### Should TV Ads Aimed at Children Be Banned in Australia?

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#### Abstract

The advertising industry is facing harsh criticism these days: advertising is blamed for the growth in childhood obesity, materialism and the commercialisation of childhood. Concerned voices are calling for stricter laws and regulations for advertising that targets children. This paper examines the situation in countries where advertising targeting children has been banned in broadcast media. It then evaluates the efficacy of introducing similar regulations in Australia. Academic literature and recent discussions in the "ban-countries" do not provide evidence that this type of regulated response has the desired effect, nor do they demonstrate that advertising leads to, for example, obesity in the first place. It would appear that only anecdotal evidence supports this connection. This situation should be seen as an opportunity for the industry to act responsibly, rather than a need to ban advertising to children.

#### Introduction

An extraordinary resurgence of interest in research on children and advertising issues seems to be emerging. Two factors have converged as catalysts: the first is widespread recognition about the increasing commercialisation of childhood, leading to materialistic children that constantly demand branded products. Marketers seem to be increasing their focus on children as consumers: advertising specifically targeting children is engaged more broadly and actively today than at any point in the past. This development is underscored by several recent books, including Born to Buy: The Commercialized Child and the New Consumer Culture (Schor 2004), Consuming Kids: The Hostile Takeover of Childhood (Linn 2004) and BrandChild: Remarkable insights into the minds of today's global kids and their relationships to brands (Lindstrøm 2003). Advertising to children is widely viewed as the epicentre of an increasingly commercialised culture (Kunkel 2005). Even the preschool audience has become an important demographic group, recognised for its value in building brand loyalty early on (Klein 1999). The second factor involves a dramatic worldwide increase in childhood obesity rates. This factor is compounded with the suspicion that the marketing of food products is a significant contributor to this problem (Kunkel 2005). Both of these developments have attracted the attention of public and federal policy makers (McConnell 2004).

### **Implications for Regulation**

These two factors have led many governments to impose stricter rules in regard to children's advertising. Governments are under pressure to be seen to act on constituents' concerns. Broadcast advertisements that target children have been heavily criticised for being manipulative and taking unfair advantage of children's gullibility. This has left the advertising industry somewhat beleaguered, with strident calls for regulations on advertising to children. Either restricting or banning advertising becomes an appealing option for governments wanting to demonstrate that they take such issues seriously, even if these actions are unlikely to achieve the objectives set by policy makers (Eagle, Kitchen and Rose 2005).

Governments in Norway, Sweden and the Canadian province of Quebec have introduced the most extensive bans wherein broadcast advertising that targets children under 12 is completely banned (Hawkes 2004).

The Norwegian consumer ombudsman, for example, asserts that children need extra protection against advertising due to their limited abilities to understand the advertisers' agenda and that these laws are needed to reduce the commercial pressure on them (Thon 2006). However, banning advertising to children has been widely criticised as a "nanny culture" (Ramsey 2006), or a distraction from the real problem (Kucharsky 2004). The effectiveness of such bans has also been questioned. For example, the World Health Organization (WHO) report on the global regulatory environment (surveying 73 countries about children's TV advertising regulations) could not find any clear evidence that the strict regulations imposed in Norway, Sweden and Quebec had any effect on obesity rates or decreased commercial pressure (Hawkes 2004).

The problem in these countries is that there is no clear evidence that banning advertising works as intended. For example, in Sweden and Norway, despite the ban, advertisers have increased other forms of communication to children. For example, advertisements targeted at children are often broadcast on satellite channels from other countries and therefore not covered by the ban (Kucharsky 2004). This means that advertising to children is still occurring, but the bans is said to have forced this to occur through foreign networks (Mitchell 2007). Interestingly, the Swedish law to ban advertising to children was partly based on the research by Bjorström (2000), a professor at Stockholm's National Institute for Working Life. He now admits that the ban does not work entirely as intended because of the many loopholes in them (Mitchell 2007). Thus, The Norwegian Consumer Ombudsman is calling for a change to the Marketing Act in order to further tighten the already strict laws and to address these loopholes. It was suggested in a written submission to The Norwegian Ministry of Children and Equality to impose a total ban on advertising at schools, a ban on any form of direct marketing (via mail, telephone, email and mobile) towards anyone under the age of 16 and to place restrictions on advertising for unhealthy food. It was also indicated in this report that industry self-regulation would not be the desirable solution (Thon 2006). The Norwegian Advertising Association (ANFO) have expressed frustration over the new suggested Marketing Act. Because the change might require all advertising to be adjusted with consideration to children since the suggestions also include special attention to advertising that can be heard or seen by children (even if it is not aimed towards them) (Jacobsen 2006).

By introducing a ban on broadcast advertising in Australia, the situation might follow the same extreme direction as in Norway. However, one important difference in the TV broadcast environment might wrongfully make it more appealing to introduce regulations on children's ads in Australia.

