



A Critical Analysis of Social Responsibility Practices in Alcohol Advertising Campaigns

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Abstract

Culture plays a role in creating young alcoholics and has been at the center of debates about the impact of alcohol advertising on patterns of consumption. This research addressed the impact of alcohol advertising on local culture and its social implications in a developing economy. Stakeholders, including young people and marketing representatives from an alcohol producer in Country X, were examined to determine their perspectives of the use of alcohol advertising strategies. The findings were consistent with previous academic research and expectancy theory that indicate alcohol advertising can influence the normative behavior of young persons and their attitudes toward the use of alcohol. That is, alcohol producers can only claim to be socially responsible if their marketing strategies considers the concerns of the wider community. The Country X alcohol producer in this study, this claim requires organizational change to make the company more closely aligned to industry best practices.

Keywords: *Advertising, alcohol, expectancy theory, normative behavior, social responsibility.*

Introduction

Marketing is a primary activity in a company's value chain. It is the process of capturing value from customers while also building strong relationships (Armstrong & Kotler, 2011). Socially responsible marketing considers society's interests through the integration of social and ethical values into the design of advertising messages, how these messages are perceived and their impact on society (DeWitt & Dahlin, 2009). This responsibility is crucial where younger generations are more exposed than ever before to advertising through their greater access to various forms of media. In particular, "youths are more vulnerable to negative influences that are detrimental to both the individual and the wider community" (Flemming *et al.*, 2004). These concerns have been expressed by interest groups that have called on the Government of the nation of Country X to ban alcohol advertising (Pouchet 2010; Country X Express, 2011).

Alcohol has become entwined with the nation's culture for generations, and is widely consumed at social events and corporate gatherings. During the annual carnival season,

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alcohol consumption is seen as liberating, and the violation of normally accepted behaviour has become socially acceptable. An understanding of patterns of alcohol use and their contribution to sexual behaviour is critical to combating social issues such as the spread of HIV in Country X (Reid & Malow, 2012). But little research has been done about this understanding.

Therefore, this paper reports on research undertaken to explore this knowledge gap – it should provide advice about transitioning the nation to a better and safer society. The research used empirical evidence and the identification of industry best practices, and associated academic theories. The research involved examination of XYZ, a local alcohol producer and its advertising practices. Employee names and brand names are not identified so that anonymity is retained. The results of a survey of young people in Country X ranging from the age of 15 to 24 were used, as well as data obtained from interviews with the XYZ alcohol advertising team. This information was used to help identify whether XYZ applied socially responsible practices in their alcohol advertising and if they were considered sufficient.

XYZ is a holding company for a number of subsidiaries that are responsible for the manufacture, marketing and sale of several alcohol beverage brands in Country X. XYZ has often been at the centre of controversy about their advertisements. In one instance, they were accused of social irresponsibility when stakeholders felt that one of their advertisements inappropriately alluded to date rape (Petitioners against Angostura's advertisement, 2012).

Marketing's main purpose is to create market share through the creation of brand loyalty and preference among consumers (International Centre for Alcohol Policies, 2012). However, promotional mix tools such as advertising through print, billboards and various forms of media, can have negative effects. These effects could include the promotion of harmful ideas or actions, exploitation of vulnerable consumers or creation of offence to some members of society (Hyllegard *et al.*, 2012). Stakeholder theory advocates that organisations should recognise their obligations to all stakeholders (Laczniak & Murphy, 2006). In contrast, most organisations adopt the marketing orientation that focuses on customers and competitors (Hyllegard *et al.*, 2012). A suggested response to the need to recognise all stakeholders is the establishment of an ethics committee to help companies avoid blunders that may be influenced by local culture (Ghillyer, 2011).

Consider alcohol producers as an example. Alcohol marketers should target persons over the legal drinking age. However, those under the legal drinking age are also exposed. Indeed, young people are more influenced by advertisements than adults, and the younger the audience, the greater the influence (Te'eni-harari *et al.*, 2007). Furthermore, as explained by expectancy theory, these influences can directly impact normative behaviour (Leonard & Blane, n.d.). Indeed, alcohol advertising can influence *behaviour* apart from consumption patterns.

Unfortunately, given the nature of the sexually explicit material in some alcohol advertisements, the behaviours may be undesirable. There is an association between alcohol consumption and risky sexual behaviour that includes the possibility of promiscuity and the contraction of sexually transmitted diseases (Reid & Malow, 2012). In addition, the influence of the depiction of sexual images on the

objectification of women can lead to issues such as stereotyping, low self-esteem, eating disorders and sexual assault (Szymanski *et al.*, 2011). However, despite the evidence of these implications of sexual images in advertising, alcohol marketers believe that their use can increase the effectiveness of their advertisements. They have this belief despite evidence that women have greater negative attitudes towards sexual imagery in advertising than men, and that this can make advertisements less effective (Jones & Reid, 2011).

