

Executive Summary

Youth See More Alcohol Advertising than Adults

America's youth saw far more alcoholic beverage ads in magazines in 2001 than did people of legal drinking age. This pattern of the alcohol industry exposing youth to more advertising than adults cut across beverage types and brands, with the notable exception of wine. In effect, young people under the legal drinking age of 21 were a major target audience for the industry's magazine advertising in 2001, despite the industry's claims to the contrary. The following analysis shows where and how the alcohol industry exposed youth to its products.

Our key findings are:

- **More beer and distilled spirits ads:** Marketers of beer and distilled spirits brands delivered more advertising to youth than to adults in magazines in 2001 - 45% more for beer brands and 27% more for distilled spirits brands.
- **More "malternative" ads:** Marketers of low-alcohol refreshers, the so-called "malternatives" such as Smirnoff Ice, delivered 60% more advertising to youth than to adults.
- **Fewer wine ads:** For wine, the second leading alcohol advertising category in magazines, youth saw 58% less advertising than adults. The ability of most wine advertisers to reach an adult audience while minimizing reach to the underage audience shows how advertisers can reach an adult target audience without overexposing youth.

- **Only young adults see more ads than underage youth:** Underage youth saw nearly as much advertising as young adults ages 21-34. Adults ages 35+ were a distant third audience. For example, those ages 21-34 saw 16% more beer advertising than youth 12-20, while underage youth saw 95% more beer advertising than adults 35+.
- **Alcohol ad dollars follow youth audiences:** Ten magazines with underage audience compositions at or above 25% accounted for nearly one-third of all alcohol advertising expenditures in measured magazines. (In 1999 the Federal Trade Commission pointed to a 25% underage audience as an effort by some companies to limit underage youth exposure.) In addition, more than half of the money spent on alcohol magazine advertising was in 24 magazines with youth audiences that exceeded 15.8%, the percentage of youth 12-20 in the U.S. population age 12 and over. In fact, twenty-five brands placed all of their magazine advertising in youth-oriented magazines.

Why the Concern about Advertising

The consequences of underage drinking are real and tragic. Alcohol use plays a substantial role in all three leading causes of death among youth - unintentional injuries (including motor vehicle fatalities and drownings), suicides and homicides. Children who begin drinking before the age of 15 are four times more likely to develop alcohol dependence than those who wait until the age of 21. In the most recent federal survey of school children, 16.6% of eighth graders reported having been drunk at least once in the past

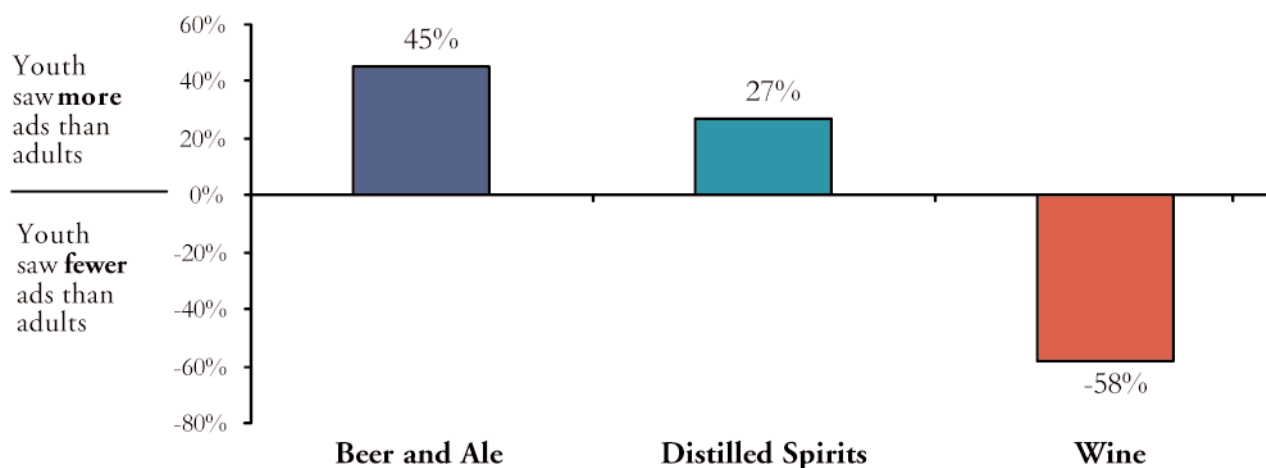
year, and by the tenth grade, that number is 39.9%.

