

APAC News

IAA ASIA PACIFIC NEWS ON ADVERTISING - RELATED ISSUES

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We welcome any
suggestions, ideas
or information for
this newsletter.
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WELCOME TO IAA APAC NEWS WITH UPDATES AND INFORMATION ON THE IAA ASIA PACIFIC COMMUNITY!

Welcome to Issue #2 of the IAA APAC newsletter which has been specially compiled and written for IAA members in the Asia Pacific region featuring information on advertising related issues of particular significance and impact in the region.

We trust this newsletter will serve as the communication tool to keep you in touch with issues in the region and with each other as well as with us at the IAA World Service Centre. If you have any reports, newsworthy items, information or pictures you'd like to share with your fellow International Advertising Association members please forward directly to [Marie Scotti](mailto:Marie.Scotti@iaa.org) at the IAA World Service Centre.

IAA OLIVE GREEN CRUSADER AWARD LAUNCHED IN INDIA

India's first "Green" responsible advertising award for creative excellence in communicating sustainability.



The India Chapter of the International Advertising Association (IAA-IC) has initiated the "Olive Crown Awards" to recognise and reward creative excellence in communicating sustainability, positioning IAA as the champion for inspiring excellence in communicating custodianship of Brand Earth. The objectives of these responsible advertising awards are to motivate advertising agencies to push "Green" communication on top of the strategic agenda of advertisers and to encourage and enthuse marketers to communicate sustainability in every facet of business.

The IAA "Olive Crown Awards" addresses a crying need to recognize the pioneering work in communicating sustainability by some responsible corporate

houses and agencies. The 275 entries received from the leading ad agencies and advertisers (directly) were judged by an eminent panel of advertising professionals and environment activists. The Energy Resource Institute (TERI) played the role of 'knowledge partner' for these awards.

Talking about the award Mr. Kaushik Roy, President IAA-IC said "This is India's first 'Green' award for creative excellence in communicating sustainability. It's an award that not only celebrates the work done by advertising agencies and the advertisers but also supports concern for our home - planet earth. We are proud to have started a movement in India for which there is already a global recognition and a request for offering the franchise to other countries".

The IAA India Chapter conducted its maiden Olive Crown Awards Presentation at the Goafest 2011, Seminar Hangar in April 2011. Most of the industry CEOs graced the function with Sir John Hegarty as the Guest of Honor and Mr. Bittu Sahgal as the Chief Guest. Sir John Hegarty, who gave away the coveted trophies, such as the Green Campaign of the year, was quick to remark "The advertising industry has always been known for 'selling', now it's time to be known for 'saving' the earth."

Advertisers such as Aircel and Toyota made their presence felt with the 'Save The Tiger' and the NDTV-Toyota "Greenathon" campaigns, respectively. For both, the common agency was Dentsu who walked away with the 'Green Agency of the Year' trophy. Aircel was the clear leader as the 'Green Advertiser of the Year' Idea and Nokia shared the Green Brand of the Year Gold for 'Save Paper - Use Mobile' and 'Planet Ke Rakhwale - Mobile Recycle', respectively. The Green Brand Award was judged in consultation with TERI, the Knowledge Partner.



OBESITY AND INTERVENTION STRATEGIES IN JAPAN AND MALAYSIA

Japan

Industry has consistently argued that when it comes to issues such as obesity and alcohol abuse it is primarily a matter of individual responsibility. The health lobby is aware that any Government intervention that places the prime responsibility on forcing personal responsibility onto individuals is unlikely to appeal to politicians. Hence the lobby advocates intervention strategies that impact directly on the marketing of the product - usually in the form of bans, restrictions, warnings and taxes. However the Japanese politicians have bravely adopted an individual responsibility strategy.

Japan has one of the lowest rates of obesity in the world - ranked 137 out of 153 countries on the 2010 Global Prevalence of Adult Obesity rankings. The rate of obesity for males is only 2.3% and females 3.4%. By way of comparison Norway and Sweden, champions of regulatory intervention, are 54 and 97 respectively with rates 3 - 6 times higher than Japan. So how does Japan do it?