Some advertising that can impact behaviours stem from national or local culture, lifestyles and values (Lass & Hart, 2004). This impact can be seen in Country X. *'Local culture is playing a role in creating young alcoholics'*, says Dr Varma Deyalsingh of Country X (Allaham, 2011). As a result, the already sexually charged culture of the nation, when combined with alcohol advertising, may result in adverse implications to the wider society. Nevertheless, the Government of Country X has not implemented any policies to regulate alcohol advertising.

Consider the XYZ Company in Country X in particular. XYZ understands their advertising practices may have adverse implications for society and so they utilise a 'drink responsibly' slogan on some of their advertisements. However, research suggests that there is no evidence to support the effectiveness of these slogans (Mart & Tan, 2012). This ineffectiveness may be due to the small size and placement of the slogans in comparison to the rest of the advertisement. Indeed, it is suspected that the social responsibility slogans are merely a ploy by alcohol marketers to counteract calls for policies to regulate alcohol advertising (Mart & Tan, 2012).

So should XYZ be more socially responsible in its advertising? To determine if XYZ's social responsibility efforts are considered sufficient, two research questions were used to focus data collection and analysis about this issue:

- How do stakeholders' perceive XYZ's level of social responsibility in relation to the company's advertising?
- How do XYZ's alcohol advertising strategies benchmark against best practices and academic theories?

Analysis and Discussion

Analysis of the collected data produced findings about the two research questions.

First, how do stakeholders' perceive XYZ's level of social responsibility in relation to the company's advertising? The interviews conducted with XYZ's brand officers reveal that XYZ is aware that stakeholders may have concerns about their alcohol advertising strategies. For example, respondent 1 stated, *'In the past we have received complaints from the public. However, we have changed our strategy to ensure nudity is not promoted.'* He added that they have not received any further complaints from the public since this change in strategy (Respondent 1, 2013).

Although both brand's target demographics are different (Brand A targets males between the ages of 18 to 45 and Brand B targets people aged 18 and over), both officers share the same perceptions of XYZ's alcohol advertising efforts. Both officers stated that the use of sex appeal in the advertisements is employed because they believe the strategy to be effective because it is based on the nation's culture. For

example, respondent 2 stated that *'ads are meant to appeal to consumers' emotions and strike reactions.'*

The effectiveness of the advertisements can be seen in the survey that showed 86% of the sample agreed agrees that the images in the advertisements grab their attention (Figure 1). Supporting XYZ's position, the survey results also revealed that 27 percent strongly agree and 13 percent agree that the products in the advertisements are of a high quality (Figure 2). In addition, up to 40 percent of stakeholders agreed that the images depicted in the advertisements suggest that the products taste good (Figure 3).

