

YOUTH EXPOSURE TO ALCOHOL ADS ON TELEVISION, 2002: FROM 2001 TO 2002, ALCOHOL'S ADLAND GREW VASTER

Executive Summary

Television advertising for alcohol, and youth exposure to that advertising, grew substantially in 2002 from 2001, indicating the alcohol industry may need to significantly change its advertising practices in order to comply with the revised voluntary advertising codes announced in September 2003. The total number of alcohol ads increased from 2001 levels by 39%, to 289,381, and spending grew by 22%, to more than \$990 million. The largest percentage increases came in ads and spending for distilled spirits and “low-alcohol refresher” (LAR) or flavored malt beverage products¹ such as Bacardi Silver and Smirnoff Ice.

Youth² were more likely than adults on a per capita basis to see 66,218 of the alcohol ads in 2002, an increase of 30% over

2001.³ In this universe of ads overexposing young people, total youth exposure was 80% higher than that of adults, up from 73% in 2001. In 2002, these 66,218 ads also reached youth viewers more effectively than the alcohol companies’ often-stated target of 21-34, with youth 12-20 receiving 22% more exposure than young adults 21-34. Teen programming abounded with alcohol advertising; all 15 of the television shows most popular with teens aged 12-17 had alcohol ads.

Alcohol industry self-regulation is the primary means of regulating alcohol advertising’s exposure to youth. In September 2003, the Beer Institute and the Distilled Spirits Council of the United States (DISCUS) announced changes in their voluntary codes, lower-

ing the maximum permissible youth audience composition for alcohol advertising from 50% to 30%. Had this threshold been in place in 2002, 34,016 ads—11.8% of ads, costing nearly \$47 million—would have exceeded it, suggesting ongoing independent monitoring will be critical to ensure compliance. The National Research Council and Institute of Medicine (IOM) recently recommended that the industry eventually move toward a threshold of 15% maximum youth audience composition. More than 21% of ads—61,741 ads, costing more than \$103 million—exceeded this threshold in 2002.⁴

These 61,741 ads accounted for more than 40% of youth exposure to alcohol advertising on television in 2002.⁵

¹ Most of the beverages in this category have alcohol content of between four and six percent, similar to most traditional malt beverages. Alcohol and Tobacco Tax and Trade Bureau (TTB), “Notice No. 4 – Flavored Malt Beverages and Related Proposals,” *Federal Register* (March 24, 2003): 14293.

² For this report, unless otherwise noted, youth are defined as persons ages 12-20, and adults are defined as persons age 21 and over.

³ “More likely to see” (as well as percentage measures of youth overexposure and other comparisons of adult and youth exposure to alcohol advertising in this report) is based on “gross rating points,” which measure how much an audience segment is exposed to advertising per capita. Another way of measuring advertising exposure is “gross impressions” (the total number of times all the members of a given audience are exposed to advertising). The adult population will almost always receive far more “gross impressions” than youth, because there are far more adults in the population than youth.

⁴ In its revised self-regulatory code announced in September 2003, the Distilled Spirits Council of the United States specified the population basis for assessing audience composition for television advertising placements as 2+. Although previous CAMY reports on television advertising have used a 12+ population basis, because radio and magazine audience data are only available for the 12+ population, this report uses a 2+ basis in order to be consistent with the newly articulated industry standard for television.

⁵ 10,737 of 25,348 youth gross rating points came from advertising that youth, because of their disproportionate presence in the viewing audience relative to their presence in the general population, were more likely to see per capita than adults 21 and above. Overexposing ads created 3,716,866,467 impressions out of total youth alcohol advertising impressions of 8,799,684,719.

Table of Contents

EXECUTIVE SUMMARY	1
ABOUT THIS REPORT	2
SECTION ONE: THE GROWTH IN ALCOHOL ADVERTISING ON TELEVISION	3
SECTION TWO: THE GROWTH IN YOUTH OVEREXPOSURE	5
SECTION THREE: COMPLIANCE WITH ALCOHOL INDUSTRY SELF-REGULATORY CODES FOR ADVERTISEMENT PLACEMENTS ...	8
CONCLUSION	9
APPENDIX A	11
APPENDIX B	12

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Why the Concern

After substantial declines in the 1980s and early 1990s, youth alcohol use has remained flat and at high levels for the past 10 years.⁶ In 2002, approximately 10.7 million 12- to 20-year-olds reported having had a drink in the past month, while 7.2 million reported binge drinking (defined as drinking five or more drinks on the same occasion).⁷ Every day, three teens die from drinking and driving, and six more

die of other alcohol-related causes, including homicide, suicide and drowning.⁸

Public health research has found that youth exposure to alcohol advertising increases awareness of that advertising,⁹ which in turn influences young people's beliefs about drinking, intentions to drink, and drinking behavior.¹⁰ Brain imaging has revealed that, when shown alcoholic beverage advertisements, teens with alcohol use disorders have greater

activity in areas of the brain previously linked to reward, desire, positive affect and episodic recall, with the degree of brain response highest in youths who consumed more drinks per month and reported greater desires to drink.¹¹ The Federal Trade Commission (FTC) has noted that, "While many factors may influence an underage person's drinking decisions, including among other things parents, peers, and the media, there is reason to believe that advertising also plays a role."¹²

