

DCMS Consultation on Product Placement on Television November 2009

Response from the Children's Food Campaign

Contents

| | Page |
|--------------------------------|-------------|
| Summary | 1 |
| Introduction | 1 |
| Background | 2 |
| Marketing and children's diets | 2 |
| Product placement | 3 |
| Safeguards | 4 |
| Consultation questions | 5 |
| Consultation arrangements | 11 |

Summary

- The Children's Food Campaign believes that allowing product placement in UK-made television programmes will expose children to additional marketing for food and drink products that are high in fat, sugar or salt (HFSS), thereby undermining healthy eating messages and encouraging children to consume less health diets.
- The safeguard of not allowing product placement on children's television is inadequate to protect children because the majority of children's viewing is outside dedicated children's programming.
- For these reasons, the existing ban on product placement should not be lifted.
- However, if any product placement is permitted, placement of food and drink products of any kind should not be allowed, since views on how to define unhealthy food products vary. This safeguard should ensure that children are not exposed to product placement of HFSS food and drink products.
- As a last resort, placement of HFSS products should not be permitted in any programme. Government should define HFSS products according to the Nutrient Profiling model developed by the Food Standards Agency and used by Ofcom. This definition has been found to be robust and should protect children.

Introduction

The Children's Food Campaign wants to improve young people's health and well-being through better food – and food teaching – in schools and by protecting children from junk food marketing. We are supported by over 300 organisations and 12,000 members of the public, and a draft of this response has been circulated to supporter organisations. The Children's Food Campaign is co-ordinated by Sustain: the alliance for better food and farming (for more information see www.childrensfoodcampaign.org.uk).

We understand that this is a wide ranging consultation, but this submission limits its comments to the issues of food and diet, which are the remit of our campaign. This

response builds on our response to last year's consultation on the EU Audiovisual Media Services Directive (AVMS).

Background

The Children's Food Campaign opposes product placement on television because it would increase children's exposure to marketing for high fat, salt or sugar (HFSS) food and drink products.

Marketing and children's diets

Marketing for HFSS foods contradicts all the messages about healthy eating that children receive, undermining their ability to choose better food and their parents' efforts to feed them healthily.

The National Diet and Nutrition Survey found that:

- 92% of children consume more saturated fat than is recommended
- 86% consume too much sugar
- 72% consume too much salt
- 96% do not consume enough fruit and vegetables¹

Given the poor quality of children's diets, it is vitally important that children are persuaded to eat more healthily and protected from marketing that promotes HFSS food and drink products.

Food marketing has been shown to have an impact on children's food preferences, purchase behaviour and consumption at both brand and category levels and these effects are independent of other factors. Such marketing works directly by influencing children's food preferences, and also – more powerfully – indirectly by influencing what family and friends consider to be a 'normal' diet.²

Food advertising and marketing, which is almost always for HFSS products, plays an important role in encouraging unhealthy eating habits in children, which are likely to continue into adulthood. According to a report by Compass, 70% of three year olds recognise the McDonalds symbol but only half of them know their own surname³.

A diet rich in energy-dense foods – and which is not offset by a proportionately active lifestyle – increases the risk of overweight and obesity. 2008 figures from the National Child Measurement Programme in England shows that by the time children reach Year 6 (age 10-11), almost one-third, 32.6%, are overweight or obese. Even at reception stage (age 4-5), more than a fifth (22.6%) of children are overweight or obese.⁴

Therefore, children should be protected from marketing for HFSS food. Allowing product placement in UK-made television programmes will increase the amount of marketing for HFSS food, and should not be permitted.

¹ ONS (2000) *National Diet and Nutrition Survey: young people aged 4 to 18 years*.

