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4 July 2013

Mr Paul Newson
The Director-Compliance
Trade and Investment
Office of Liquor, Gaming and Racing
Level 6/323 Castlereagh Street
HAYMARKET NSW 2000

Dear Mr Newson

RE: WOOLWORTHS LIMITED (WOOLWORTHS) – PROPOSED NOTICE UNDER SECTION 102A OF THE LIQUOR ACT 2007.

We refer to the above-mentioned matter and to your correspondence dated 21 May 2013 **(the 21 May Letter)**.

We also refer to our preliminary reply dated 29 May 2013 seeking additional information. We note you responded to that correspondence by way of letter dated 6 June 2013 **(the 6 June Letter)**. This correspondence does not offer a specific response to the 6 June Letter, rather its purpose is to respond to the Report dated 20 May 2013 by Professor Sandra Jones **(PSJ)** titled *“Expert Report on “shopper docket” Alcohol Promotions”* **(the Jones Report)**, a copy of which was attached to the 21 May Letter.

The Promotion and The Activity

We note the Jones Report has a particular (albeit unjustified and unexplained) emphasis on the risk of the promotion¹ **(the Promotion)** to young persons, despite the fact that they are by far in the minority of the customers who redeemed the offer. We refer to page 5 of our 18 April letter and Table 4.22 of the 2011 release of the *National Drug Strategy Household Survey 2010*. The Table identifies what Australians are consuming by their gender and age bracket. **Figure 1** (at the following page) contains the data obtained by Woolworths as to its customers who redeemed the Activity². The results from both the Survey and the Promotion match, in that the Activity was (likely to be and in fact was) attractive to female drinkers aged 30 years or older who prefer bottled wine as the *main type of alcohol usually consumed*.

¹ The “receipt rewards” promotion in question was the offer of a bonus 6 pack of Sol Mexican Beer with the purchase of a specified bottle of wine, which was available for redemption from 2 to 29 January 2013.

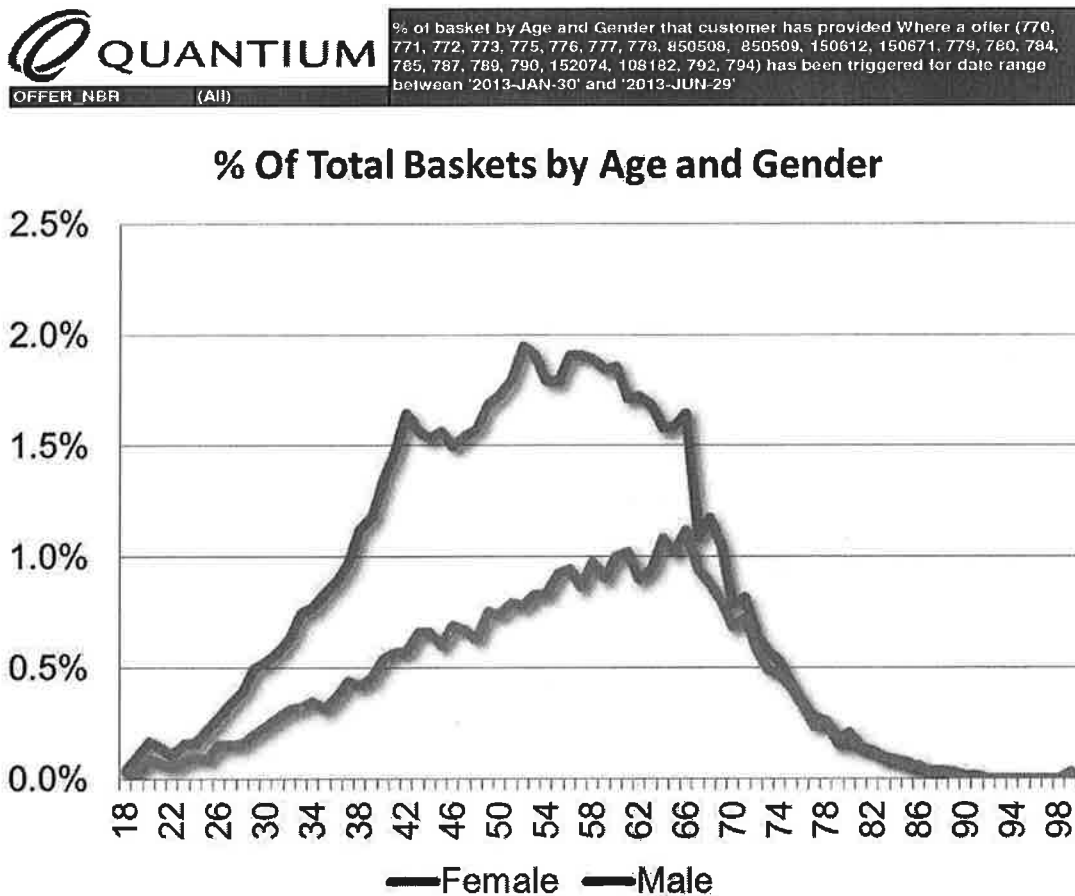
² The Activity is all “receipt rewards” promotions offered by Woolworths since the ending of the Promotion (see above footnote). Therefore the Activity relates to those promotions for the period 30 January 2013 to 29 June 2013.

The Promotion was **not** attractive to 18-25 year olds (see paragraph 2.9 of our 18 April letter). Additionally, all "receipt rewards" promotions offered by Woolworths since the Promotion (see footnote 2 - combined and referred to as **the Activity**) have also **not** been attractive to 18-25 year olds (see **Figure 1**).

Further, and despite the contents of the Jones Report, it is quite apparent that there is no evidence whatsoever that the purchase of the products the subject of the Activity by any age group or gender (i.e. purchase behaviour)³ is linked to consumption behaviour⁴ (see our 18 April letter and this letter, which is now supported by the expert reports that accompany it).

Figure 1 provides compelling evidence that the Activity is **not** attractive to young persons (i.e. the data shows only 1.56%⁵ of persons within the age category 18-25 redeemed the offer. In fact, the data shows the highest proportion of sales were to persons between 39 and 43 years of age).

Figure 1 – Graph illustrating the age categories of persons who redeemed the Activity



Source: Quantum Market Research

As set out in our 18 April letter, there are several reasons as to why the Activity is **not** attractive to young persons. In particular we note:-

³ That is how much a person buys at one time.

⁴ That is how much is consumed at one time as result of the purchase behaviour.

⁵ This rate is different to that noted at paragraph 2.9 of our 18.4.13 letter because the Promotion relates to one single promotion, whereas the Activity relates to all subsequent promotions of this type and nature.

- The Activity provides a two step process or intervention before the liquor products are acquired i.e. another purchase has to be made before the Activity can be redeemed. It therefore takes planning and in those circumstances is unlikely to be attractive to young impulsive purchasers for the purpose of binge drinking.
- The liquor products are quality products, which have little to no appeal⁶ to the younger age group (see our earlier comments and page 5 of our 18 April letter). They are also not cheap in nature. If a customer was looking for more value for money products (i.e. calculated at the actual cost per standard drink) then they would be far better off, in a monetary sense, purchasing other product lines.

Future Undertakings

In addition to Woolworths' response to the Jones Report, Woolworths confirms the following future undertakings with respect to the Activity:-

- A. Within 14 days following the end date of any *shopper docket* promotion, management will review the information available to Woolworths through its customer loyalty *everyday rewards* program. The purpose of this review is to determine the characteristics of the majority of the customers who have redeemed the promotion. If, as a result of this review, it is determined that the promotion was mainly attractive to persons at-risk and would encourage excessive or irresponsible drinking, then the promotion (i.e. of that type or nature) will not be offered in the future through the *shopper docket* receipts.
- B. At no time will "ready to drink" (RTDs) be promoted through any *shopper docket* receipts.

It is relevant to consider these undertakings in light of the matters that follow.

Response to the Jones Report

Introduction

1. There is no limit on how much take-away packaged liquor a person can buy at any one time. This is a matter of customer choice (i.e. as to what meets their individual needs or requirements).
2. The aim of the Activity is to have a customer product switch, so that when the products the subject of the promotion are not on *special* (or part of a special promotion) they consider purchasing those products rather than their previous or preferred choice of similar product. The Activity is also designed to encourage customers to purchase their normal alcohol requirements from a Woolworths store rather than that of a competitor. The Activity is similar to other forms of marketing promotions offered by other corporate or independent retailers or suppliers, the aim of which is to grow their share of the market rather than growing the overall market itself.
3. The Activity does not expose young persons to alcohol, specials or advertising for the first time. The Activity should not be looked at in isolation to other specials and promotions offered throughout the liquor industry. Young persons can observe promotions, and the sale and consumption of liquor through a large variety of

⁶ The "appeal" of a product to youth is not simple. For example, many youth buy imported bottle beer rather than tap beer because of the prestige it displays. In contrast, however a person who seeks to drink irresponsibly will gravitate towards the cheapest form of alcohol.

electronic/social or other types of broadcasting media and entertainment by watching or reading e.g. television/radio/movies/newspapers and magazines. They can also drive or walk past numerous licensed premises of all types (restaurants, hotels and nightclubs) and be made aware of the fact that alcohol is sold from or consumed in those premises lawfully (as it can in their own home). There is no consideration or assessment made of this factor in the research relied upon in the Jones Report or within any of the surveys/focus groups undertaken by or on behalf of PSJ in the past.

4. There is no evidence that customers who participate in the Activity will consume the purchased products in one session. The conclusions within the Jones Report are constructed upon a worst case scenario, rather than the likely scenario.
5. Whilst PSJ was selected by the Office of Liquor, Gaming and Racing (OLGR) as an *independent expert*, PSJ is well known as a *protectionist*, rather than an *educationist*⁷ on alcohol related matters.
6. This means, with respect, that PSJ can hardly be described as an *independent expert*. It is quite obvious she was chosen because of the numerous reports and papers she has prepared in the past, which can be described as having a “common theme”; namely findings that support the negative aspects of alcohol advertising; bottleshop promotions and focusing on the negative impact it may have on young persons, whether they are minors or young adults. At no time in any of PSJ’s reports is there an acknowledgement that by far the majority of persons consume alcohol responsibly and that by far the majority of young persons are not detrimentally affected by alcohol advertising.
7. Further, at no stage does PSJ recognise that the greatest influence on responsible alcohol consumption is by far their personal environment, so that their parents, siblings, other family members, peers, education and health are all very important factors in determining their attitude towards the consumption of alcohol⁸. To suggest that alcohol advertising (especially in the form of a receipt reward) is the **primary** influence on their current or future experience with alcohol is both unrealistic and unsupported by credible evidence.
8. Not surprisingly the Jones Report purports to be supported by PSJ’s previous research and papers on issues involving advertising and point of sale type promotions. The remaining studies or research relied upon are essentially flawed; irrelevant for present purposes; or the findings have been misinterpreted (see **Attachment 1**).
9. It is a significant weakness in the Jones Report that it is not so much what has been said, but rather what has been omitted. This not only establishes the bias of PSJ, but it also does not assist the OLGR in determining the impact of the Activity.
10. It is therefore appropriate that the Jones Report be independently assessed. We confirm Woolworths has instructed two internationally recognised experts⁹ to consider its contents. Their review (including their resumes) accompanies this correspondence in support of our client’s response to the Jones Report, which is set out below.
11. We note the OLGR has directed PSJ’s attention to 10 topics. For ease of review this response has adopted the same 10 topic headings in the paragraphs that follow.

⁷ The *educationist* is person who educates others on, for example, on the effects of drinking alcohol irresponsibly, whilst a *protectionist* is a person who seeks to shield a person from anything to do with alcohol. The *protectionist* wants us to believe that drinking at an early age causes alcohol problems later in life, whilst an *educationist* attempts to equip the person with the right tools to make informed and responsible decisions in the future.

⁸ “*Alcohol and Young Adults*” by Professor Adrian Furnham, University College of London

⁹ Namely, Professor Adrian Furnham (UK) and Professor David Hanson (USA)

Additionally, we have also reviewed and responded to what are considered to be the main reference sources that PSJ has relied on. This review of her reference sources is annexed and marked **Attachment 1**.

Page 3 - What is considered irresponsible, rapid or excessive consumption of alcohol?

