

STILL GROWING AFTER ALL THESE YEARS: YOUTH EXPOSURE TO ALCOHOL ADVERTISING ON TELEVISION, 2001–2005

Executive Summary

In the wake of an historic increase in distilled spirits advertising on television since 2001, underage youth¹ exposure to alcohol advertising on television has grown substantially over the past five years, despite alcohol industry marketing reforms implemented in 2003.

The Center on Alcohol Marketing and Youth (CAMY) at Georgetown University (www.camy.org) has analyzed youth exposure to alcohol advertising on television from 2001 to 2005. Although a previous CAMY report has shown that youth exposure to alcohol advertising in magazines is declining,² the television data show that young people are seeing a growing number of alcohol ads, and that the industry's

voluntary 30% maximum underage audience composition for its advertising placements has not succeeded in protecting youth from the rising tide of alcohol advertising on television, particularly distilled spirits advertising on cable television.

From 2001 to 2005, alcohol companies spent \$4.7 billion to place 1.4 million advertisements for alcoholic beverages on television. Analysis of those advertisements shows that:

- Everyone is seeing more alcohol ads on television. In the wake of a 32% increase in spending on televised alcohol ads and a 34% increase in the number of alcohol ads on television from 2001 to 2005, youth (ages

12 to 20) exposure to those ads increased by 41%, young adult (ages 21 to 34) exposure increased by 39%, and adult (age 21+) exposure increased by 48%.

- Much of the growth of alcohol advertising on television is due to the rapid expansion of distilled spirits advertising on cable. Distilled spirits ads and spending on cable in 2005 were more than 23 times what they were in 2001. Spending grew from \$5 million to \$122 million, and the number of ads increased from 1,973 to 46,854. In the same period, beer spending on all television grew by 26%, and spending on alcopops³ and wine declined.
- The number of alcohol ads placed on programming more likely to be

¹ For the purposes of this report, "underage youth" are persons ages 12 to 20, "underage" audiences refers to those ages 2 to 20 (television audiences are not measured below age 2) and "adults" are persons age 21 and above.

² Center on Alcohol Marketing and Youth, *Youth Exposure to Alcohol Advertising in Magazines, 2001 to 2004: Good News, Bad News* (Washington, D.C.: Center on Alcohol Marketing and Youth, 2006).

³ "Alcopops" are also referred to as "low-alcohol refreshers," "malternatives," "flavored malt beverages" or "ready-to-drink flavored alcoholic beverages." Many of the brands in this category, which includes brands such as Mike's Hard Lemonade and Smirnoff Ice, have alcohol contents of between 4% and 6%, 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.) The alcohol industry treats these as a distinct category of alcoholic beverages. This report follows this industry convention.

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seen by youth⁴ ages 12 to 20 than adults age 21+ has trended downwards over the past five years, but remains above 2001 levels. As a percentage of alcohol product advertising on television, the number of such ads fell from 25% in 2001 to 20% in 2005.

- The number of alcohol ads placed on programming exceeding the industry's voluntary standard of 30% maximum underage audiences (measured on ages 2 to 20) has also trended downwards, and by 2005 was slightly below 2001 levels. As a percentage of alcohol ads on television, ads on programming with underage audiences above 30% fell from 11% in 2001 to 8% in 2005.
- Youth overexposure to alcohol advertising was most likely to occur on cable television: in 2001 60% of overexposure was on cable, while in 2005 93% of overexposure was on cable, a percentage far out of proportion to the 43% of alcohol advertising dollars spent on cable in 2005.

- On three cable networks—Comedy Central, VH1 and BET—youth were consistently overexposed to alcohol advertising every year from 2001 to 2005.
- In 2005, 12% of youth exposure to alcohol ads on television came from placements on programs with audiences under age 21 in excess of 30%. More than one-third of the total youth exposure came from placements on programming more likely to be viewed by youth than by adults.

Why the Concern

There are nearly 11 million underage drinkers in the United States, and 7.2 million of them report binge drinking (consuming five or more drinks on a single occasion).⁵ Alcohol is the number one drug problem among America's youth, and according to the Centers for Disease Control and Prevention, 4,571 persons under age 21 died as a result of alcohol use in 2001, the last year for which data are available.⁶ Alcohol use plays a substantial role in all three lead-

ing causes of death among youth—unintentional injuries (including motor vehicle fatalities and drowning), suicides and homicides.⁷

The earlier young people start to drink, the worse the consequences of drinking are likely to be: compared to those who wait until they are age 21, young people who start drinking before age 15 are four times more likely to become alcohol dependent, seven times more likely to be involved in an alcohol-related motor vehicle crash, and at least ten times more likely to experience alcohol-related violence at some point in their lives.⁸ Heavy use of alcohol during adolescence can impair the development of the brain, causing loss of memory and other skills.⁹ Magnetic resonance imaging has also shown that teens with alcohol use disorders have greater activity in areas of the brain previously linked to reward, positive affect and episodic recall in response to alcoholic beverage advertisements, and that responses were highest in youth who consumed more drinks per month and reported greater desires to drink.¹⁰

⁴ Underage youth are more likely to see on a per capita basis, or be "overexposed" to, a televised ad for alcohol when it is placed on a program where the percentage of underage youth in the audience is greater than the percentage of underage youth in the general population. "More likely to see" or "more popular among" (as well as percentage measures of youth overexposure and other comparisons of adult and youth exposure to alcohol advertising in this report) are based on "gross rating points," an industry-standard measure of 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 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. Gross rating points are calculated by dividing gross impressions by the relevant population (e.g. persons age 21+) and multiplying by 100, thereby leveling the measurement playing field for differently-sized population segments. See Appendix B for a glossary of terms used in this report.

⁵ Substance Abuse and Mental Health Services Administration, *Results from the 2005 National Survey on Drug Use and Health: National Findings* (Rockville, Md.: Office of Applied Studies, 2006). Available at <http://www.oas.samhsa.gov/NSDUH/2k5NSDUH/2k5results.htm#3.2> (accessed November 28, 2006).

⁶ National Center for Chronic Disease Prevention and Health Promotion, Centers for Disease Control and Prevention, "Alcohol-Attributable Deaths Report, United States 2001, Medium & High Average Daily Alcohol Consumption, Youth <21 years due to Alcohol Exposure, by Cause and Gender" in the Alcohol-Related Disease Impact (ARDI) system. Available at <http://apps.nccd.cdc.gov/ardi> (accessed November 28, 2006).

⁷ National Center for Injury Prevention and Control, Centers for Disease Control and Prevention, "10 Leading Causes of Death, United States: 2003, All Races, Both Sexes," in the WISQARS Leading Causes of Death Reports, 1999–2003. Available at <http://webappa.cdc.gov/sasweb/ncipc/lead-caus10.html> (accessed November 28, 2006); and National Research Council and Institute of Medicine, *Reducing Underage Drinking: A Collective Responsibility* (Washington, D.C.: National Academies Press, 2004), 60–61.

⁸ B. Grant, D. Dawson, "Age of Onset of Alcohol Use and Its Association with DSM-IV Alcohol Abuse and Dependence: Results from the National Longitudinal Alcohol Epidemiologic Survey," *Journal of Substance Abuse* 9 (1997): 103–110; and R. Hingson, D. Kenkel, "Social, Health, and Economic Consequences of Underage Drinking," in *Reducing Underage Drinking: A Collective Responsibility*, Background Papers [CD-ROM] (Washington, D.C.: National Academies Press, 2004), 363.

⁹ S.A. Brown, S.F. Tapert, "Health Consequences of Adolescent Alcohol Involvement," in *Reducing Underage Drinking: A Collective Responsibility*, Background Papers [CD-ROM] (Washington, D.C.: National Academies Press, 2004), 383–401.

¹⁰ S.F. Tapert et al., "Neural Response to Alcohol Stimuli in Adolescents with Alcohol Use Disorder," *Archives of General Psychiatry* 60 (2003): 727–735.

A growing number of long-term studies has shown that the more alcohol advertising young people are exposed to, the

more likely they are to drink or drink more.¹¹ The Federal Trade Commission (FTC) reviewed the alcohol industry's

efforts at self-regulation of its marketing practices in 1999 and 2003,¹² and will examine their efforts again in 2007.