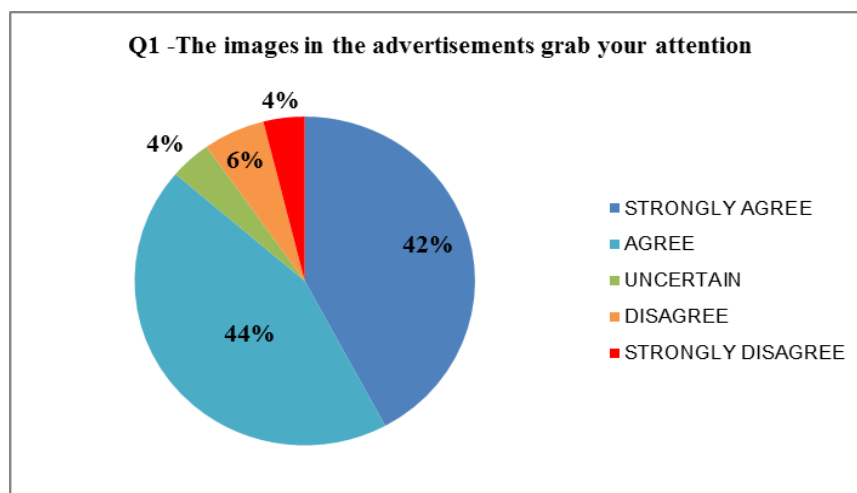


Figure 1. Research Sample Results for Survey Question 1

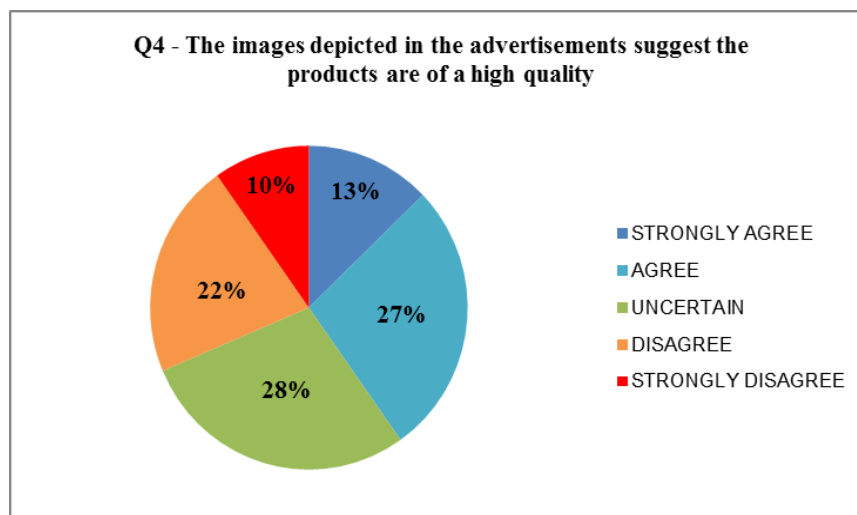


Figure 2. Research Sample Results for Survey Question 4

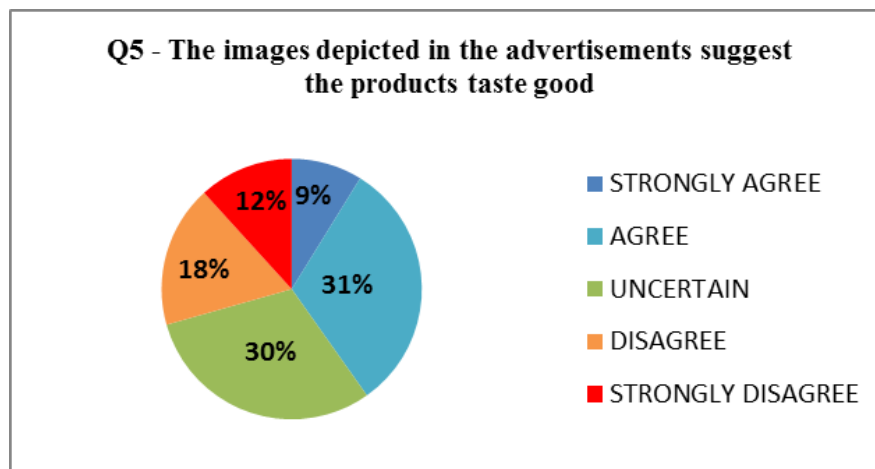


Figure 3. Research Sample Results for Survey Question 5

However, the survey results identified that 75 percent of the sample agree that the images depicted in the advertisements suggest that drinking is associated with sexual activity; in contrast, only 5 percent disagreed (Figure 4). Furthermore, 52 percent agreed with respondent 1 that the images depicted in the advertisement are tasteful (Respondent 1, 2013) (Figure 5).

The results identified that 78 percent of the population supported XYZ advertising team's belief that the use of sex appeal in advertisements make the images more effective (Figure 6). However, further examination of these findings identified that more males were in agreement with this belief than women (Figure 7). Therefore, the