12. PSJ has provided a view as to what she considers “excessive” consumption of alcohol, based upon the National Guidelines (i.e. Guideline 1 and 2) and recommendations for both men and women. Her view provides limited assistance and with respect is incorrect.
13. Guidelines 1 and 2 introduce the concept of progressively increasing risk of harm with the amount of alcohol consumed, rather than specifying ‘risky’ and ‘high risk’ levels of drinking above Guideline levels. The Guideline does not represent a ‘safe’ or ‘no-risk’ drinking level; nor does it set a prescribed level or absolute upper limit of intake. Accordingly, the Guideline identifies a level of drinking at which the risk of alcohol-related harm remains low (compared with not drinking at all) for both:-
 - alcohol-related harm over a lifetime; and
 - the risk of injury on a single occasion of drinking.
14. PSJ has omitted to refer to what the Guideline actually states, namely that a great deal of individual variability can exist. See page 20 where it states: *“there is significant variability in biological responses to alcohol, determined by factors such as sex, body size and composition, age, experience of drinking, genetics, nutrition and individual metabolism. There are also social determinants of variability, with clustering of risk-taking behaviours (eg smoking and harmful drinking) in some people and differences in the risk of harm depending on setting (eg there is a greater risk of harm if the drinker has to travel after drinking).*
15. The Guideline therefore does not attempt to define what “excessive” consumption of alcohol might be. With respect to terms that could be affiliated with “excessive” consumption of alcohol, the Guideline specifically states:-

A number of terms have been used in reporting studies of drinking and many of these are hard to quantify. For this reason, they are not used in these guidelines other than in the context of discussion of existing studies. These terms include: ‘binge drinking’, ‘heavy drinking’, ‘problem drinking’ and risky drinking’.
16. Therefore, the recommendations in Guidelines 1 and 2 (as to the number of standard drinks¹⁰ that can be consumed to reduce risk) are not meant to be interpreted to mean that anything consumed above the respective recommendations is considered “excessive” consumption. A difference between a “statistical significance” (i.e. in this case the number of *standard drinks* an individual can consume in say one drinking session to reduce risk) and a “social significance” (i.e. before there is an actual risk of alcohol related harm to that individual) means that the one variable does not necessarily correlate with the other. Therefore, there is no evidence whatsoever to suggest that if a person consumes, for example, 5 standard drinks in one session (1 more than the Guideline recommended 4) that as a consequence there must occur a *social significance* (i.e. harm to that person will be experienced). Nor do the Guidelines suggest that by exceeding the recommendations, even by 1 standard

¹⁰ The number of standard drinks should also be considered in context (see paragraph 82 and its footnotes as to examples of the type of alcoholic beverages and the number of standard drinks each contains) and taken into account when understanding the recommendations in the abovementioned Guidelines).

drink, that this must mean the consumer is guilty of "excessive, irresponsible, or binge drinking" during that period.

17. We note that the Australian National Preventative Health Agency defines "binge drinking" as "drinking a lot of alcohol in a short amount of time, generally with the intention to get drunk" and the NSW Health Department describes it as "binge-drinking means drinking a lot over a few hours - or non-stop over days or weeks".
18. These findings are similar to the interpretation of excessive consumption as provided by the independent experts in the annexed reports. For example, at page 4 of Professor Hanson's report he concludes that a definition of excessive consumption cannot be made and that "any more specific general definition of "excessive" consumption is arbitrary and cannot apply to different people in different situations." Further Professor Furnham at Point 1 of his report concludes by stating "it is misleading for Prof Jones to suggest there is agreement amongst researchers of the general public as to what precisely defines "excessive consumption"".
19. Accordingly, the PSJ conclusion (at page 3 of the Jones Report) that "consuming more than four standard drinks in a single drinking occasion is "excessive consumption" is not correct in the context of the question what is "excessive" consumption". There are many factors that determine what is "excessive" and what might be "excessive" for one person can be clearly different for another. There is no evidence however that sharing a bottle of wine with a friend; spouse or partner over dinner constitutes excessive drinking, to suggest otherwise places PSJ significantly out of step with community standards and expectations.
20. Significantly, whatever the finding of OLGR might be as to what is "excessive consumption", no evidence was provided by PSJ as to how the purchase of liquor products the subject of the Activity could be connected with a higher probability of the product(s) being consumed *irresponsibly, rapidly or excessively*.
21. PSJ has **not** considered the age and gender of the customers that actually redeemed the Promotion or Activity (see early comments and **Figure 1**). In summary, the data shows that of the customers who redeemed the products the subject of the Activity:-
 - 1.56% were within the age bracket 18 to 25;
 - 6.69% were within the age bracket 26 to 34;
 - 91.75% were over 35 years of age; and.
 - There was a significant weighting towards females (i.e. 65.32%).

Consequently, it is reasonable to conclude that the customers who redeemed the Activity are less likely to consume the products *rapidly or excessively* as they are a more mature drinker. Accordingly, at least on a *prima facie* level, these customers are not considered to be an *at-risk* group.

22. Additionally, as set in the expert reports, and throughout our correspondence to you, there is no evidence that purchase behaviour resulting from the Activity must or does change consumption behaviour. Even in the examples provided by PSJ (the husband/wife scenario at point 8, page 9) of the Jones Report, there is no evidence that each respectively would drink in the one session a full bottle of wine and a 6 pack of beer on their own, nor has PSJ provided any evidence or examples of where "irresponsible, rapid or excessive" consumption of alcohol is likely to occur due to the Activity. It is not suggested that it is impossible for one or only two people to consume all the products within the one sitting, but there is certainly no evidence that it occurred, or that it was even likely to occur.

23. In summary, whilst we do **not** agree with PSJ's conclusion as to what is "excessive" consumption, nowhere in the Jones Report is there is any link between what could reasonably be considered "excessive" (and this will vary from person to person and situation to situation) and a higher risk of that occurring due to the Activity.

Page 3 - Which individuals or groups are at risk of engaging in irresponsible, rapid or excessive consumption of alcohol?

24. Woolworths notes the statistics quoted, although within the last paragraph on page 3 the statistics referred do not relate to a "risk of long-term harm" but rather a "risk of alcohol-related harm from a single drinking occasion". Notably, the commentary which is missing under this topic, and which is clearly evident from the very same report that PSJ seeks to rely upon, is summarised as follows:-
- *young persons* are the age group most at-risk of alcohol related harm (with this considered to be largely short-term harm through binge-drinking) and that the risk of alcohol related harm declines with age.
 - *risky drinking behaviour* is on the decline. For example:-
 - The proportion of risky drinkers from a single drinking occasion declined from 41.5% in 2007 to 39.7% in 2010.
 - There was little change (although a decrease) in the proportion of risky drinkers (i.e. causing risk of alcohol-related harm over a lifetime) from 2007 (20.3%) to 2010 (20.1%).
 - The proportion of the population who consumed alcohol daily declined between 2007 (8.1%) and 2010 (7.2%).
 - The age group most likely to drink daily were those aged 70 years or older, for both males (18.4%) and females (12.0%).
 - The proportion of pregnant women abstaining during pregnancy increased in 2010 (from 40.0% in 2007 to 52.0% in 2010).
 - The proportion of people aged 14 years or older abstaining from alcohol (never had a full serve of alcohol) increased statistically significantly between 2007 and 2010, for both males (from 8.2% to 10.0%) and females (12.1% to 14.2%).
 - The proportion of people aged 12–15 years and 16–17 years abstaining from alcohol increased in 2010 (from 69.9% to 77.2% and from 24.4% to 31.6%, respectively).
25. The abovementioned decline in *consumption* behaviour has occurred during a time when bottleshops have widely promoted themselves through *specials* and *promotions* (i.e. similar to the Activity). Nevertheless, the evidence confirms that despite the availability of those *specials* and *promotions*, that the public is consuming alcohol more responsibly.
26. PSJ refers to figures which indicate the percentage of persons by age and gender that drank at levels that put them at risk of long-term harm. The data is based on Guideline 2, namely that on average the persons who responded to the Survey consumed more than 2 standard drinks per day. However PSJ omitted to advise the OLG that the same people that undertook those Surveys were also asked to assess their health. In response, 87.8% of women and 86.7% of men described their health

as excellent; very good or good¹¹. Further, whilst PSJ is implying that 20% of the population are consuming more than 2 standard drinks per day and extrapolates a figure of 3.7 million people aged 14 years or older who are apparently doing so, Table 4.1 of the same Survey indicates that not only is the daily consumption of alcohol declining (i.e. in 2010 the number of people in Australia drinking daily decreased by approximately 100,000 people) the population figure is in fact down from 1.4 million in 2007 to 1.3 million in 2010¹². In addition, the Survey indicates that the age group most likely to drink daily were those aged 70 years or older (for both males and females)¹³.

27. Similarly PSJ again refers to the percentage of persons by age and gender consuming alcohol at almost 40% and representing 7.3 million people in Australia. As set out in paragraph 24 above whilst PSJ refers to this risk as *long-term harm*, we assume this is a typographical error (because of the reference to *long-term harm* and the information in her previous paragraph) and that she intended instead to refer to the risk of short-term harm from a single drinking occasion. Again, what PSJ has not indicated to the OLGR is that these figures are based not only on a person consuming 4 or more standard drinks but also are calculated to include if a person did so only once in the previous 12 months. When considering the frequency of this type of consumption, the percentage figures are far less than expressed by PSJ and were either at the same levels measured in 2007 or declining. So that consumption expressed as a percentage of the total population, of more than 4 standard drinks on a single occasion (and not taking into account the variables such as the person's size; age, the period over which the alcohol was consumed, the intake of a meal etc.) for those persons aged 14 years and over fell: (a) on a yearly basis to 11.3%; (b) on a monthly basis to 12.5%; (c) on a weekly basis to 11.2%; and (d) on an everyday basis to 4.7%¹⁴.
28. With respect to the actual question put to PSJ; namely "*which individuals or groups are at risk of engaging in irresponsible, rapid or excessive consumption of alcohol*" no evidence was provided by PSJ to establish that the customers who redeemed the promotion were at-risk customers (see **Figure 1** where the age and gender of the customers who redeemed the Activity are provided). The evidence submitted by Woolworths clearly demonstrates that the majority of its customers that redeemed either the Promotion or the Activity were not the individuals or groups generally considered to be *at-risk*. This position is supported by the expert view of Professor Hanson (see page 3 of his report) where he states "*there is no evidence that promotion redeemers in these demographic categories have any particular vulnerability for an increased potential for alcohol related harm resulting from this or similar promotions. To the contrary, it would appear that the promotion had particular appeal to older drinkers, a category that can be assumed, based on other demographic and epidemiological research, to be generally more responsible alcohol consumers*". Further, Professor Furnham in his annexed report is of the view (at Point 2) that in all Western countries males aged between 15 and 30 are statistically the most common binge drinkers.
29. PSJ however implies that it is young persons who are at a high risk of alcohol related harm as a result of the Activity. Even if some purchases were made by young persons, there is no evidence that, for example, if a woman aged 18-19 made a

¹¹ See page 66, table 4.11 of the 2010 National Drug Strategy Household Survey Report.

¹² See page 46 of the 2010 National Drug Strategy Household Survey Report.

¹³ See Table 4.3, page 48 of the 2010 National Drug Strategy Household Survey Report

¹⁴ See Table 4.5 (second last line of table, page 57) of the National Drug Strategy Household Survey (14 years and older for all persons)

purchase of a bottle of *South Island Marlborough Sauvignon Blanc* wine (so they she could also obtain a bonus 6 pack of Sol Mexican Beer) that she would then consume those products herself on a single drinking occasion. The same lack of evidence applies to all the other age groups nominated by PSJ.

Page 4 - Are there distinguishing features of liquor promotions, and any risk of harm associated with same, conducted by corporate versus independent packaged liquor stores?

30. PSJ seeks to rely upon her own research (see **Attachment 1 - Reference 17**). It is a very basic shortcoming in her findings that they relate to a survey of only **24 pre-selected bottleshops, 6 which were attached to supermarkets**. There is no evidence that any of the 6 bottleshops attached to supermarkets were operated by Woolworths or Coles. A sample this size could not possibly provide a representative selection of the retail liquor market. Woolworths' market database shows at least 53 retail liquor brands that advertise on a regular basis. Additionally, no attempt was made to review outlets of a similar size and range. Additionally, the author states (at page 805) that the *audits were conducted on Fridays and Saturdays between January and April*. These are primary trading months leading up to peak trading days (i.e. Australia Day and Easter). They are not "typical" trading months. Promotions offered at these times can be very different to promotions offered at other times of the year. As shown by our review at **Attachment 1 (Reference 17)** its findings are speculative at best.
31. We are **not** aware of any credible research that confirms that "*larger supermarket chains provide greater incentives for customers to purchase larger quantities of alcohol*", as is alleged by PSJ. Even if this were so there is no demonstrated causal link to promotional activity. The PSJ research completely ignores other factors such as the significant convenience factor to customers of co-locating retail liquor and grocery purchases and the flow-on benefits such as parking which are often lacking at independent outlets. For example, our firm acts for numerous clients who we assume the Director-General would refer to as being "independent", who compete with the corporate liquor retailers by selling liquor at prices that are cheaper than or similar to large corporate retail organisations. Whilst it is accepted that there is an ability for the public to purchase larger quantities of alcohol at bottleshops (that is bottleshops attached to hotels, supermarkets, free-standing stores etc), there is **no** evidence that due to:-
 - a bottleshop being associated with a supermarket that this must mean there is a greater incentive for the public to purchase larger quantities of alcohol from it over other bottleshops;
 - the name the bottleshop trades under (i.e. a corporate name such as *BWS – Beer Wine Spirits*, compared to an independent trading name, such as *Little Bottler, Cellarbrations, or Bottlemart*) that there is any practical difference in the type of promotions or discounts offered.
32. To say that there are distinguishable features between corporate and independent bottleshops fails to consider critical factors such as the location, size and range of products kept at each store. That is to say each store can only be considered on an individual basis, as each store has unique characteristics and operates under a variety of different forms of marketing.
33. As evident from our 18 April letter (see Section 2), the liquor promotion which instigated the issue of the "*Show Cause 102A Notice*" by OLGR related to the sale (**not** consumption) of **14.6 standard drinks** at \$15.99 per redemption, which equals **\$1.10 for 1 standard drink**.