## The Australian TV Broadcast Environment Compared to Norway

The density of the populations and the number of countries concentrated across the continents constitutes the main difference in the TV environment between Europe, North America and Australia. As previously mentioned, Scandinavian and Canadian children seem to be exposed to foreign TV networks through pay TV that are not covered by the ban. The difference in Australia is that the country geographically does not have the same number of nearby neighbouring countries from which the regular TV viewer can receive free to air (FTA) broadcastings. In other words, the vast majority of Australians only receive FTA TV from

within Australia. Thus, a ban of advertising aimed towards children appears to be feasible in Australia as a result of the low level of foreign involvement and the patterns of TV viewing in the population. In Norway, the non-regulated television content flows through pay TV from abroad. In 2006, the penetration of pay TV in Norway had reached 80% (SSB 2006), giving most Norwegian children the opportunity to watch TV networks that were not covered by the regulations. In Australia, children do not have this opportunity since the penetration of pay TV has only reached 25% and is expected to reach only 26% in 2007 (Budde 2007). This appears to be an appealing argument for introducing advertising bans similar to Norway's in Australia, since the proportion of possible foreign influence are significantly lower.

The proportion of foreign influence has been cited as one of the major arguments for why the bans have had such low effectiveness in Norway, Sweden and Quebec. Also, this clutter has obviously made it very difficult to measure the real effectiveness of the bans. However, general demographic statistics suggests that this aspect might be overrated since Norwegians seems to prefer FTA TV broadcast from within the country. On an average day, fewer than 20% of all Norwegian TV viewers (of any age) have watched any of these networks not covered by the ban (SSB 2006). From this perspective it would appear that the emphasis on foreign involvement is unwarranted. The Norwegian ban is said to be ineffective due to foreign involvement; yet, the foreign involvement appears to be almost insignificant. Thus, there must be other explanations why banning advertising does not seem to work. It is important to not only consider the implications for banning advertising, but also what effect it might have on the children. The arguments most commonly used are increased materialism and obesity in children; these connections will now be discussed.

# TV Advertising's Effect on Children

It is difficult to obtain a clear picture of advertising's alleged negative effects on children. Research in the area has so far failed to provide any clear evidence that TV advertising leads to obesity or increased materialism. To date, only anecdotal evidence fuels the connection. With regards to materialism, research has not convincingly established that advertising aimed towards children leads to actual purchases. Even for older children, studies have demonstrated that advertising would not make them more likely to talk to their parents and peers about products advertised or to make more frequent purchases (Brand and Greenberg 1994). On the other hand, in would be unlikely for marketers to continue to target children with advertising if it was completely ineffective. For example, research has also showed that when a child reaches a certain age, advertising can create product desires and intention to purchase (Brand and Greenberg 1994). Still, no research has succeeded in showing a clear connection between advertising and the alleged negative impacts on children, such as increased materialism.

One study compared children in Sweden to children in the UK and found that the UK children requested more branded products than the Swedish children (Pine and Nash 2002). The authors therefore conclude that the advertising ban works. However, a simple product request does not, in itself, indicate increased materialism. Further, changing the item being requested does not necessarily mean that the total amount of requests increases (Ambler 2007). For example, if a child repeatedly requests a branded Barbie doll that does not indicate that the total number of requested dolls (or toys) increases.

Another central study, conducted in Quebec, found a link in the reduction of consumption of sugary cereals and children's exposure to commercials for such cereals (Goldberg 1990).

This study examined the cereal consumption among anglophone and francophone children in Montreal. It found English-speaking children (who are generally exposed to more Englishlanguage TV generated from outside the province), had more children's cereals in their homes than did the French-speaking children (who watched less English-language TV). This study has been widely cited as strong evidence that advertising for unhealthy food leads to poor dietary choices among children, or that the more advertising a child watches the more he or she will desire the advertised products (cf. John 1999; Tybout and Artz 1994; Walsh, Laczniak and Carlson 1998; Young and Hetherington 1996). However, other variables, such as the type of breakfast normally consumed by different subcultures of children, might be an even stronger predictor for this difference; it might, for example, be more common for an English-Canadian child to eat cereal for breakfast while a French-Canadian child might prefer a bread based breakfast. Studies have found significant differences for a wide variety of consumption behaviours between French-speaking, bilingual and English speaking Canadian families. "These differences existed even after social class and income were removed" (Schaninger, Bourgeois and Buss 1985, p.82). This means that one of the most commonly cited studies cannot attribute increased materialism to advertising because other explanations for the research findings are likely.