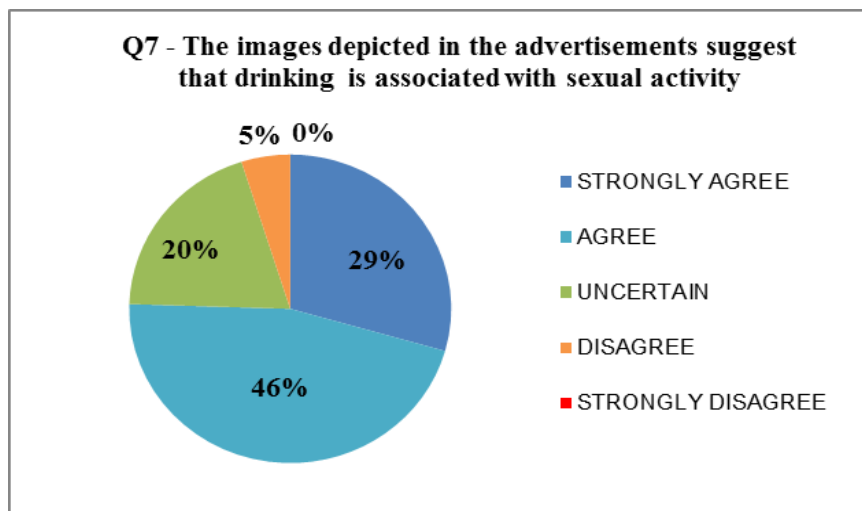


Figure 4. Research Sample Results for Survey Question 7

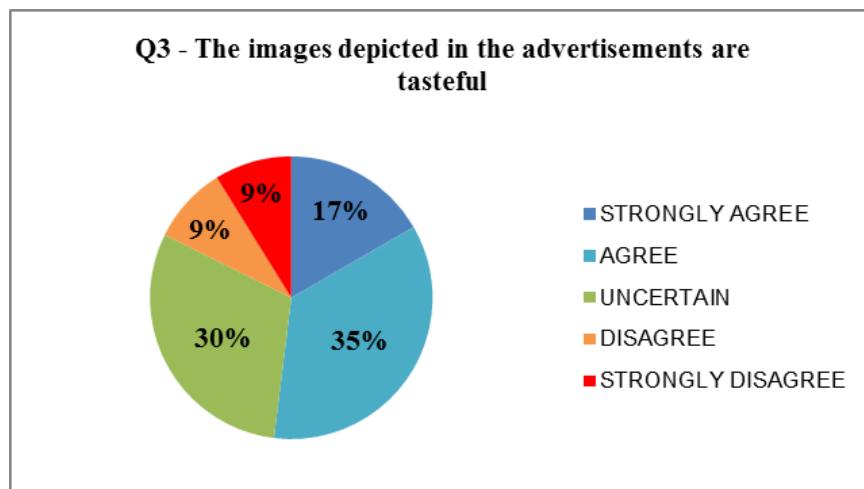


Figure 5. Research Sample Results for Survey Question 3

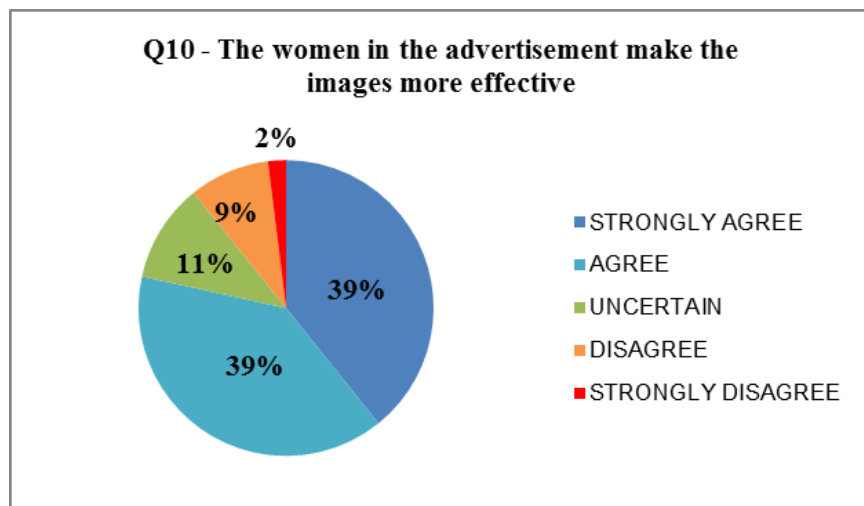


Figure 6. Research Sample Results for Survey Question 10

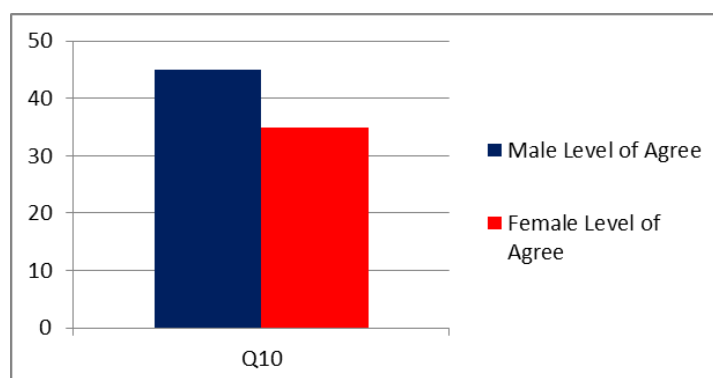


Figure 7. Gender Differences of The 78% of Persons Who at Some Level Agreed That the Sex Appeal Strategy Is Effective

Social and ethical factors are considered in the implementation of XYZ's alcohol advertising campaigns. This consideration is evidenced through XYZ's implementation of social responsibility slogans, responsible drinking segments in local newspapers, the adherence of self-imposed guidelines to not promote nudity, and the strategic placement of advertisements to avoid viewing by persons under 18. However, the last effort is questionable as billboards are placed on the nation's roadways making them accessible to everyone. In addition, the social media pages of XYZ's products also depict sexual imagery that can be accessible to anyone with internet access, including minors. This may be considered as socially irresponsible by some.

Furthermore, not all of XYZ's advertisements bear social responsibility slogans. All the advertisements that do exhibit the slogans do so in a manner that can barely impede their effectiveness. This ineffectiveness is supported by stakeholders' perceptions that as much as 46 percent of the population disagreed that the drink responsibly slogans are effective, 15 percent were uncertain and 39 percent were in agreement (Figure 8). Therefore, this may be an indication that XYZ's responsibility slogans are ineffective.

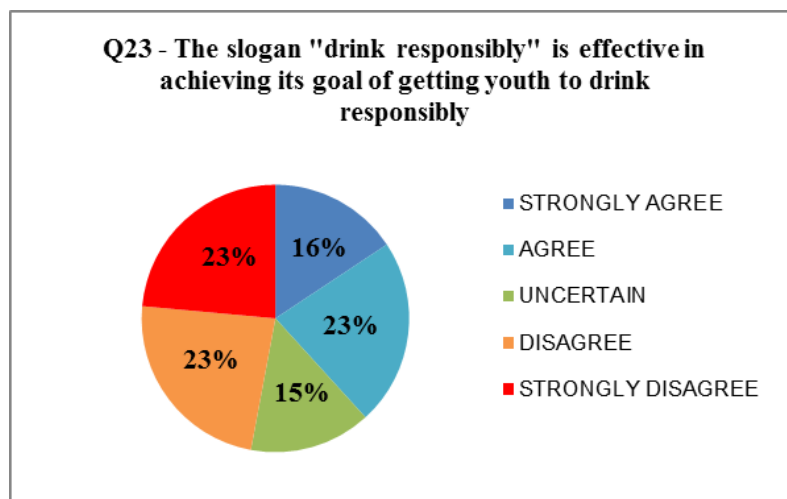


Figure 8. Research Sample Results for Survey Question 23

Moreover, XYZ's belief that their alcohol advertising strategies will not result in negative implications has gone unsupported. Both brand officers stated 'No' when asked if they believe the alcohol advertising strategies could result in negative implications. Respondent 1 justified his response stating that the advertisements are tastefully done. Respondent 2 stated that the strategy's aim is not to objectify women, but '*only to relate the allure of the rum and the experience that comes with the product to the allure of the women.*'