² Hastings et al. (2003) *Does food promotion influence children? A systematic review*. Food Standards Agency

³ Compass (2006) *The Commercialisation of Childhood*. London

⁴ NHS (2008) *National Child Measurement Programme. 2007/08 school year headline results*. December 2008. NHS Information Centre

Product placement

Evidence from the US suggests that manufacturers of HFSS food and drink products are likely to take advantage of product placement to promote their products: figures from the first six months of 2008 show that Coca-Cola was the company paying for the most placements, accounting for more than 30% of all placements by the top ten companies paying for product placement⁵. Recently in the UK, Coca-Cola has said that they would welcome the relaxing of rules on product placement, suggesting that they would make use of this marketing tactic if permitted⁶. Yet research in the US suggests that, as well as being a cause of tooth decay, sugar-sweetened beverages such as Coca-Cola may be the single largest cause of the obesity epidemic⁷ and that for each extra can or glass of sugared beverage consumed per day, the likelihood of a child becoming obese increases by 60%⁸.

By its nature, product placement allows marketing to be integrated into programmes, blurring the distinction between advertising and editorial, and is not always recognisable. As a result, it is impossible for parents to protect their children from such marketing in the same way as they are able to do with traditional spot advertising. Studies show that children are particularly susceptible to embedded brand messages because these operate at a subconscious level. Counter-balancing initiatives such as media literacy would be ineffective in addressing this⁹.

There is widespread opposition to exposing children to product placement: a recent survey of 1,349 UK adults by Redshift Research found that 91%, do not think it is right to influence children with product placement¹⁰. This reflects serious public concerns about the commercial environment in which children grow up, as young people are targeted by increasingly sophisticated forms of marketing. As the independent report to the Department for Children, Schools and Families on *The Impact of the Commercial World on Children's Wellbeing* concluded: "if embedded marketing, and other 'stealthy' marketing practices cannot be recognized as such, they are by definition unfair."¹¹

We note that only last year Andy Burnham, as previous Secretary of State for Culture, Media and Sport, said that "There is a risk that product placement exacerbates this decline in trust [in television] and contaminates our programmes."¹²

⁵ Nielsen (2008) *News release: Product placements decline by 15% in first half, Nielsen reports*. New York

⁶ Ramsay, F. (2009) *Brands seek clarity over TV product placement U-turn*. Marketing Magazine

⁷ Brownell, K.D., Frieden, T.R. (2009) Ounces of prevention – the public policy case for taxes on sugared beverages. *The New England Journal of Medicine*, 360, 18, April 2009

⁸ Ludwig, D.S., Peterson, K.E., Gortmaker, S.L. Relation between consumption of sugar-sweetened drinks and childhood obesity: a prospective, observational analysis. *Lancet* 357(9255), p.505-8

⁹ Russell, C.A. (2002) Investigating the effectiveness of product placement in television shows: The role of modality and plot connection congruence on brand memory and attitude. *Journal of Consumer Research*, 29, pp.306-318; Law S.; Braun, K.A. (2000) I'll have what she's having: Gauging the impact of product placement on viewers. *Psychology & Marketing*, 17, pp.1059-1075; Moore, E.S., Lutz, R.J. (2000) Children, advertising, and product experiences: A multi-method inquiry. *Journal of Consumer Research*, 27, pp.31-48; D'Astous, A., Chartier, F. (2000) A study of factors affecting consumer evaluations and memory of product placements in movies. *Journal of Current Issues and Research in Advertising*, 22, pp.31-40; Auty, S., Lewis C. (2004) *Psychology & Marketing*. 21 (9) pp.699-716

¹⁰ Redshift Research (2009) *New survey by Redshift Research into TV Product Placement*. Available: <http://www.redshiftresearch.co.uk/index.aspx?p=319> [23 November 2009]

¹¹ Department of Children, Schools and Families (2009) *The Impact of the Commercial World on Children's Wellbeing: Report of an Independent Assessment*. London: DCSF

¹² Burnham, A. (2008) *Secretary of State speech to the Convergence Think Tank*. London: DCMS

In March he announced that product placement should not be permitted, stating that lifting the ban raised "very serious concerns" and was "blurring the boundaries between advertising and editorial"¹³. It is unclear from either the consultation documents or public announcements in what way the situation has changed from 2008, when the issue of product placement was consulted on, or from March 2009, when it was announced that the UK would continue to prohibit product placement until a review of the position in 2011.