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) to analyze all of the alcohol product advertising on television from 2001 through 2005. VMR 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 in 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. This report only covers alcohol product advertising. VMR staff viewed all commercials to ensure that they were appropriately classified by type as corporate, event, "responsibility" or product. CAMY publishes separate reports on alcohol industry "responsibility" advertising.¹³ This report does not include alcohol product advertising bought directly on local cable systems or cable interconnects, because the standard industry sources licensed for this report do not include these data; such advertising may appear on cable stations 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 local cable channels, this report may understate their presence on television. The report also

does not include advertising data from Spanish-language television networks, such as Univision and Telemundo.

The measures in this report are standard to the advertising research field but may not be familiar to the general reader. "Reach" refers to the number or percentage of a target population that has the opportunity to see an ad or a campaign through exposure to selected media. "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, the measure of 100 GRPs indicates 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 mathematical 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

¹¹ See e.g., L.B. Snyder et al., "Effects of Alcohol Advertising Exposure on Drinking Among Youth," *Archives of Pediatrics and Adolescent Medicine* 160 (2006):18-24; A.C. McClure et al., "Ownership of Alcohol-Branded Merchandise and Initiation of Teen Drinking," *American Journal of Preventive Medicine* 30 (2006): 277-83; P.L. Ellickson et al., "Does alcohol advertising promote adolescent drinking? Results from a longitudinal assessment," *Addiction* 100 (2005): 235-246; J.D. Sargent et al., "Alcohol Use in Motion Pictures and Its Relation With Early-Onset Teen Drinking," *Journal of Studies on Alcohol* 67 (2006): 54-65; and A.W. Stacy et al., "Exposure to Televised Alcohol Ads and Subsequent Adolescent Alcohol Use," *American Journal of Health Behavior* 28 (2004): 498-509.

¹² Federal Trade Commission, *Self-regulation in the Alcohol Industry: A Review of Industry Efforts to Avoid Promoting Alcohol to Underage Consumers* (Washington, D.C.: Federal Trade Commission, 1999); and Federal Trade Commission, *Alcohol Marketing and Advertising: A Federal Trade Commission Report to Congress* (Washington, D.C.: Federal Trade Commission, 2003).

¹³ Center on Alcohol Marketing and Youth, *Drops in the Bucket: Alcohol Industry 'Responsibility' Advertising on Television in 2001* (Washington, D.C.: Center on Alcohol Marketing and Youth, 2003); Center on Alcohol Marketing and Youth, *Fewer Drops in the Bucket: Alcohol Industry 'Responsibility' Advertising Declined on Television in 2002* (Washington, D.C.: Center on Alcohol Marketing and Youth, 2004); and Center on Alcohol Marketing and Youth, *Alcohol Industry 'Responsibility' Advertising on Television, 2001 to 2003* (Washington, D.C.: Center on Alcohol Marketing and Youth, 2005).

many ads the average viewer saw (frequency), and what percentage of a particular population was likely to have viewed the advertising (reach). Further information on sources and methodology used may be found in Appendix A. Appendix B provides a glossary of advertising research terminology.

Data Sources

Advertising occurrence and audience data for this report came from Nielsen Monitor Plus and Nielsen Media Research. This represents a change from earlier CAMY reports on alcohol advertising on television, which used TNS Media Intelligence (formerly known as CMR, or Competitive Media Reporting) for advertising occurrence data and Nielsen for audience data. As a result of the change in data source, the numbers in this report for years prior to 2005 may differ slightly from earlier CAMY reports; however, all numbers in this report are internally comparable, being based on Nielsen Monitor Plus and Nielsen Media Research.

Nielsen Monitor Plus, a division of VNU, is an industry-standard source for advertising occurrence and expenditure data. It provides date, time, source, program and spending data for each commercial occurrence both locally

(210 local markets) and nationally (cable and network television). For the local markets, Nielsen Monitor Plus uses passive pattern recognition to capture and identify all commercial activity. For the larger 108 Full Discovery Markets (FDM) all activity is captured and identified; for the smaller 102 Automated Discovery Markets (ADM), commercials are captured and identified only after they have first appeared nationally or in the FDMs.

Nielsen Media Research, also a division of VNU, measures television audiences for national networks and in 210 local or "spot" markets (Designated Market Areas or DMAs). Nielsen measures national audiences using a sample of approximately 9,000 households, containing more than 18,000 people who have agreed to participate. Local audiences are measured using different methodologies; local market samples depend on market size and range from 400 to 800 households. In ten markets, Nielsen uses people meters (set-top devices that allow viewers to register their presence by clicking a button) to measure audience size and composition; in 46 markets, Nielsen uses a combination of set meters (set-top boxes that record television tuning) to determine household ratings and written diaries to determine audience

composition; in 154 markets, Nielsen deploys only written diaries to determine both audience size and composition. Local market diaries are only used during the "sweeps" months, typically in February, May, July and November.

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I. Alcohol Advertising on Television, 2001–2005: An Overview

Alcohol industry spending on television advertising increased dramatically over the past five years, from \$780 million in 2001 to more than \$1 billion in 2005. The greatest increase occurred on cable television, where spending and the number of alcohol ads nearly tripled. The effect of this increase in spending was a dramatic rise in youth and adult exposure to alcohol advertising on television.

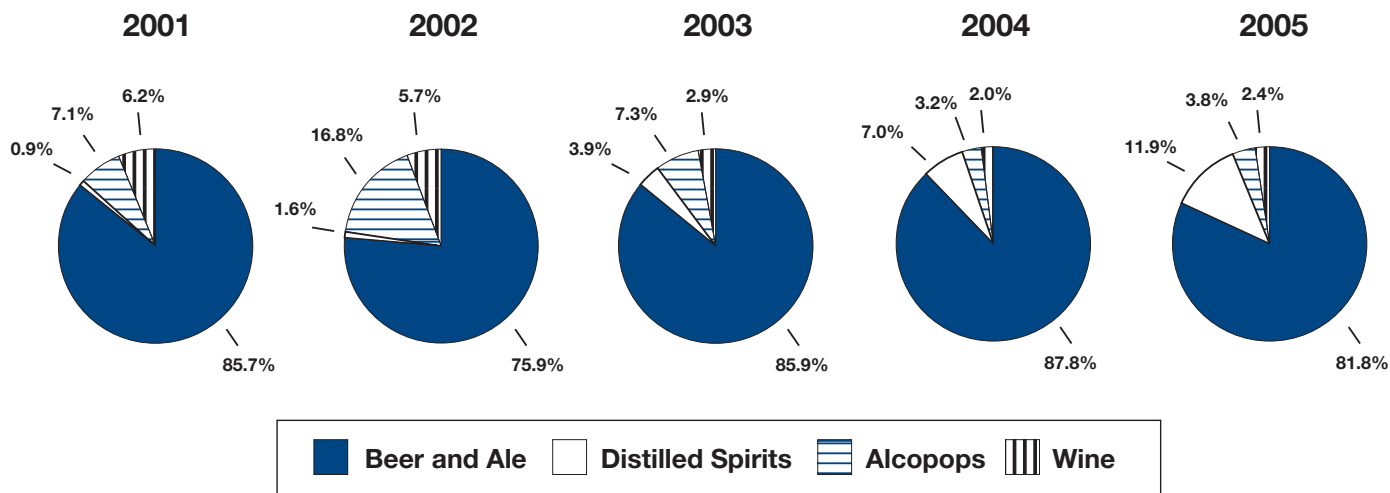
Table 1: Alcohol Spending and Advertisements on Television, 2001–2005

Year	Broadcast Network TV		Cable Network TV		Broadcast Spot TV		Total TV	
	Ads	Dollars	Ads	Dollars	Ads	Dollars	Ads	Dollars
2001	5,018	\$483,226,280	51,019	\$156,796,827	171,926	\$140,077,837	227,963	\$780,100,944
2002	6,231	\$600,572,725	80,633	\$214,888,169	215,889	\$183,499,150	302,753	\$998,960,044
2003	4,950	\$486,485,051	81,101	\$232,709,300	204,882	\$173,592,466	290,933	\$892,786,817
2004	6,174	\$528,075,400	115,384	\$330,460,655	167,125	\$129,786,226	288,683	\$988,322,281
2005	5,641	\$471,653,390	147,476	\$441,010,231	151,656	\$120,720,685	304,773	\$1,033,384,306

Sources: Nielsen Media Research and Nielsen Monitor Plus, 2001–2005.

