commissioned by the UK Department for Business, Innovation & Skills.

URL: <http://www.bis.gov.uk/foresight/our-work/projects/published-projects/tackling-obesity> (last retrieved 11 Jan 2016).

ⁱⁱ EU Platform for Action on Diet, Physical Activity and Health, URL:

http://ec.europa.eu/health/nutrition_physical_activity/platform/index_en.htm (last retrieved 11 Jan 2016).

ⁱⁱⁱ 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.

^{iv} S Livingstone (2006): *New Research on Advertising Foods to Children. An Updated Review of the Literature*. Report to Ofcom.

^v EU Pledge. URL: <http://www.eu-pledge.eu/> (last retrieved on 11 Jan 2016).

^{vi} EU Pledge Nutrition Criteria White Paper. URL: http://www.eu-pledge.eu/sites/eu-pledge.eu/files/releases/EU_Pledge_Nutrition_White_Paper_July_2015.pdf (last retrieved on 11 Jan 2016).

^{vii} Individual corporate commitments are available from the ESA website at <http://www.esasnacks.eu/eu-pledge.php>

^{viii} EU Pledge Annual reports: <http://www.eu-pledge.eu/content/annual-reports> (last retrieved 11 Jan 2016).