Many writers have expressed concern about the proposals. James Henry, a writer for The Green Wing, gave the example of "scenes like *The Cheerleader One* in *Heroes* becoming hugely, yet somehow unconvincingly enthusiastic about her dad giving her what is, to all intents and purposes, a rather dull saloon car (although one curiously out of the price bracket those characters could afford), which she, of course, mentions by name." He goes on to explain that: "as a writer, it's bad enough having to run storylines and dialogue past script editors, producers, lawyers, broadcast company (or network) executives and legal departments. But now we have to run them past PR departments and advertisers?"¹⁴

It is also unclear whether permitting product placement will bring new investment to commercial television: we note that a number of marketers have expressed reservations about product placement, and suggested that funds for product placement would come from existing marketing budgets. As Marc Sands, Marketing Director at The Guardian put it: "There is no benefit to the viewer. Any money generated will go straight to the share holders. We estimated it will generate around £30m which is about 2% of total revenue, this is a small amount to sell your soul for. They have a lot more to lose than they have to gain."¹⁵ Even more recently, ISBA, representing more than 400 British advertisers, have expressed their opposition to moves to introduce paid-for product placement.¹⁶

Safeguards

We recognise that, despite our serious concerns, the Government may decide to allow product placement in UK-made television programmes. In this case, it is of paramount importance that there is an absolute prohibition on the placement of all food and drink products. Since the vast majority of food and drink marketing is for HFSS products, failure to ensure this will result in children being exposed to even more marketing for HFSS food. We are aware that there are differing views on how HFSS foods should be defined, and therefore believe that excluding all food and drink products is the safest way of ensuring children are protected from additional HFSS marketing. Not allowing product placement for any HFSS products is necessary, but not sufficient, to protect children.

The existing safeguards included in the AVMS Directive are insufficient to protect children from HFSS marketing, because, according to Ofcom's figures, 71% of children's viewing is outside dedicated children's programming¹⁷. Not permitting

¹³ Burnham, A. (2009) Speech: *Preserving standards will be the cornerstone of UK media services*. London: DCMS

¹⁴ Blue cat (2009) *Product placement then*. Available: <http://jamesandthebluecat.blogspot.com/2009/09/product-placement-then.html> [25 November 2009]

¹⁵ Ramsay, F. (2009) Brands seek clarity over TV product placement U-turn. *Marketing Magazine*

¹⁶ ISBA (2010) Advertisers question government plans for product placement. Available: <http://www.isba.org.uk/isba/news/702> [6 January 2010]

¹⁷ Ofcom (2004) *Childhood obesity – food advertising in context*. London

placement of food and drink products would also have the benefit of protecting adult audience from additional marketing for HFSS foods.

Consultation questions

1. What, if any, viewer and other safeguards there should be additional to those required by the AVMS Directive?

The Children's Food Campaign believes that product placement in UK-made television programmes should not be permitted. However, if product placement is allowed, no product placement of food and drink products should be permitted. We believe that, while a ban on product placement for HFSS products is desirable, it is insufficient, as views on how HFSS products should be defined vary. There is therefore a risk that prohibiting only HFSS products will be too weak to protect children adequately.

While we welcome the intention to protect children from product placement, simply prohibiting product placement in children's programmes as required by the AVMS Directive is inadequate, since 71% of children's viewing takes place outside of dedicated children's airtime.¹⁸ Under this provision, children will thus be exposed to product placement for HFSS food during the majority of their viewing.

Not allowing product placement for any food and drink products is the best way to ensure that children are not exposed to higher levels of HFSS marketing.

2. How should those additional safeguards be imposed - by law, or by means of the Ofcom Code?

Additional safeguards should be immediately implemented through the Ofcom Code, followed by changes in the law.

Commercial advantages

3. Is the range of figures for the potential financial benefit of introducing television product placement set out a Part 3 of this document (between £25m and £140m p.a.) still broadly applicable?

4. Is it possible to narrow this wide range of estimates?

5. Are there grounds for thinking that the potential benefits have increased or decreased since last year?

6. Has any new evidence emerged about the possible benefits since the earlier consultation?

While the Children's Food Campaign does not have expertise in this area, we note that a number of marketers have expressed reservations about product placement, and suggested that funds for product placement would come from existing marketing budgets¹⁹. We further note that childhood obesity rates continue to rise and the more recent predictions anticipate a further rise²⁰. Therefore measures to protect children

¹⁸ Ofcom (2004) *Childhood obesity – food advertising in context*. London

¹⁹ Ramsay, F. (2009) *Brands seek clarity over TV product placement U-turn*. Marketing Magazine

²⁰ National Heart Forum (2009) *Obesity: Recent trends in children aged 2-11y and 12-19 y*. London

from unhealthy food marketing are more important than ever, and outweigh any financial considerations.