34. During the same *promotional period* evidence was provided (see paragraphs 2.4 and 2.5 of the 18 April letter) of better value for money purchases that could be made in the general market place (i.e. compared with the amount payable for 1 standard drink).
35. Another omission in the Jones Report is that PSJ could have reviewed recent promotions at “corporate” bottleshops vs. “independent” bottleshops, and carried out a relevant comparison as at the date of her report (as we have done so in our 18 April letter). The fact that she did not do so adds weight to our view that the evidence obtained would not have supported her findings in her previous report [Jones et al, 2012].
36. It is very clear that both corporate and independent bottleshops undertake significant promotional and marketing activities (which vary at different times of the year i.e. the period prior to Australia Day and Easter), which encourage customers to make bulk purchases, however: (a) this is not a marketing activity limited to products such as liquor; and (b) this is a reflection of promotional arrangements between the liquor producer/supplier/wholesaler and the retailer which may or may not include participation in a large independent buying group.
37. Typically the Activity is supported by a wine/beer producer because they want to encourage customers to try their products, and in doing so increase their market share. Accordingly, the principle aim of the promotion is to influence customers to purchase their products even when they are not offered by way of a special price in place of similar product but supplied under a different brand. Therefore, the retailer and producer have a common aim, namely to increase their share of sales that constitute the liquor market rather than increasing the size of the market itself.
38. Again, PSJ has not provided any credible evidence to establish that there is any risk of additional harm associated with the promotions conducted by a so called corporate retailer versus an independent one, whether or not it is attached to a supermarket; attached to and forms part of a hotel (drive in or otherwise); or operating from a freestanding store.
39. There are no distinguishing features of liquor promotions offered at corporate bottleshops when compared with those offered at independently owned bottleshops. This is a view that is supported by Professor Hanson (see Point 3 of his report). Further, as detailed at Point 3 of Professor Furnham’s annexed report, there is no literature that suggests that the place or time of purchase has any effect on systematic consumption of the product. Notably, PSJ has not provided any credible evidence to the contrary.

Page 4 - Do point-of-sale promotions impact on purchase behaviour?

40. The information provided (at page 4) does **not** answer the question. Here the Jones Report refers to the type of alcohol that the public are purchasing by identifying the applicable age category and gender, however consideration of this data is irrelevant as to whether “*point-of-sale promotions impact on purchase behaviour*”. Further, the reference to “*cheap*” alcohol in this section relates to a discount of 5% or more from the standard price, which hardly makes the sale “*cheap*”, as alleged. Again this discussion has no connection with the point-of-sale promotions and purchasing behaviour.
41. At page 5 (under the same topic heading) PSJ seeks to rely upon her own research, which is not available for public review – see **Attachment 1 (Reference 18)**. Whilst it is unreasonable for weight to be given to this study and data when it is not available for public review, we note the comments by PSJ (at page 5, paragraph 2) that “very

few participants spontaneously identified that they had purchased a specific type of alcohol as a result of a promotion, although 13% spontaneously stated that it was due to a price reduction". PSJ has refrained from pointing out the obvious; namely that this meant that the promotion had no effect on 87% of shoppers (see Point 4 of Professor Furnham's report).

42. PSJ then states that *"special discounts and promotions were associated with significant differences in purchasing behaviour. Those who purchased a specific brand or quantity because of a price reduction reported that they purchased a significantly higher number of standard drinks".* Whilst we are not able to comment on the accuracy of the above statement, due to the report not being publically available, it is reasonable (as demonstrated below) for the public to purchase a higher number of standard drinks than planned when a *promotion* or *special* is offered. The point missed by PSJ (and perhaps not required to be answered under this topic heading) is that the promotion does not result in established consumption patterns changing for the worse.
43. We also refer you to Point 4 of both Professor Furnham's report and Professor Hanson's report, where both are particularly critical of the research that PSJ relies upon, both her own, and the methodology of the research relied upon in the literature she refers to.
44. Purchase behaviour and consumption behaviour can be entwined. Therefore it is necessary to consider both in any complete answer to this topic. We have provided information and evidence to the NSW Independent Liquor and Gaming Authority (**the Authority**) on "pricing" related issues and consumer behaviour many times in the past. In summary:-
 - With respect to *"specials"* and *"promotions"*, these are of considerable benefit to the community and are spread throughout every marketable good or service commodity in Australia.
 - *"Specials"* and *"promotions"* do have the ability to change purchase behaviour but only to a certain extent. A customer may: (a) end up with a few more dollars in their pocket at the end of the transaction, or (b) "trade up" to a brand that is usually beyond their budget; or (c) purchase a higher volume of alcohol for the amount of money planned to be spent on alcohol that day – but, in each of these scenarios, it does **not** mean more alcohol is consumed by that customer (i.e. with respect to packaged liquor, there is no literature or any research that there is direct link between purchase behaviour and consumption behaviour).
 - With respect to packaged liquor products, there is **no** evidence that *"specials"* or *"promotions"* have the consequence of making a customer consume more alcohol than otherwise planned. The increased consumption of a "discounted" liquor product is offset by the decreased consumption of another liquor product line.
 - If the above were not true the statistics on alcohol consumption in this Country, and which are maintained by the Australian Bureau of Statistics (**ABS**), would show an increase in consumption of alcohol over the last decade, when *"specials"* and *"promotions"* have become part of our everyday shopping experience. Whilst the volume of liquor we are consuming as a Nation is said to be steady, it has in fact statistically decreased over the last 10 years (i.e. 10.57 litres per person in 2006/7 down to 9.99 litres per person in 2010/11).

- As to the increased consumption of a “discounted” liquor product being offset by the decreased consumption of another liquor product line, this is evident from the increased tax applied to RTDs in 2008. This tax merely resulted in a switch of liquor products, and not a reduction in the volume of alcohol consumed. Research¹⁵ where the objective was to measure alcohol-related harms upon the health of young people presenting to emergency departments (EDs) of Gold Coast public hospitals before and after the increase in the federal government “alcopops” tax, demonstrated that there was no significant decrease in alcohol-related ED presentations of 15–29-year-olds compared with any of the control groups after the increase in the tax. Similar results were found for males and females. The research concluded “*the increase in the tax on alcopops was not associated with any reduction in alcohol-related harms*”.
 - Additionally, Parliament has acknowledged that the RTD tax led to the purchase and consumption of other categories of alcohol in place of RTDs. With respect to the tax, the Australian Taxation Office’s website¹⁶ states “*Diageo advised, the consensus in an AC Nielsen poll was a 30% decrease in consumption, and this corresponded with an increase in spirits consumption, indicating a shift in demand*”. Accordingly the “pricing” of RTDs did not change existing consumer behaviour as to the overall amount of alcohol consumed – the tax merely resulted in customers swapping to a cheaper or more desirable product.
 - The evidence available to Woolworths, through its internal figures, is that when a “special” or “promotion” is offered, customers purchase a number of products at that time (i.e. a change in purchase behaviour) but when the product returns to its regular price there is a significant “drop off” in demand for that product. A customer may purchase two cartons of beer one week when the product is on “special” but the following week, when the product returns to its regular price, they may not make any purchases. Due to the competitive nature of the industry customers are well aware that their favourite brand is likely to be sold as a special at some point in time and consequently many will hold off making a purchase until this occurs. They will then purchase sufficient quantities to meet their needs when it does and store it for later use.
 - It follows that whilst “specials” or “promotions” can be an individual factor at a specific location as to what a customer might purchase from a Woolworths retail liquor store on that day (i.e. a change in purchase behaviour); there is no evidence that this in turn means the customer is placed at a higher than usual social risk of alcohol related harm. With respect to bottleshops there is no correlation between the volume of alcohol purchased on a particular day and the volume of alcohol consumed on that day or within the days, weeks or months that follow that purchase (i.e. consumption behaviour). This is a view shared by both Professor Hanson and Professor Furnham in their expert reports.
45. Additionally, PSJ has not considered the customers circumstances in deciding to redeem the offer, in that:-
- the Activity meets their current needs (e.g. it might be a particular type of beer or wine that they enjoy and often have in their home); or

¹⁵ Effect of the increase in “alcopops” tax on alcohol-related harms in young people: a controlled interrupted time series; Steve R Kisely, Joanne Pais, Angela White, Jason Connor, Lake-Hui Quek, Julia L Crilly and David Lawrence; MJA 2011; 195 (11/12): 690-693

¹⁶ <http://group2.www.ato.gov.au/Businesses/content.aspx?menuid=43310&doc=/content/00181618.htm&page=6&H6>

- secondly, it meets their future needs (e.g. there may be an upcoming social event at their home or elsewhere; or they may wish to provide the product as a gift; or they simply like to have it in their home whenever visitors attend).

Because of the reduced price or special price, a customer may purchase the products the subject of the Activity when perhaps they originally intended to purchase something completely different. This is not only reasonable and a common purchasing practice, but it does not in any way establish that in doing so, it somehow means it would lead to *“irresponsible, rapid or excessive”* consumption of alcohol.

46. Whilst PSJ makes the comments that *“POS promotions may encourage individuals to buy a greater quantity of alcohol; and that price promotions appear to be a particularly persuasive motivator for purchasing a greater number of standard drinks at one time, and for selecting a particular product”* it must be considered in context, where:
- the promotion is not considered to carry any unacceptable risk as defined within the Guidelines;
 - the promotion is not attractive to young persons (being the higher at-risk group for alcohol related harm);
 - the particular promotion does not change consumption behaviour.

Page 5 - Does the character of buy one get one free alcohol point-of-sale promotions risk encouraging irresponsible, rapid or excessive consumption of liquor?

47. In the same way, PSJ has not answered the OLGR’s question as to what is *“irresponsible”* or *“rapid”* consumption of liquor (see above comments), the information PSJ provides under this topic heading also fails to answer the OLGR question with respect to excessive consumption of liquor.
48. PSJ discusses what participants in a focus group (i.e. persons aged 16 to 25) recalled about alcohol promotions in general (but this discussion was unrelated to promotions concerning “shopper docket”). Further, there is no real discussion or evidence offered on actual consumption.
49. PSJ seeks to rely upon her own research (see **Attachment 1 - Reference 16** for details) and states (at page 5) *“whilst many participants initially stated that these promotions did not influence their purchasing or drinking decisions, on reflection most of them were able to recall... promotions they had participated in”*. There is no explanation provided as to why PSJ places more emphasis on the *“recollection by participants”* rather than on the fact that the promotion did not (in the majority of cases) influence the participants in their purchasing or drinking decisions (which is the subject matter of what PSJ has been asked to comment upon).
50. If the findings from the focus group can be relied upon (see **Attachment 1 - Reference 16** as to its limitations) then logically the 18-25 age group is likely to (in the main) refrain from consuming any extra volume of liquor purchased pursuant to a promotion, but would prefer to store it for later use or share it amongst friends. On the issue of the reliability of the findings from the focus group:-
- (a) It is the experience of Woolworths, and those who advise them on these issues, (such as measuring consumer activity) that often what it is stated within focus groups can be misleading (even if unintentional). As an example, quite often members of a focus group would indicate that they would prefer to buy “Australian” made products, but when an analysis is made of the products that are actually purchased at their supermarkets, it is quite apparent that customers

place far more emphasis on *price*. So that when there is a range of similar products made both locally and overseas, it is usually the case that the customers are purchasing far more of the product being sold at the lower price.