In 2008, Japanese lawmakers decreed that the maximum permitted waist size for males was 85 centimetres and for females 90 centimetres. Japan has a comprehensive healthcare system that requires employers to organise annual health checks. Part of the checkup is the waist measurement.

Employees that fail the waistline requirement must undergo counseling. Employers are given targets for the numbers of employees that must pass the test otherwise their contributions to a healthcare program for the elderly increase.

The system is controversial and there is criticism of the crude methodology. Also Japan has never had the high levels of obesity of other countries. But the results speak for themselves.

What is significant about the system is that it focuses attention on individual responsibility rather than blaming others such as food companies and their marketing techniques. If the individual does not meet the personal responsibility test then he/she must pay a price - albeit only counseling.

The policy may be politically unpalatable in many countries as many may think it is an affront to individual freedom. On the other hand the same people believe that restricting a company's freedom is perfectly acceptable. Nevertheless when the debate arises it is worth citing the Japanese strategy.

Source: Foundation for Advertising Research FAST FAR 6/11 www.ffar.org

Malaysia

In Malaysia, Body Mass Index (BMI) is to be listed in students' report cards and unhealthy food banned in school canteens, with the policy effective immediately, announced Health Minister Datuk Seri Liow Tiong Lai in April.

He said these were new measures to help parents monitor their children's health and gauge whether their child's weight is ideal, overweight or obese and added that parents obtain advice from

clinics on how to maintain a healthy weight for their children.

Malaysia was currently ranked sixth amongst Asian countries and first in Southeast Asia for a high percentage of obese citizens: "Thirty percent of Malaysians are overweight, while another 30% are obese. That's 60%" he said adding that ministry data estimated around 1.7 million Malaysians aged 18 and above to be obese.

The report card decision had been decided at the Cabinet Committee on Non-Communicable Diseases and the Minister stated that "*We have identified unhealthy canteen food such as soft drinks and others with high sugar content. These types of foods are now banned from being sold*".

Source: [Star Publications](#)

FOOD MARKETING TO CHILDREN - HARSH UNITED STATES RESTRICTIONS LIKELY TO RIPPLE AROUND THE WORLD

The US Government has delivered a sledgehammer blow to industry on the marketing of food to children. A report was delivered by the Interagency Working Group (IAG) pursuant to a directive by Congress contained in the 2009 Omnibus Appropriations Act. The IAG consists of four powerful agencies - Federal Trade Commission (FTC), Disease Control and Prevention (CDC), Food and Drug Administration (FDA) and US Department of Agriculture (USDA). The report and its recommendations therefore have not only the might of Congress behind it but also four leading Government agencies along with their coercive powers. Severe new restrictions are proposed but the reality is that they will not just be confined to the US but will over time be adopted globally.

Legislation is not proposed. The recommendations are "*to guide industry self-regulatory efforts to improve the nutritional profile of foods that are heavily marketed to children.*" However because of the might of the Congress and the power of the four Government agencies it is an offer industry cannot refuse. It is not a realistic option to decline to act. All it can do is debate the detail.

The Report commends industry for its self-regulatory initiatives to date - particularly the Pledge Program. However this is laced with criticism that it has not gone far enough. Therefore the IAG is 'assisting' the industry with its self-regulation - "*The Working Group's proposed nutrition principles are designed for the specific purpose of guiding the industry in determining which foods are appropriate to market to children.*"

The Report has four main recommendations:

- Defining a child
- Defining targeting children
- Defining marketing activities
- Defining "healthy" and "unhealthy" food.

The definition of Marketing Activities is all embracing and includes 20 categories of advertising, marketing and promotional activities. "*These include: television, radio, and print advertising; company sponsored web sites, ads on third-party Internet*

sites, and other digital advertising, such as email and text messaging; packaging and point-of-purchase displays and other in-store marketing tools; advertising and product placement in movies, videos, and video games; premium distribution, contests, and sweepstakes; cross promotions, including character licensing and toy co-branding; sponsorship of events, sports teams, and individual athletes; word-of-mouth and viral marketing; celebrity endorsements; in-school marketing; philanthropic activity tied to branding opportunities; and a catch-all other category.”