Programme genres

7. *If product placement is allowed in programmes made by or for UK television, should any of the programme genres permitted by the AVMS Directive be excluded?*

8. *Should UK controls on product placement be more specific as to what is meant by 'films and series' in which product placement can appear?*

9. *Are there definable types of 'films and series' in which product placement either should or should not be permitted?*

10. *Should UK controls on product placement be more specific as to what is meant by 'sports programmes' in which product placement can appear?*

11. *Is there any reason to restrict product placement in particular types of sports programming?*

12. *Should UK controls on product placement be more specific as to what is meant by 'light entertainment' programmes in which product placement can appear?*

13. *Is there any reason to restrict product placement in particular types of 'light entertainment' programme?*

14. *Should there be a specific prohibition of product placement in*

- *religious programmes*
- *news programmes;*
- *current affairs programmes;*
- *consumer programmes; or*
- *any other specific type of television programme?*

Regarding questions 7-14, the Children's Food Campaign is concerned that:

- The definition of these genres are vague. While we do not have the expertise to suggest definitions, until they are specifically defined, they remain open to abuse from marketers. The difficulty of devising definitions suggests that rules relying on them are likely to be weak.
- There seems to be substantial cross-over between the genres, particularly "light entertainment programmes" and "films and series made for audiovisual media services".
- Many of the examples of these genres, including *Big Brother*, *Jamie's School Dinners* and *The Bill*, appeal to children, and are watched by large numbers of children as well as adults. Therefore, children will be exposed to product placement if it is permitted in these genres.

Children

15. *Should any or all product placement be restricted or prohibited in programmes with a disproportionately high child audience?*

The concept of "disproportionately high child audience" is problematic in policies to protect children, because it refers to the relative, rather than absolute, number of child viewers. For example, analysis of viewing data for commercial channels by Which? in 2008 showed that more than twice as many children watched ITV game

show *Beat the Star* than watched one of the most popular children's programmes, *Spongebob Squarepants*²¹. If the intention is to protect children, then excluding product placement only from programmes with a disproportionately high child audience is ineffective.

Given the poor diet and rising obesity rates among the UK's children, we believe that it is necessary to protect children from *any* additional marketing for food and drink products, and therefore placement of such products should not be allowed in any programmes.

16. If so, how should that assessment be made in advance of a programme being broadcast?

The difficulties of predicting child audience prior to production and removing placements if necessary are additional reasons why the concept of "disproportionately high child audience" should not be used in an attempt to protect children from product placement. Simply not permitting any placement of food and drink products would avoid this difficulty.

17. How could a 'disproportionately high child audience' be defined?

We do not believe that this concept is helpful, because it fails to take into account the absolute number of children watching a particular programme. We note that Ofcom's use of a BARB audience index of 120 or above to identify programmes 'of particular interest to children' sets the bar unusually high; an audience index of 100 is normally deemed appropriate, and is used to determine when advertising for alcohol, slimming products, and gambling can be shown. As a consequence, research by Which? in 2008 found that 16 of the 20 programmes most popular with children on the commercial channels were not covered by Ofcom's regulations to protect children from unhealthy food marketing²².

A policy to protect children from marketing for HFSS products (or any other type of product or service) must simply not allow their placement.

18. Should there be restrictions on placing certain types of products (e.g. HFSS foods or alcohol) in programmes with a disproportionately high child audience?; and if so

19. Should those restrictions be the same as or greater than those which are currently in place for the scheduling of spot advertising of those products?

The Children's Food Campaign believes that the best way to protect children from product placement is to maintain the current policy and not allow it. However, if product placement is permitted, we believe that no product placement for any food and drink products should be allowed.