- (b) Focus groups are, to a limited extent, helpful in identifying issues that may exist in a community. However as to understanding the scale of such issues, this exercise needs to be completed through a qualitative survey such as the professional standard AS: ISO 20252 (which is **not** referred to in PSJ's research).
 - (c) A further limitation is the peer group influences of 18-25 years old participants. Those aged 18-25 years were invited to participate after being involved in a previous study¹⁷. This means it is likely that there is already a bias in their thinking (n.b. we have not been advised as to what that previous study entailed). Further, the survey was designed to identify potential problems and an information sheet *outlining the aims of the study* was provided in advance rather than the participants being asked of their views on a spontaneous basis¹⁸. Therefore they had already formed a particular view. Respondents were asked to bring in 'homework' but how this is interpreted can make a difference – if you ask people to go looking for potential problems then they will find something, as opposed to expressing an opinion by spontaneously responding to a question. Again until we know what that *homework* was, we do not know if they were sent looking for a particular issue.
51. With respect to the 16-17 age group, what is significant to their responses is that they have a greater probability or preference **not** to purchase a higher volume of alcohol (i.e. "2 for 1 deals") in the first place but rather half price deals. This relates to their inability to store the liquor for later use. Although omitted from the Jones Report, PSJ acknowledges this situation by stating (at page 897 of **Reference 16**) "*younger respondents were less likely to be motivated by promotions that offered extra volumes of alcohol because of difficulties in storage, and needing to hide alcohol from parents*".
52. In any event the findings from the focus group (which was only made up of a very small group of participants) does not represent the demographic of the customer that actually redeemed the Activity. As noted at paragraph 2.9 of our 18 April letter, only 2.5% of customers redeemed the Promotion (as at 30.1.13) within the age group 18-25. Additionally, as stated earlier, only 1.56% of persons aged 18-25 have redeemed the promotions which constitute the Activity (from 30.1.13 to date). Consequently, the outcomes suggested by PSJ cannot support a finding that the promotion has the potential to encourage "*irresponsibly, rapid or excessive*" consumption of alcohol.
53. It is our belief that the Director's Guidelines are targeted towards *on-premise* consumption, which in turn relates principally to the age category 18-25, or perhaps (to a certain extent) the age category 26-34. The customers that redeem the Activity (which are predominantly females aged 35 years plus) have a higher than usual tendency to stock-up for future occasions (when compared to say the 18-25 age group). Therefore this age group shop less frequently for their packaged liquor purchases but purchase more at the one time, looking out for specials. Accordingly, in circumstances where 87% of customers who redeemed the *shopper docket* promotion (see 18.4.13 letter) were over 35 (60/40 weighting to female) is evidence that the likelihood of harm must be considered to be far less because it is very likely what was purchased was consumed by an older demographic and over a period of

¹⁷ Jones SC & Smith K (2011) *The effect of Point of Sale Promotions on the alcohol purchasing behaviour of young people in metropolitan, regional and rural Australia*. *Journal of Youth Studies*, 14(8) - at page 890

¹⁸ See above research – and page 890

time. Whilst there is a *risk* of alcohol related harm in any community and that *risk* can never be considered a non-existent one, nonetheless the *risk* in these circumstances, and which relates to the actual Activity, is quite low.

54. As set out within our 18 April letter, we are not aware of any evidence that is relevant to the Activity that a change in purchase behaviour results in a change of consumption behaviour. This position is supported at Part 5 of both Professor Furnham's and Professor Hanson's annexed reports, where they each comment that whilst the Activity or Promotion has the power to encourage sales, there is no evidence that it leads to unhealthy consumption of the product. Further, that whilst there is a large amount of literature on the psychology of persuasive techniques and advertising, there is no research to establish that there is a relationship between the methods of persuasion and later consumption.
55. In any event, based on the actual findings with Reference 16 there is a higher probability that any extra volume of liquor purchased pursuant to the Activity by the age group 18-25 would be stored or shared (and **not** consumed by one person in one session). This supports Woolworths' previous submission that packaged liquor is not always consumed in one session (but can be shared in group environments or situations) and often is consumed over days, weeks, months or even years after its purchase.
56. It follows (especially with there being no credible evidence submitted by PSJ to the contrary) that the position must be that "buy one get one free" alcohol point-of-sale promotions at bottleshops (and in this case the Activity described by this document) do **not** encourage irresponsible, rapid or excessive consumption of liquor.

Page 6 - Do point-of-sale promotions impact on consumption behaviour?

57. There is some overlap between this topic and the previous topics. This question however specifically prompts PSJ to provide an opinion on consumption behaviour, rather than purchase behaviour.
58. In response PSJ states (again relying on her own research) "*our qualitative research with teenagers and young adults found that some (but not all) young people report consuming these increased volumes of alcohol on the single drinking occasion*". The report PSJ seeks to rely upon has been reviewed at **Attachment 1 (Reference 16)**. It has also been briefly commented upon under the previous topic heading.
59. PSJ states, with respect to the promotions provided by Woolworths and Coles, that "*14.6 standard drinks in the Woolworths promotion and 44.4 in the Coles promotion.....[are] several times the amount identified by the NHMRC as placing a drinker at higher risk of harm in the short-term*". Consequently based on this logic PSJ is suggesting that any transaction involving the purchase of more than 2 standard drinks is likely to cause risky, irresponsible or excessive consumption. Whilst we agree with the number of *standard drinks* quoted this has clearly been taken out of context as to the level of risk associated with the sale. For example, as set out within Section 2 of our 18 April 2013 letter:-
- The Woolworths promotion related to the sale (not consumption) of 14.6 standard drinks only at \$15.99 per redemption, which equals **\$1.10 for 1 standard drink**.
 - Four (4) litre cask wine (white) sells between \$10.00 and \$19.99, which equals on average 36 standard drinks¹⁹. This is equivalent to between **0.28 cents and 0.56 cents for 1 standard drink**.

¹⁹ Ibid

(nb: similar other comparisons were made at Section 2 of our letter dated 18 April 2013)

60. Surely PSJ is not suggesting cask wine (which is more affordable than the promotion in question) should be banned in NSW or require regulating in some way due to its potential attraction to young persons or other categories of at-risk persons (i.e. cheaper, with an equal potential for it to be consumed in one session). Rather, Woolworths is being criticised for promoting a superior quality product that was **not** attractive to: (a) young persons who, for example, have a fixed amount to spend whether individually or collectively and who prefer RTDs, spirits or beer; or (b) other persons who after a cheap unremarkable bottle of wine at all – see Section 2 of our letter dated 18 April 2013.
61. It follows, that in the above circumstances, where is the evidence that point-of-sale promotions adversely impact on consumption behaviour? The evidence was **not** provided because it simply does **not** exist.
62. PSJ then seeks to rely upon findings within the Western Australia Drug and Alcohol Office [2011] survey and states “one in four (25%) of the 18-29 year olds and almost one in five (18%) of 30-49 year olds reported that they drink more than planned when they buy discounted alcohol”. Persons who participated in this survey were from the Perth Metropolitan Area, were aged 18+ years and claimed to have brought alcohol from a retail outlet (that is not from a bar, hotel or nightclub) at least once a year. Each survey took on average 7.73 mins to complete, having been completed on-line with 403 persons participating. The survey was not directed towards any type of promotion or marketing strategy but rather what was perceived to be the ability to purchase “cheap” liquor or from new “cheap” liquor outlets.
63. As set out above, the reference to “cheap” alcohol within the above survey was a discount of 5% or more from the standard price. This represents a saving of 50 cents on a \$10 bottle of wine and would hardly make the purchase of the bottle of wine *cheap* in nature. Further, it is not possible to purchase any additional alcohol because of the saving of 50 cents. Whilst the findings within the preceding paragraph were made, the contrasting view (concerning the effect price has on consumption) was:-
- 75% of the age group 18-29 indicated their consumption behaviour would **remain unchanged** (or they would consume less alcohol than planned).
 - 82% of 30-49 age group indicated their consumption behaviour would **remain unchanged** (or they would consume less alcohol than planned).
 - 91% of 50 plus age group indicated their consumption behaviour would **remain unchanged** (or they would consume less alcohol than planned).
64. The responses to the surveys also did **not** relate to point-of-sale promotions at bottleshops associated with Supermarkets. In fact, when asked where their packaged liquor was sourced from the responses were:-
- 91% a liquor store;
 - 24% a liquor store co-located at a Supermarket;
 - 8% online;
 - 8% winery/producer,
 - 4% a hotel; and
 - 2% other.

The above represents more than 100%, as some recipients entered multiple answers. Whilst under the topic heading “do point-of-sale promotions impact on purchase behaviour” JSP states (at page 4) “approximately one-quarter (24%) reported buying their alcohol at a liquor store co-located at a supermarket and this was highest among the 30-49 age group”, this is another example where relevant information has been omitted from the Jones Report. As noted above, the rates do not equal 100% and the vast majority purchased their liquor from a liquor store that was **not** associated with a supermarket.

65. At the end of this topic heading (at page 7) PSJ states “in the US, studies of alcohol advertising and promotions have shown a direct association between the availability of specials and promotions in off-premises outlets near university campuses and binge drinking rates amount university students [Kuo et al, 2003]”. The particular research sought to be relied upon has been reviewed at **Attachment 1** (last page). As evident from that review, the research relates to beer sales only and therefore has no application to the Activity. It also dismisses national observations such as the marked decline in consumption observed in France which introduced a ban on advertising at the same time that New Zealand allowed alcohol advertising. Additionally, it ignores research that finds no association between price and binge-drinking rates such as Nordic countries having some of the highest alcohol taxes and prices in the world while also having higher rates of binge drinking compared to countries with low or no alcohol taxes.
66. In the main, the evidence under this topic heading (and which flows from previous discussions concerning purchase behaviour) is that point of sale promotions at bottleshops do **not** impact on the consumption behaviour of the vast majority of all consumers.

Page 7 - Is packaged alcohol (and associated promotions) less associated with harm than on-premises alcohol promotions?

67. JSP discusses “pre-loading” practices²⁰ and “domestic violence”, but again does not actually answer the OLG question; namely is alcohol related harm more associated with *off-premise* venues or *on-premise* venues?
68. Whilst it is accepted that there are those that partake in pre-loading activities as well as domestic violence, the relevant issue is whether the Activity increases the potential for “pre-loading” or alcohol related domestic violence. PSJ has not provided any evidence that as a result of the Activity that consumption behaviour would, for example, change for the worse. Again logically where established consumption behaviour does **not** change (see our earlier discussion that purchase behaviour does not equal consumption behaviour), there cannot be an increased risk.
69. Rather than answer the question posed by you, the Jones Report purports to compare liquor sales made from *on-premise* venues with those made via *off-premise* venues. In doing so PSJ ignores the Promotion or Activity entirely but rather considers harm caused (in a global sense) by sales made from *off-premise* venues. Accordingly, it is quite apparent that there is no research or literature that supports the position taken by PSJ on this point. As indicated by Professor Furnham at Part 7 of his annexed report, there is no scientific proof or literature that supports the position taken by PSJ on this specific issue. Additionally, Professor Hanson states at Part 7 of his report that PSJ “assertion is speculative rather than factual and should be disregarded”.

²⁰ See Attachment 1 Reference 20 as to pre-loading activities

70. With respect to domestic violence, and whilst we do not intend to discuss this issue at any great length, several reports²¹ suggest that alcohol of itself cannot be considered as a cause of domestic violence. While each author concedes that alcohol misuse may on occasion exacerbate domestic violence incidents, the motivating forces behind domestic assault are primarily the attitudes of perpetrators with respect to domestic violence and the use of violence in order to establish or maintain power within relationships. It is the attitudes or dispositions of domestic violence perpetrators that are the advent of violence, rather than alcohol intake of itself. Consequently, the Activity is unlikely to result in further problems to victims of alcohol related domestic violence or increase the number or proportion of persons with a disposition toward domestic violence.
71. PSJ relies on research by Livingston and Liang and Chikritzhs to demonstrate harm associated with off-premises venues (n.b. both of these papers have been reviewed at **Attachment 1 - References 20 and 21**), where it was found that each paper had significant flaws which make the conclusions unsustainable).
72. Nevertheless, relying on those papers, PSJ states *“thus, it is not reasonable to assume that promotions which encourage the purchase (and consumption) of higher volumes of alcohol are intrinsically less harmful than those at licensed venues and thus less relevant for the purposes of Liquor Promotion Guidelines. Packaged alcohol contributes substantially to the harms associated with on-premises alcohol consumption, with people preloading – drinking (cheaper) alcohol at home prior to going out and is associated with harm when consumed by drinkers who are not going on to drink outside the home”*.
73. The above statement made by PSJ is unreliable because the information upon which it is based completely over-looks or ignores practices carried on at *on-premise* venues.
74. It is acknowledged *“alcohol”* use carries a *risk* of social harm but alcohol use is also an acceptable and legal commodity in this Country, with the majority of Australians consuming it responsibly. As far as we are aware there is no evidence, that contradicts categorically the real and logical outcome with respect to the Activity; that is in circumstances where the Promotion/Activity:-
- are **not** targeted towards young persons (unlike what sometimes occurs at *on-premise* venues).
 - are **not** the subject of liquor products that are designed to be consumed rapidly (i.e. shots and the like that are often found to occur at *on-premise* venues).
 - does **not** change planned activities (i.e. a person enters a bottleshop with the express intent of purchasing packaged alcohol. Whether they change their mind and purchase another type of product or even a product they did not intend to purchase originally is irrelevant; because there is no evidence that the total liquor purchased is consumed in the same session).
 - does **not** have a special appeal to minors because of the use of designs, names, motifs or characters in the promotion.