Although the proposed restrictions are primarily a US matter the reality is that once in place they could well become a world standard and adopted by other countries and it would not take long before such issues, as defining children as being 2-17 and packaging included within the definition of ‘promotion’ would quickly ripple around the world.

Countries with strong self-regulatory systems that operate in accordance with best practice principles should be able to repel Government intervention although some minor modifications in the rules may be required. However those countries without strong self-regulatory systems are vulnerable and should regard strengthening the systems as a priority.

Upgrading self-regulatory regimes in a short time frame takes resources, funding and commitment. That is the real challenge that faces industry. For full report click to [FAST FAR 7/11](#).

FOOD ADVERTISING BAN GATHERS STEAM

The Obesity Policy Coalition (OPC) in Australia has released the report “A Comprehensive Approach to Protecting Children from Unhealthy Food Advertising and Promotion”. The OPC has members representing most of the health lobby groups.

In brief, the report has a blueprint for a regulatory framework to ban the advertising of ‘unhealthy’ food to children. The report is well researched, thorough, well argued and persuasive. However, there is a careful selection of the evidence. Counter arguments and industry initiatives are dismissed with rhetoric rather than evidence. Many of the recommendations are remarkably similar to the proposals in the US IWG Report, and combined with ripples from the OPC report, could combine to cause waves.

Total ad bans of “unhealthy” food are recommended on TV for the hours of 6-9AM and 4-9PM weekdays and 6AM-Noon and 4-9PM weekends and school holidays. The ban would extend to other media where the ad is targeted at children. A very comprehensive and subjective definition is used that would make any advertising very difficult. All media are included in the ban including product placement, all websites, billboards and point of sale. Packaging, in-store product display, competitions, toys, premiums characters, personalities are also included in the ban.

The real threat the OPC report presents is that it provides strong argument for change accompanied by a valid but radical solution. They also did their homework by commissioning a consumer study that had approval ratings of 80-90% plus of the restrictions.

No doubt this was done to get political approval and support. Consequently the report is likely to be on the desk of bureaucrats and other political insiders who are key influencers. Click here to access the [OPC Report](#).

FRONT OF PACK LABELLING - TRAFFIC LIGHT SYSTEM FAVOURED BY HEALTH LOBBY

A debate is raging in Australia on Front-of-Pack labeling. There is also discussion in other countries such as Thailand but the current debate in Australia is intense. A Traffic Light System is strongly advocated by the health lobby and there are a number of studies worldwide to support their argument. In Australia, industry supports a %DI system that is similar to the European GDA and the US Nutrition Keys systems. Thus, worldwide the debate is between a health lobby favoured Traffic Light style system and the industry favoured %DI/GDA/Nutrition Keys system. The chief difference between the two types of systems is that the %DI/GDA/Nutrition Keys Systems give the actual nutrition information compared with the Traffic Light systems that are interpretative - Green for Everyday or healthy, Amber for Sometimes or neutral and Red for Occasional (such as a treat) or unhealthy.

The main industry objection to a Traffic Light system is that Red stands for danger/don't, so that consumers may interpret a Red symbol to mean ‘do not eat’. Conversely a Green symbol may be interpreted to mean eat a lot of this food - perhaps to excess.

The Australian Government sponsored Labeling Logic report strongly recommended a Multiple Traffic Light (MTL) model not only for Front-of-Pack but also for menus and menu boards of chain food service outlets. It also severely criticised the %DI system. The recommended MTL system is a variation of the UK MTL model. The health lobby has supported the MTL system in public debate.

The Australian Food and Grocery Council (AFGC) developed the %DI system that was launched in November 2006. It is fully supported by the New Zealand Food and Grocery Council (NZFGC). Several food manufacturers have adopted the %DI system but a significant exception was the Sanitarium Health Food Company, which has a giant share of the breakfast cereal market in Australia and New Zealand.