About This Report

The Center on Alcohol Marketing and Youth at Georgetown University (www.camy.org) monitors the marketing practices of the alcohol industry to focus attention and action on industry practices that jeopardize the health and safety of America's youth. Reducing high rates of underage alcohol consumption and the suffering caused by alcohol-related injuries and deaths among young people requires using the public health strategies of limiting the access to and the appeal of alcohol to underage persons. The Center is supported by grants from The Pew Charitable Trusts and the Robert Wood Johnson Foundation to Georgetown University.

CAMY commissioned Virtual Media Resources (VMR) of Natick, Massachusetts to analyze all of the alcohol product advertising on television in 2002. Virtual Media Resources is a media research, planning, market analysis and consulting firm based in Natick, Massachusetts, serving communications organizations and marketers in a wide variety of market segments

and media. VMR was established in 1992 to provide an independent research firm serving advertising agencies, and has grown to service over 100 clients across the United States and Canada, including retail, publishing, financial, automotive, public health and other fields.

This report is based on industry-standard data sources and methods that are available to ad agencies and advertisers as they make their decisions about where to place their advertising. Advertising occurrence and expenditure data came from TNS Media Intelligence/CMR (formerly known as CMR or Competitive Media Reporting). Audience data came from Nielsen Media Research, the industry-standard source for television ratings.

This report does not include alcohol product advertising bought directly on local cable systems or cable interconnects; such advertising may appear on cable channels and on broadcast channels that are delivered via cable television.

Because distilled spirits advertisers, faced with a voluntary ban on their advertising by the four major broadcast networks, have made particular use of these channels, this report understates their presence on television. The report also does not include advertising data from Hispanic television networks such as Univision and Telemundo. The standard industry sources used for this report do not include data for either Hispanic networks or for locally purchased cable advertising.

The measures in this report are standard to the advertising research field but may not be familiar to the general reader. When an individual sees an advertisement, that is called an "impression," and total impressions for a series of ads or an ad campaign are called "gross impressions," because they include multiple exposures to some or all of the people reached by the advertising. "Reach" refers to the number or percentage of a target population that has the potential to see an ad or a campaign through exposure to selected media.

⁶ National Research Council and Institute of Medicine, *Reducing Underage Drinking: A Collective Responsibility*, R.J. Bonnie and M.E. O'Connell, eds. (Washington, DC: The National Academies Press, 2003), 37-8.

⁷ Substance Abuse and Mental Health Services Administration (SAMHSA), *Results from the 2002 National Survey on Drug Use and Health: National Findings* (Rockville, MD: Office of Applied Studies, 2003).

⁸ National Highway Traffic Safety Administration, *Traffic Safety Facts 2002*, Early ed. (Washington, DC: National Center for Statistics and Analysis, U.S. Department of Transportation, 2003), 114; D.T. Levy, T.R. Miller, K. Stewart, R. Spicer, *Underage Drinking: Immediate Consequences and their Costs* (Calverton, MD: Pacific Institute for Research and Evaluation, July 1999).

⁹ R.L. Collins et al., "Predictors of beer advertising awareness among eighth graders," *Addiction* 98 (2003): 1297-1306.

¹⁰ S.E. Martin et al., "Alcohol Advertising and Youth," *Alcoholism: Clinical and Experimental Research* 26 (2002): 900-906.

¹¹ S.F. Tapert et al., "Neural response to alcohol stimuli in adolescents with alcohol use disorder," *Archives of General Psychiatry* 60 (2003): 727-735.

¹² Federal Trade Commission, *Self-Regulation in the Alcohol Industry: A Review of Industry Efforts to Avoid Promoting Alcohol to Underage Consumers* (Washington, DC: Federal Trade Commission, 1999), 4.

“Frequency” indicates the number of times individuals are exposed to an ad or campaign, and is most often expressed as an average number of exposures. “Gross rating points,” or “GRPs,” measure how much advertising exposure is going to a particular population on a per capita basis. For example, 100 GRPs indicate that the population received an average of one exposure per person (although this could have come from 50% of the population seeing the advertising two times). GRPs are the product of reach and frequency: if the reach is 80% and the average frequency is 2.5, then the GRPs total 200. GRPs thus provide a comparative measure of per capita advertising exposure. They incorporate both

how much advertising exposure exists and how much of a particular population was likely to have viewed that exposure. Further information on sources and methodology used may be found in Appendix A. Appendix B provides a more detailed glossary of advertising research terminology.