²¹ Chan, Carrie (2005) 'Alcohol Issues in Domestic Violence', Australian Domestic and Family Violence Clearing house, http://www.austdvclearinghouse.unsw.edu.au/topics/topics_pdf_files/Alcohol_Issues.pdf as at 10 July 2006; McGregor, Heather (1990): *Domestic Violence: Alcohol and Other Distractions – a Grassroots Perspective*, AIC conference proceedings no. 1, (pp59-66) *Alcohol and Crime*, Julia Vernon (ed) Australian Institute of Criminology, Canberra 1990; and Bennet, L.W. (1998). *Substance Abuse and Woman Abuse by Male Partners*. Applied Research Forum of the National Electronic Network on Violence Against Women, Harrisburg.

- are **not** indecent or offensive (in contrast to that which can occur at *on-premise* venues).
 - does **not** involve the provision of liquor in non-standard measures or the use of emotive descriptions or advertising that encourages irresponsible drinking and is likely to result in intoxication (in contrast to that which can occur at *on-premise* venues).
 - does **not** involve extreme discounts or discounts of a limited duration, that creates an incentive for patrons to consume liquor more rapidly than they otherwise might (in contrast to that which can occur at *on-premise* venues).
 - does **not** otherwise encourages irresponsible, rapid or excessive consumption of liquor (whilst acknowledged as the issue in question it is nevertheless in contrast to that which can and does occur more frequently at *on-premise* venues).
75. The *factors* which have the potential to cause an adverse social risk on consumption behaviour at *on-premises* venues and *off-premises* venues are clearly different and therefore are distinguishable from each other. **Table 1** outlines the known factors relevant to *on-premises* venues, and which have been sourced from 3 separate research documents.

Table 1. Risk Factors - On-Premises Venues Only
(such as nightclubs, hotels & other late night trading venues)

- The presence of large numbers of patrons binge drinking at the same time; overly relaxed or overly aggressive staff conduct; frustrating or irritating patrons; poor ventilation; smoky air; inadequate seating and/or inconvenient bar access; permissive environments (e.g. allowing aggressive behaviour, swearing, rowdiness etc); crowding and congestion; pool playing; patrons milling about; patrons being bored; bar staff continuing to serve obviously intoxicated patrons; and closing time of the venue and surrounding hotels and pubs²².
- Alcohol increases the risks of violence when combined with attitudes that are open to use of violence. At the level of the establishment the risk factors include poor design that promotes crowding and friction between patrons and unkempt or neglected premises. Permissive environments in which rules and limits are unclear, especially around such activities as dancing and pool playing are particularly risky. Staff risk factors include specialised and gendered staff roles (especially security staff), a lack of staff skills (eg in monitoring and defusing situations) and a lack of responsible serving practices²³.
- Research²⁴ relying on other documented research that *“licensed drinking environments are associated with drunkenness, drink-driving and problem behaviours such as aggression and violence, with some licensed premises being associated with a disproportionate amount of harm (276). Aspects of the bar environment that increase the likelihood of alcohol related problems include serving practices that promote intoxication, an aggressive approach taken to closing-time by bar staff and local police, the inability of bar staff to manage problem behaviour, general characteristics of the environment such as crowding and permissiveness on the part of bar staff, the general type of bar and physical comfort, the degree of overall permissiveness in the bar, the availability of public transport and aspects of the ethnic mix of customers)”*.

76. The risk factors identified at **Table 1** (above) are relevant to *on-premises* venues only. The common “risk” factors with *on-premises* and *off-premises* consumption venues relate to lifestyle choices only. It is known that the risk of violence²⁵ is higher among those who experience personal stressors such as divorce or separation, death of a family member/close friend, serious illness, serious accident, mental illness, serious

²² Source: *The Prevention of Substance Use, Risk and Harm in Australia: a review of the evidence.* National Drug Research Centre and Centre for Adolescent Health for the Ministerial Council on Drug Strategy, Commonwealth of Australia, Canberra.

²³ Source: *Preventing aggression in the licensed environment: Bureau of Crime Statistics and Research Seminar October 2009* by Ross Homel.

²⁴ World Health Organization Regional Office for Europe *“Evidence for the effectiveness and cost-effectiveness of interventions to reduce alcohol-related harm”*.

²⁵ *Personal stress, financial stress and violence against women, Crime and Justice Bulletin, NSW Bureau of Crime Statistics and Research, Contemporary Issues in Crime and Justice, Number 151, August 2011*

disability, inability to get a job, involuntary loss of job and gambling problems. These so called *triggers* can also apply to alcohol use, which can place a person at a higher risk for alcohol abuse.

77. Therefore to improve outcomes in substance misusing individuals we, as a society, need a range of interventions, such as improved understanding of drinking guidelines, GPs actually asking a question in their check-ups etc and more treatment programs so that individuals and families can better manage the daily stresses associated with socio-economic disadvantage. Restricting liquor promotions will be totally ineffective without addressing the key context issues, such as unemployment, poor housing and other stress factors that in many cases sustain a drug lifestyle. Considering the above, it simply does not matter the particular promotion on offer at a Woolworths retail liquor store - if an individual has a need for packaged liquor products, they will simply travel to their most conveniently located store to purchase it (regardless of any promotions).
78. With respect to young persons (which appears to be the primary concern of PSJ), parents who are aware of what activities their teenagers take part in and take an active interest in what their child does, who talk and listen to their children and provide positive role models appear to have a far more positive influence on their child's alcohol consumption, and it is these children who have been shown to start drinking at a later age; tend to drink less and are less likely to develop problematic drinking patterns in the future. Professor Furnham (see comments at [Attachment 1](#), paragraphs 18 to 39) states that the **values, beliefs and behaviour of parents are quite simply the most powerful predictors of a young person's knowledge of, and interaction with the commercial world.** Through example and instruction they can ensure that their children become responsible young adults not prone to alcohol abuse. In other words, people tend to drink in a beneficial manner when their lives are grounded in positive satisfactions, skills, and strong relationships with and responsibility towards others.
79. As to the OLGR question, "*is packaged alcohol (and associated promotions) less associated with harm than on-premises alcohol promotions?*", the answer must be "yes" because:-
- Liquor sales made at *on-premise* venues are consumed shortly after the time of purchase.
 - Liquor promotions at *on-premise* venues have the potential to change consumer behaviour because a decision is made (i.e. to purchase and therefore consume) at the one time. This decision can be made where that person is already under the influence of alcohol and in circumstances where their judgment is impaired (see paragraph 74 and Table 1).
 - Liquor sales made at *off-premise* venues are **not** always consumed immediately following their purchase. The consumption can occur days, weeks or months later and even years in the case of wine acquired for cellaring or specific celebration.
 - Liquor promotions at *off-premise* venues are made (the vast majority of the time) when the purchaser has not consumed any alcohol, and therefore their judgment is not otherwise impaired. Further, the decision to consume the purchased products requires a second decision, one that is not made at the same time as the purchase.

- The risk associated with the harmful consumption of alcohol is different for *off-premise* and *on-premise* venues (as shown above).
80. It would clearly be in an ineffective mechanism to restrict promotions of the type offered by Woolworths at its bottleshops to manage consumption and consequent harm. Additionally, it is inequitable to impose a restriction on a whole population due to the harm incurred by a small minority of consumers, but this is especially so where there is no evidence that the promotions change established consumption behaviour.

Page 8 - Do supermarket-linked point-of-sale promotions target certain types of customers or present increased risks for vulnerable consumers?

81. At Section 2 of our 18 April letter, information was provided that the Woolworths *shopper docket* promotion had higher redemption rates among female customers aged 35 years and above. We note that this information was submitted to PSJ.
82. According to the 2010 National Drug Strategy Household Survey Report²⁶:-
- 66.1% of females were considered *low risk* consumers (i.e. on average consumed no more than 2 standard drinks²⁷ per day). Additionally, 22.5% were abstainers from alcohol (i.e. had not consumed alcohol in the previous 12 months). In contrast, only 11.3% were considered *risky* consumers (i.e. on average consumed more than 2 standard drinks per day).
 - Males were far more likely to drink at least once a year at levels considered risky (i.e. more than 4 standard drinks²⁸ at least once a week) for both single occasion and lifetime harm than females (20.4% compared with 6.9%).
83. In contrast to the above evidence (which relates to predominant gender who redeemed the Promotion/Activity, PSJ states it is “*fallacious*” that the Woolworths *shopper docket* promotions are targeted towards a group of persons who are less likely to be risky drinkers. In support of that view, PSJ relies on research reviewed as to relevancy at **Attachment 1 – Reference 4, 6, and 14**. PSJ makes a number of claims which have been outlined and responded to as follows:

PSJ states:	Response:
22.3% of women aged 30-39 consume alcohol at risky levels monthly or more frequently.	See Attachment 1 – Reference 4 . Of the age category 30-39, only 11.3% consume alcohol at risky levels during their lifetime. Whilst 22.3% of women aged 30-39 consume alcohol at risky levels monthly or more frequently”, the contrasting view is that 61.3% of women in this age category are at no risk or at a low risk or 77.7% are either abstainers, low risk consumers, or only at least yearly risk consumers of alcohol . JSP’s view is clearly based upon “any risk”. There is a risk in everything that we do (e.g. there is a risk of being involved in a car accident, succumbing to an illness or disease, or drowning when swimming). Woolworths has never stated there is no risk, but rather

²⁶ Lifetime and single occasion risk - Table 4.6 - risk of lifetime harm by single occasion risk, people aged 14 years or older by sex – page 59

²⁷ Table 1 (page 32), National Health and Medical Research Council, Australian Guidelines to reduce health risk from drinking alcohol – 2 standard drinks equates to 2 glasses of wine; 2 cans/stubbies of mid strength beer, or 1 RTD can.

²⁸ Table 1 (page 32), National Health and Medical Research Council, Australian Guidelines to reduce health risk from drinking alcohol – 4 standard drinks equates to 3 glasses of wine (as typically served at a restaurant); 3 can/stubbies of full strength beer; or 3 RTD bottles.

PSJ states:	Response:
Women with higher incomes and higher levels of education are more likely to consume alcohol and to consume at higher levels (a pattern that is not evident for men).	a low risk. The evidence clearly supports that view. See Attachment 1 – Reference 6 and 14 . JSP has misinterpreted the research or has only reviewed an abstract of its finding and therefore has not determined its entire findings. The actual findings do not support her view.
Pregnancy and alcohol use - 23% of births being to mothers aged 35 and over (as at 2009). JSP states <i>“any marketing activity that has the potential to increase alcohol consumption among women of child-bearing age has a high likelihood of placing the most vulnerable of citizens (unborn children) at risk”</i> .	See Attachment 1 – Reference 4 . It is completely unreasonable to suggest that the Woolworths <i>shopper docket</i> promotion creates an increased risk to a person expecting a baby and places that unborn baby at risk. Whilst PSJ quotes a number of statistics, she fails to provide any evidence (of any nature) of a relationship between the Woolworth <i>shopper docket</i> promotions and pregnant persons consuming alcohol. A correlation between two variables (in this case the liquor products the subject of the promotion being purchased, and their consumption by a pregnant person) does not imply that one (i.e. the purchase) causes the other (a pregnant person to consume them when that person had no prior intention to consume any alcohol). The logic behind the assumption that there could be some connection (i.e. a change in established consumption behaviour) does not exist and any suggestion otherwise is clearly flawed. Additionally, Attachment 1 - Reference 4 clearly shows that the proportion of pregnant women <u>abstaining</u> during pregnancy <u>increased</u> in 2010 (from 40.0% in 2007 to 52.0% in 2010). This has occurred during a time where bottleshops have actively promoted themselves through specials and promotions (i.e. similar to <i>shopper docket</i> style promotions etc). The evidence therefore confirms that despite those specials and promotions, there has been a decline in alcohol consumption by pregnant persons.
PSJ states <i>“there is substantial evidence from Australia and overseas that exposure to alcohol marketing – including in-store marketing is associated with earlier initiation and greater consumption among young people”</i> .	Whilst PSJ quotes 4 studies, there are none that are evidence based in Australia, as alleged. We have reviewed what might be considered the most relevant at Attachment 1 – Reference 8 and 15 . Additional PSJ relies on her own research (see Attachment 1 – Reference 19) to support her view that <i>“NSW adolescents aged 12 to 17 years found that 79% had seen alcohol advertising in a bottleshops and that this exposure was associated with earlier drinking initiation”</i> . The above question related to what participants might have seen over their life-time. There was no established link or finding within Reference 19 that a result of participants merely being exposed to a bottleshop (as noted above) that this leads to early drinking initiation. This comment is untrue or at best highly misleading to the reviewer. Additionally, PSJ has not made the connection between the actual promotion (namely the provision of a discount offer through a <i>shopper docket</i> acquired through the course of making another purchase of goods) and any potential for increased risk of alcohol related harm. In

PSJ states:

Response:

other words, there is no correlation between minors (aged between 12 and 17) shopping for groceries either on their own or with their parents; then somehow gain access to the shopper docket receipt; reading it; then attending at a retail liquor outlet (presumably with their parents) to redeem it; and then finally consuming that alcohol. In other words the likelihood of this actually occurring is quite remote. Further, why should this Activity be looked at in isolation when minors are exposed to liquor promotions/sales and consumption through all forms of media/entertainment and can drive or walk past numerous licensed premises of all types (restaurants, hotels, nightclubs) and be made aware of the fact that alcohol is consumed in those premises lawfully, as is the case in their own home.