As Figure 1 shows, while beer advertising dominates alcohol spending on television, the fastest growing segment has been distilled spirits. Until 1996, the Distilled Spirits Council of the United States (DISCUS) Code of Good Marketing Practice banned spirits advertising on television. In 2001, after a failed attempt to convince one of the four broadcast networks to change those networks' voluntary ban on spirits ads, distillers began increasing their spending on cable television. A seventeen-fold increase in spending from 2001 to 2005 bought a nearly nine-fold increase in the number of spirits ads on television, with spirits rising from 3% to 16% of alcohol advertisements on television (see Table 2).

Figure 1: Television Advertising Spending, 2001–2005



Sources: Nielsen Media Research and Nielsen Monitor Plus, 2001–2005. Percentages may not add up to 100% due to rounding.

Table 2: Alcohol Advertisements and Spending by Product Type, 2001–2005

2001

Beverage Type	Ads	% of Ads	Dollars	% of Dollars
Beer and Ale	179,371	78.7%	\$668,733,404	85.7%
Distilled Spirits	5,702	2.5%	\$7,152,201	0.9%
Alcopops	18,264	8.0%	\$55,709,516	7.1%
Wine	24,626	10.8%	\$48,505,823	6.2%
Total	227,963	100.0%	\$780,100,944	100.0%

2002

Beverage Type	Ads	% of Ads	Dollars	% of Dollars
Beer and Ale	217,720	71.9%	\$758,068,591	75.9%
Distilled Spirits	10,534	3.5%	\$16,109,097	1.6%
Alcopops	40,023	13.2%	\$167,620,636	16.8%
Wine	34,476	11.4%	\$57,161,720	5.7%
Total	302,753	100.0%	\$998,960,044	100.0%

2003

Beverage Type	Ads	% of Ads	Dollars	% of Dollars
Beer and Ale	235,686	81.0%	\$766,555,483	85.9%
Distilled Spirits	21,325	7.3%	\$35,055,194	3.9%
Alcopops	20,179	6.9%	\$65,405,955	7.3%
Wine	13,743	4.7%	\$25,770,185	2.9%
Total	290,933	100.0%	\$892,786,817	100.0%

2004

Beverage Type	Ads	% of Ads	Dollars	% of Dollars
Beer and Ale	217,981	75.5%	\$867,469,537	87.8%
Distilled Spirits	36,183	12.5%	\$68,973,449	7.0%
Alcopops	11,688	4.0%	\$31,890,944	3.2%
Wine	22,831	7.9%	\$19,988,351	2.0%
Total	288,683	100.0%	\$988,322,281	100.0%

2005

Beverage Type	Ads	% of Ads	Dollars	% of Dollars
Beer and Ale	221,051	72.5%	\$845,579,532	81.8%
Distilled Spirits	50,119	16.4%	\$123,293,633	11.9%
Alcopops	20,825	6.8%	\$39,500,483	3.8%
Wine	12,778	4.2%	\$25,010,658	2.4%
Total	304,773	100.0%	\$1,033,384,306	100.0%

Sources: Nielsen Media Research and Nielsen Monitor Plus, 2001–2005. Percentages may not add up to 100% due to rounding.

More spending by both distilled spirits and beer companies has led to more alcohol ads on television. Not surprisingly, everyone is seeing more of these ads. Table 3 shows that although the reach of alcohol advertising changed very little, and even fell very slightly for the 12-to-20 age group, people of all ages now see the ads much more frequently. Between 2001 and 2005, the total amount of alcohol advertising viewed by youth ages 12 to 20 grew by 41%. Over the same time period, the number of alcohol ads viewed by young adults ages 21 to 34, a group often mentioned as the industry's target audience,¹⁴ grew by 39%, while the number viewed by legal age adults in general grew by 48%.

Table 3: Reach, Frequency and GRPs of Alcohol Advertising on Television, 2001–2005

2001									
2001									
2001									
Beverage Type	Ages 12–20			Ages 21–34			Age 21+		
	Reach	Freq	GRPs	Reach	Freq	GRPs	Reach	Freq	GRPs
Beer and Ale	89%	182.0	16,262	94%	270.1	25,356	96%	255.2	24,392
Distilled Spirits	58%	5.6	324	71%	6.7	473	74%	5.8	429
Alcopops	85%	19.0	1,612	90%	26.0	2,340	93%	25.2	2,335
Wine	85%	15.9	1,358	91%	28.6	2,588	94%	40.3	3,809
Total	90%	217.1	19,556	94%	325.8	30,756	96%	322.2	30,966
2002									
2002									
2002									
Beverage Type	Ages 12–20			Ages 21–34			Age 21+		
	Reach	Freq	GRPs	Reach	Freq	GRPs	Reach	Freq	GRPs
Beer and Ale	90%	199.2	17,896	94%	293.9	27,633	96%	277.9	26,579
Distilled Spirits	67%	11.1	743	77%	14.0	1,077	81%	13.3	1,082
Alcopops	88%	59.5	5,243	92%	85.7	7,911	95%	77.0	7,292
Wine	84%	20.0	1,690	88%	35.3	3,114	93%	51.9	4,828
Total	90%	284.1	25,572	94%	420.7	39,735	96%	413.2	39,780
2003									
2003									
2003									
Beverage Type	Ages 12–20			Ages 21–34			Age 21+		
	Reach	Freq	GRPs	Reach	Freq	GRPs	Reach	Freq	GRPs
Beer and Ale	90%	203.3	18,195	94%	300.9	28,299	96%	287.5	27,566
Distilled Spirits	70%	34.3	2,398	77%	45.8	3,527	81%	40.1	3,258
Alcopops	84%	25.7	2,150	89%	34.0	3,047	92%	28.9	2,668
Wine	74%	9.8	726	83%	16.2	1,343	90%	23.2	2,085
Total	90%	261.8	23,469	94%	384.3	36,216	96%	370.5	35,577
2004									
2004									
2004									
Beverage Type	Ages 12–20			Ages 21–34			Age 21+		
	Reach	Freq	GRPs	Reach	Freq	GRPs	Reach	Freq	GRPs
Beer and Ale	90%	231.3	20,769	94%	355.9	33,463	96%	351.3	33,630
Distilled Spirits	73%	67.2	4,884	79%	81.5	6,471	84%	70.0	5,844
Alcopops	80%	16.6	1,333	86%	23.8	2,037	90%	21.2	1,900
Wine	78%	10.8	841	84%	16.1	1,354	89%	21.1	1,883
Total	90%	309.2	27,826	94%	459.8	43,326	96%	451.0	43,257
2005									
2005									
2005									
Beverage Type	Ages 12–20			Ages 21–34			Age 21+		
	Reach	Freq	GRPs	Reach	Freq	GRPs	Reach	Freq	GRPs
Beer and Ale	89%	194.1	17,356	93%	309.2	28,898	96%	331.6	31,714
Distilled Spirits	73%	106.4	7,808	79%	128.8	10,199	84%	115.6	9,656
Alcopops	81%	19.1	1,544	86%	25.0	2,157	90%	22.7	2,038
Wine	78%	12.1	942	84%	19.2	1,606	89%	27.6	2,471
Total	89%	309.0	27,649	94%	455.9	42,861	96%	478.4	45,878

Sources: Nielsen Media Research and Nielsen Monitor Plus, 2001–2005. GRPs may not add up due to rounding.

¹⁴ See e.g., H. Riell, "Half Full or Half Empty?," *Beverage Dynamics*, 112, no. 3 (May 1, 2002): 8; R. Zimoch, "Malternatives: A new brew rides to the rescue," *Grocery Headquarters* 68, no. 4 (April 1, 2002): 83; and S. Theodore, "Beer's on the up and up," *Beverage Industry* 92, no. 4 (April 1, 2001): 18-24.

II. Progress Towards the 30% Threshold

In a 1999 report that reviewed the alcohol industry's efforts to avoid promoting its products to underage youth, the FTC recommended that alcohol companies limit placement of their advertising to media where underage audiences are at most 25–30% of the viewing, listening or reading audience, reflecting the best practices in the industry at that time. The Wine Institute moved its voluntary threshold for youth audiences from 50% to 30% in 2000, and the Beer Institute and DISCUS followed suit in 2003.

The industry made substantial progress towards meeting this threshold in 2005. As Table 4 shows, there were no alcohol ads placed above the threshold on the four broadcast networks in 2005, and the percent above the threshold on cable decreased by nearly half. Ads above the threshold on broadcast spot (local) television also trended downwards since 2003.