Nonetheless, academic research does not concur with the brand officers' beliefs. Expectancy theory research has shown that youths can be influenced in a way that can impact behaviour (Flemming, Thorson & Atkin 2004; Leonard & Blane n.d.). Research also indicates that the depiction of sexual imagery in alcohol advertisements can lead to many negative effects (Szymanski *et al.*, 2011). These theories are

consistent with the local stakeholders' perceptions. These perceptions were examined from various viewpoints of alcohol advertising's influence on their expectations associated with drinking. Firstly, stakeholders were asked their opinion of the alcohol advertisements' influence on their behaviour. Fully 22 percent strongly agreed that the advertisements did affect their behaviour, 37 percent agreed, 22 percent were uncertain, 15 percent disagreed and 4 percent strongly disagreed (Figure 9). These findings suggest that XYZ's advertising strategies may be influencing young persons' expectations associated with drinking.

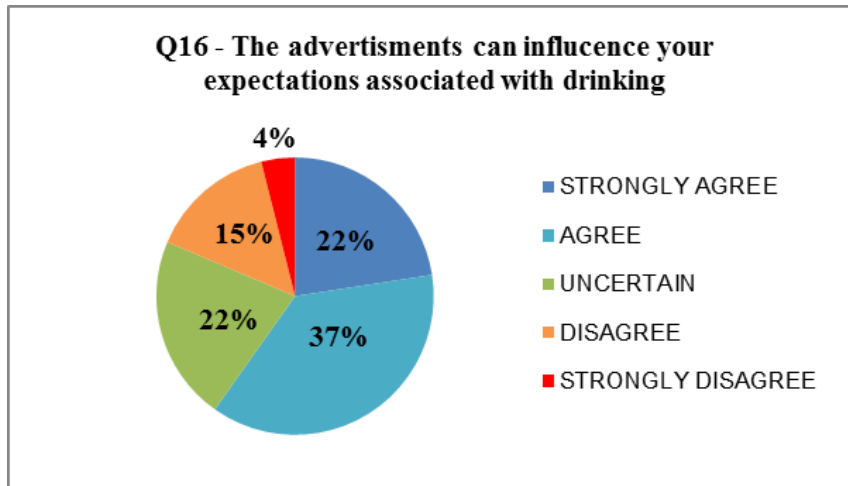


Figure 9. Research Sample Results for Survey Question 16

Secondly, the stakeholders were surveyed on their opinion of alcohol advertisements' influence on the expectations of youths ranging in ages from 10 to 15. The results showed 25 percent strongly agreeing with that influence, 47 percent agreeing, 16 percent uncertain, 9 percent disagreeing and 3 percent in strong disagreement (Figure 10).

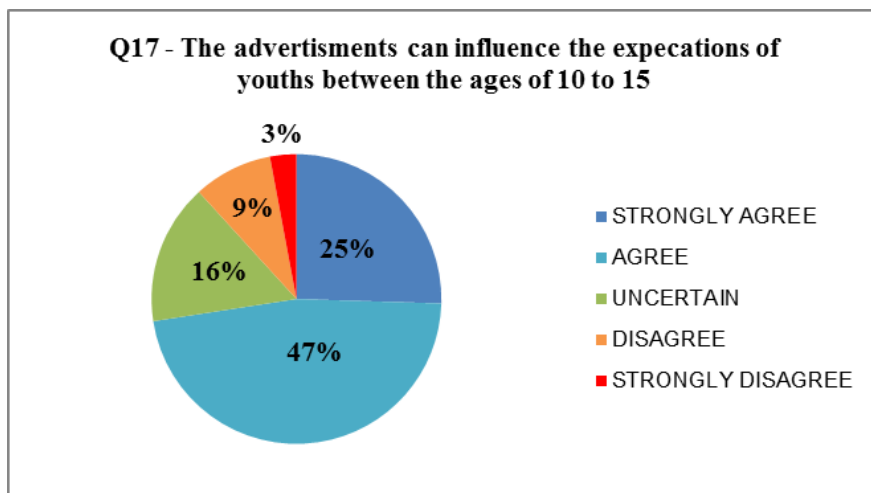


Figure 10. Research Sample Results for Survey Question 17

The final viewpoint examined the opinions of stakeholders on alcohol advertisements' influence on the expectations of youths ranging in ages from 16 to 20. The results showed that 30 percent were in full agreement that the advertisements influenced expectations, 48 percent agreed, 16 percent were uncertain, while 6 percent disagreed and none were in full disagreement (Figure 11).