84. PSJ provides several conclusions with respect to bottleshops associated with supermarkets, but none of her assertions are supported by any credible evidence. The only logical reason as to why there is no credible evidence in support of her position is that it does not exist. As to the OLGR question "*do supermarket-linked point-of-sale promotions target certain types of customers or present increased risks for vulnerable consumers?*" the evidence that PSJ has relied upon in fact contradicts her position and by doing so results in the question being answered in the negative. Consequently, Woolworths' *shopper docket* promotions are **not** targeted towards vulnerable consumers. Whilst there is always a risk of harm with the sale of alcohol, that risk is very low in view of the current circumstances.

Page 9 - Are the controls in regard to limits in quantities on shopper dockets adequate?

85. PSJ again raises concern with the number of *standard drinks* sold pursuant to the Woolworths *shopper docket* promotion, but: (a) her discussion is based on her incorrect definition of "excessive" consumption (see earlier comments); and b) PSJ has completely missed what must be true with respect to packaged liquor sales – namely the consumption of the liquor products may not match the purchase time or date.
86. Consequently, there must be less of a concern with respect to *off-premise* venues when compared with *on-premise* venues because:-
- With respect to *on-premise* promotions, the purchased product is consumed almost immediately (or a short time thereafter) following its purchase and many a time within an environment that can lead to irresponsible use (see paragraph 74 and Table 1);
 - With respect to *off-premises* promotions, the purchased product can be consumed days, weeks, months or even years later.
87. As to any concern with the redemption of the Woolworths *shopper docket* promotions we draw your attention to the undertakings of Woolworths contained within our 28 May 2013 letter (at paragraph 31).

Page 10 - Would additional controls in the form of restrictions be appropriate?

88. PSJ again makes unsubstantiated comments applicable to promotions at bottleshops by stating "*given that scientific literature has long since recognised the powerful association between reduced price and increased consumption of alcohol,*

particularly amongst young people, it is surprising that this form of marketing has avoided the attention of regulators”.

89. If there is a “powerful association” with “price”, “consumption” and “bottleshops”, as alleged, where is that evidence? It certainly was not forthcoming within the Jones Report. It is not a matter of voicing an opinion and therefore it must be true; it must be backed by concrete, reliable and relevant evidence specific to bottleshops. In the matter at hand PSJ primarily relies upon her own research (complete with its own limitations) and then attempts to use other research to add weight to her views. However as consistently referred to in the annexed Furnham and Hanson reports, this additional research is essentially flawed; irrelevant for present purposes; or the findings have been misinterpreted.
90. Alcohol consumption is ultimately an issue of individual responsibility. However Woolworths acknowledges that the sale and consumption of alcoholic beverages brings with it considerable responsibilities. Many of these obligations are already defined by Legislation that seeks to protect individuals and society from harm caused by excessive alcohol consumption.
91. The Woolworths Liquor Group operates its business beyond the requirements of Legislation to a position that should be praised by regulators (see Section 6 of our 18 April 2013 letter). Woolworths pays a lot of attention to ensuring that everything carried out in the “promotional space” is done responsibly, even when it delivers financial and competitive disadvantage. In doing so it believes it makes a positive contribution to the economic and social fabric of communities in which it operates, in meeting the needs of its customers, and setting a world’s best practice benchmark for industry responsibility. As evidence of Woolworths’ commitment in this area, **attached** is a media release confirming the Woolworths Liquor Group has become a signatory to the *Alcohol Beverages Advertising Code*.
92. As previously advised, the Activity must be approved and assessed against an internal checklist to ensure the type of promotion being offered does not appeal, for example, to young persons or more vulnerable groups (for example, Woolworths has a protocol that it will **not** offer RTD in *Receipt Rewards Promotions*, because of their association with high risk consumers of alcohol, i.e. young persons). Accordingly, Woolworths does everything within its power to act responsibly at all times.
93. As evident from all the previous evidence we have submitted, the Activity represents a low risk to consumers (who by and large are targeted towards women aged over 35 who were unlikely to consume the products on their own but rather with their husband, partner, family or friends over a number of occasions). No evidence was submitted by PSJ to demonstrate that this type of promotion was anything other than a low risk. Significantly the position of Woolworths is shared and supported by both experts Professor Hanson and Professor Furnham). See their respective opinions within the introduction to their Reports.
94. Notably PSJ primarily concentrated on the risk of liquor promotions to young persons, which is only a small segment of the population. The evidence previously submitted by Woolworths is that the Activity is not attractive to young persons. PSJ was clearly aware of this evidence and therefore it is not known why she chose to concentrate on the risks of alcohol to young persons only. This must significantly weaken her position as it was clearly not the intent of OLGR there should be a focus on young persons within the report.

We trust that the above information satisfactorily addresses the Jones Report. Should you require any additional information however please do not hesitate to contact the writer.

Yours faithfully



Tony Schwartz
Partner

BACK SCHWARTZ VAUGHAN

Attachments:

1. A review of the relevant literature PSJ seeks to rely upon in the Jones Report;
2. The Report of Professor Adrian Furnham;
3. The CV of Professor Adrian Furnham;
4. The Report of Professor David Hanson;
5. The CV of Professor David Hanson; and
6. The Media Release - Alcohol Beverages Advertising Code

Attachment 1 – Review of Relevant References

Introduction:

The following terminology has been adopted within this document:-

Australian Bureau of Statistics:	ABS
Back Schwartz Vaughan:	BSV
Expert Report on “shopper docket” Alcohol Promotions prepared for the NSW Office of Liquor, Gaming and Racing by Professor Sandra Jones, Director, Centre for Health Initiatives, University of Wollongong on 20 May 2013:	2013 Jones Report
Local Government Area:	LGA
Office of Liquor, Gaming and Racing:	OLGR
Packaged liquor licence:	PLL
Point of Sale:	POS
Professor Sandra Jones:	PSJ
Woolworths Limited:	Woolworths

Bottleshop: means a designated area within a hotel for the sale of take-away packaged liquor products, or a licensed premises where a packaged liquor licence applies.

The Review:

Reference 4 - Australian Institute of Health and Welfare (2011) 2010 National Drug Strategy Household Survey Report. *Drug statistics series 25.*

1. At page 8 of the 2013 Jones Report (under the sub-heading “do supermarket-linked point-of-sale promotions target certain types of customers or present increased risks for vulnerable consumers”), PSJ states “22.3% of women aged 30-39 (and 45.2% of men), consume alcohol at risky levels monthly or more frequently” with the overall theme and statement made by PSJ that “women are increasingly experiencing the short – and long-term health effects of excessive drinking”. PSJ relies upon Reference 4 to support her comments. The following evidence places these comments into context.

Table 4.4: Alcohol consumption (2009 guidelines), people aged 12 years or older at risk of alcohol-related harm over a lifetime, by age and sex, 2007 and 2010 (per cent)

Age group (years)	Abstainers ^(a)			Lifetime risk				
				Low risk ^(b)		Risky ^(c)		
	2007	2010		2007	2010	2007	2010	
Males								
12-15	70.2	78.7	↑	28.8	20.7	↓	1.0	**0.6
16-17	27.4	30.7		57.3	58.1		15.4	11.2
18-19	9.8	12.5		56.5	45.2		33.7	42.3
20-29	11.1	13.9		50.0	50.0		38.9	36.1
30-39	10.9	13.5		59.8	55.4	↓	29.4	31.1
40-49	10.8	12.5		57.9	56.7		31.2	30.8
50-59	9.9	12.8	↑	59.2	56.4		30.9	30.8
60-69	15.2	13.5		57.6	58.6		27.2	27.9
70+	20.0	21.7		59.5	59.6		20.5	18.7
Total (12+)	16.5	18.8	↑	55.2	53.1	↓	28.3	28.1
14-19	29.2	35.4	↑	53.7	45.8	↓	17.1	18.7
14+	14.0	16.4	↑	56.7	54.6	↓	29.2	29.0
18+	12.2	14.1	↑	57.1	55.2	↓	30.7	30.7
Females								
12-15	69.5	75.6		28.1	22.9		2.4	*1.5
16-17	21.4	32.5	↑	69.9	58.9	↓	8.8	8.6
18-19	12.1	14.9		67.7	64.8		20.2	20.3
20-29	14.8	15.6		67.9	67.0		17.3	17.4
30-39	13.5	17.9	↑	74.4	70.8	↓	12.2	11.3
40-49	13.9	16.0		72.5	71.2		13.6	12.8
50-59	18.1	20.2		70.9	68.0		11.0	11.9
60-69	26.3	26.0		65.5	66.5		8.2	7.5
70+	37.7	37.3		57.9	58.0		4.5	4.7
Total (12+)	22.1	24.5	↑	66.5	64.4	↓	11.3	11.0
14-19	28.7	35.4	↑	60.3	54.0	↓	11.0	10.5
14+	20.1	22.5	↑	68.2	66.1	↓	11.7	11.3
18+	19.0	21.0	↑	69.0	67.3	↓	12.0	11.7

(continued)

Table 4.4 (continued): Alcohol consumption (2009 guidelines), people aged 12 years or older at risk of alcohol-related harm over a lifetime, by age and sex, 2007 and 2010 (per cent)

Age group (years)	Abstainers ^(a)			Lifetime risk				
				Low risk ^(b)		Risky ^(c)		
	2007	2010		2007	2010	2007	2010	
Persons								
12-15	69.9	77.2	↑	28.5	21.8	↓	1.7	*1.0
16-17	24.4	31.6	↑	63.4	58.5		12.1	9.9
18-19	10.9	13.7		62.0	54.7		27.1	31.7
20-29	12.9	14.7		58.9	58.3		28.2	26.9
30-39	12.2	15.7	↑	67.1	63.2	↓	20.7	21.1
40-49	12.4	14.3		65.2	64.0		22.4	21.7
50-59	14.0	16.5	↑	65.1	62.2	↓	20.9	21.3
60-69	21.1	19.8		61.8	62.5		17.1	17.7
70+	29.4	30.4		58.6	58.7		12.0	10.9
Total (12+)	19.4	21.7	↑	60.9	58.8	↓	19.7	19.5
14-19	29.0	35.4	↑	56.9	49.8	↓	14.1	14.8
14+	17.1	19.5	↑	62.5	60.4	↓	20.3	20.1
18+	15.6	17.6	↑	63.1	61.3	↓	21.2	21.1

(a) Not consumed alcohol in the previous 12 months

(b) On average, had no more than 2 standard drinks per day.

(c) On average, had more than 2 standard drinks per day

* Estimate has a relative standard error of 25% to 50% and should be used with caution.