Restricting access to alcohol and reducing its appeal to underage youth are the foundations of the public health strategy to reduce underage drinking. To implement the reduction in appeal, policymakers and advocates have proposed various standards to limit youth's exposure to alcohol advertising and promotion. In September 1999, the Federal Trade Commission issued a report reviewing the alcohol industry's advertising and marketing practices. The FTC report called on the industry to "raise the current standards to reduce underage alcohol ad exposure," noting that some companies restrict advertising to venues where the underage audience is 25% or less. Mothers Against Drunk Driving has called for restricting broadcast alcohol advertising to shows with a youth viewership of 10% or less, and the American Medical Association has called for a total ban on broadcast alcohol advertising.

But as this report shows, youth exposure to alcohol advertising in magazines is widespread but probably not appreciated. In fact, policymakers and other parents are likely to be surprised by the amount of magazine advertising to their children and other youth. As the numbers show, youth ages 12-20 are much more exposed to alcohol advertising than adults over the age of 35.

An appreciation of how much tobacco advertising was reaching youth precipitated policy changes there. And even after the 1998 Master Settlement Agreement between the tobacco industry and the nation's state attorneys-general, cigarette companies continued to use magazine advertising and exposed

Figure 1 - Relative Magazine Advertising Exposure



Sources: CMR 2001, MRI Teenmark 2001, MRI Adult Study Spring 2002

youth to their advertising. In the wake of criticism from the public health community about that tactic, Philip Morris, for instance, ceased advertising in publications where the composition of those younger than 18 was 15% or more of the total readership, or where the audience included more than 2 million persons younger than 18 years or age, based on readership data.

Because this report's data provides a clear picture of how overexposed youth are to alcohol advertising in magazines, the FTC should re-open its inquiry into the industry's practices.

"Reverse Engineering" Alcohol Advertising

This report employs the same tools, syndicated data sources, and procedures utilized by media planners and buyers to execute advertising campaigns. By "reverse engineering" the actual alcohol advertising in magazines in 2001, this analysis sheds light on the information that is available to alcohol industry marketers when they make decisions about where and how to spend advertising dollars. Audience data for all of the advertising analyzed

in this report is tracked by Mediamark Research Inc. (MRI), the leading source of U.S. magazine audience estimates for consumer advertising.

Magazine Advertising in Context

Magazines are a uniquely flexible advertising medium. They offer advertisers substantial exposure to consumers, while still providing precise targeting by demographic and lifestyle factors based on specialized content.

Magazine advertising represented 25.6% of total reported advertising for alcoholic beverages in 2001. This varied by beverage group, as distilled spirits brands use magazines as a primary medium (82.7% of their reported spending in 2001), while beer and ale brands predominantly use television. Distilled spirits brands represent the majority of advertising exposures documented in this report.

About This Report

This report analyzes \$320 million in alcohol product advertising in magazines during calendar year 2001. This is all of the magazine expenditures in national magazines measured by MRI, the industry standard for magazine audience measurement, totaling 80% of all alcohol product advertising expenditures in magazines in 2001.

The first section analyzes the amount of magazine advertising delivered to youth and adults by different alcoholic beverage brands. For many beer and distilled spirits brands, the youth population received more advertising than the adult population.

The second section looks at the size and concentration of the youth audiences in the magazines in which the alcohol industry marketers placed ads in 2001. This same information, with all of its levels of detail, is available to alcohol industry marketers in making advertising decisions.

Center on Alcohol Marketing and Youth

The Center on Alcohol Marketing and Youth at Georgetown University 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.

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Virtual Media Resources

The Center commissioned Virtual Media Resources to conduct this analysis. 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 US and Canada, including retail, publishing, financial, automotive, public health and other fields.

VMR adhered to industry-standard methodologies in conducting this analysis, using standard industry

sources, including Competitive Media Reporting, Inc. (CMR), a service that provides advertising expenditure and occurrence information to advertising agencies, their clients and the media; and Mediamark Research Inc. (MRI) and Simmons Market Research Bureau, Inc. (SMRB), services that provide audience estimates for magazines and other media.

More information about the methodology used to create this report is included in Appendix A.

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