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Section One: The Growth in Alcohol Advertising on Television

Alcohol company spending on television advertising in 2002 grew to more than \$990 million, a 22% increase over 2001. These dollars purchased 289,381 ads, 39% more than in 2001. The largest increase in dollars came from advertising purchased on broadcast spot (i.e., local) television, while the cable networks had the largest increase in the total number of ads shown.

This report probably understates the extent of these increases. Although the major broadcast networks voluntarily ban distilled spirits advertising, news media reports suggest that distilled spirits companies are increasing their advertising presence on television. According to *Advertising Age*, beginning in May 2002, Diageo, the world’s largest spirits producer, began creating its own national network of television stations (487 by October 2003) to run an estimated \$200 million per year in television ads for spirits products over the next five years.¹³ However, a substantial amount of distilled spirits advertising, including that bought on local cable systems or cable interconnects, was not included in this report for reasons given above.

Table 1: Alcohol Advertising on Television by Media Type, 2001-2002

Media Type	Total Dollars	Ads	Youth 12-20	Adult 21+	12-20/21+
			GRPs	GRPs	Ratio
2002					
Cable Network	\$203,479,157	101,651	12,683	16,271	0.78
Broadcast Spot	\$163,794,740	181,104	3,476	5,627	0.62
Broadcast Network	\$622,951,600	6,626	9,189	17,009	0.54
Total	\$990,225,497	289,381	25,348	38,907	0.65
2001					
Cable Network	\$175,178,152	57,430	10,153	13,531	0.75
Broadcast Spot	\$120,746,152	145,842	2,893	4,743	0.61
Broadcast Network	\$515,242,100	5,637	8,755	15,812	0.55
Total	\$811,166,404	208,909	21,801	34,087	0.64
% change from 2001 to 2002					
Cable Network	16.2%	77.0%	24.9%	20.2%	3.9%
Broadcast Spot	35.7%	24.2%	20.1%	18.6%	1.3%
Broadcast Network	20.9%	17.5%	5.0%	7.6%	-2.4%
Total	22.1%	38.5%	16.3%	14.1%	1.9%

Sources: TNS Media Intelligence/CMR, Nielsen Media Research

¹³ H. Chura and W. Friedman, “Diageo creates net for \$200M in TV ads,” *Advertising Age* (May 31, 2002): 3; H. Chura and K. MacArthur, “Leveling the playing field: Diageo bucks convention, markets spirits like soda,” *Advertising Age* (October 13, 2003): 3.

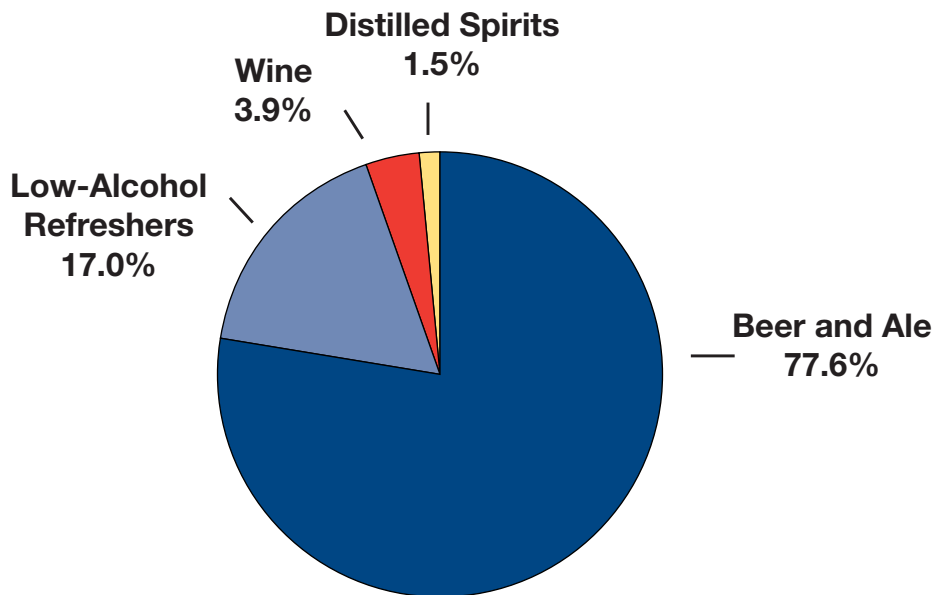
While distilled spirits only accounted for a small fraction of television advertising expenditures recorded by the data sources used for this analysis, spending in this category as recorded by those sources increased by 418% in 2002. Three brands—Baileys Irish Cream, Captain Morgan Spiced Rum and Crown Royal whisky, all marketed by Diageo—accounted for 92% of distilled spirits television advertising expenditures. Spending on advertising for low-alcohol refreshers also grew substantially, increasing by 147% from 2001 to 2002. Four brands—Smirnoff Ice, Bacardi Silver, Skyy Blue and Stolichnaya Citrona—accounted for two-thirds of the spending in this category.