Table 4: Alcohol Advertisements Exceeding 30% Threshold, 2001–2005

	2001	2002	2003	2004	2005
Total Ads	227,963	302,753	290,933	288,683	304,773
Ads > 30%	25,459	37,081	36,765	32,491	24,530
% of Ads	11.2%	12.2%	12.6%	11.3%	8.0%
Broadcast Network Ads	5,018	6,231	4,950	6,174	5,641
Ads > 30%	171	159	96	27	0
% of Ads	3.4%	2.6%	1.9%	0.4%	0.0%
Broadcast Spot Ads	171,926	215,889	204,882	167,125	151,656
Ads > 30%	19,368	27,075	26,721	18,669	15,305
% of Ads	11.3%	12.5%	13.0%	11.2%	10.1%
Cable Network Ads	51,019	80,633	81,101	115,384	147,476
Ads > 30%	5,920	9,847	9,948	13,795	9,225
% of Ads	11.6%	12.2%	12.3%	12.0%	6.3%

Sources: Nielsen Media Research and Nielsen Monitor Plus, 2001–2005.

In the context of general progress towards the 30% threshold, some brands did better than others. In 2005, 20 brands with the greatest youth exposure (measured in impressions) coming from advertising on programming with greater than 30% youth audiences were responsible for more than a third of advertisements placed on such programming (see Table 5). These brands also accounted for 46% of the youth exposure to advertising on programming above the 30% threshold. Thirteen of the brands were distilled spirits, testimony to the greatly expanded presence of distilled spirits advertising on television. Four were alcopops, and three were beer brands. Half of the brands came from two parent companies: Bacardi and Diageo. Two of the brands—Modelo Especial Beer and Absolut Raspberri Flavored Vodka—had approximately one-fourth of their ads on programming above the threshold.

Table 5: Alcohol Brands With the Most Advertising on Television Programming With Above 30% Underage Audience Composition, 2005

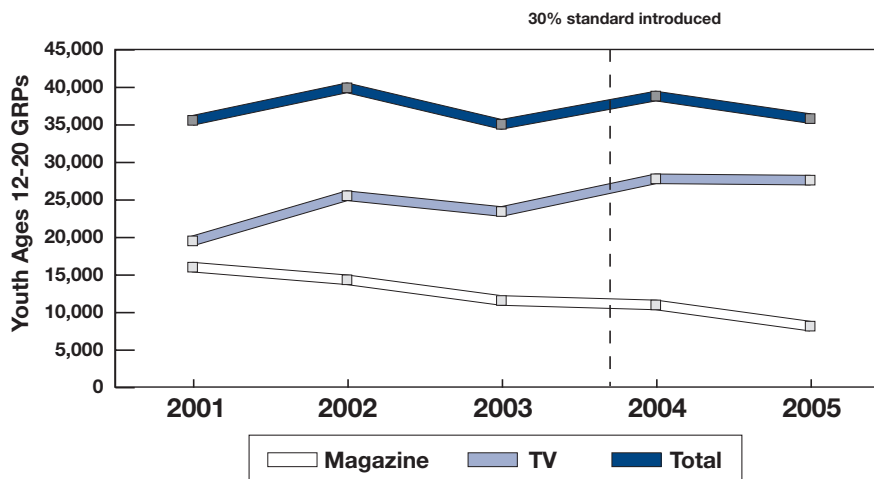
Alcohol Advertising on Programs with Ages 2-20 Audience Composition Over 30%

Brand*	Ads	Dollars	Ages 12-20 Impressions	% Brand Ads	% of Brand Ages 12-20 Impressions	Cumulative Youth Impressions	Cumulative % of Youth Impressions (>30%)	Cumulative Ads	Cumulative % of Ads (>30%)
Corona Extra Beer	3,014	\$2,450,079	127,403,456	13.6%	29.6%	127,403,456	10.4%	3,014	12.3%
Smirnoff Ice Malt Beverage	954	\$839,412	34,806,487	13.6%	18.4%	162,209,943	13.2%	3,968	16.2%
Modelo Especial Beer	617	\$314,409	5,113,988	25.3%	40.3%	167,323,931	13.7%	4,585	18.7%
Bacardi Rums	566	\$1,150,830	64,848,047	15.3%	21.2%	232,171,978	19.0%	5,151	21.0%
Miller Genuine Draft Beer	462	\$781,384	10,814,612	10.8%	19.2%	242,986,590	19.8%	5,613	22.9%
Jose Cuervo Especial Tequila	443	\$570,889	53,283,024	13.0%	24.5%	296,269,614	24.2%	6,056	24.7%
Mike's Hard Beverages (Multiple Brands)	424	\$556,141	36,841,705	12.5%	30.7%	333,111,319	27.2%	6,480	26.4%
Smirnoff Twisted V Raspberry	364	\$271,369	11,569,260	12.6%	17.9%	344,680,579	28.2%	6,844	27.9%
Smirnoff Vodkas	337	\$463,276	43,165,795	11.8%	21.4%	387,846,374	31.7%	7,181	29.3%
Malibu Rum	196	\$574,783	31,491,386	19.0%	30.7%	419,337,760	34.2%	7,377	30.1%
Southern Comfort	154	\$296,231	19,343,526	16.8%	26.0%	438,681,286	35.8%	7,531	30.7%
Absolut Apeach Flavored Vodka	152	\$267,275	23,495,962	24.1%	37.9%	462,177,248	37.7%	7,683	31.3%
Malibu Passion Fruit Rum	142	\$462,094	24,195,056	18.9%	36.4%	486,372,304	39.7%	7,825	31.9%
Bacardi Limon Rum	123	\$273,982	16,104,458	15.5%	30.2%	502,476,762	41.0%	7,948	32.4%
Absolut Raspberri Flavored Vodka	122	\$152,036	17,959,102	24.9%	37.9%	520,435,864	42.5%	8,070	32.9%
Bacardi Big Apple Rum	93	\$179,510	10,347,744	15.3%	24.7%	530,783,608	43.4%	8,163	33.3%
Mike's Hard Cranberry Lemonade	78	\$126,339	7,475,659	12.4%	30.3%	538,259,267	44.0%	8,241	33.6%
Bacardi Razz Rum	67	\$144,702	8,710,639	17.2%	32.9%	546,969,906	44.7%	8,308	33.9%
Bacardi Coco Rum	64	\$135,316	7,964,563	18.8%	28.8%	554,934,469	45.3%	8,372	34.1%
Captain Morgan's Parrot Bay Coconut Rum	46	\$102,939	5,988,077	10.6%	17.3%	560,922,546	45.8%	8,418	34.3%
Subtotal These Brands	8,418	10,112,996	560,922,546	14.2%	25.9%				
Total All Brands	24,530	\$27,412,165	1,224,367,352	8.0%	12.0%				

Sources: Nielsen Media Research and Nielsen Monitor Plus, 2005.
 *Includes brands with at least \$1 million in 2005 total reported television advertising expenditures.

Although everyone is seeing more alcohol advertising on television, the increase in youth exposure has blunted the impact of the new 30% threshold. The rise in youth exposure on television has also offset declines in youth exposure in other media. Figure 2 shows that the trend in youth exposure (measured in GRPs) in magazines and television has moved in opposite directions since adoption of the 30% threshold. The result is that young people ages 12 to 20 saw as much alcohol advertising in these two media combined in 2005 as they did in 2001. (Increases in exposure in even-numbered years are likely due to the Olympic Games occurring in these years.)

