

### 3. Alcohol Point-Of-Sale

#### What are point-of-sale promotions?

Point of Sale (POS) promotion refers to promotional materials, events and specials that are found within a store or venue, at the point where a purchase can be made. For alcohol, this can be either at a bottle shop (where the alcohol is not consumed on the premises), or licensed venues such as bars, pubs and clubs.

These promotions can include such things as:

- Gift with purchases (for example, buy four drinks and get a free hat).
- Competitions (for example, buy a drink and you can enter the draw to win a prize).
- Buy some get some free (for example, buy four drinks and get the fifth for free).
- Cheap drinks (for example, happy hours).
- Special events (for example, sporting events such as 'fight night' or screening sporting matches).
- Giveaways and free offers (for example, free drink, free entry, free food).
- Venue competitions and activities (for example, pool competition, raffle).

These types of promotions can be initiated by either the alcohol manufacturer or the venue itself.

There is currently no publicly available data on the amount of money the industry spends on these types of promotions, although in the United States the Federal Trade Commission has estimated that the amount spent on alcohol promotion is likely to be three or more times the amount spent on alcohol advertising.<sup>1</sup>

While advertising is primarily aimed at encouraging brand loyalty or long-term commitment to a brand, point-of-sale promotions encourage people to try new products and to increase the amount they buy.<sup>2</sup>

What impact can point-of-sale promotions have?

Alcohol companies spend more than \$100 million per year on advertising in Australia, mainly on television, billboards and magazines.

However, there is little information available about how much is spent by the industry on point-of-sale promotions.

Increased availability of alcohol is associated with increased alcohol consumption. It is also very clear that reducing the price of alcohol increases the amount consumed,<sup>3,4,5</sup> particularly among young people.<sup>6,7,8</sup>



As early as the 1970's, an experimental study in the United States found that alcohol consumption was more than doubled during simulated 'happy hours' among both heavy and light drinkers.<sup>9</sup>

More recent research in the United States has found that higher binge-drinking rates are associated with lower prices, weekend beer specials, and the availability of promotions in the next 30 days.<sup>10</sup>

#### Are there rules about point-of-sale in Australia?

The rules about point-of-sale alcohol marketing are implemented at a state level – which means they may vary between states (although they tend to address similar issues).

In New South Wales the Director of Liquor and Gaming has published a detailed set of 'Liquor Promotion Guidelines' [[http://www.olgr.nsw.gov.au/dlg\\_guidelines.asp](http://www.olgr.nsw.gov.au/dlg_guidelines.asp)], which he has the power to do under section 102 of the Liquor Act 2007.

The underlying objectives of the liquor laws are:

- Need to minimise harm associated with the misuse and abuse of liquor.
- Encourage responsible attitudes and practices towards the promotion, sale, supply, service and consumption of liquor.
- Ensure that the sale, supply and consumption of liquor contributes to, and does not detract from, the amenity of community life.

#### Point-of-sale at venues (hotels, clubs and restaurants)

The Director of Liquor and Gaming may restrict or prohibit an activity or promotion in a specific venue if the Director believes that the activity or promotion:

- uses designs, names, motifs and characters that have special appeal to minors
- is indecent or offensive
- involves the provision of liquor in non-standard measures that encourages irresponsible drinking and is likely to result in intoxication
- uses emotive descriptions that encourages irresponsible drinking and is likely to result in intoxication
- involves free drinks, or extreme discounts or discounts of a limited duration, that creates an incentive for patrons to consume liquor more rapidly than they otherwise might
- encourages irresponsible, rapid or excessive consumption of liquor
- is not in the public interest.

The Liquor Promotion Guidelines includes a detailed list of the types of promotions (and examples) that are likely to result in the issue of a 'notice' (an order requiring them to cease the activity).

The Office of Liquor, Gaming and Racing (OLGR) monitors advertised promotions. If a 'notice' is issued and the venue does not comply they can be fined up to \$5,500.

The revised Alcohol Beverages Advertising Code (ABAC) includes a protocol regarding promotion of alcohol at events which includes clauses such as:

- All promotional advertising in support of events does not clearly target underage persons and as such is consistent with the ABAC standard;
- Promotional staff at events do not promote consumption patterns that are inconsistent with responsible consumption, as defined in the NHMRC Guidelines;
- Promotional staff do not misstate the nature or alcohol content of a product;
- Promotional staff at events are of legal drinking age; and
- Promotional materials given away at or in association with events do not link the consumption of alcohol with sporting, financial, professional or personal success

For the full 10 clauses, you can download the Code from the ABAC website [<http://www.abac.org.au/uploads/File/ABAC%20Code%20at%206%20July%202010.pdf>]

#### Point-of-sale in bottleshops and liquor stores

The regulation of point-of-sale promotions for 'take-away' alcohol is much less clearly defined, and there is no specific code covering this form of marketing.

The preamble to the Liquor Promotion Guidelines (discussed above) states that the guidelines are of "lesser relevance to package liquor premises (takeaway sales through a bottleshop or home delivery)"



The Alcohol Beverages Advertising Code covers retailer advertisements (i.e., those that contain information about the products offered for sale and their prices etc) and states that these "must comply with the spirit and intent of the Code but are not subject to any process of prior clearance". However, the Code does not provide any guidance on point-of-sale promotions in off-premise establishments (for example bottle shops).

#### What do we know about point-of-sale promotions in Australia?

There has been very little research on point-of-sale promotions in Australia.