Table 2: Alcohol Advertising on Television by Beverage Type, 2002

Beverage Type	2002				% Change '01 to '02	
	Ads	% of Ads	Dollars	% of Dollars	Ads	Dollars
Beer and Ale	198,957	68.8%	\$768,502,629	77.6%	27.0%	10.5%
Distilled Spirits	17,146	5.9%	\$14,630,423	1.5%	436.8%	418.4%
Low-Alcohol Refreshers	37,171	12.8%	\$168,546,332	17.0%	59.7%	147.4%
Wine	36,107	12.5%	\$38,546,113	3.9%	40.3%	-14.1%
Total	289,381	100.0%	\$990,225,497	100.0%	38.5%	22.1%

Source: TNS Media Intelligence/CMR

Figure 1: Television Alcohol Ad Spending 2002



Section Two: The Growth in Youth Overexposure

Unlike magazines or radio, much of television programming reaches a very broad audience demographically. Limiting youth exposure to alcohol advertising on television is thus a more difficult task. Much of youth exposure to alcohol advertising on television comes as a byproduct of exposure to adults, even though youth are not exposed at a higher *rate* per capita than adults to the majority of televised alcohol ads. In fact, youth 12-20 were on average just 10% of the total audience for television shows with alcohol advertising. Nevertheless, a large amount of youth exposure can still result. A good example of this occurs with sports programming. The alcohol industry spent 60% of its television advertising dollars on sports programming, where the average youth audience composition was a mere 8.5%. This is not to say that young people were not exposed to large amounts of alcohol advertising on television. In fact, 90% of youth 12-20 saw on average more than 280 alcohol ads in 2002, 50% saw an average of 507 ads, and the heaviest TV-watching 32% saw an average of 780 ads.

Youth overexposure to alcohol advertising occurs when youth are over-represented in the audience viewing an alcohol ad, relative to their presence in the general population, and are thus more likely per capita than adults to see the ad. Youth 12-20 are 13.3% of the overall U.S. population two and above.¹⁴ Only two program categories in 2002 had youth (12-20) audience compositions greater than 13.3%: music video and entertainment, and variety.¹⁵ Not surprisingly, youth saw more ads than adults 21 and above per capita if they were watching these two programming genres: 50% and 29% more respectively.

Youth were also more likely than adults on a per capita basis to see alcohol advertising on three cable networks: Comedy Central, VH-1 and BET. Alcohol advertisers have suggested in the past that the actual demographic target for their advertising is not the entire legal-age population, but rather young adults 21-34.¹⁶ On two of these outlets—Comedy Central and BET—youth 12-20 were more likely per capita to see the alcohol advertising than young adults 21-34 as well.

Table 3: Overexposing Cable Outlets, 2002

Outlet	Dollars	Ads	Youth 12-20 GRPs	Adult 21-34 GRPs	Adult 21+ GRPs	12-20/21+ Ratio	12-20/21-34 Ratio
COM	\$22,030,312	9,647	2,870	2,595	1,512	1.90	1.11
VH-1	\$14,058,710	13,075	1,454	1,921	1,097	1.33	0.76
BET	\$1,749,308	1,227	373	289	186	2.00	1.29

Sources: TNS Media Intelligence/CMR, Nielsen Media Research

Overall on television in 2002, youth 12-20 were more likely than adults on a per capita basis to have seen 66,218 ads, a 30% increase over 2001. This occurred because the proportion of youth in the viewing audience for these advertisements was greater than the presence of youth in the population. These ads were purchased at a cost to the industry of more than \$118 million. The ratio of youth overexposure within this subset of television advertising for alcohol was higher than in the equivalent subset in 2001, reflecting a year-to-year increase in every category. For instance, beer ads overexposing youth delivered 73% more exposure to youth than adults in 2001, and 82% more exposure in 2002. Youth not only had significantly greater exposure to the 66,218 ads that overexposed them in 2002 than adults 21 and above, but also were more likely on a per capita basis to have seen them than young adults 21-34. Beer and low-alcohol refresher marketers placed the majority of overexposing ads.

¹⁴ U.S. Census Bureau, *Census 2000 Summary File 1, Matrix PCT12*, 2003.

¹⁵ Categories with fewer than 10 youth GRPs were dropped from this analysis.

¹⁶ See e.g., H. Riell, "Half Full or Half Empty?," *Beverage Dynamics*, 112, no. 3 (May 1, 2002): 8; Rebecca Zimoch, "Malternatives: A new brew rides to the rescue," *Grocery Headquarters* 68, no. 4 (April 1, 2002): 83; Sarah Theodore, "Beer's on the up and up," *Beverage Industry* 92, no. 4 (April 1, 2001): 18-24.

