

AANA

A RESPONSIVE APPROACH

Submission to the Inquiry into the Sexualisation of Children

Australian Association of National Advertisers

April 17 2008

A submission to the Senate Environment, Communications, Information Technology & the Arts Committee of Inquiry into the Sexualisation of Children in the Contemporary Media Environment on behalf of Australia's advertising & marketing communications community.

Submission to the Inquiry into the Sexualisation of Children

Introduction

The Australian Association of National Advertisers appreciates the opportunity afforded by the Senate Standing Committee on the Environment, Communications, Information Technology & The Arts to make a submission to its considerations in relation to the Sexualisation of Children in the Contemporary Media Environment.

As the peak body of the Australian advertising & marketing communications industry, representing the interests and obligations of responsible advertisers across all business sectors for the past 80 years, the AANA properly appreciates the concerns of some individuals and groups within the wider community related to advertising generally, and in this instance the potential for premature sexualisation of children in the contemporary media environment..

Responsive in its promotion and protection of responsible advertising & marketing communications that will contribute more than \$30 billion to the Australian economy in 2008/09, the AANA has acted decisively to prohibit the sexualisation of children in any and all forms of advertising & marketing communication.

KEY POINTS

Australia's peak advertising body ordered a review of its Advertising to Children Code immediately on recognition of public concerns about the potential of advertising & marketing communication to contribute to the premature sexualisation of children.

The most extensive public and political consultation ever undertaken in relation to the advertising industry's self-regulatory system, including active solicitation of views from all stakeholder groups, has contributed to a world-leading *AANA Code for Advertising & Marketing Communication to Children*.

As publicly announced on April 16 2008, this code includes provisions expressly prohibiting:

- **sexual imagery in advertising to children in contravention of (independently researched) prevailing community standards,**
- and*
- **advertising to children stating or implying that children are sexual beings and that possession or use of any particularly advertised product will enhance sexuality.**

This action is being supported across Australia's advertising, marketing & media industry with a dedicated training initiative through the Advertising Federation of Australia's agency accreditation system and provision of a free public complaints resolution service through the Advertising Standards Bureau and Board.

RIGHTS AND RESPONSIBILITIES

Having represented responsible application of Australia’s freedom of commercial speech for 80 years, the Australian Association of National Advertisers believes that the industry’s record of responsible self-regulation continues to serve the best public interest.

While acknowledging the rights and responsibilities of governments to enact legislation and regulation in support of the communities they serve, the AANA is a long-time advocate of free and fair marketplace competition as a key driver of social as well as economic growth.

Applying such an approach to its design and delivery of a world class system of advertising industry self-regulation, the AANA believes it shares a right as well as responsibility to respond on behalf of responsible advertisers and marketers to any threat of unnecessary, unreasonable and/or unwarranted censorship of commercial communication.

COMMUNITY STANDARDS

The advertising industry self-regulatory system devised by the AANA and now delivered through the industry funded and independently managed Advertising Standards Bureau and Board, is an internationally-recognised world’s best practice mechanism for ensuring advertising & marketing communications properly reflect prevailing community standards.

In particular reference to claims of advertising contributing to the premature sexualisation of Australian children, the AANA has taken immediate action to ensure prevailing community standards are properly codified in the process under which public complaints can be considered by the Advertising Standards Bureau and adjudicated by the Advertising Standards Board.

In specific relation to the action taken by the AANA to prohibit the use of inappropriate sexual imagery and/or references in advertising & marketing communications directed at children, the ASB will be assisted by regular research into prevailing community standards.

COMMUNITY INTERESTS

In specific regard to the Senate Committee Inquiry into the sexualisation of children in the contemporary media environment, it is submitted that government censorship would not only be unproductive but could prove counter productive.

This view is supported by a recent high-level research reviewⁱ in particular regard to the attraction of young people to alcohol, suggesting that *“in a wide range of studies ... (advertising bans) are ineffective in reducing harmful consumption and may even have perverse effects.”*

The AANA submits that, in relation to advertising & marketing communications, community interests will be best served through the demonstrated responsiveness of responsible commercial communicators and a self-regulatory regime able to claim an internationally-acclaimed industry compliance record of 100%.

THE GLOBAL VIEW

Through a close and continuing involvement with the World Federation of Advertisers, the AANA is able to provide the Senate Committee inquiring into the sexualisation of children in contemporary media with a global view.

The Managing Director of the World Federation of Advertisers, Mr Stephan Loerkeⁱⁱ, advises that the issue of sexualisation of children in advertising as recently reported in Australian media is not such a matter of concern in other countries.