The Public Health Association of Australia (PHAA) statement sums it up:

“The proposal for front-of-pack multiple traffic light (MTL) systems as part of the Labeling Logic review has the support of the vast majority of health organisations and is opposed by most of the food industry, which prefers the complex Daily Intake Guide. Health organisations such as PHAA believe MTL sends clear and simple messages that have the capacity to influence healthier choices”.

As the debate continues the Front of Pack labeling will be taken up in Asian countries and particularly by their health lobbies.

For full report click to [FAR ALERT 6/11](#).

A TOOLKIT TO ATTACK FOOD PROMOTION RECOMMENDED FOR WORLD ADOPTION

Consumers International has been in the forefront in advocating the banning of 'junk food' advertising. It even drafted its own code on the marketing of food to children and argued strongly that WHO should recommend its world adoption. It also has a number of high profile publications such as "Fried and Tested", "The Junk Food Trap", "New Media Same Old Tricks" and "Cereal Offences". The latest publication is "[Junk Food Generation: A Toolkit For National Campaigns](#)".

The toolkit is a very polished presentation of how to run a campaign to ban advertising and restrict marketing of food to children. The introduction describes its purpose as *"It aims to provide you with the tools you need to run an effective campaign, targeting government as well as engaging the public and the media."* Consumers International claims to be the *"only independent global campaigning voice for consumers. With over 220 member organisations in 115 countries, we are building a powerful international consumer movement to help protect and empower consumers everywhere."* The claim is no idle boast as virtually all of the world's leading consumer organisations are members.

The toolkit provides guidance on how to gather evidence, how to use the Traffic Light system to manufacture evidence, ideas for campaigns, how to engage the media and get headlines and how to lobby Government.

In 2007 Gerard Hastings published a text book on social marketing entitled *"Social marketing - Why Should the Devil Have All the Good Tunes?"*. Included in the book are instructions on how to run a successful advocacy campaign. The toolkit liberally uses the techniques and strategies contained in the Hastings book.

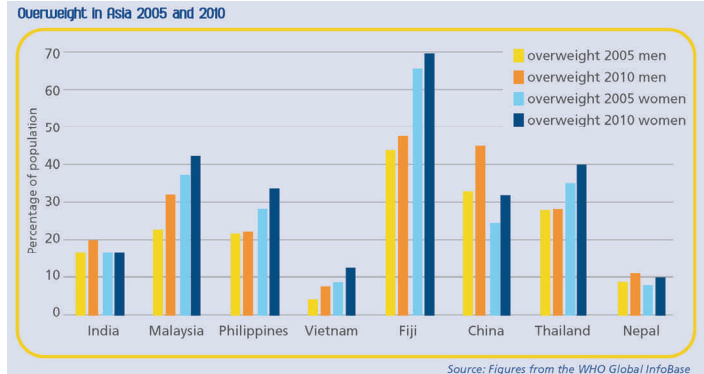
In the past few years, the health lobby has successfully used marketing strategies to achieve its objectives. Arguably the lobby has out-marketed the world's best marketers. On the other hand industry has adopted a "co-opitition" approach where industry combines against a common threat but competes in the marketplace in the usual way. For example it has introduced a number of self-regulatory initiatives such as the Pledge programs.

The health lobby are upping the game and displaying greater international cooperation and cross-border strategies. The toolkit is a good example.

On page 17 of the ToolKit there is a list of several international publications on the issue of marketing junk food to children. Of particular significance to the APAC region is "[The Junk Food Trap: marketing unhealthy food to children in Asia Pacific](#)" from Consumers International (CI).

It is based on research conducted by CI member organisations in Fiji, Hong Kong, India, Indonesia, Malaysia, Nepal, Philippines and Thailand and states that *"In Asia Pacific, childhood overweight and obesity rates are rising faster than anywhere else in the world. In South-East Asia, between 2005 and 2010 overweight and obesity levels for the school-aged population*

is expected to rise by 27.5%. In Western Pacific the figure is 23.5%".



CI is campaigning for a WHO Code, which will address this problem by agreeing on international standards to be implemented by national governments and food companies.

