

Frequently Asked Questions



Why do we need a Control of Marketing of Alcohol Beverages Act?

While many news stories around alcohol consumption in South Africa lead with the fact that alcohol is the third leading cause of death in the country, the full picture of the role that alcohol plays is far more complex and varied. Alcohol has a role in social issues such as violence, crime, and the breakdown of family structures, and economic problems such as joblessness and poverty. A multifaceted approach is needed to change this story; with a key intervention being a radical shift in the social norm that promotes and admires excessive alcohol consumption.

The alcohol industry profits from existing social norms that connect masculinity, patriotism, modern womanhood, and various forms of success with alcohol consumption.

Advertising is the key tool that the industry uses to expand its markets to address new generations of drinkers.

What is the relationship between advertising and alcohol consumption?

Despite the industry position that advertising simply affects brand choice and competitiveness, analysis of marketing and advertising campaign documents from the U.K. and elsewhere demonstrate that increasing consumption is another important goal.

In the South African context, where SAB Ltd. operates in nearly monopolistic conditions, it is even more obvious that branding is less about increasing market share and more about increasing consumption levels.

The industry lobby repeatedly highlights a few studies, mostly population-wide models that look at aggregate spending in support of their position that advertising does not impact consumption, but rather affects brand choice and brand share in the market. Public health advocates have repeatedly stressed the serious methodological flaws with these studies, and instead point to high-quality longitudinal studies with actual people and their behavior over time which has demonstrated a small but significant impact of advertising on consumption.

More specifically, these studies have shown that young people exposed to advertising begin drinking earlier while those who are already drinking will consume more.

Despite a professed interest in changing unhealthy drinking patterns, the industry has accelerated its research into effective manufacture, marketing, and distribution in lower income countries.

What's in the proposed Control of Marketing of Alcohol Beverages bill?

If the bill is passed, the Control of Marketing of Alcohol Beverages Act will prohibit the following;

- The advertisement, promotion or arrangement for any person to advertise or promote alcoholic beverages.
- No alcohol beverage manufacturer, importer, distributor or retailer of alcoholic beverages can arrange or promote a public organised activity (arranged for entertainment, sport or recreation or for educational or cultural purposes; and where an alcoholic beverage, or brand name, trade mark, logo or company name in relation to an alcoholic beverage, is used in the name of or portrayal of the activity or event to promote the use of alcohol) within South Africa or make a financial contribution to the activity in part or whole.
- Alcoholic beverage manufacturers, distributors, importers and retailers, or agents acting on their behalf, can not offer for the purposes of promotion, free alcohol or alcohol at a reduced price.
- Competitions, lotteries, games, give-aways and cash rebates that require the purchase of an alcoholic beverage, the evidence of that purchase or a confirmation of the use of an alcoholic beverage will not be allowed under the Act.

If the bill is passed, won't it result in major losses in revenue and employment across industries?

According to the Preliminary Impact Assessment by analyst Chris Moerdyk in 2011, the estimated loss in revenue for the advertising industry will be R2.6 billion along with a loss of 2500 mainly low earning jobs.

However, in her 2009 literature review, National and Provincial Government Spending and Revenue Related to Alcohol Abuse, Debbie Budlender estimates that provincial governments allocated for 2009/2010 close to R7

billion on account of alcohol abuse alone, while national government allocated more than R10 billion. Still, noting the methodological difficulties of estimating the true public sector costs of alcohol, Budlender plainly states that these estimates “represent only a fraction of the true cost that alcohol abuse imposes on society.” Other South African researchers have estimated the economic costs of alcohol to be over R9 billion per year.

Hasn't it been documented that drinking alcohol in moderation provides net health benefits to society and is part of a balanced lifestyle?

While some research has demonstrated positive health benefits of moderate alcohol consumption, most of the studies have been conducted in Europe and the United States, where many drinkers consume alcohol with meals.

The situation in South Africa is not comparable. Normalising drinking and encouraging the consumption of alcohol is dangerous in an environment where a large number of people are living with infectious disease, poor nutrition and other factors that make them more vulnerable to the harmful impacts of alcohol.

Hazardous patterns of consumption (such as heavy episodic drinking, drinking without consuming food etc.), particularly by young drinkers, are connected to increased incidence of violence and crime and higher risk for contracting a sexually transmitted disease.

I thought alcohol-related harm is a behavioral problem. Is the issue not simply a matter of controlling the bad habits of a small minority of drinkers? Can't responsible drinking be learned?

The negative health and social consequences of drinking alcohol are not exclusive to abusers. Public health advocates argue that the greatest problems linked to consumption are social. We all share the cost of alcohol-related harm, and perhaps more importantly, harm reduction efforts to target individual behavior alone are destined to fail.

Industry campaigns oriented toward teaching responsible drinking are challenged at the outset by competition from industry advertising that promotes consumption and glamorises alcohol as a part of the “good life.” Also, educational campaigns have been shown to be less effective than other types of interventions, and often act as stealth PR campaigns to create positive impressions of the producer.

Shouldn't public/private partnerships influence the development of alcohol policy?

Industry pursues partnerships through lobby organisations designed to represent their interests and to influence alcohol policy development. These advocacy organisations believe they have an equal right to sit at the table in policy negotiations, but they represent a profit-driven industry and are not public health or scientific bodies whose sole interest is the public good.

There is ample evidence that industry uses partnerships with NGOs and governments as a means to influence how alcohol is perceived and alcohol policy is formulated.

The industry actively pursues the dissemination of its agenda through “stakeholder marketing,” including media advocacy, public relations, and information dissemination, nominating representatives to sit on government bodies or on research review committees.

Currently, SAB Ltd. continues to attempt to establish stakeholder meetings with government ministries and NGOs. It is imperative to critically interrogate the implications of these kinds of meetings and alliances.

Aren't better self-regulatory mechanisms the best way to manage any negative consequences of alcohol advertising?

While industry claims that self-regulation is the fastest, cheapest, and most flexible way to restrict alcohol advertising, the standards bodies (such as the Advertising Standards Authority) have a poor record of self-policing.

Industry self-regulation is voluntary, and even if companies agree to abide by the codes, the penalties for violation have minimal impact and are hardly a disincentive for pushing the boundaries again in the future.