Figure 2: Youth Exposure to Alcohol Advertising in Magazines and on Television, 2001-2005

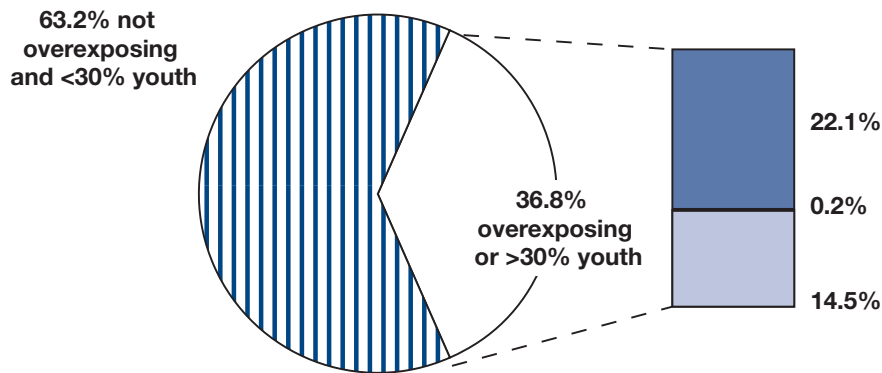
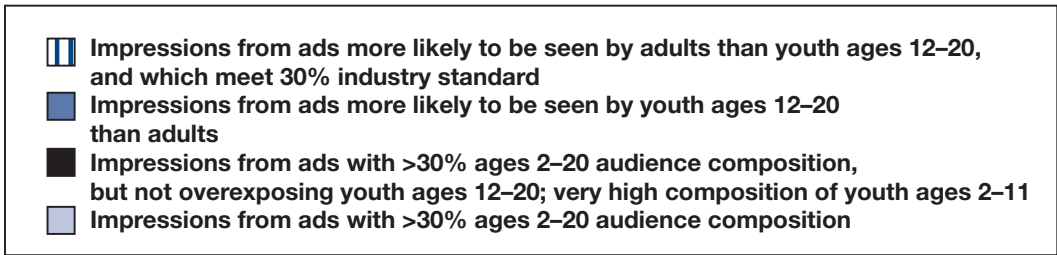


Sources: Nielsen Media Research and Nielsen Monitor Plus, 2001-2005; Mediamark Research Inc., 2001-2006; TNS Media Intelligence, 2001-2005.

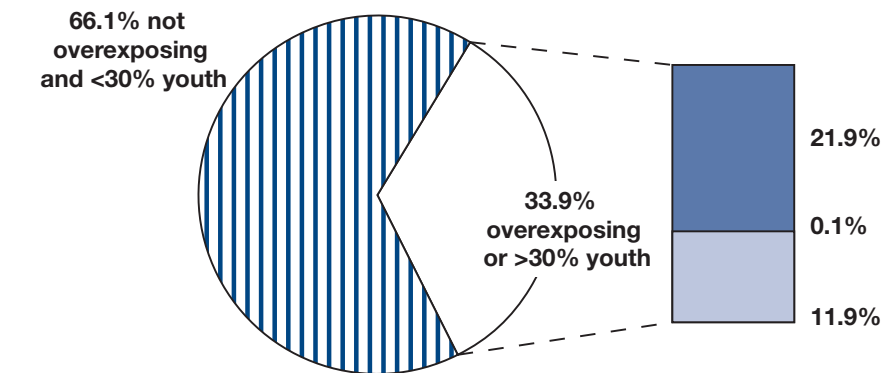
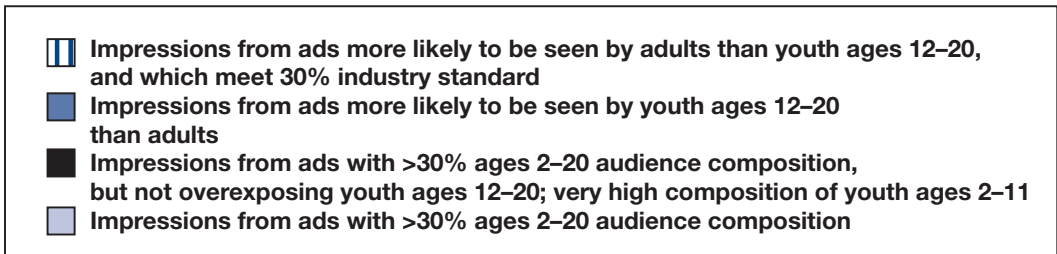
In 2001, 14% of youth exposure to alcohol advertising on television came from ads on programming with youth audiences larger than 30%. In 2005, 12% of youth exposure came from such programming. As Figure 3 illustrates, despite progress towards meeting the 30% threshold, ads above this standard still accounted for approximately one-eighth of youth exposure to alcohol advertising on television.

Figure 3: Percentage of Youth Exposure to Alcohol Advertising on Television From Ads on Programming Exceeding 30% Threshold, 2001 and 2005

Youth Ages 12–20 Impressions Analysis: 2001



Youth Ages 12–20 Impressions Analysis: 2005



Sources: Nielsen Media Research and Nielsen Monitor Plus, 2001 and 2005.

III. Continued Youth Overexposure and the Move to Cable

Figure 3 also shows that, not surprisingly, the 30% youth audience threshold has had only a small effect on the prevalence of alcohol advertising on programming more likely to be seen by youth than by adults. In 2005, such advertising accounted for more than a third of total youth exposure to alcohol advertising. The number of alcohol ads on programming more likely to be seen by youth than by adults peaked in 2002 and 2003, when 26% of alcohol advertising was placed on such programming. Overexposing ads as a percentage of the total number of alcohol ads fell to 20% in 2005. The number of such ads has also trended downwards, although in 2005 it remained above 2001 levels, as shown in Table 6.

Table 6: Overexposing Advertisements and Dollars and Associated Ages 12 to 20 Gross Rating Points, 2001–2005

Year	Overexposing Ads			Overexposing Dollars			Ages 12–20 GRPs		
	Ads	% of Total Ads	% Change vs Prior Year	Dollars	% of Total Dollars	% Change vs Prior Year	GRPs	% of Total 12–20 GRPs	% Change vs Prior Year
2001	56,852	24.9%	N/A	\$112,424,267	14.4%	N/A	7,178	36.7%	N/A
2002	78,920	26.1%	38.8%	\$122,386,267	12.3%	8.9%	9,477	37.1%	32.0%
2003	75,936	26.1%	-3.8%	\$126,607,733	14.2%	3.4%	9,455	40.3%	-0.2%
2004	67,802	23.5%	-10.7%	\$120,872,381	12.2%	-4.5%	10,774	38.7%	13.9%
2005	60,811	20.0%	-10.3%	\$112,939,127	10.9%	-6.6%	9,364	33.9%	-13.1%

Sources: Nielsen Media Research and Nielsen Monitor Plus, 2001–2005.

While overexposure of youth to alcohol advertising can occur anywhere in the television landscape, since cable networks typically have more narrowly defined and concentrated audiences than broadcast networks, youth overexposure is more often found on cable. Table 7 shows that the ramp-up in alcohol spending on cable first highlighted by CAMY in 2004¹⁵ continued into 2005, with a 33% increase in alcohol company spending on cable occurring from 2004 to 2005. In 2005, youth exposure to alcohol advertising on cable as a result of this spending was concentrated on eight networks, which accounted for nearly three-quarters (73%) of youth exposure on cable in 2005 but only 40% of the ads: ESPN, FX, Spike, TBS, VH1, Comedy Central, E! Entertainment and TNT.

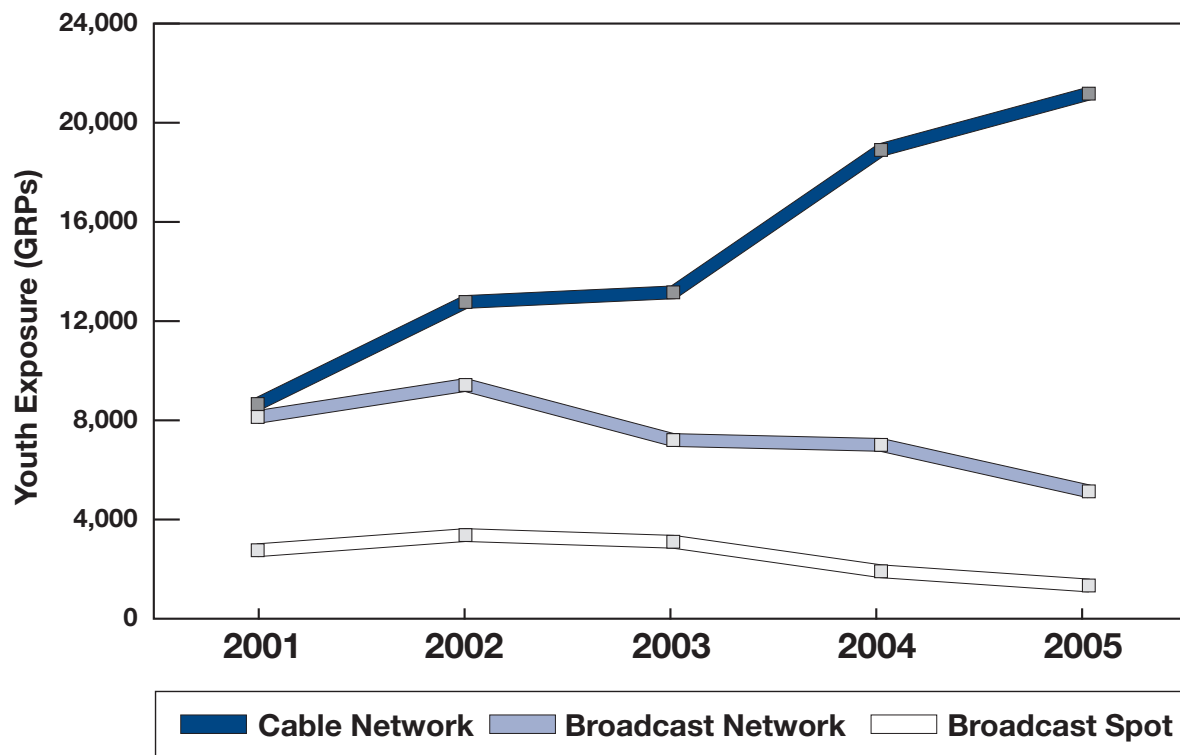
Table 7: Alcohol Advertisements and Spending on Cable Networks, 2001–2005