** Estimate has a relative standard error greater than 50% and is considered too unreliable for general use.

Source: Reference 4 - pages 52 and 53

Table 4.5: Alcohol consumption (2009 guidelines), people aged 12 years or older at risk of injury on a single occasion of drinking, by age and sex, 2007 and 2010 (per cent)

Age group (years)	Abstainers ^(a)		Low risk ^(b)		At least yearly ^(c)		At least monthly ^(d)		Single occasion risk		Every day/most days ^(e)				
	2007	2010	2007	2010	2007	2010	2007	2010	At least weekly ^(d)		2007	2010			
									2007	2010	2007	2010			
12-15	70.2	78.7	↑	20.7	16.4	3.8	*2.2	4.5	*2.9	0.9	**0.8	—	—		
16-17	27.2	30.7		25.9	24.3	8.2	11.0	↑	21.9	21.6	16.4	11.3	2.4	**1.2	
18-19	9.8	12.5		16.6	15.6	18.6	7.3	↓	16.4	24.0	34.7	34.7	5.0	*5.9	
20-29	11.1	13.9		16.7	19.9	11.0	11.2		22.3	22.0	32.0	27.1	↓	6.4	5.8
30-39	10.9	13.5		26.9	24.8	17.3	16.6		19.1	19.3	18.5	17.7		7.4	6.2
40-49	10.8	12.5		32.9	33.1	16.5	14.3		16.3	14.7	15.4	16.0		9.1	9.6
50-59	9.9	12.8	↑	39.6	38.0	14.7	13.8		14.8	12.1	10.0	12.9		11.1	11.0
60-69	15.2	13.5		50.0	50.7	9.8	9.0		9.2	9.6	6.1	7.2		9.7	10.1
70+	20.0	21.7		61.4	62.1	5.8	4.6		3.6	3.3	3.4	3.1		5.8	5.1
Total (12+)	16.6	18.8	↑	33.1	32.8	12.6	11.4	↓	16.0	14.6	15.4	16.0		7.6	7.6
14-19	29.2	35.4	↑	24.6	21.2	10.4	7.6		15.8	17.1	17.8	16.2		2.5	*2.4
14+	14.0	16.4	↑	33.9	33.7	12.9	11.8		15.5	16.0	16.0	16.5		7.7	7.7
18+	12.2	14.1	↑	34.3	34.3	13.4	12.1	↓	15.5	15.1	16.5	16.2		8.2	8.2

(continued)

Table 4.5 (continued): Alcohol consumption (2009 guidelines), people aged 12 years or older at risk of injury on a single occasion of drinking, by age and sex, 2007 and 2010 (per cent)

Age group (years)	Abstainers ^(a)		Low risk ^(b)		At least yearly ^(c)		At least monthly ^(d)		Single occasion risk		Every day/most days ^(e)				
	2007	2010	2007	2010	2007	2010	2007	2010	2007	2010	2007	2010			
									2007	2010	2007	2010			
12-15	69.4	75.0		20.8	14.2	↓	3.2	*3.5	3.8	5.7	2.9	*1.0	0.5	—	
16-17	21.4	32.6	↑	38.3	31.0	12.0	10.4		21.2	17.1	7.9	8.6		1.3	**0.4
18-19	12.1	14.9		22.8	24.7	15.9	9.2		24.0	27.6	23.3	22.3		1.9	*1.3
20-29	14.8	15.6		28.3	28.8	16.9	17.3		19.7	18.7	16.5	16.8		1.9	1.7
30-39	13.5	17.0	↑	45.8	43.4	18.8	19.4		12.5	12.7	7.2	7.6		2.2	2.0
40-49	13.9	16.0		52.9	52.1	15.5	13.4		9.0	9.9	5.8	6.1		2.9	2.6
50-59	18.1	20.2		62.1	59.0	10.0	9.1		4.4	5.6	2.9	3.2		2.6	3.0
60-69	26.1	26.0		63.0	65.2	5.8	4.1		3.0	2.7	1.2	0.9		1.1	1.2
70+	37.5	37.3		59.0	59.2	1.4	1.2		0.9	*0.9	0.3	*0.5		0.8	*1.0
Total (12+)	22.1	24.5	↑	47.7	46.8	12.2	10.8	↓	9.5	9.9	8.5	8.8		1.9	1.8
14-19	28.7	35.4	↑	29.5	25.8	11.3	8.6		17.8	18.4	11.6	11.2		1.4	*0.8
14+	20.1	22.6	↑	48.8	47.7	12.6	10.9	↓	9.8	10.1	6.7	7.0		1.8	1.8
18+	19.0	21.0	↑	49.9	49.1	12.9	11.1	↓	9.5	9.9	6.8	7.1		2.0	1.9

(continued)

Source: Reference 4 - pages 55 and 56

2. The data from the above tables (at 2010) demonstrates:-

- Women aged 30-39. 11.3% consume alcohol at risky levels during their lifetime. Whilst 22.3% of women aged 30-39 consume alcohol at risky levels monthly or more frequently" as stated by PSJ, the contrasting view is that 61.3% of women in this age category are at no risk or at a low risk. Additionally, 77.7% are either abstainers, low risk consumers, or only at least yearly risk consumers of alcohol. This evidence clearly establishes that the majority of women in this category drink responsibly in contradiction to the negative theme implied by PSJ at paragraph 3 on page 8 of the 2013 Jones Report.

3. With respect to Reference 4 in general it establishes that:-

- The proportion of risky drinkers from a single drinking occasion declined from 41.5% in 2007 to 39.7% in 2010.
- There was little change (although a decrease) in the proportion of risky drinkers (i.e. causing risk of alcohol-related harm over a lifetime) from 2007 (20.3%) to 2010 (20.1%).

- The proportion of the population who consumed alcohol daily declined between 2007 (8.1%) and 2010 (7.2%).
 - The age group most likely to drink daily were those aged 70 years or older, for both males (18.4%) and females (12.0%).
-
- The proportion of pregnant women abstaining during pregnancy increased in 2010 (from 40.0% in 2007 to 52.0% in 2010).
 - The proportion of people aged 14 years or older abstaining from alcohol (never had a full serve of alcohol) increased statistically significantly between 2007 and 2010, for both males (from 8.2% to 10.0%) and females (12.1% to 14.2%).
 - The proportion of people aged 12–15 years and 16–17 years abstaining from alcohol increased in 2010 (from 69.9% to 77.2% and from 24.4% to 31.6%, respectively).
4. Further the decline in *consumption* behaviour has occurred during a time when bottleshops have actively promoted themselves through specials and promotions (i.e. similar to *shopper docket* style promotions; advertised specials on TV, within newspapers or within other material such as brochures and the like). **The evidence therefore confirms that despite the wide availability of *specials* and *promotions* the public is consuming alcohol more responsibly.**

Reference 6 - Borgonovi F & Huerta M (2010) Education, alcohol use & abuse among young adults in Britain. *Social Science Med* 71(1),143-51.

5. At page 8 of the 2013 Jones Report (under the sub-heading “do supermarket-linked point-of sale promotions target certain types of customers or present increased risks for vulnerable consumers?”), PSJ states “the argument that these promotions offer a bonus (i.e. buy some alcohol get some free) on quality products means that they are targeting people who are less likely to be risky drinkers is fallacious. In fact, current evidence suggests that women with higher incomes and higher levels of education are more likely to consume alcohol and to consume at higher levels (a pattern that is not evident for men)”. PSJ relies upon Reference 6 to support her comments.
6. The purpose of Reference 6 was to explore the relationship between education and alcohol consumption. Whilst the study cannot be compared to the Australian environment (because alcohol consumption in this Country has been steady for over a decade but, as acknowledged by the author, “the United Kingdom is one of the few countries where alcohol consumption increased in the past 25 years” - see page 143), it also did **not** make a finding that women with higher incomes and higher levels of education are more likely to consume alcohol and to consume at higher levels).
7. The study (which forms the basis of Reference 6) relates to the drinking behaviours in 2004 of individuals born in Britain in 1970. Reference 6 therefore reflects the experiences of individuals of a specific age, born in a specific year and living in a specific context (acknowledged as a limitation - page 150). It therefore lacks relevance to an Australian environment. Nevertheless, the findings have been analysed as follows:-

Topic:	Finding:
Frequency of alcohol intake:	<p>The Findings: (page 147) - <i>the more educated individuals are, the more likely they are to drink on most days. The association between education and frequency of consumption weakens significantly for males when circumstances in childhood and adulthood were included, but it remained significant in the case of females.</i> Our Comments: Recipients answering a question that they “<i>drink on most days</i>” does not mean: (a) they are at higher risk of alcohol abuse; (b) they consume alcohol at higher levels. It might simply mean that more educated females enjoy one glass of wine with their dinner each night. The study says nothing about the income levels of the study population</p>
Quantity of alcohol intake:	<p>The Findings: (page 147) – Both for males and females, <i>educational attainment is not associated with drinking more units than the maximum recommended.</i> The author’s estimates indicate that <i>academic performance in childhood is positively and significantly associated with alcohol consumption above recommended amounts and that this association is stronger for females than males.</i> Our Comments: There is no association with educational attainment (as an adult) and drinking behaviours (i.e. no correlation between higher educated adult females consuming alcohol at higher levels). An association was however made as to the recipients performance (i.e. test scores at ages 5 and 10) at school. The relevance to this finding is simply unknown but the suggestion is that if a person achieved a higher test score at age 5 and 10 then there is a higher probability they will be a higher consumer of alcohol as an adult. It is simply impossible to apply this finding (relating to test scores at 5 and 10 years of age) to the particular profile of the Woolworths shopper.</p>
Life-time problem drinking:	<p>The Findings: (page 148) – males obtaining some academic qualification were not associated with having problematic alcohol consumption (or close to one not statistically significant). To the contrary, the association being educational qualifications and problem drinking is statistically significant for females with the highest qualification. Our Comments: It appears that the data gained to make this determination was from recipients completing what has been described as a “<i>cut-down, annoyed, guilt, and eye-opener (CAGE) questionnaire, a screening instrument used to assess life-time drinking problems</i> (described at page 144). With respect to the questionnaire its authors stated (at page 145) the following questions were asked:- “<i>have you ever felt you should cut down on your drinking?; have people ever annoyed you by criticizing your drinking?; have you ever felt bad or guilty about your drinking?; have you ever had a drink first thing in the morning to steady your nerves or get rid of a hangover (Eye opener)?</i>” The authors have assigned a value of 1 to individuals who respond positively to two or more CAGE questions, meaning that they are then assigned as having “<i>life-time problem drinking</i>”. For the authors to suggest a correlation (i.e. for females) with the highest educational qualifications and life-time problem drinking, based on their responses to the above CAGE questions is illogical. It means that if a recipient answered 2 of the questions to the affirmative (even if the circumstances only applied once in their entire life or perhaps was untrue) then those persons have been labelled “<i>life-time problem drinkers</i>”.</p>

8. The findings within the research clearly do **not** support the views by PSJ at all. As to the adverse finding regarding *life-time problem drinking* and higher educated females, this finding is clearly flawed (for the reasons outlined above). That finding also contradicts the finding under *quantity of alcohol intake* that for both males and females, where educational attainment was **not** associated with drinking more units than the maximum recommended. The paper also did not consider income levels at all and therefore the statement by PSJ that *“women with higher incomes and higher levels of education are more likely to consume alcohol and to consume at higher levels (a pattern that is not evident for men)”* is clearly incorrect based on the actual findings within Research 6.

Reference 8 - Elickson PL, Collins RL, Hambarsoonmians K et al. (2005) Does alcohol advertising promote adolescent drinking?: results from a longitudinal assessment. *Addiction* 100, 235-246

9. At page 9 of the 2013 Jones Report (under the sub-heading *“do supermarket-linked point-of sale promotions target certain types of customers or present increased risks for vulnerable consumers?”*), PSJ states *“perhaps most importantly, there is substantial evidence from Australia and overseas that exposure to alcohol marketing – including in-store marketing is associated with either earlier initiation and greater consumption among young people”*. Reference 8 is relied upon by PSJ to support her comments.
10. Research 8 was based on a study in South Dakota, USA which related to school aged children between ages 11 and 14. The data came from a single State, which is listed within the top 10 states for alcohol and drug dependency and binge drinking amongst adolescents. Therefore the source data or responses are not *“typical”* or *“average”* in nature. Additionally, it is not known what accuracy should be given to the information provided by children aged between 11 and 14 (especially as to what they intend to do or not do in the future).
11. The authors conclusions were *“several forms of alcohol advertising predict adolescent drinking; which sources dominate depends on the child’s prior experience with alcohol. Alcohol prevention programs and policies should help children counter alcohol advertising from multiple sources and limit exposure to these sources”*.
12. The participants responses are based on combined factors of all types of advertising (i.e. advertising at beer concession stands, in-store advertising displays, magazine advertising, and television beer advertising) none of which apply to this situation raised by the Director General.
13. For example, whilst it might be said that in-store displays could be considered to be relevant to the current circumstances, in-store displays within the USA appear within the actual supermarket, which is not the case with respect to Woolworths’ Supermarkets. There is no comparison with what appears on a *shopper docket* receipts and the in-store displays the subject of this study.
14. Further, there are a number of limitations or illogical findings to the study. For example, whilst the authors did not assess the effect of advertising on beer drinking, almost all of the television advertising focused on beer. Yet the findings within this study were that despite the children being exposed to beer advertising on television that this had no effect on their drinking decisions.
15. As well one of the key aims of this report was to see what impact preventative programs had on children within the study group, and to promote the benefit of those programs. It

is important this study not only examined the impact of alcohol advertising on subsequent drinking but also considered whether a prevention program would mitigate the effects of such advertising.