The CI/IOTF Code targets the marketing of energy dense, nutrient poor foods that are high in fat, sugar and salt to children up to 16 years old. Its demands include:

- A ban on radio or TV adverts promoting unhealthy food between 06.00 and 21.00
- No marketing of unhealthy food to children using new media (such as websites, social networking sites and text messaging)
- No promotion of unhealthy food in schools
- No inclusion of free gifts, toys or collectible items, which appeal to children to promote unhealthy foods
- No use of celebrities, cartoon characters, competitions or free gifts to market unhealthy food.

You can access CI publication "The Junk Food Generation" multi-country survey on the influence of television advertising on children www.bit.ly/egjRKA

Overall the WHO concluded that advertising has an adverse effect on children's understanding of food knowledge, attitude, purchase behaviour and consumption.

"Multinational companies have been able to exploit the lack of controls and regulations on marketing and advertising in developing countries and have been using a range of techniques to promote foods, which are high in fat, sugar and salt to children. The CI/IOTF Code defines 'children' as younger than 16 years old."

The evidence-based research conducted with CI member organisations in Asia Pacific, looked at marketing by the following multinational food and drink companies between April and June 2008:

- Coca-Cola
- Kellogg's
- KFC
- McDonald's
- Nestlé; and
- PepsiCo.

Key findings published include:

- The six companies featured in this report offered a number of globally recognised food products to children below 16 years old that are unhealthy based on the UK Food Standards Agency criteria for what is high in fat, sugar and/or salt
- These same multinational companies are heavily marketing their unhealthy food products to children below 16 years old.

The techniques that these six multinational companies used to market their products to children include some of the following:

- sponsorship of children's sporting activities in schools
- television advertising
- interactive websites
- sports-themed contests and competitions
- discounts and money-off vouchers for other products
- use of cartoon characters
- on-pack games and promotions
- movie tie-ins
- children's clubs
- free toys
- children's meals
- celebrity endorsements
- children's parties
- posters
- language teaching
- sponsorship of children's TV programmes.

Particularly concerning techniques highlighted in the research include:

- Sports-themed competitions and sponsorship in schools:
 - Companies are deliberately associating their brands and unhealthy products with sports activities, both in terms of sponsoring sports-themed competitions where sports-related prizes can be won and in sponsoring schools' sports events
 - This can give contradictory messages to children about what constitutes healthy lifestyles. 'Energy' products add to this confusion, such as MILO, which is marketed as providing energy plus vitamins and minerals and yet is high in fat and sugar.
- Marketing in schools:
 - Examples were found where multinational companies are marketing their products to children in schools, either through promotional gimmicks that offered students the chance to win gadgets such as mobile phones or through organized games and activities with the special participation of company mascots
 - These examples involved direct promotion to children of unhealthy products, which are high in fat, sugar and/or salt.

Based on the research the following recommendations have been made by CI:

"CI believes that all children up to the age of 16 years old should be protected from marketing of unhealthy food and drink through a global standard based on the Code prepared by CI and IOTF. In particular, the following marketing techniques should not be allowed to promote food high in fat, sugar and/or salt:

1. **Advertising or promotion that directly appeals to children, including:**
 - *The use of celebrities*
 - *The use of cartoon characters, including brand owned and licensed*
 - *The inclusion of free gifts, toys or collectible items*
 - *The inclusion of competitions, vouchers or games*
 - *The shape or novelty value of the food or food packaging.*
2. **Advertising or promotion in places children visit frequently, which includes:**
 - *Nurseries, pre-school centres, schools and school grounds*
 - *Children's clubs, centres, playgrounds and sports halls*
 - *Family and child clinics and pediatric services.*
3. **Advertising that targets parents or carers:**
 - *No indirect advertising to parents or other adults caring for children such as other family members, child carers, teachers, health workers. This includes suggesting that a parent or adult who purchases such a food or beverage for a child is a better, more intelligent or a more generous parent or adult than one who does not do so, or that their child when fed these products will be more intelligent and gifted.*

Consumers International calls on:

The World Health Organization

- *To develop an international code to restrict the marketing of food to children based on the CI/IOTF Code*
- *Report on and monitor compliance with the international Code.*