Year	Beer and Ale		Distilled Spirits		Alcopops		Wine		Total	
	Ads	Dollars	Ads	Dollars	Ads	Dollars	Ads	Dollars	Ads	Dollars
2001	36,834	\$122,064,382	1,973	\$5,186,178	3,046	\$11,517,209	9,166	\$18,029,058	51,019	\$156,796,827
2002	42,182	\$118,490,242	5,054	\$13,851,156	13,738	\$39,393,783	19,659	\$43,152,988	80,633	\$214,888,169
2003	46,128	\$158,000,246	19,396	\$33,853,439	6,381	\$19,918,026	9,196	\$20,937,589	81,101	\$232,709,300
2004	67,384	\$232,665,261	33,738	\$66,829,863	6,043	\$16,975,936	8,219	\$13,989,595	115,384	\$330,460,655
2005	83,923	\$278,701,696	46,854	\$121,573,817	6,928	\$22,402,147	9,771	\$18,332,571	147,476	\$441,010,231

Sources: Nielsen Media Research and Nielsen Monitor Plus, 2001–2005.

¹⁵ Center on Alcohol Marketing and Youth, *Alcohol Advertising on Television, 2001-2004: The Move to Cable* (Washington, D.C.: Center on Alcohol Marketing and Youth, 2005).

Figure 4: Shift in Youth Ages 12 to 20 Exposure to Alcohol Advertising on Cable, 2001–2005



Sources: Nielsen Media Research and Nielsen Monitor Plus, 2001–2005.

Alcohol advertising on cable plays an even more significant role in youth overexposure. In 2005, only 54% of alcohol ads overexposing youth were on cable television. However, these ads accounted for 93% of youth exposure to alcohol advertising (measured in GRPs) from overexposing ads, as shown in Table 8.

Table 8: Alcohol Advertisements and GRPs Overexposing Youth by Medium, 2001–2005

2001

Media	Total Ads	Ages 12–20 GRPs	Overexposing Ads	% of Total Ads	% of Overexposing Ads	Overexposing Ages 12–20 GRPs	% of Total Ages 12–20 GRPs	% of Overexposing Ages 12–20 GRPs
Cable TV	51,019	8,657	17,788	34.9%	31.3%	4,273	49.4%	59.5%
Network TV	5,018	8,136	610	12.2%	1.1%	1,480	18.2%	20.6%
Spot TV	171,926	2,762	38,454	22.4%	67.6%	1,425	51.6%	19.9%
Total	227,963	19,556	56,852	24.9%	100.0%	7,178	36.7%	100.0%

2002

Media	Total Ads	Ages 12–20 GRPs	Overexposing Ads	% of Total Ads	% of Overexposing Ads	Overexposing Ages 12–20 GRPs	% of Total Ages 12–20 GRPs	% of Overexposing Ages 12–20 GRPs
Cable TV	80,633	12,773	29,706	36.8%	37.6%	6,735	52.7%	71.1%
Network TV	6,231	9,426	570	9.1%	0.7%	1,037	11.0%	10.9%
Spot TV	215,889	3,373	48,644	22.5%	61.6%	1,705	50.5%	18.0%
Total	302,753	25,572	78,920	26.1%	100.0%	9,477	37.1%	100.0%

2003

Media	Total Ads	Ages 12–20 GRPs	Overexposing Ads	% of Total Ads	% of Overexposing Ads	Overexposing Ages 12–20 GRPs	% of Total Ages 12–20 GRPs	% of Overexposing Ages 12–20 GRPs
Cable TV	81,101	13,161	28,300	34.9%	37.3%	6,977	53.0%	73.8%
Network TV	4,950	7,205	518	10.5%	0.7%	851	11.8%	9.0%
Spot TV	204,882	3,103	47,118	23.0%	62.0%	1,627	52.4%	17.2%
Total	290,933	23,469	75,936	26.1%	100.0%	9,455	40.3%	100.0%

2004

Media	Total Ads	Ages 12–20 GRPs	Overexposing Ads	% of Total Ads	% of Overexposing Ads	Overexposing Ages 12–20 GRPs	% of Total Ages 12–20 GRPs	% of Overexposing Ages 12–20 GRPs
Cable TV	115,384	18,904	37,186	32.2%	54.8%	9,470	50.1%	87.9%
Network TV	6,174	7,010	259	4.2%	0.4%	369	5.3%	3.4%
Spot TV	167,125	1,913	30,357	18.2%	44.8%	935	48.9%	8.7%
Total	288,683	27,826	67,802	23.5%	100.0%	10,774	38.7%	100.0%

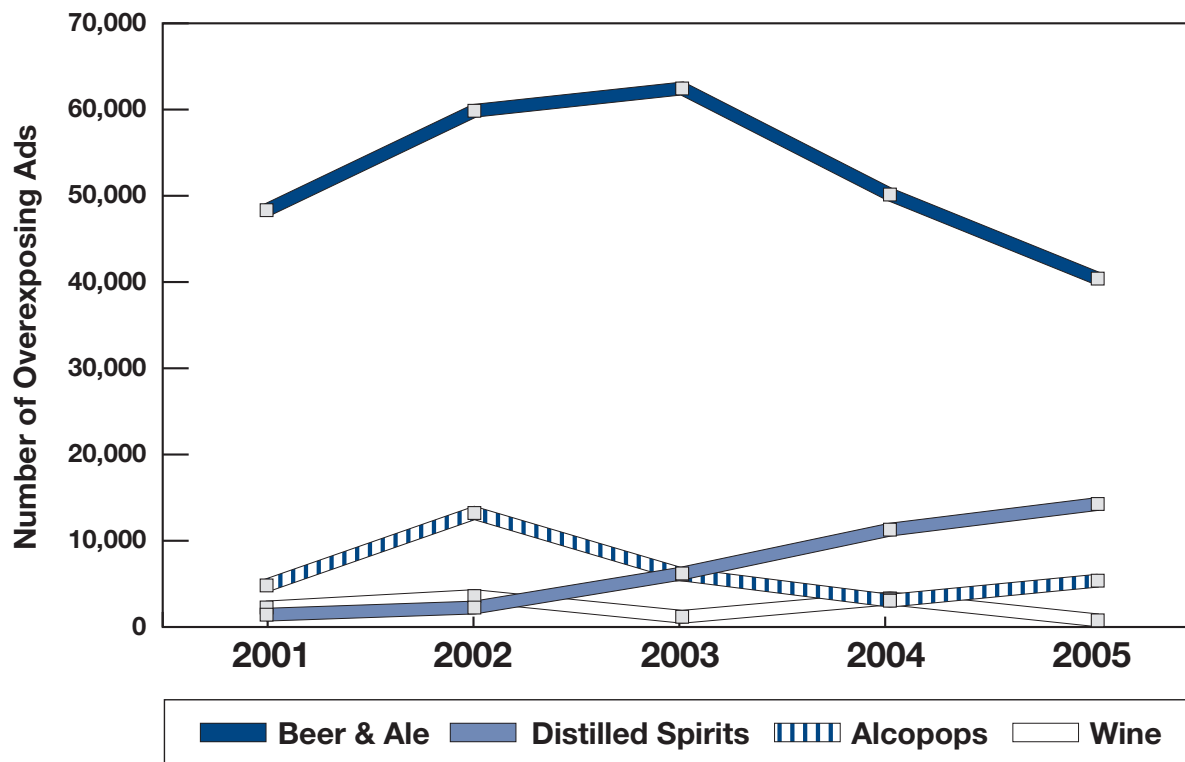
2005

Media	Total Ads	Ages 12–20 GRPs	Overexposing Ads	% of Total Ads	% of Overexposing Ads	Overexposing Ages 12–20 GRPs	% of Total Ages 12–20 GRPs	% of Overexposing Ages 12–20 GRPs
Cable TV	147,476	21,174	33,085	22.4%	54.4%	8,708	41.1%	93.0%
Network TV	5,641	5,136	65	1.2%	0.1%	86	1.7%	0.9%
Spot TV	151,656	1,340	27,661	18.2%	45.5%	569	42.5%	6.1%
Total	304,773	27,649	60,811	20.0%	100.0%	9,364	33.9%	100.0%

Sources: Nielsen Media Research and Nielsen Monitor Plus, 2001–2005. Percentages may not add up to 100% due to rounding. GRPs may not add up due to rounding.