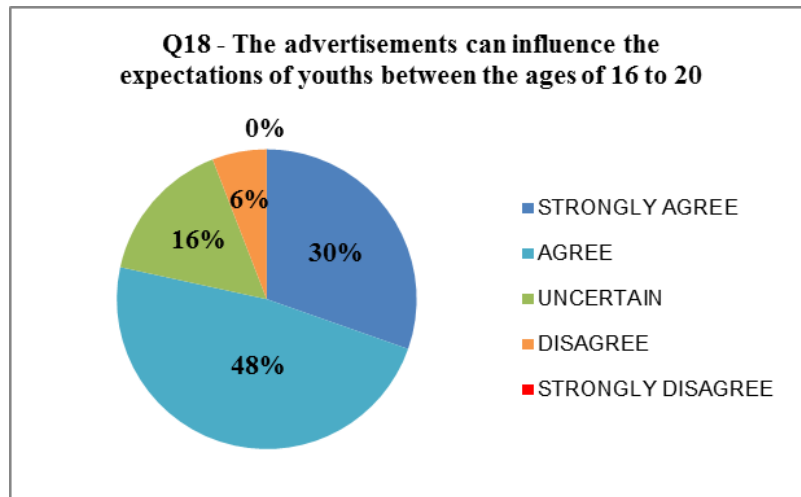


Figure 11. Research Sample Results for Survey Question 18

Further analysis of the findings of the three latter survey questions above identified that only 60 of the stakeholders, representing more than half of the research sample, are of the opinion that XYZ's alcohol advertisements can influence the expectations of youths (Figure 12).

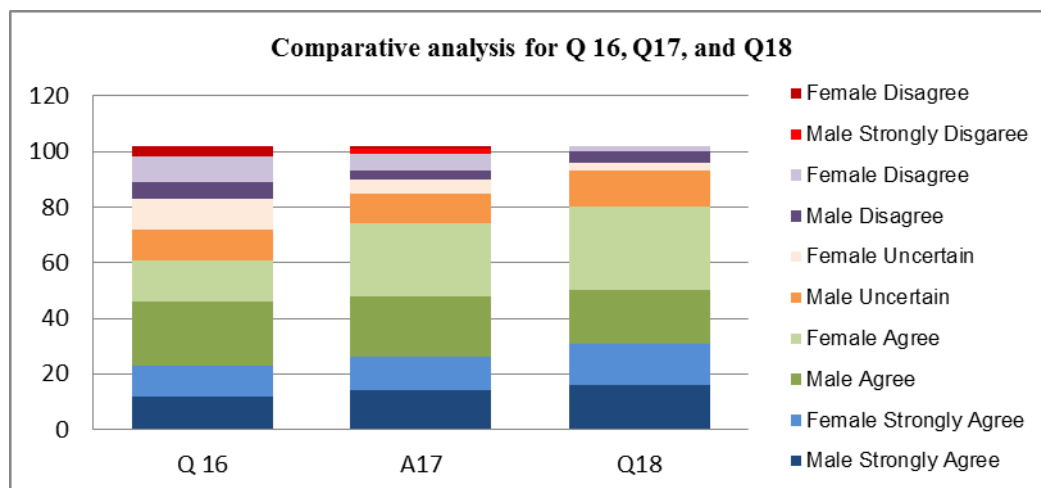


Figure 12. Comparative Analysis of Research Population Results for Survey Question 16, 17, 18

Furthermore, despite the brand officers' belief that their alcohol advertisements do not objectify women, stakeholder perceptions suggest otherwise (Figures 13 and 14). This finding can cause concern because the objectification of women can lead to a number of effects such as stereotyping, low self-esteem, eating disorders and sexual assault (Szymanski *et al.*, 2011).