When referring to the obesity epidemic, fast food (and the advertising for it) is often mentioned as one of the leading causes. However, the fast food industry can be characterised as a mature market, suggesting that sales growth has stabilised (Eagle, Kitchen and Rose 2005). Over a decade ago, Ambler (1996) highlighted that total advertising does not affect total market size in a mature market. Advertising in these markets is generally aimed at 'maintaining the status quo', i.e., protecting existing market shares rather than generating substantial numbers of new users, or increasing market size (Eagle, Kitchen and Rose 2005). Providing practical support for this concept is an empirical analysis of actual expenditures in the New Zealand fast food industry, where no substantive evidence was found of advertising expenditure increase. Thus, it seems evident that advertising is not a strongly persuasive force in this mature market (Eagle, Kitchen and Rose 2005). If it is not persuasive, then one cannot logically attribute the rise in obesity to it.

Furthermore, advertisers in Sweden argue that prohibiting advertising to children is an ineffective means of discouraging unhealthy diets (Hawkes 2004). It is also important to notice that brands are not diets: eating more of one brand does not necessarily mean eating more of the category as a whole, nor does it necessarily imply a change of overall diet (Ambler 2007). Interestingly, obesity in Sweden has actually risen since their introduction of advertising bans. Like many other European countries, Sweden is very much a part of the epidemic of obesity wherein the number of overweight individuals has nearly doubled during the past 20 years (Flodmark, Marcus and Britton 2006).

#### Discussion

It appears easy to blame advertising for creating unwanted situations, simply by referring to children's gullibility. Therefore, anyone who targets children will have to face criticism for being a manipulator and creator of negative impacts like excessive materialism or obesity. The studies reviewed here, showed that advertising aimed towards children might have an impact on increased product desire or consumption of unhealthy food, but that this connection is far from conclusive. If the Australian government were to impose a ban, they would at least show that they are taking some action in regards to these problems. This might also prove

favourable for advertisers because some of the aspects from the industry that create these negative views would be removed. However, these are fairly weak arguments and may very well function as a distraction of the real issues.

Even if Australia were able to effectively introduce a ban on broadcast advertising aimed towards children, neither of the examples from countries with such bans or the research articles presented here, managed to demonstrate a significant positive effect that one might expect from such actions. Even the WHO was not sure of the effectiveness, and both the Swedes and the Norwegians are looking for new more effective solutions by introducing more bans and stricter regulations, surely not a ideal position. The uniqueness of the Australian television environment might falsely make it look appealing to introduce a ban similar to Norway. The current ban in Norway are widely criticised as ineffective, even if most Norwegians only watch Norwegian television. Hench, it appears to be a rather weak argument that the low level of foreign influence in Australia would have any significant impact on the effectiveness of a possible ban.

Networks might lose revenue to children's programming if advertisers no longer were allowed to show their commercials and that might lead to a decrease in funding and quality of such programs. To regain some lost revenue, broadcasters might have to discuss whether to introduce a licence fee for TV owners. In Norway, viewers have to pay about \$200 a year in licence fees to the public broadcaster NRK (NRK 2007). A final argument against banning children's TV advertising is the increasing focus on integrated marketing communication (IMC) among marketers. Advertising is only one part of marketers' communication mix, by placing a ban on one form of communication it is likely that other forms will increase as a result. This will again leave Australia in a similar situation to Norway, where they now are suggesting a ban on for example direct marketing and Internet marketing to children.

### **Conclusion**

It is most likely that sceptics and critics will continue to claim that advertising for unhealthy food goes hand in hand with childhood obesity and increased materialism. Despite the anecdotal nature of the evidence, advertising is still likely to face criticism because children are perceived as being less able to understand and defend themselves against "unfair" advertising claims. However, from the children's point of view, research has revealed that when a child first starts to become aware of the advertiser's agenda, he/she believes them less, likes them less, and is less likely to want the products advertised (Robertson and Rossiter 1974; Mallalieu, Palan, and Laczniak 2005.). Thus, it seems that there is a need for better understanding from both parties; advertisers need to understand children's wants and needs better and children (through parents and school teachers) need a better understanding of how advertising works. The continued debate regarding this topic should not be about whether or not advertising is "bad" for children; it should be about understanding how children perceive advertising, and how advertising affects consumers in general. The responsibility may rest with the industries to act dutifully at the end of the day. Food manufacturers and the advertising industry now fear that laws banning junk food promotions and celebrity endorsements during children's television programs will be introduced in Australia, and some are making pre-emptive moves: Kraft has already removed the teddy bear used to promote its peanut butter, and a major confectionery company website was recently closed down when the Australian Association of National Advertisers said it breached the industry code on children's advertising (Egan 2007).

As an alternative to introducing prohibitive bans with questionable effectiveness, the Australian government could focus on distributing information and promoting understanding. As this paper points out, this is a battle not worth fighting. As in Norway, marketers will find other ways to reach their target audience if one way becomes illegal. With the existing and future communication tools, it seems naïve to assume that government bodies can continue to regulate the content of advertising; it is like waging a war on terror – you simply cannot win.

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