Television advertising expenditures by distilled spirits companies accounted for 12% of total alcohol dollars on television in 2005, but 28% of alcohol company spending on cable. The overwhelming majority of alcohol ads overexposing youth are on cable. The concentration of distilled spirits spending on cable has contributed to a shift in the source of television alcohol advertising that overexposes youth. At the same time that the number of beer ads that overexpose youth has dropped significantly, overexposing ads for distilled spirits are rising, as shown in Figure 5.

Figure 5: Overexposing Alcohol Advertisements on Television by Beverage Type, 2001–2005



Sources: Nielsen Media Research and Nielsen Monitor Plus, 2001–2005.

Analysis of a second list of brands—the 20 brands with the most advertising on programming more likely to be seen by youth than by adults in 2005—illustrates this shift. Of the 20 brands with the most advertising overexposing youth (measured in impressions from overexposing advertisements), 16 were distilled spirits products, while two were alcopops and two were beers (see Table 9). Sixteen of the 20 brands were also among the brands with the most advertising placed over the 30% threshold (see Table 5). Again, half the brands came from two parent companies: Bacardi and Diageo. All 20 brands gained more than half of their youth exposure from programming more likely to be seen by youth than by adults. In contrast, 117 of the 170 alcohol brands advertising on television in 2005 had less than half their youth exposure from ads placed on programming more likely to be seen by youth than by adults.

Table 9: Alcohol Brands With the Most Advertising on TV Programming More Likely to be Seen by Youth Than Adults, 2005

Alcohol Advertisements Overexposing Youth Ages 12–20 Relative to Adults Age 21+

Brand	Ads	Dollars	Ages 12–20 Impressions	% of Brand Ads	% of Brand Ages 12–20 Impressions	Cumulative Impressions	Cumulative % of Impressions
Corona Extra Beer	5,920	\$5,886,605	238,879,197	26.7%	55.4%	238,879,197	6.9%
Bacardi Rums	1,541	\$4,218,594	156,682,532	41.6%	51.1%	395,561,729	11.4%
Jose Cuervo Especial Tequila	1,148	\$1,777,761	119,334,366	33.7%	54.8%	514,896,095	14.9%
Mike's Hard Beverages (Multiple Brands)	1,091	\$1,729,721	79,757,022	32.2%	66.4%	594,653,117	17.2%
Bombay Sapphire Gin	695	\$1,614,724	74,207,755	39.0%	54.4%	668,860,872	19.4%
Captain Morgan Rums	717	\$2,170,743	72,370,238	37.9%	51.2%	741,231,110	21.4%
Malibu Rum	480	\$1,543,540	59,371,435	46.5%	57.9%	800,602,545	23.2%
Southern Comfort	415	\$1,131,311	45,206,103	45.4%	60.8%	845,808,648	24.5%
Absolut Apeach Flavored Vodka	373	\$738,648	43,428,127	59.0%	70.0%	889,236,775	25.7%
Malibu Passion Fruit Rum	367	\$1,190,624	43,103,406	48.9%	64.9%	932,340,181	27.0%
Captain Morgan Parrot Bay Rum	429	\$926,084	42,415,307	40.4%	57.3%	974,755,488	28.2%
Absolut Raspberri Flavored Vodka	266	\$398,249	32,394,842	54.4%	68.4%	1,007,150,330	29.1%
Bacardi Limon Rum	315	\$825,416	31,947,544	39.6%	60.0%	1,039,097,874	30.1%
Bacardi Big Apple Rum	288	\$731,743	26,305,298	47.4%	62.9%	1,065,403,172	30.8%
Bacardi Coco Rum	184	\$487,383	18,263,224	54.1%	66.0%	1,083,666,396	31.4%
Captain Morgan's Parrot Bay Coconut Rum	142	\$339,761	17,709,973	32.6%	51.3%	1,101,376,369	31.9%
Bacardi Razz Rum	165	\$424,876	16,330,693	42.4%	61.7%	1,117,707,062	32.3%
Mike's Hard Cranberry Lemonade	205	\$415,362	15,350,136	32.7%	62.3%	1,133,057,198	32.8%
Glenfiddich Scotch Whiskey	112	\$365,067	15,321,812	17.5%	56.2%	1,148,379,010	33.2%
Modelo Especial Beer	878	\$488,294	7,697,778	36.1%	60.6%	1,156,076,788	33.5%
Subtotal These Brands	15,731	\$27,404,506	1,156,076,788	33.1%	57.0%		
Total All Brands	60,811	\$112,939,127	3,455,846,326	20.0%	33.9%		

Sources: Nielsen Media Research and Nielsen Monitor Plus, 2005.

On three cable networks, youth were overexposed to alcohol advertising across the board. For all five years analyzed in this report, alcohol advertising on Comedy Central, BET and VH1 was more likely to be seen by youth than by adults. As Table 10 shows, alcohol advertising on these networks in 2005 was also more likely to be seen by youth ages 12 to 20 than by the young adult group ages 21 to 34.

Table 10: Youth Exposure to Alcohol Advertising on Comedy Central, BET and VH1, 2001–2005

2001							
Cable Network	Dollars	Ads	Ages 12-20 GRPs	Ages 21-34 GRPs	Age 21+ GRPs	Ratio 12-20/21+	Ratio 12-20/21-34
Comedy Central	\$8,056,267	4,165	1,348	1,101	643	2.09	1.22
BET	\$2,298,293	1,063	333	230	167	2.00	1.44
VH1	\$8,329,963	6,450	731	1,082	614	1.19	0.68
2002							
Cable Network	Dollars	Ads	Ages 12-20 GRPs	Ages 21-34 GRPs	Age 21+ GRPs	Ratio 12-20/21+	Ratio 12-20/21-34
BET	\$2,762,828	1,193	407	310	200	2.04	1.31
Comedy Central	\$21,116,585	9,170	2,624	2,344	1,383	1.90	1.12
VH1	\$10,257,580	12,592	1,492	1,926	1,092	1.37	0.77
2003							
Cable Network	Dollars	Ads	Ages 12-20 GRPs	Ages 21-34 GRPs	Age 21+ GRPs	Ratio 12-20/21+	Ratio 12-20/21-34
BET	\$3,296,390	1,290	447	340	227	1.97	1.32
Comedy Central	\$13,034,127	5,349	1,638	1,640	868	1.89	1.00
VH1	\$9,895,915	9,765	1,764	2,017	1,095	1.61	0.87
2004							
Cable Network	Dollars	Ads	Ages 12-20 GRPs	Ages 21-34 GRPs	Age 21+ GRPs	Ratio 12-20/21+	Ratio 12-20/21-34
BET	\$3,637,346	1,487	477	352	200	2.39	1.35
VH1	\$10,813,841	9,180	2,045	2,065	1,013	2.02	0.99
Comedy Central	\$14,409,813	4,725	1,802	1,646	930	1.94	1.09
2005							
Cable Network	Dollars	Ads	Ages 12-20 GRPs	Ages 21-34 GRPs	Age 21+ GRPs	Ratio 12-20/21+	Ratio 12-20/21-34
BET	\$1,723,663	635	262	171	95	2.76	1.53
VH1	\$9,812,001	5,279	1,681	1,513	741	2.27	1.11
Comedy Central	\$19,592,278	4,891	1,641	1,496	1,074	1.53	1.10

Sources: Nielsen Media Research and Nielsen Monitor Plus, 2001–2005.

