

Marketing is under threat



By [Prof Roger Sinclair](#)

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Marketing is under threat. First it was tobacco, now it is alcohol and food, next it will be motor vehicles, carbonated beverages and fast food restaurants. It is not the damage that these products are capable of that worries me; it is the attack on marketing as the cause that should concern the industry.

As a non-smoker, I cannot think of a single redeeming feature in support of smoking. But I do not condemn the advertising agencies and their clients for the wonderful award-winning advertising they created when they were free to do so.

Destroy the opposition, not convert

I worked in that industry when I was very young and our objectives were to destroy the opposition, not convert non-smokers. I'm sure that those beautiful people having fun in the Caribbean and having some after action satisfaction might have made smoking seem sexy and encourage some youngsters to take up the habit, but today there is no advertising and peer pressure to do what your buddies do is as powerful as ever.

Unlike smoking, drinking is as old as mankind (I'm supposed to say human but it sounds so weird). We have always made alcohol and always will. The American experience with prohibition proved the danger of forcing this ancient human vice underground.

I am a drinker and I derive great pleasure from my wine collection and the two or three glasses I have each night. In the same way that some people drive irresponsibly and put others and themselves at risk, so does alcohol. It has some terrible side effects in the form of drunk driving, alcohol-induced violence and the current epidemic of young binge drinkers and drunkenness.

The root of all evil

Some very powerful forces are suggesting that marketing is to blame for these excesses. They would like to see all forms of advertising for alcoholic beverages banned in the belief that would reduce the harmful effects that liquor creates.

I don't think this would help. In fact, it is possible that it would do more harm than good. If you stop the industry from building and supporting its brands, you immediately remove the quality assurance that is at the heart of the brand promise. Weak brands lead to cut prices and untested substitutes. You see this in India and much of Africa where brands are weak and people brew their own noxious mixtures. As long as there is a sophisticated, well-ordered industry, there is some guarantee of quality and control. The problem is that the industry is not strong enough. Half the alcohol consumed in the

world is made illegally and in backyard stills.

For the past two years I have chaired a monthly meeting at the Sandton headquarters of SABMiller. My committee is called the Sales and Marketing Compliance Committee (SMCC). Our job is to ensure that all commercial communications that appear in the media or which are part of sales promotion of sponsorship comply with a very strict code of responsible marketing of the company's brands. We have the power to reject advertisements or have them redesigned until they conform to the code's requirements.

Conform or be fired

I don't know what is said in the creative departments of the advertising agencies when their work is sent back. Having worked in that environment for many years I can have a good guess. But, they do conform. They have to or they would be fired. That is how seriously SABMiller takes this challenge.

The code demands that advertising should not appeal to underage drinkers, that there should be no suggestion that drinking will improve your performance in anything from sport to sex or that encourages excessive and rapid drinking.

I get to see the strategies of brands before the advertising is created and then follow the development through to exposure in the media. Not once have I read or been told that the aim of the campaign is to create new drinkers. The strategy is always concerned with protecting the brand in the market, winning share or trying to outsmart a rival. What they do especially well is identify the target audience and create advertising that reflects the social mores of that population group. Some are hilarious.

Banning this kind of marketing communications would certainly remove a very entertaining aspect of our lives, but it would also destroy an industry that ensures if we are going to drink, we imbibe good quality, safe alcoholic drinks.

Geneva big guns

In May this year, the World Health Organisation (WHO) adopted a resolution which calls for the preparation of a draft global strategy for the reduction in the harmful use of alcohol. The draft will be developed over the next 18 months and will be presented to the 63rd assembly of WHO in Geneva in 2010.

Nobody would argue with the need for such a policy and for every possible effort to be invested in protecting the youth and those who are most at risk from the excessive use of alcohol. It is possible, however, that the WHO strategy could lead to the marketing industry being affected through severe bans on advertising and other activities and that control will be moved from the current self-regulatory bodies to government and the courts.

These are not helpful proposals because there is no evidence that advertising, in its current regulated form, does any more than build and protect brands; an essential aspect of modern day business. It almost certainly does not increase the demand for alcoholic products by recruiting new drinkers.

Transferring the regulatory function from industry sponsored bodies such as the Association for Responsible Alcohol Use (ARA) to the courts would be a tragedy. Self-regulation is effective. It is relatively fast and inexpensive and has been proven to ensure that advertising conforms to laid down minimum standards. Shifting advertising regulation to the courts would slow down the processes so that its impact would be meaningless: by the time the matter was heard, the campaign that caused the problem would be forgotten and irrelevant. Paying the costs of legal teams hardly bears consideration. It would be horrendous.

More positively it is suggested that the tools of marketing should be employed to educate and persuade, especially young people, to use alcohol responsibly or not at all. The advertising industry is good at that and should use its best creative efforts to play a role.

Global response

Through my work with SABMiller, I have become involved with an industry-sponsored think tank based in Washington DC: the International Centre for Alcohol Policies (ICAP). ICAP has established five working groups, each of which has a specialist consultant attached to it. My portfolio is marketing and I am working with senior executives from the leading alcohol beverage companies from around the world. Our task is to produce a position paper on marketing which will be submitted to the WHO.

It is clear to me that the industry fully understands its responsibilities to the public and wishes to co-operate. It must also protect its own commercial interests and prevent the bureaucrats from imposing unnecessary and excessive controls. There is a balance and our work over the next year or so will try to ensure that the correct mix is achieved.

The industry could contribute, too. Academics could investigate the possibility that marketing promotes irresponsible behaviour as an unintended consequence of its conventional purpose. They could also research the corollary, which is how marketing could best be used to reverse these negative trends. And, of course, the industry could ensure that the brands they own and which contribute to shareholder wealth are themselves responsible and upstanding citizens.

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