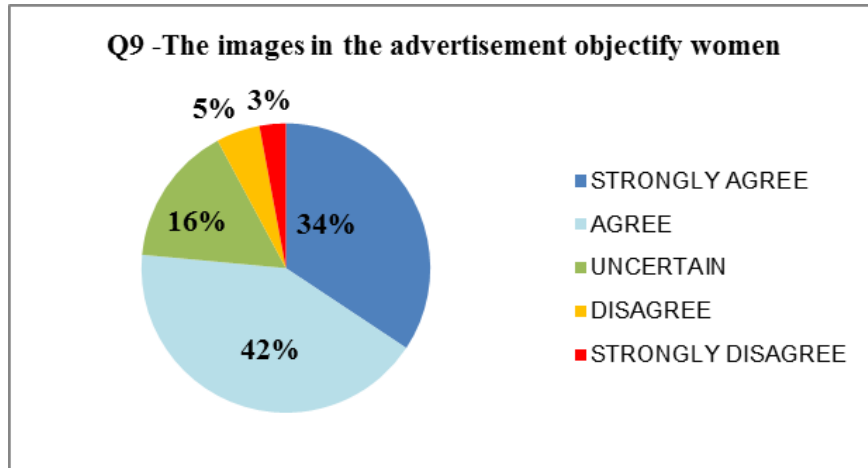


Figure 13. Research Sample Results for Survey Question 9

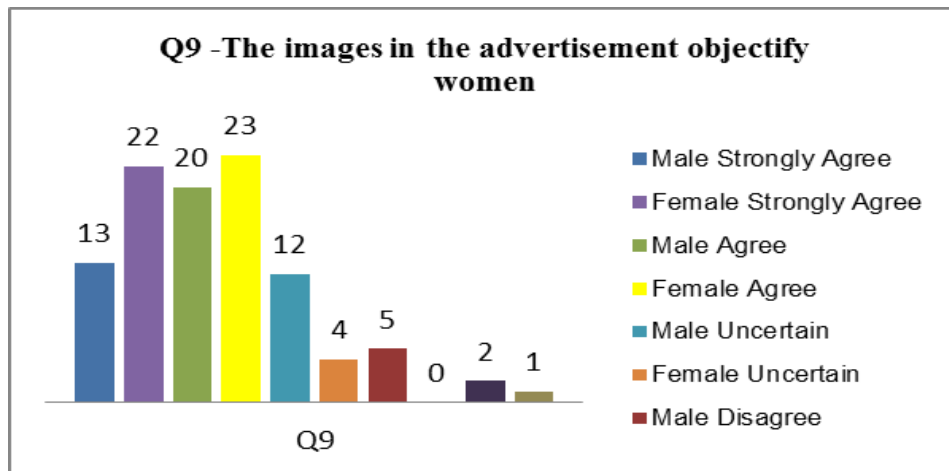


Figure 14. Further Examination of the Distribution of the Research Population's Results for Survey Question 9

Additionally, fully 38 percent of the research population perceive the advertisements to be offensive to women, while 37 percent are uncertain and 25 percent disagree (Figure 15). It is also noted that more women find the advertisements to be offensive than men (Figure 16).

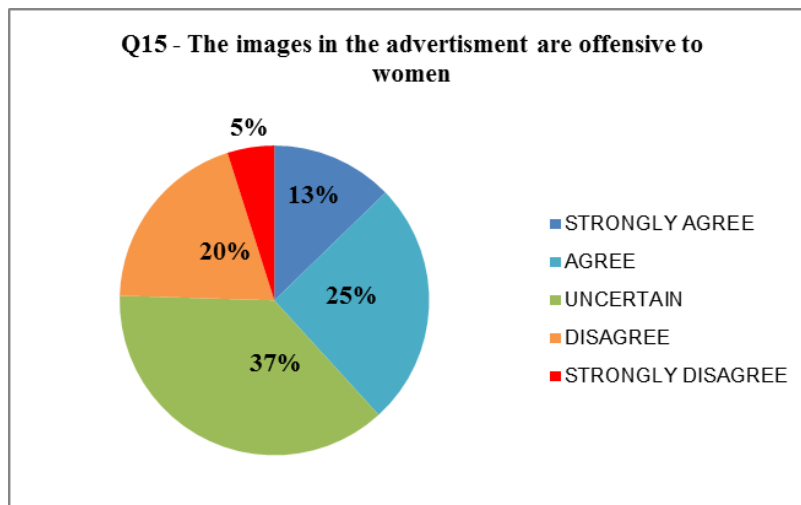


Figure 15. Research Sample Results for Survey Question 15

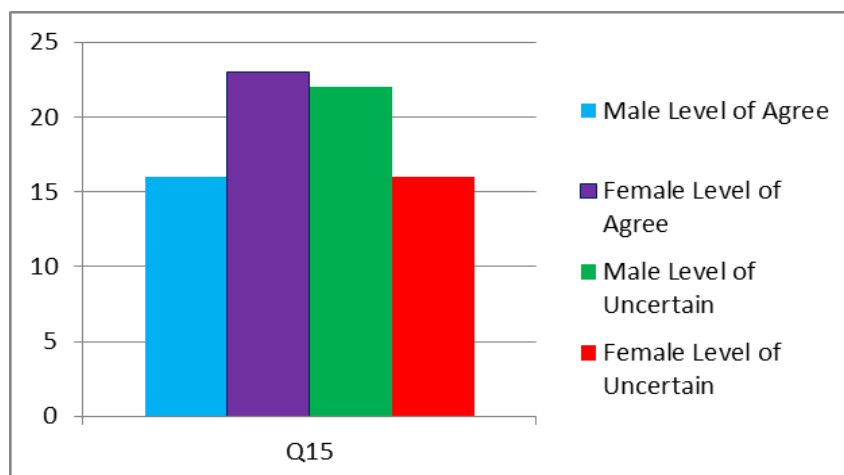


Figure 16. Further Examination of the Distribution of the Research Population's Results for Survey Question 15

Nevertheless, XYZ's brand officers are of the opinion that alcohol advertising should not be banned or controlled, and this belief is shared among the alcohol industry. So consider next the findings about the second research question: How do XYZ's alcohol advertising strategies benchmark against best practices and academic theories? The survey results identified that only 4% of the stakeholder sample does not see the need for alcohol advertising to be banned or controlled. Collectively, 71% of the research population agrees that alcohol advertising should be regulated (Figure 17).