Greater restrictions than those for the scheduling of spot advertising of HFSS products are necessary because the same restrictions would only protect children from placement of HFSS products during the 29% of their viewing which is during "children's programming". Thus children would still be exposed to placement of

²¹ Which? (2008) *TV food advertising restrictions. Time to finish the job. September 2008*. London

²² Which? (2008) *How TV food advertising restrictions work*. Available: <http://www.which.co.uk/advice/how-tv-food-advertising-restrictions-work/index.jsp> [23 November 2009]

HFSS products during the remaining 71% of their viewing which takes place outside of these times.

Editorial independence; undue prominence

20. How could 'undue prominence' be avoided, given the commercial imperative for audiences to recognize the products and services that have been placed?

21. At what point should the Government, or Ofcom, draw the line between legitimate paid placement of goods or services and illegitimate 'direct encouragement' to purchase or hire them?

22. Are rules – in addition to those that prevent 'undue prominence' and the promotion of placed products – needed to safeguard editorial integrity? If so, what should these be?

The Children's Food Campaign believes that product placement will inevitably lead to products being given undue prominence, blurring the line between legitimate paid placement of goods or services and illegitimate 'direct encouragement' to purchase them, and failing to safeguard editorial integrity.

As noted above, James Henry, a writer for *The Green Wing*, cites concerns that there is a real danger of "scenes like *The Cheerleader One* in *Heroes* becoming hugely, yet somehow unconvincingly enthusiastic about her dad giving her what is, to all intents and purposes, a rather dull saloon car (although one curiously out of the price bracket those characters could afford), which she, of course, mentions by name."²³

However, the avoidance of undue prominence is also problematic because there is evidence that more discreet placements that are not consciously noticed (i.e. are not unduly prominent) have greater effect.²⁴ So if undue prominence is achieved, this could amplify the effect of product placement, increasing the marketing effect for advertisers of HFSS products and adverse effect on children's diets.

Tobacco, alcohol, HFSS foods, gambling

23. Should television placement of smoking accessories such as cigarette papers and pipes be prohibited?

The Children's Food Campaign does not have the remit to comment on this question.

24. Should television placement of alcohol, HFSS foods or gambling be subject to an outright prohibition; or, if not prohibited, should it be subject to restrictions of some kind?

Given the poor diet and rising obesity rates among the UK's children, and the impact of marketing on their food choices, it is of paramount importance that children are not exposed to any additional marketing for HFSS food or drink products. As explained above, an exclusion of product placement during children's programming will be

²³ Blue cat (2009) *Product placement then*. Available: <http://jamesandthebluecat.blogspot.com/2009/09/product-placement-then.html> [25 November 2009]

²⁴ Russell, C.A. (2002) Investigating the effectiveness of product placement in television shows: The role of modality and plot connection congruence on brand memory and attitude. *Journal of Consumer Research*, 29, pp.306-318; Law S.; Braun, K.A. (2000) I'll have what she's having: Gauging the impact of product placement on viewers. *Psychology & Marketing*, 17, pp.1059-1075

inadequate. We therefore maintain that no placement of food and drink products should be permitted.

25. If it is not practicable to apply the detail of the BCAP Code rules on alcohol advertising to alcohol product placement, would the simple AVMS Directive rules that alcohol advertising must not be aimed specifically at minors and must not encourage immoderate consumption provide adequate safeguards?

26. Are there any alternative forms of safeguard that may be appropriate?

The Children's Food Campaign does not have the remit to comment on these questions.

Monitoring

27. What methods of assessment and monitoring would be most effective in ensuring that there was accurate and reliable information about the actual effects of any introduction of product placement in these areas?

We note that any effective assessment and monitoring would need to measure the unconscious impact of product placement on consumer attitudes and purchases. It is very difficult to see how this could be done.

28. Would it be possible or desirable to levy a charge on product placements to enable monitoring and/or research to take place?

Any costs incurred by the introduction of product placement, such as monitoring and research, should be borne by those organisations using product placement. It is likely that a levy on product placement would be the simplest method of doing so.

Other types of product

29. Are there any other product or service categories whose placement should be subject to prohibition or restriction?

30. If so, what, and why?

The Children's Food Campaign does not have the remit to comment on these questions.