It follows that there is a lack of quality research in relation to any relationship between advertising and premature sexualisation of children.

The latest research into other aspects of relationships between advertising and young people, however, suggests “... a seemingly obvious conclusion is not borne out by the evidence.”

Based on a wide-ranging review of the academic literature, both empirical and qualitative, it is the research-based review of Frontier Economicsⁱⁱⁱ that while advertising censorship might at first glance look like a fail-safe political option –“even if not supported by the evidence”–the potential for unintended and even perverse consequences needs to be examined.

If, for instance, the effect of censorship is to drive consumers on to less regulated resources, the benefit of current restrictions—such as those afforded by self-regulation—may be lost.

In conclusions particular to young people’s problems with obesity and binge drinking, Frontier Economics makes a broader recommendation: “*Serious policy analysis must start by identifying the key drivers ... and examine the levers that have greatest impact ... our work clearly suggested a number of key factors, notably price, information and education, and promotional role that can be played on television and other media.*”

At the request of the AANA, both the researcher responsible for the Frontier Economics study, Mr Damien O’Flaherty, along WFA Managing Director Mr Stephan Loerke, have offered to make themselves available to the Senate Committee.

The Senate Committee may be interested in advice of the WFA’s recent call on regulators to adopt policies that are based on evidence and proportionate to their objectives.

“Far from fixing the problem, heavy-handed restrictions on advertising would put at risk the important role that advertising plays in our economies and societies: it is the enabler of unprecedented consumer choice, allows product innovations to be brought to market, encourages competition, drives economic growth and wealth creation, and funds large sections of the media, sports, arts and culture.”

DOMESTIC ACTION

Supplementary to its participation in global action through involvement with the World Federation of Advertisers, and its promulgation of a Code for Advertising & Marketing Communication to Children incorporating a new prohibition on sexualisation of children in advertising, the AANA has contributed to the development of the Victorian Government’s Voluntary media Code of Conduct on Body Image, as launched in Melbourne on April 18 2008.

ECONOMIC PERSPECTIVE

The AANA further supports this submission with reference to *Advertising & Economic Growth*^{iv}, a groundbreaking research document based on the Doctorate Thesis of Maximilian Nayaradou, University of Paris-Dauphine.

Using a combination of macroeconomics, industrial economics, statistical analysis and econometrics, the author has established:

- **Consumption:** The sectors in which advertising investments are highest contribute most to economic growth;
- **Innovation:** The sectors in which investment in advertising as well as research & development are above average are also those in which the growth of added value is highest;
- **Competition:** Those sectors in which the advertising investment rate is highest are also those in which the market shares of companies are least rigid and in which competition is liveliest as a recognised driver of growth;
- **Economic Value:** As an economic sector in its own right, advertising is a multiplier of economic growth.

In a conclusion to a new English language reprint of the thesis, the World Federation of Advertisers notes:

“Certainly, national economic growth does depend on a number of variables other than media advertising space.

“However, the results of this research demonstrate that similarly to other determining factors (for example research & development expenditure), access to adequate advertising space, allowing for an increase the rate of media advertising investment, is a necessary condition for the economy to achieve high and sustainable performance levels.

“Such a policy presents the additional advantage of being rapid to implement and low in cost.”

Copies of the English language reprint of ***Advertising & Economic Growth*** are freely available on request to the Australian Association of National Advertisers, Level 5, 99 Elizabeth Street, Sydney 2000 or through the Executive Director via collin.segelov@aana.com.au

CONCLUSIONS

On behalf of the Australian advertising & marketing communications community, the Australian Association of National Advertisers respectfully submits to the Senate Environment, Communications, Information Technology & the Arts Committee of Inquiry into the Sexualisation of Children in the Contemporary Media Environment that following the action taken by the AANA to expressly prohibit the sexualisation of children in advertising:

- 1: Further regulation of advertising & marketing communications is neither a necessary, reasonable, nor warranted response to current concerns within the community motivating the current inquiry into the sexualisation of children in the contemporary media environment;
- 2: Over regulation of advertising & marketing communication could have unforeseen 'perverse' effects;
- 3: Advertising & marketing communication based around awareness and healthy image promotion have the potential to contribute to a positive response to current community concerns in relation to the premature sexualisation of children within a more understanding and responsible broader community.

The Australian Association of National Advertisers commends consideration of this Submission and its supporting documentation.

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ⁱ *Food for Thought – The Impact of Advertising Bans*, Frontier Economics, 2008

[Hhttp://www.frontier-economics.com/europe/en/publications/182/H](http://www.frontier-economics.com/europe/en/publications/182/H)

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