Portman Group response to Committee of Advertising Practice and Broadcast Committee of Advertising Practice consultation on amending the rule limiting marketing claims for low-alcohol products



Executive Summary

- 1. The Portman Group welcomes and supports the Committee of Advertising Practice ("CAP") and Broadcast Committee of Advertising Practice's ("BCAP") proposal to amend the rule limiting comparative marketing claims for low-alcohol products.
- 2. We agree that removing these restrictions would be beneficial in order for low-alcohol products to be advertised alongside standard strength drinks and thereby provide consumers with greater choice.
- 3. If the rule change is permitted, we ask that guidance is issued to ensure that one category of alcohol is not presented as preferable compared to another. We note that the current rule refers to 'similar beverages' and believe that the industry may find it useful to have these categories defined for comparative advertising purposes.
- 4. We encourage CAP and BCAP to consider going further and align the amendment with the Portman Group's strength rule in the Code of Practice on the Naming, Packaging and Promotion of Alcoholic Drinks which also allows for 'lower' strength category comparisons.

The Portman Group

- 5. Founded in 1989, the Portman Group is the world leading and first industry regulator committed to moderation and promoting a sensible relationship with alcohol among those who choose to drink. We've worked hard to act as a bridge with industry and government to increase awareness and raise standards. This has helped contribute to a downturn in misuse.
- 6. The Portman Group operates the <u>Code of Practice on the Naming, Packaging and Promotion of Alcoholic Drinks</u> and the <u>Code of Practice on Alcohol Sponsorship</u>. They ensure that alcohol is marketed in a socially responsible way, only to those aged 18 and over, and in a way that does not have particular appeal to vulnerable consumers.
- 7. The Independent Complaints Panel applies the Code, which has led to more than 160 irresponsible products and promotions either being re-branded or removed from the market, in turn driving industry changes and protecting consumers.
- 8. The Portman Group has more than 130 Code signatories including producers, retailers and membership bodies. The Group is funded by twelve member companies: Asahi UK Ltd; Aston Manor Cider; Bacardi; Brown-Forman; Budweiser Brewing Group UK&I; Campari; Diageo GB; Heineken UK; Mast-Jäegermeister UK; Pernod Ricard UK, SHS Drinks and Thatchers Cider.



Question 1: Do you agree with CAP and BCAP's proposed new rule to replace CAP rule 18.9 and BCAP rule 19.10? Please set out your arguments for supporting or disagreeing with the proposal.

- 9. We agree with CAP and BCAP's proposed new rule to replace CAP rule 18.9 and BCAP rule 19.10.
- 10. We agree that the current rule wording is restrictive as it prevents producers from suggesting that a low alcohol product may be preferable to a higher strength product in the same ad.
- 11. The low and no category has experienced significant growth over the past decade with retail sales growing 506% between 2014 and 2020, including a 30% year-on-year increase from 2019 to 2020¹. The growth of the category reflects the strong commitment from the industry to improve the range of options for consumers who want greater freedom of choice when looking to moderate their alcohol consumption.
- 12. In December 2020, we commissioned YouGov polling to gain a better understanding of how UK consumers view and consume low alcohol products². For those who consumed the products, respondents stated that they appealed to them because it enabled them to drive home and not drink excessively at social events.
- 13. As part of this research, consumers also expressed a desire to have more recognisable brand variants for such products. This supports the proposed rule amendment so that producers and advertisers can actively promote low alcohol variants alongside standard strength products.
- 14. We ask that guidance is introduced if low-alcohol comparisons are permitted to ensure that one category of alcohol is not presented as favourable to another. The current, and proposed, wording of the rule references 'similar beverages' and we would ask that this is clarified in guidance so that alcohol producers and advertisers know what category comparisons are permitted.
- 15. Whilst we welcome the rule amendment, we would also like to take this opportunity to ask for greater consistency between the CAP Code, BCAP Code and the Portman Group's Code of Practice on the Naming, Packaging and Promotion of Alcoholic Drinks when advertising 'lower' strength products. The rationale presented for a rule amendment for low alcohol could also apply to 'lower' strength products.
- 16. In response to the Government's Alcohol Strategy in 2012 we amended our Code to allow greater flexibility for marketing of products with a relatively lower alcoholic strength within their category. We took a pragmatic approach and used existing terms set within legislation and, where they existed, the UK average strengths by category of drink³. Code rule 3.2(a) requires that a drink's naming, packaging and promotion should not in any direct or indirect way:
 - (a) give the higher alcoholic strength, or intoxicating effect, undue emphasis. A product's lower alcoholic strength may be emphasised proportionately when it is below the average strength for similar beverages. Factual information about alcoholic strength may be given

¹ Based on Nielsen data: <u>Telegraph: How Britain became the world's leading producer of low- and no-alcohol spirits</u>, September 2020

² YouGov surveyed 2,100 adults from across the UK online between 14 and 15 December 2020. The figures have been weighted and are representative of all UK adults (aged 18+)

³ Information supplied by Public Health England, 2020



- 17. The rule effectively allows for two types of claim to be made:
 - Products which are below average strength (within category), or existing products which have been reformulated to below average strength, may make a virtue of their strength providing this is done in a manner which is proportionate to the product's strength relative to the category average;
 - II. Products of above average strength for a category can make factual statements about strength, or factual statements about the reduction in strength, following any reformulation.
- 18. The rule requires that the 'lower' strength must be emphasised proportionately when it is below the average strength for its category i.e. the greater the ABV difference between the product being presented and its predecessor (reformulated products) or the greater the difference between the product being presented and the average strength for its category, the more emphasis that can be placed on the lower strength product. In practice, the Portman Group's Advisory Service looks for reductions of around 30% (similar to reductions required under the Nutrition and Health Claims Regulations 2006) for a product to place greater emphasis on the lower strength of the product. For instance, the average strength of beer is 4.4% ABV⁴, any beer below this and above 1.2% ABV could be classified as 'lower', with more emphasis permitted for those products at 1.3% 3.1% ABV.
- 19. The aim of the revision was to enable producers to present consumers with clear information without breaching the Code, on product labelling and at point-of-sale, to allow them to make informed drinking choices.
- 20. In practice, the rule impacts on the marketing of beer, ciders and wines more so than spirits because of the greater strength variations permitted within these sectors, and because the legal minimum strength for some spirits is set at 37.5% ABV (40% for whisky and brandy/cognac).
- 21. By allowing 'lower' strength comparisons in advertising this would create consistency across alcohol marketing and advertising rules and would inform consumers of further options when looking to moderate their alcohol consumption.

Portman Group April 2021

⁴ Public Health England, 2020