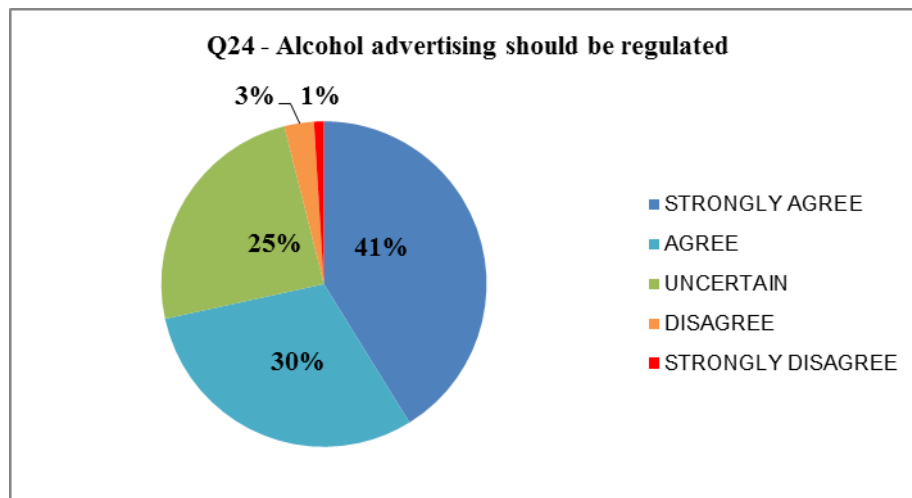


Figure 17. Research Sample Results for Survey Question 24

Furthermore, the International Centre for Alcohol Policies (ICAP), a non-profit organisation sponsored by some of the major alcohol beverage producers, has stated that although there is no evidence to support a direct link between alcohol marketing and consumption, they agree that marketing can be one of many influential factors on persons' attitudes and drinking behaviours (International Centre for Alcohol Policies, 2012). It has agreed that alcohol advertising should be of the highest standard and have imposed some self-regulatory systems to achieve this (International Center for Alcohol Policies, n.d).

The International Centre for Alcohol Policies' sponsors include some of XYZ's major local and international competitors, such as Barcardi Limited, Diageo and Heineken. Some of these organisations once shared XYZ's strategy of the use of sexual imagery in their advertisements but recognised their strategy needed to evolve (Barcardi Limited 2010/2011; Diageo nd). Barcardi Limited provides an example of this newly found adoption of socially responsible marketing. Barcardi demonstrates this in their development of their Champion Drink Responsibly Campaign and their alliance with ICAP (Barcardi Limited, 2010/2011). In addition, another local alcohol beverage producer Competitor A, which is not a member of the International Centre for Alcohol Policies, also seems to adhere to self-imposed guidelines because their advertisements do not reflect the same images that are exhibited by XYZ.

Fortunately, XYZ's brand officers indicated that XYZ would consider changing their strategy if correlations were found between alcohol advertising and negative implications, or if the stakeholder perceptions of XYZ's alcohol advertising indicated that they were socially irresponsible.

Conclusion

This research has uncovered youth expectations and the social norms in Country X, and could contribute to building a safer community for all. Based on the empirical evidence of stakeholder perceptions and supported by expectancy theory and normative behaviour, this research has indicated that alcohol advertising influences the youth of Country X. The images used in XYZ's alcohol advertisements, have been identified as having adverse social impacts. Consequently, it is recommended that XYZ engages in socially responsible marketing of their products because its current practices are not aligned with community standards or industry best practice. This marketing can be achieved through the application of stakeholder theory which considers the wider community in its marketing strategies, and goes beyond the needs of consumers and competitors.

An implication of the findings above is that XYZ should take note of the negative implications that can arise from the use of sexual imagery. As indicated by stakeholder theory, XYZ should consider the wider community and implement more stringent self-regulatory systems. This step would minimise any possible negative implications that may arise from their alcohol advertising campaigns (Laczniak & Murphy, 2006). In addition, XYZ should note that the use of sexual appeal may be rendering their marketing efforts less effective by disaffecting a large part of their target population (that is, women). So XYZ should amend its current strategy.

In more detail, XYZ should consider establishing an ethical and social responsibility committee to review the advertisements prior to implementation in an effort to battle moral relativism blunders influenced by local culture (Ghillyer, 2011). The committee should be comprised of diverse members of the community who can offer varied perspectives, which will enhance the effectiveness of the committee. This measure, if employed as a quality assurance tool, could aid in avoiding future controversy about XYZ's advertising practices.

Moreover, XYZ is an exporting company and should be mindful of stakeholder perceptions because they can affect its reputation, and this reputation can impact on their global competitiveness. In brief, it is recommended that XYZ consider organisational change to adopt socially responsible alcohol advertising strategies that exclude the use of sexual imagery.

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