Table 4: Advertising Overexposing Youth by Alcoholic Beverage Type, 2002

Beverage Type	Total Dollars	Ads	% of Total Ads	Youth 12-20 GRPs	Adult 21-34 GRPs	Adult 21+ GRPs	12-20/21+ Ratio	12-20/21-34 Ratio
Beer and Ale	\$87,489,966	49,724	25.0%	7,413	6,145	4,079	1.82	1.21
Distilled Spirits	\$3,103,689	2,280	13.3%	481	376	266	1.81	1.28
Low-Alcohol Refreshers	\$25,011,429	10,399	28.0%	2,343	1,951	1,304	1.80	1.20
Wine	\$3,137,417	3,815	10.6%	501	347	305	1.64	1.44
Total	\$118,742,501	66,218	22.9%	10,737	8,819	5,955	1.80	1.22

Sources: TNS Media Intelligence/CMR, Nielsen Media Research

Indeed, the 20 brands spending the most money to place advertising that overexposed youth were dominated by beers and low-alcohol refreshers. Most of these brands were among the highest spending alcohol advertisers on television. Taken together, they accounted for nearly 80% of the spending on alcohol advertising overexposing youth. For some of these brands, expenditures on overexposing ads accounted for more than a quarter of the brand's total expenditures, and for most of them, more than a quarter of the brand's total ads.

Table 5: Leading Brands Overexposing Youth to Alcohol Advertising on Television, 2002

Brand	Overexposing Dollars	% Total Brand Dollars	Total \$ Rank	Overexposing Ads	% Total Brand Ads
Heineken Beer	\$12,665,842	28.6%	6	3,173	32.2%
Miller Lite Beer	\$9,659,208	9.1%	3	5,206	27.6%
Coors Light Beer	\$8,330,887	6.9%	2	5,061	28.5%
Budweiser Beer	\$7,847,968	6.5%	1	3,630	20.9%
Bud Light Beer	\$7,472,942	7.1%	4	3,398	21.8%
Smirnoff Ice Malt Beverage	\$6,897,053	14.6%	5	1,533	26.3%
Miller Genuine Draft Beer	\$6,414,890	26.1%	10	3,556	29.7%
Coors Beer	\$3,972,322	10.6%	8	1,705	26.7%
Corona Extra Beer	\$3,785,007	20.5%	13	2,435	27.3%
Fosters Beer	\$3,338,620	30.2%	18	2,420	34.8%
Sky Blue Malt Beverage	\$3,262,706	15.7%	11	852	38.0%
Sam Adams Light Beer	\$2,739,667	15.3%	14	1,575	23.9%
Rolling Rock Beer	\$2,698,559	30.9%	23	1,299	42.7%
Baileys Irish Cream Liqueur	\$2,681,050	28.1%	21	1,762	19.2%
Stolichnaya Citrona Malt Beverage	\$2,553,613	13.6%	12	843	36.1%
Captain Morgan Gold Malt Beverage	\$2,504,960	21.4%	17	813	26.1%
Mike's Hard Lemonade Malt Beverage	\$2,165,852	28.4%	25	1,872	25.0%
Michelob Light Beer	\$2,067,990	5.0%	7	770	18.9%
Labatt Blue Beer	\$1,694,735	21.2%	24	1,619	17.2%
Miller High Life Beer	\$1,637,803	12.3%	15	452	15.4%
Top 20 ranked by overexposing dollars	\$94,391,674	11.9%		43,974	25.9%
All other brands	\$24,350,827	12.4%		22,244	18.7%
Total	\$118,742,501	12.0%		66,218	22.9%

Sources: TNS Media Intelligence/CMR, Nielsen Media Research

Teen Programming Filled with Alcohol Advertising

Another measure of youth exposure to alcohol advertising on television can be gained by looking at advertising on the programs most popular with teens 12-17 in a typical week of the 2002 television season. As in CAMY's report on alcohol advertising on television in 2001,¹⁷ this analysis selected a week comparable to the time period used by the Federal Trade Commission (FTC) in its 1999 report on self-regulation in the alcohol industry.¹⁸ During one week in October of 1998, the FTC found alcohol advertising on at least three of the 15 programs most popular with teens aged 12-17. In 2001, CAMY found advertising on 13 of the 15 programs most popular with teens.

In 2002, all of the programs most popular with teens 12-17 during the week of October 14-20 had alcohol advertising during the 2002 calendar year. Throughout that year, alcohol companies placed 5,085 ads on these programs, at a total cost of nearly \$53 million. Spending on this group of shows increased by 60% compared with 2001. Six of the shows—five on WB, one on Fox—had disproportionately youthful audiences (that is, their youth audience compositions exceeded 13.3%; these are printed in bold text in Table 6).