Terms of trade

31. If television product placement is allowed, what models might there be for revenue sharing between broadcaster and producer?

32. Does the industry anticipate that the commercial negotiation of product placement arrangements would form part of the terms of trade between broadcasters and producers?

The Children's Food Campaign does not have the remit to comment on these questions.

Prop placement market

33. *What impact would allowing television product placement have on the existing prop placement market, and on the ability of broadcasters to source props and services in this way?*

The Children's Food Campaign does not have the remit to comment on this question.

Signalling product placement to viewers

34. *How should television product placement be notified to viewers?*

One of the Children's Food Campaign's main concerns about product placement is that it is not always identifiable, meaning that parents would be unable to protect their children from it. If product placement is allowed, it should be clearly identified using a generic logo, text, and spoken announcement. Both the text and announcement should identify the product and advertiser so that parents could decide whether or not their children should watch the programme.

This would result in increased visibility and marketing effect for the advertiser and would not mitigate the advertising effects of placement for HFSS products, and for this reason a complete ban on product placement would be preferable. However, it would ensure that, in the case of product placement being permitted, that the practice was implemented as transparently as possible.

We note, however, that adequate notification would by definition breach the principle of avoiding "undue prominence", and that again upholding the current ban on product placement would provide a solution to this problem.

35. *When should it be notified to viewers – should we go beyond the EU requirement for notification before and after the programme and after any ad breaks?*

Product placement should be identified to viewers as it occurs in a programme to ensure that if a viewer has seen the placement, they are made aware of it. Identification only at the beginning and end of the programme and after advert breaks would be missed by many viewers and so breach the principle of advertising that people should know when they are being advertised to.

36. *Should notifications to viewers mention the product(s) which has or have been placed?*

The notification should mention the product being placed to be as transparent as possible.

37. *Do you have any other views about alerting viewers to the presence of product placement in a television programme?*

No.

Thematic placement

38. *Should the prohibition of 'thematic placement' extend to placements which feature only generic products and services or types of product and service rather than branded ones?*

The 'normalisation' of snacks and occasional foods such as crisps, sweets and chocolate confectionery into the mainstream diet of children is extremely worrying. We therefore consider that 'thematic placement' should not be allowed, since there is no way of knowing whether a generic product is HFSS or not.

39. Should the prohibition of 'thematic placement' extend to the placement in a programme of references to the beliefs, policies, aims or objectives of the placer?

The Children's Food Campaign does not have the remit to comment on this question.

Negative and simulated placements

40. If television product placement is to be allowed, should there be rules which prevent negative placements?

41. Should the regulation of television product placement, if it is to be allowed, contain specific controls on the use of simulated products?

The Children's Food Campaign does not have the remit to comment on these questions.

Consultation arrangements

The Children's Food Campaign welcomes the opportunity to respond to this consultation, but has serious concerns about the consultation arrangements. We note that, despite the Secretary of State's announcement on 16 September 2009 that there would be a consultation on this issue "shortly", it took until November for the consultation to be published, and the public was given only an eight week consultation period in which to respond, which included the Christmas and New Year holidays. We note that this contravenes the Government's Code of Practice on Consultation, which states that:

"Under normal circumstances, consultations should last for a minimum of 12 weeks. This should be factored into project plans for policy development work." (Section 2.1)

The Code further states that: *"If a consultation exercise is to take place over a period when consultees are less able to respond, e.g. over the summer or Christmas break...consideration should be given to the feasibility of allowing a longer period for the consultation." (Section 2.2)*

Government's explanation for this shorter consultation period is that "the Government already carried out a 12 week consultation in 2008 seeking views on product placement"²⁵. This does not address the fact that this was a new consultation with a new document and questions. It also fails to explain why it was not possible to stick to the original decision made on the basis of the responses to the 2008 consultation.

In short, it remains unclear why the Government is failing to follow its own Code of Practice on Consultation.

ENDS

²⁵ DCMS (2009) Personal communication, 19 November 2009

Children's Food Campaign
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Contact: Christine Haigh
Sustain: the alliance for better food and farming
94 White Lion Street
London
N1 9PF

Tel: 020 7837 1228

Email: Christine@sustainweb.org