Teen Programming Still Popular with Alcohol Advertisers

In its 1999 report, the FTC found that alcohol advertisers had placed their ads on “at least three” of the 15 programs drawing the largest audiences of teens ages 12 to 17. CAMY has looked at these programs every year since 2001, when alcohol advertising appeared on 13 of the top 15 programs. In 2002 and 2004, according to the data sources used for this report, alcohol advertising appeared on 14 of the top 15, while in 2003, it was on all 15. In 2005, alcohol ads were on 14 of the 15 programs most popular with teens, shown in Table 11.

Table 11: Alcohol Advertising on the 15 Programs Most Popular with Teens, 2005

Rank	Network	Program	2005 Alcohol Advertisements		
			Ads	Dollars	Network/Spot
1	ABC	LOST	242	\$4,666,362	Spot, Network
2	ABC	DESPERATE HOUSEWIVES	188	\$4,757,026	Spot, Network
3	CBS	CSI	207	\$2,806,295	Spot, Network
4	ABC	EXTREME MAKEOVER:HOME ED.	80	\$80,917	Spot
5	UPN	EVERYBODY HATES CHRIS	1	\$140	Spot
6	WB	GILMORE GIRLS	4	\$9,048	Spot
7	ABC	NFL MONDAY NIGHT FOOTBALL	230	\$22,939,878	Spot, Network
8	CBS	SURVIVOR: GUATEMALA	12	\$113,497	Spot
9	WB	SUPERNATURAL	10	\$7,450	Spot
10	WB	SMALLVILLE	18	\$12,295	Spot
11	CBS	CSI: NY	28	\$19,745	Spot, Network
12	CBS	CSI: MIAMI	164	\$1,667,695	Spot, Network
13	UPN	AMERICA'S NEXT TOP MODEL	6	\$29,846	Spot
14	ABC	FREDDIE	0	\$0	N/A
15	ABC	GREY'S ANATOMY	139	\$581,176	Spot, Network
Total			1,329	\$37,691,370	

Sources: Nielsen Media Research, week of 10/10/05-10/16/05, 2005 (top national programs among teens ages 12–17, excluding specials); Nielsen Monitor Plus 2005 (alcohol ads and dollars).

IV. Conclusion

Alcohol advertising is growing on television, in large part because of decisions by distilled spirits advertisers to advertise more on television. The effect of these decisions is that everyone, including youth, is seeing more alcohol advertising on television. The 30% standard put in place in 2003 to protect youth from exposure to alcohol advertising has not been sufficient to counter the overall increase in alcohol advertising on television. While the industry has made substantial progress in meeting the new threshold, that progress has had no impact on youth exposure to alcohol advertising on television. In 2005, youth exposure, measured in GRPs, was virtually the same as in 2004, and was more than 40% higher than it was in 2001.

In 2003, the National Research Council and Institute of Medicine recommended that the industry immediately adopt a 25% threshold for youth audiences, and move towards a 15% threshold.¹⁶ In May 2006, 20 state attorneys general asked the FTC to “explore with the industry and others the reduction of the industry standard from 30% to 15%.”¹⁷ If alcohol companies had observed a 15% threshold on television in the first ten months of 2004, youth exposure to alcohol advertising could have been reduced by 20% with virtually no impact on the industry’s ability to reach young adults, and with a savings of approximately 8% in their advertising expenditures.¹⁸

This report demonstrates that a tighter threshold is needed if the alcohol industry’s self-regulation is to be effective in protecting youth from exposure to the rising tide of alcohol advertising on television. The report also demonstrates the importance of continued independent monitoring of youth exposure to alcohol advertising, to ensure that steps taken by the alcohol companies are effective in protecting youth.

¹⁶ National Research Council and Institute of Medicine, *Reducing Underage Drinking: A Collective Responsibility* (Washington, D.C.: National Academies Press, 2004).

¹⁷ RE: Alcohol Reports, Paperwork Comment, FTC File No. P064505. A Communication from the Chief Legal Officers of the Following States: Arizona, Connecticut, Delaware, Hawaii, Idaho, Illinois, Iowa, Maine, Maryland, New Jersey, New Mexico, New York, Ohio, Oregon, Rhode Island, Utah, Vermont, Washington, Wyoming [California subsequently signed on], 8 May 2006. Available at <http://www.ftc.gov/os/comments/alcoholmanufacad-study/522852-01287.pdf> (accessed December 6, 2006).

¹⁸ D.H. Jernigan et al., “Alcohol Advertising and Youth: A Measured Approach,” *Journal of Public Health Policy* 26 (2005): 312-325.

Appendix A: Methodology

Sources

Advertising Occurrence Data

This analysis was conducted using three primary resources:

- Nielsen Monitor Plus provides date, time, source, program and expenditure data for each commercial occurrence.
- Nielsen Media Research provides demographic audience impressions and ratings that are associated with each ad occurrence. This information is provided (through Nielsen Monitor Plus) as follows:
 - 1) network programming is measured year-round, and
 - 2) ratings for spot programming are assumed to be equivalent to the average ratings of “sweeps” months—typically in February, May, July and November—and any other measured months in the same quarter. The one exception is that September ratings are taken from the fourth quarter average rather than the summer months of the third quarter.
- Impact Databank, a market research firm serving the alcoholic beverage industry, provides industry-accepted classifications for all brands of alcoholic beverages.

Process

1. Aggregation levels

A database of all television alcohol 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 Nielsen Monitor Plus)

- Daypart (time of day/week, using industry accepted classifications)
- Impact Databank classification (beer and ale, distilled spirits, alcopops, wine)
- 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 2 and over as defined by Nielsen, allowing for the annual universe estimate adjustment in September of each year. Composition for all programs was calculated at the commercial occurrence level based on the most appropriate interval reported by Nielsen Monitor Plus, typically the quarter-hour in which the occurrence was reported. National (broadcast and cable) gross rating points (GRPs) and impressions were combined with no adjustment, while spot TV GRPs were “nationalized” by summing the local market ad impressions and dividing the total by the national base.

Estimated audiences for spot advertisements

Nielsen Media Research does not field research studies in every television market during every month of the year. In markets where Nielsen has not fielded a study during a particular time period, the industry has accepted the practice of using audience estimates that are carried over from a comparable time period. Standard advertising industry practice is to purchase advertisements using such audience estimates and, in 2005, the alcohol industry purchased \$42.3 million of advertising during time periods for which audience composition was estimated from prior field studies. In this respect, the estimated audience numbers are substantive and meaningful to companies purchasing advertising. The relatively rare cases when audience numbers do not match what the advertiser intended to purchase are most likely to occur when programming is inserted into a timeslot that usually features a very different type of programming. For example, if a sports program is inserted into a weekday afternoon timeslot, then an audience estimate for programming that nor-

mally appears on a weekday afternoon may be applied to the sports program. These occurrences are very rare. In CAMY’s analysis of 304,773 alcohol ads in 2005, 1,273 spot TV ads for alcohol appeared on sports programming in weekday daytime timeslots with an estimated audience. The impact of such ads on the results presented here is insignificant.

3. Counting and qualifying ads

Product alcohol ads were included in this analysis if it was determined from their description that they were promoting products and were not general corporate advertisements, “responsibility” advertisements or other public service announcements. An alcohol ad was considered to overexpose youth when it was placed on a program where the percentage of underage youth in the audience was greater than the percentage of underage youth in the general population, that is, when the youth rating was higher than the adult 21+ 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 and frequency.

5. Top 15 television analysis

The 15 regularly scheduled television programs on commercial networks with the largest teen audiences were generated using Nielsen Media Research television ratings, the industry standard, for the second week of October each year, comparable to an analysis performed by the FTC in 1999. For these programs, all alcohol product advertising in primetime on network (cable or broadcast) or local spot broadcast that aired on the same network was identified for the entire year.

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 to 20 in the United States).

Impressions

An advertising **impression** occurs when one person sees or hears an advertisement. 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 for 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)

GRPs are a standard measure of advertising exposure. GRPs measure advertising exposure for a particular population, relative to the size of that population, and may be calculated by dividing gross impressions within that population by the number of people in the population. GRPs are also the mathematical product of reach and frequency, which are defined below.

Reach and Frequency

Reach enables advertisers to know what percentage of a population is exposed to advertising. **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 to 20, and 80,000 are age 21+. In that case, the **composition** of the audience is calculated by looking at the percentage of the audience that meets different demographic criteria. In this example, the audience composition is 20% ages 2 to 20 and 80% age 21+.