Table 6: Top 15 Teen Television Programs (Week of 10/14/02 to 10/20/02) and Alcohol Ads in 2002

Rank	Network	Program	Ads	Dollars	Network/Spot	Youth 12-20 Audience >13.3%
1	CBS	CSI	312	\$2,484,662	Spot, Network	N
2	NBC	FRIENDS	615	\$17,682,999	Spot, Network	N
3	CBS	SURVIVOR: THAILAND	124	\$1,904,160	Spot, Network	N
4	WB	SMALLVILLE	387	\$745,761	Spot	Y
5	NBC	E.R.	364	\$5,812,726	Spot, Network	N
6	NBC	FEAR FACTOR	1,088	\$7,196,669	Spot, Network	N
7	WB	7TH HEAVEN	12	\$7,042	Spot	Y
8	NBC	SCRUBS	312	\$3,652,616	Spot, Network	N
9	NBC	WILL & GRACE	463	\$10,090,876	Spot, Network	N
10	WB	ANGEL	125	\$115,438	Spot	Y
11	WB	GILMORE GIRLS	43	\$41,515	Spot	Y
12	ABC	GEORGE LOPEZ	19	\$37,835	Spot	N
13	WB	CHARMED	33	\$23,515	Spot	Y
14	ABC	MY WIFE AND KIDS	141	\$436,939	Spot, Network	N
15	FOX	THAT '70S SHOW	1,047	\$2,724,017	Spot, Network	Y
Total			5,085	\$52,956,770		

Sources: TNS Media Intelligence/CMR, Nielsen Media Research

¹⁷ Center on Alcohol Marketing and Youth, *Television: Alcohol's Vast Adland* (Washington, DC: Center on Alcohol Marketing and Youth, 2002).

¹⁸ Federal Trade Commission, *Self-Regulation in the Alcohol Industry*, 9, fn. 48.

Section Three: Compliance with Alcohol Industry Self-Regulatory Codes for Advertisement Placements

The alcohol industry’s principal method of limiting youth exposure to its advertising is through voluntary codes of good marketing practice. These codes are published by the three leading trade associations: the Beer Institute, the Distilled Spirits Council of the United States (DISCUS), and the Wine Institute. Individual companies may also adopt their own voluntary codes. In September 2003, the Beer Institute and DISCUS announced revisions of their voluntary codes, lowering the maximum youth audience composition for their advertising from 50% to 30%, matching the 30% standard the Wine Institute Code had set in December 2000.¹⁹

Examination of alcohol advertising on television in 2002 reveals that this change is a step in the right direction. A threshold setting youth 12-20 audience composition at a maximum of 30% in 2002 would have required alcohol marketers to move or eliminate 12% of their advertisements, representing 5% of spending and 22% of youth alcohol advertising impressions.

However, it would still have permitted substantial youth overexposure to alcohol advertising on television. The National Research Council and the Institute of Medicine (IOM), in a recent report to Congress on how best to reduce underage drinking,²⁰ recommended that the alcohol industry immediately adopt a standard barring alcohol advertising on programs where youth 12-20 are more than 25% of the total audience, as a first step toward eventual adoption of a more proportional threshold of 15%. The latter threshold would make substantially more difference in reducing the exposure of underage youth to alcohol advertising on television. If the industry had adhered to a 15% threshold in 2002, 61,741 ads—more than one in five alcohol ads on television—would have had to have been moved to less youth-oriented programming or pulled, affecting 40% of youth alcohol advertising impressions. Shifting or removing this advertising would have gone a long way toward eliminating the 66,218 alcohol ads that youth 12-20 were more likely than adults 21+ to view on television in 2002.

Table 7: Televised Alcohol Advertising in Excess of 30% Youth Audience Composition Threshold, 2002

Beverage Type	>30% 2-20 (2+ base)					
	Dollars	% \$	Ads	% Ads	Youth 12-20 GRPs	% GRPs
Beer and Ale	\$34,495,985	4.5%	26,282	13.2%	3,868	21.9%
Distilled Spirits	\$1,159,874	7.9%	946	5.5%	223	26.3%
Wine	\$1,154,236	3.0%	1,791	5.0%	216	13.5%
Low-Alcohol Refreshers	\$10,108,451	6.0%	4,997	13.4%	1,183	22.6%
Total	\$46,918,546	4.7%	34,016	11.8%	5,489	21.7%

Sources: TNS Media Intelligence/CMR, Nielsen Media Research

¹⁹ Federal Trade Commission, *Alcohol Marketing and Advertising: A Report to Congress* (Washington, DC: Federal Trade Commission, 2003), 12.

²⁰ National Research Council and Institute of Medicine, *Reducing Underage Drinking: A Collective Responsibility*.