The Centre for Health Initiatives has conducted several studies which found that:

- point-of-sale promotions are widespread in New South Wales.<sup>11</sup>
- young people see these promotions as direct encouragement to consume more alcohol and, particularly among young men, as an incentive to 'compete' with each other to see who can drink the most.<sup>12</sup>

#### US longitudinal study on ownership of alcohol-branded merchandise<sup>13</sup>

Researchers in the United States surveyed more than 5,000 students aged between 10 and 14 in 2003; asking them whether they owned any alcohol-branded merchandise (such as t-shirts, hats, keyrings). They then surveyed the same young people three more times at eight-month intervals (so that the last survey was two years after the first).

At baseline (first survey) they found that 11% of the students owned one or more items of alcohol branded merchandise, with the most common being clothing and hats. The majority of these young people (71%) were given the item as a gift by a friend or family member, 24% bought it, and 4% found or won it. By the final survey (2 years later) 20% owned one or more items.

They found a two-way relationship. First, young people who were exposed to alcohol messages in movies, whose friends drank and who could obtain alcohol at home were more likely to own alcohol branded items. Second, young people who owned alcohol branded merchandise at the first survey were more likely to report drinking, or intending to drink, in the later surveys.

The researchers concluded that: "...the effect of ABM ownership on behavior is both direct and indirect, demonstrating that some of the effect on behavior occurs as a result of this ownership prompting more favorable attitudes".

### Assessment Task: How can we regulate POS promotions?

Look at the point of sale promotions printed below. These are typical of the types of promotions the Centre for Health Initiatives found in a recent audit of point of sale (bottle-shop) alcohol promotions in New South Wales and Western Australia; and an earlier study of point of sale (pubs and clubs) promotions in Wollongong NSW.

- Do you think that these promotions comply with:
  - The ABAC Code [<http://www.abac.org.au/uploads/File/ABAC%20Code%20at%206%20July%202010.pdf>]
  - The Liquor Promotion Guidelines [[http://www.olgr.nsw.gov.au/dlg\\_guidelines.asp](http://www.olgr.nsw.gov.au/dlg_guidelines.asp)]
- Imagine that you are a parent of a teenager and that you saw these promotions in your local community over the weekend. Choose one of these promotions that you think do not comply with the Code or the Guidelines. Prepare a complaint to the Advertising Standards Board and/or Office of Liquor Gaming and Racing using their online form:

#### Advertising Standards Board

<http://www.adstandards.com.au/pages/screening.asp>

Office of Liquor Gaming and Racing [http://www.olgr.nsw.gov.au/website\\_complaints\\_form.asp](http://www.olgr.nsw.gov.au/website_complaints_form.asp)

[TEACHER NOTE: As these are not current promotions, you should ensure that students do not actually submit a complaint. You may decide to either (a) provide printed copies of the complaint form for students to complete OR (b) use the versions provided by Department of Education and Communities]

### Bottleshop promotion 1



What is the main message of this promotion?

Who do you think the target audience is?

Does this comply with the ASB Code? Why or why not?

Does this comply with the OLGR Guidelines? Why or why not?

## Bottleshop promotion 2

What is the main message of this promotion?

Who do you think the target audience is?

Does this comply with the ASB Code? Why or why not?

Does this comply with the OLGR Guidelines? Why or why not?



## Pub promotion 1

What is the main message of this promotion?

Who do you think the target audience is?

Does this comply with the ASB Code? Why or why not?

Does this comply with the OLGR Guidelines? Why or why not?



## Pub promotion 2

What is the main message of this promotion?

Who do you think the target audience is?

Does this comply with the ASB Code? Why or why not?

Does this comply with the OLGR Guidelines? Why or why not?



## REFERENCES

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### What kinds of critical questions can we ask of texts?

These questions can be asked of most spoken, written, visual, multimedia and performance texts. They encourage students to question beliefs that are often taken for granted.

### Critical Literacy Questions

#### Textual purpose(s)

- What is this text about? How do we know?
- Who would be most likely to read and/or view this text and why?
- Why are we reading and/or viewing this text?
- What does the composer of the text want us to know?

#### Textual structures and features

- What are the structures and features of the text?
- What sort of genre does the text belong to?
- What do the images suggest?
- What do the words suggest?
- What kind of language is used in the text?

#### Construction of characters

- How are children, teenagers or young adults constructed in this text?
- How are adults constructed in this text?
- Why has the composer of the text represented the characters in a particular way?
- Are the same messages being given to males and females? Why or why not?

#### Gaps and silences

- Are there 'gaps' and 'silences' in the text? If so, what?
- Who is missing from the text?
- What has been left out of the text?
- What questions about itself does the text not raise?

### Power and interest

- In whose interest is the text?
- Who benefits from the text?
- Is the text fair?
- What knowledge does the reader/viewer need to bring to this text in order to understand it?
- Which positions, voices and interests are at play in the text?
- How is the reader or viewer positioned in relation to the composer of the text?
- How does the text depict age, gender and/or cultural groups?
- Whose views are excluded or privileged in the text?
- Who is allowed to speak? Who is quoted?
- Why is the text written the way it is?

### Whose view: whose reality?

- What view of the world is the text presenting?
- What kinds of social realities does the text portray?
- How does the text construct a version of reality?
- What is real in the text?
- How would the text be different if it were told in another time, place or culture?

### Interrogating the composer

- What kind of person, and with what interests and values, composed the text?
- What view of the world and values does the composer of the text assume that the reader/viewer holds? How do we know?

### Multiple meanings

- What different interpretations of the text are possible?
- How do contextual factors influence how the text is interpreted?
- How does the text mean?
- How else could the text have been written?
- How does the text rely on inter-textuality to create its meaning?

Sourced from Tasmanian Curriculum : Critical Literacy

<http://www.education.tas.gov.au/curriculum/standards/english/english/teachers/critlit#whatkinds>