National governments

- *To give their support to the development of an international code on the marketing of food to children*
- *To implement national legislation based on the international Code to restrict the marketing of food to children*
- *To implement measures on nutritional information and labeling.*

Multinational food and beverage companies

- *To voluntarily comply with all the provisions in the CI Code*
- *To adopt a consistent global approach and ensure that all internal policies on advertising and nutrition are implemented to the same standard in all countries*
- *To use their creativity and breadth of marketing techniques to encourage children to make healthy food choices."*

UN HIGH LEVEL MEETING IN SEPTEMBER TO IMPACT FOOD AND ALCOHOL INDUSTRIES

An upcoming UN meeting for heads of state will likely make decisions that could significantly affect regional and country-level policies on a range of issues that affect the food and alcohol industries.

UN policies only set guidelines for action by member states. These guidelines then become the foundation of actions at the

individual country level. It is, therefore, critical to:

- Familiarize oneself with the recommendations that will be considered
- Raise awareness among other potentially affected companies and trade associations
- Seek to engage one's country-level ministries that have thus far not been involved in the process.

The meeting will be held in New York City on September 21-22 2011. So the time for action is NOW.

The following provides some key facts about the meeting, the issues and the process to date. Detailed accounts of research, reports and recent meetings that indicate where the meeting is headed can be found on the [IAA website](#).

UN meeting

The meeting will be held in New York City on September 21-22 2011. It will address major non-communicable diseases (NCDs)—specifically, diabetes, cancers, cardiovascular diseases and chronic respiratory diseases.

The goal of the meeting is to gain concurrence on a framework for national action plans similar to the Framework Convention on Tobacco Control. The UN General Assembly has identified certain risk factors the meeting should focus on—tobacco use, alcohol abuse, an unhealthy diet, physical inactivity and environmental carcinogens.

The meeting will bring together representatives from a number of UN agencies, Heads of State and other high-level public officials from around the world, academic researchers and numerous nonprofits engaged in public health and consumer advocacy.

UN framework for meeting

WHO recently released a report that is likely to serve as the basis for the upcoming meeting. It includes a number of recommendations organized under three "tiers" based on cost-effectiveness.

The top two tiers include recommendations to:

- Expand and strengthen measures aimed at deterring alcohol consumption, including more restricted retail access and higher taxes
- Change the ingredient mix in processed foods, e.g., reduce salt content
- Restrict the marketing of foods and beverages high in salt, fat and sugar
- Use food taxes and subsidies to promote 'a healthy diet.'

Process to date

WHO, national health ministries and the activist public health community have been actively engaged in preparations for the meeting. Published recommendations from various sources indicate that dialogue at the meeting will address issues that are properly their concerns. Some examples are indicated above—for example, marketing and advertising, agricultural subsidies and taxation.

It is, therefore, essential that the national government input into the NCDs (Non-Communicable Diseases) policy framework not be left solely to health ministries, as a balanced policy will require

the insights and concerns of other affected ministries.

To meet these challenges to advertising and marketing effectively—individually and through trade associations—reach out to representatives of the ministries in your country with responsibilities for agriculture, fiscal policy, marketing and advertising regulation, commerce and international trade.

As National governments are currently developing their input for this United Nations High Level Meeting for Heads of State this September, such action from the marketing and advertising community should be initiated without delay.

STOP PRESS

The International Association for the Study of Obesity (IASO) has been actively lobbying Governments to adopt radical policies at the September UN High Level Meeting for Heads of State on NCDs. It has now published its Outcomes document.

It is anticipated that the health groups will be active during the UN meetings running parallel sessions. The IASO document is a taste of the debate ahead. For full document click to [FAST FAR 9/11](#).

For the full report and backgrounder re detailed accounts of research, reports and recent meetings [click here](#).

PLEASE NOTE

Most of the reports contained within this newsletter (unless otherwise stated) can be found on the IAA website. To access them you will first need to be logged in to the IAA website [www.iaaglobal.org](#). Once you've logged in, click on the report link within the newsletter, then hit the "refresh" button on your browser and you will be taken to the appropriate report.

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