Table 8: Televised Alcohol Advertising in Excess of 15% Youth Audience Composition Threshold, 2002

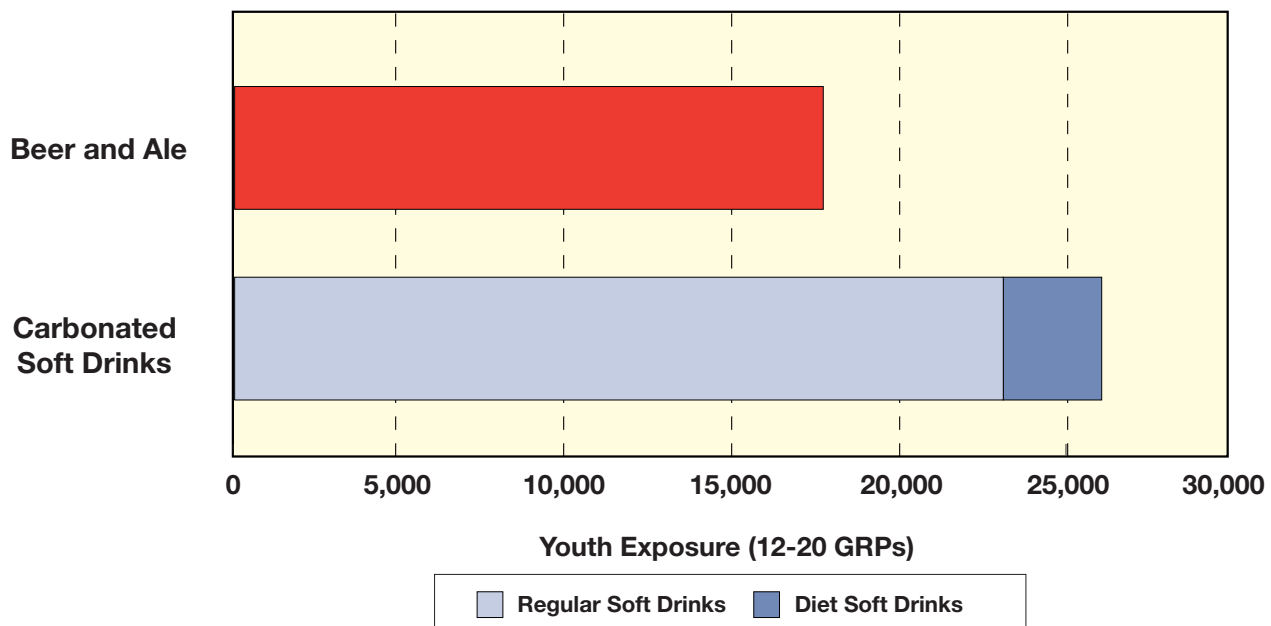
Beverage Type	>15% 12-20 (2+ base)					Youth 12-20 GRPs	% GRPs
	Dollars	% \$	Ads	% Ads	% GRPs		
Beer and Ale	\$76,723,324	10.0%	46,191	23.2%	6,959	39.4%	
Distilled Spirits	\$2,999,359	20.5%	2,213	12.9%	466	55.1%	
Wine	\$2,738,085	7.1%	3,598	10.0%	457	28.6%	
Low-Alcohol Refreshers	\$20,798,734	12.3%	9,739	26.2%	2,156	41.2%	
Total	\$103,259,502	10.4%	61,741	21.3%	10,038	39.6%	

Sources: TNS Media Intelligence/CMR, Nielsen Media Research

Conclusion

Television advertising for alcohol increased from 2001 to 2002. This increase resulted at least in part from two trends within the alcohol industry: the growth of low-alcohol refreshers as a beverage category and the increasing presence of distilled spirits advertising on television. Youth exposure and overexposure to televised alcohol advertising also grew. In 2002, youth ages 12-20 saw two beer and distilled spirits ads on television for every three seen by adults, and nearly three advertisements for low-alcohol refreshers for every four seen by adults. Youth saw more than two television advertisements for beer and ale for every three ads for carbonated soft drinks, a product more normally associated with youth.

Figure 2: Youth Exposure to 2002 Television Advertising: Beer and Ale vs. Carbonated Soft Drinks



Sources: TNS Media Intelligence/CMR, Nielsen Media Research

Despite the recent tightening of their voluntary marketing codes by brewers and distillers, the analysis in this report suggests that, if it had been in effect in 2002, even the stricter standard of 30% maximum youth audience composition would have permitted substantial youth overexposure to alcohol advertising on television.

This report provides further support for the recommendation by the IOM that alcohol companies adopt a standard for youth audience composition that is closer to the actual proportion of youth 12-20 in the general population. Nielsen measures television audiences beginning at age two. Youth 12-20, the population tracked by federal surveys measuring underage drinking,²¹ are less than 14% of the general population two and above. The Institute of Medicine's recommended threshold of 15% maximum youth audience composition for alcohol advertising would leave 77% of television programming still accessible to alcohol advertising since only 23% of the programs monitored by Nielsen on television in 2002 had youth (12-20) audience compositions greater than 15%.²² Yet in 2002, a 15% threshold would have affected 40% of youth exposure to alcohol advertising.

The IOM's recommendation is sensible and reasonable and should be adopted by alcohol companies in order to stem the growing tide of youth exposure to alcohol advertising on television.

²¹ Substance Abuse and Mental Health Services Administration (SAMHSA), *National Survey on Drug Use and Health*; National Institute on Drug Abuse (NIDA), *Monitoring the Future Survey*.

²² Of 15,723 national broadcast and cable network programs (excluding specials) measured by Nielsen Media Research in 2002, on a program average basis, 3,597 (22.9%) had greater than 15% youth age 12-20 audience composition against a population base of age 2+, and 2,618 (16.7%) had greater than 30% youth age 2-20 audience composition against a population base of age 2+.

Appendix A: Methodology

Sources

This analysis was conducted using three primary resources:

- TNS Media Intelligence/CMR (formerly Competitive Media Reporting) provides date, time, source and expenditure data for each commercial occurrence.
- Nielsen Media Research provides demographic audience impressions and ratings for the quarter hour associated with each ad occurrence. This information is provided through TNS Media Intelligence/CMR as follows: network programming is measured year-round; ratings for spot programming are assumed to be equivalent to the average ratings of sweeps and any other measured months in the same quarter, with the exception that September ratings are taken from the fourth quarter average rather than the summer months of the third quarter.
- Impact Databank provides industry-accepted classifications for all brands of alcoholic beverages.

Process

1. Aggregation levels

A database of all TV ad occurrences and relevant information was compiled. All data were aggregated and analyzed at the following levels:

- Media type (network, cable or spot)
- Network (NBC, FOX, ESPN, etc.)
- Program group (sports, sitcoms, etc. as defined by CMR)
- Daypart (time of day/week, using industry-accepted classifications)
- Impact classification (beer and ale, low-alcohol refreshers, wine, spirits)
- Brand (Coors Light, etc.)
- Parent company (Anheuser-Busch, etc.)

2. Calculating GRPs and Impressions

Youth audience composition was calculated using a base of viewers age two and over as defined by Nielsen, allowing for the annual universe estimate adjustment in September 2002. Composition for all programs was calculated at the commercial occurrence level based on quarter-hour ratings and impressions. National

(network and cable) gross rating points (GRPs) and impressions were added with no adjustment, while spot TV GRPs were “nationalized” by summing the local market ad impressions and dividing the total by the national base.

3. Counting and Qualifying Ads

Product alcohol ads were included in this analysis if we determined from their description that they were promoting products and not general corporate advertisements or public service announcements.

Alcohol ads were considered to overexpose youth if the quarter-hour youth rating exceeded the quarter-hour adult rating for the time period and program in which the advertisement appeared.

4. GRP calculations and estimated reach

GRPs for demographic groups were calculated by daypart, media type, network and program type, and were used to estimate reach and frequency using the Nielsen 2001 Persons Cume Study with T*View from Stone House Systems, a widely used application for estimating audience reach.



Appendix B: Glossary of Advertising Terms

Rating

Audience as a percentage of a universe estimate.

Universe Estimate

Total persons or homes in a given population, e.g., television households in the United States or persons ages 12-20 in the United States.

Impressions

When a single person sees or hears an advertisement, that is counted as an advertising **impression**. If this ad is seen by five different people, that counts as five impressions. If a particular advertising medium, such as a magazine or television program, has an audience of 100,000 people, an ad placed in that magazine or during that program generates a number of impressions equal to the audience size—in this case 100,000 impressions.

Gross Impressions

The sum of impressions for a given ad

campaign, or for any other combination of ads, is called **gross impressions**—so-called because they include multiple exposures to some or all of the people who are exposed to the advertising. If five people see the same ad five times, this counts as 25 gross impressions. For a national advertising campaign, it is common for an advertising schedule to generate 500 million or more gross impressions.

Gross Rating Points (GRPs)

The standard means for measuring advertising exposure is called a **gross rating point**, or GRP. GRPs measure advertising exposure for a particular population, relative to the size of that population, and are therefore calculated by dividing gross impressions by the number of people in the population being exposed.

Reach and Frequency

GRPs are also the product of **reach** and **frequency**, which is how most major advertisers actually measure audience

exposure. **Reach** enables advertisers to know not just how many total exposures they generate, but also what percentage of the audience is exposed. **Frequency** measures how many times each individual is exposed to a series of ads. Reach, frequency and GRPs are standard measures of media planning.

Audience Composition

Research companies collect demographic information about audiences for different media such as magazines, television programs, or radio stations. Demographics usually include age, gender, and race, among other factors. Using the example of a medium with an audience of 100,000 people, research may report that 20,000 are ages 2-20, and 80,000 are age 21 and over. In that case, the **composition** of the audience is calculated by looking at the percent of the audience that meets different demographic criteria. In this example, the audience composition is 20% ages 2-20 and 80% age 21+.