16. External issues were also taken into account in the study, such as the role of parents, their peers, how they were performing at school, or whether they had experienced alcohol before.
17. The authors state *"the results also highlight other non-advertising variables that predict drinking. For both groups, adult approval of drinking and insufficient parental monitoring were important risk factors"* and *"the drinkers, on the other hand, were comparatively more susceptible to social influences associated with peers who use alcohol"*. The relevant point is that there are external forces that influence a child's behaviour (which does not just evolve from forms of advertising but are influenced by other factors such as the roles that parents and peers play in a child's life).
18. The research by Professor Adrian Furnham¹ on advertising and young persons appears to be a far more robust piece of research, which has been ignored by PSJ. Professor Furnham specifically looked at the advertising of alcohol and its consequential affects on consumption. His view is that *"early exposure to any form of advertising is vital to protect young minds against the seductive powers of capitalism. Only if you show your children how the manufacturers are trying to woo them can they build a strong enough immunity to the sales pitch"*.
19. Professor Furnham states that *"advertising appears to have a very weak positive influence on consumption and no impact on experimentation with alcohol or abuse of it. Moreover, there is no evidence that changes in regulations regarding permissible advertising that either increase or decrease it affect consumption patterns"*. He quotes other research and states *"even totally eliminating advertising and alcohol in the media will not, in and of itself, eliminate drinking among youth or the problems associated with it"* (Gruber, 1993, p66)."
20. Professor Furnham notes other research where the ban of advertising (in Canada) had no effect on the consumption of beer, wine and liquor (Smart and Cutler - 1976), and that a review of advertising restrictions and bans in alcohol advertising has little effect on consumption (D. Smart - 1988).
21. Importantly, he concludes the evidence is quite clearly in favour of the *educationist* position. The *educationist* is person who educates others on, for example, on the effects of drinking alcohol irresponsibly, whilst a *protectionist* is a person who seeks to shield a person from anything to do with alcohol. The *protectionist* wants us to believe that drinking at an early age causes alcohol problems later in life, whilst an *educationist* attempts to equip the person with the right tools to make informed and responsible decisions in the future.
22. He noted the *protectionist's* theory that in context of binge drinking the ideas of advertising (anywhere) causes binge drinking and that *"to believe that advertising alone can create wants is very naive – at best, advertising helps a company satisfy demand"*.
23. Professor Furnham notes that practically all researchers acknowledged that alcohol consumption is a multi-faceted problem but the difference lies in the "effect size"; that is

¹ "Alcohol and Young Adults" by Professor Adrian Furnham, University College of London (copy of relevant pages **attached**)

the beliefs how strong each factor is. He indicates that no one seriously claims the effects size of marketing, advertising and pricing is zero.

24. The other critical issue is whether advertising is aimed at brand change rather than growth. In determining whether advertising works leads to questioning what type of advertising affects whom, and under what circumstances. Thus the *medium* is just as important as other characteristics of the advertisement itself.
25. He notes the difficulty with relying on any particular research and notes the reason for this is its complexity and difficulty of the research itself, there are always questions about the quality and quantity of the data, the appropriateness and interpretation of the statistical analysis, and the fact that differing interpretations can be made of particular results. Thus everything has to be considerably qualified.
26. Further, he indicated that it is not difficult to find studies or quotes that support a particular view point. Thus one can find evidence that alcohol advertisements increase sales of alcohol in the long and short term and that advertising spend is linked to overall consumption, but equally it is easy to find studies that show no link at all.
27. Professor Furnham refers to a report prepared by Young (1993) and his analysis of the Saffer study (1991) which, like many other careful studies in the area, failed to provide evidence that banning alcohol advertising reduces consumption or associated deaths. He also refers to the focus of research on alcohol advertising and its affect on young people.
28. Professor Furnham refers to Atkin (1990) who published a useful theoretical overview of the affects of televised alcohol messages on teenage drinking patterns. He notes, as have others, that adolescents are perhaps particularly responsive to alcohol advertisements. First, the sheer number of commercials and portrayals of drinking in comedies, dramas and soaps bombards them. Second, the curiosity motivates them to seek the lifestyle and enjoyment of those they see drinking. Third, their limited experience and fewer opportunities to observe drinking and make them more receptive to media efforts. Fourth, the "forbidden fruit" of adult behaviour is clearly alluring. He also postulates whether there is a correlation between alcohol advertising and alcohol demand in young people.
29. Professor Furnham also refers to a later study by Saffer in 2002, who argued that the empirical studies of alcohol advertising are essentially three types:
 - (a) studies of the advertisement content, symbolism, portrayals and placement, but which do not correlate content with consumer behaviour;
 - (b) studies using in-depth interviews on people's media exposure and self reported alcohol abuse and beliefs; and
 - (c) econometric studies using aggregates statistics over various communities, that examine the effects of alcohol advertising on market share and total consumption.
30. Professor Furnham argued that as a policy matter there is a case for counter-advertising which is effective on teenagers and young adults (relying on a study by Atkin (1993)). Accordingly, he thought that increased counter-advertising rather than new advertising bans appear to be a better choice of public policy.
31. Professor Furnham (at page 70) then refers to a balanced review prepared in a study by Stockdale (2001) which concluded: *"The evidence for a causal link between portrayals of alcohol and the media and young people's drinking patterns is equivocal. Research suggests that media portrayals are a source of information about alcohol and that can*

influence young peoples' world view and their behavioural choices. But the effects appear to be weak in comparison with familial context and peer relations. Young people learn to drink through a complex interaction of family, peer and societal influences, including the media".

32. Professor Furnham also notes (at page 70) that cross sectional studies (those that are limited to a specific time period, event or circumstance) can never establish causality (the relationship between the cause and the effect). That can only be done by longitudinal studies (that consider behaviour and relevant circumstances over a reasonable period of time).
33. In a study prepared by Hurtz et al (2007) [*note this was relied upon by PS*] at page 8 of the 2013 Jones Report and has been touched upon at Reference 15 below], an attempt was made to assess whether food and alcohol advertising in stores encouraged adolescent drinking. The authors were aware that they cannot infer causality (that more ads lead to more drinking) because of their cross-sectional data and the fact that some other factors (like the adolescent personality) may underlie the relationship between store visits and alcohol consumption.
34. Professor Furnham also analysed some other studies that were evidenced based and looked at the relationship between the effect of a promotion on alcohol consumption. He concluded (the Scharr Review (2008)) that where studies have been carried out, they have showed the "effect size" of advertising to be small compared to other factors.
35. The major reason why companies advertise in a mature market (i.e where products are already known to consumers) is to encourage brand awareness and switching.
36. Professor Furnham also cautions against the *protectionist's* view which encourages the banning of advertisements or government mandated warnings to be included on alcohol advertising and notes they may have a boomerang or opposite effect by making the product seem more attractive.
37. In summary, Professor Furnham states that young people are well aware of all aspects of alcohol. They are the web generation and are highly sophisticated in the way in which they can access information. They also have a disposable income much greater than their parents had. They are aware of different alcohol brands and the effects of alcohol. He states that it is not unusual for young people to drink to excess at parties and other celebrations as part of rebelliousness and "limit testing", but most outgrow the excess of student years as their responsibilities grow (marriage, jobs, children). He goes onto to say that alcohol consumption is normative. Parents model it. It is a part of the diet. Children, adolescents and young adults get integrated into the norms of their society. Young people (first), their friends and parents are primarily responsible for sensible drinking. Expectations played an important role in their children's use of alcohol. Family income, parental education and the children's self-esteem were important, but there was interesting evidence of self-fulfilling prophecies.
38. Professor Furnham states that the values, beliefs and behaviour of parents are quite simply the most powerful predictors of a young person's knowledge of, and interaction with the commercial world. Through example, instruction, control of the media and monetary allowances, they can ensure that their children become responsible young adults not prone to alcohol abuse. In other words, people tend to drink in a beneficial manner when their lives are grounded in positive satisfactions, skills, and strong relationships with and responsibility towards others.

39. For young people no doubt increased benefits come with increased risk. As to the question "*Does the banning of alcohol advertising have any affect on consumption*"? The results of studies seem to suggest the answer is unequivocally "no". Most of the studies of this issue, namely the banning of alcohol advertisements, have shown it has no affect on consumption (Smart and Cutler 1976; Ogborne and Smart 1980); and Markowsky and Whitehead 1991).

Reference 14 - Huerta M & Bogonovi F (2010) Education, Alcohol Use and Abuse Among Young Adults in Britain. *OECD Education Working Papers* 50.

40. There is an association between Reference 14 and Reference 6, with both papers completed by the same authors; and addressing the same subject matter (i.e. the drinking behaviours in 2004 of individuals born in Britain in 1970). Additionally both reports were released the same year (namely 2010).
41. On review of Reference 14 it is identical (apart from the sequence of where tables appear) to Reference 6. Therefore our review and findings within Reference 6 apply here. We note PSJ relied upon both papers at page 8 of the 2013 Jones Report, however in a practical and real sense there is only one study based on the same research.

Reference 15 - Hurtz SQ, Hernikson L, Wang Y et al. (2007) The relationship between exposure to alcohol advertising in stores, owning alcohol promotional items, and adolescent alcohol use. *Alcohol and Alcoholism*, 42, 143-149.

42. At page 9 of the 2013 Jones Report (under the sub-heading "*do supermarket-linked point-of sale promotions target certain types of customers or present increased risks for vulnerable consumers?*"), PSJ states "*perhaps most importantly, there is substantial evidence from Australia and overseas that exposure to alcohol marketing – including in-store marketing is associated with either earlier initiation and greater consumption among young people*". Reference 15 is relied upon by PSJ to support her comments.
43. Reference 15 is based on a study in California in 2003, relating to children aged between 11 and 14 years of age in 3 different schools. Its findings were that the exposure [to advertising] was associated with higher odds of ever drinking, but was not associated with current drinking. The authors concluded "*this study provides clear evidence of an association of adolescent drinking with weekly exposure to alcohol advertising in stores and with ownership of alcohol promotional items. Given their potential influence on adolescent drinking behaviour, retail ads, and promotional items for alcohol deserve further study*".
44. Unlike the current circumstances, children in the US are exposed to alcohol advertising in convenience liquor and small grocery stores. The limitations to the study are acknowledged by its authors who stated "*future research should consider whether exposure to such advertising alters adolescents' normative perceptions about the availability and popularity of alcohol, thereby contributing to an environment that encourages its use*".
45. The study recognises that it did not take into account the influence of other sources of advertising (like broadcasting). For example, if there are many liquor related ads on TV, that it is more likely that any promotional material that children hold would seem more attractive to them, compared to a situation where they only saw that material in-store.

46. The authors acknowledge the study did not consider “*the relationship of advertising to both frequency and quantity of alcohol consumption*”. This is a principal issue that is relevant to the matter now before the Director-General yet it was not even remotely touched upon by this Report. The current circumstances relates to a promotion printed at the end of a *shopper docket* receipt that may never be seen by children.
47. Accordingly Reference 15 does **not** support the comments made by PSJ as noted above.

Reference 16 - Jones SC & Smith K (2011) The effect of Point of Sale Promotions on the alcohol purchasing behaviour of young people in metropolitan, regional and rural Australia. *Journal of Youth Studies*, 14(8), 885-900

48. At pages 5 and 6 of the 2013 Jones Report (under the sub-heading “*does the character of buy one get one free alcohol point-of-sale promotions risk encouraging irresponsible, rapid or excessive consumption of liquor?*”), PSJ relies on data gathered through holding 12 focus groups with young people. The data obtained from the focus groups is not publically available. Notably the participants were aged 16-17 and 18-25 and therefore the focus group was targeted towards the attitude of young persons only (nb. we note the letter from BSV to OLG of 18.4.13 where only 2.5% of customers who redeemed the promotion were aged between 18-25 years of age). It therefore cannot support comments made by PSJ answering the actual question she was to respond to at all. Notably, at page 5 of the 2013 Jones Report, PSJ indicates that the participants stated that *promotions did not influence their purchasing or drinking decisions* although most of them were able to recall the promotion they received the benefit of. Reference 16 is relied upon by PSJ to support her comments.
49. It is suspected that the above comments stem from the findings within Reference 16. Reference 16 is also the result of 12 focus groups (involving 85 participants, living in 3 different geographical areas). With respect to the results of the focus groups the author states, at page 894:-
- “*when asked whether they would participate in, or be influenced by POS promotions, the immediate response of many participants was that these promotions did not influence their purchasing or drinking decisions*”.
 - “*the 18-25 year olds generally expressed a preference for “2 for 1” based on the reasoning that they were planning to spend that amount of money anyway*”, whereas in the 16-17 group the results were mixed with females generally stating they preferred “half price” promotions (the reasoning being “*that they could then spend less money and that they would be unlikely to consume all the alcohol if they had double the quantity – inherent in this was the problem of storage of “left-over” alcohol without the knowledge of their parents*”).
50. The findings with Reference 16 are different for each age group. When it came to whether the purchase would influence their consumption behaviour, the documented responses, within each age category, were as follows:-

18-25 age group

Only 7 responses were documented and indicated the majority would either share the liquor or store it for later use (see summary below):-

- 3 - share it or save it for another day.
- 2 - inclusive responses.
- 2 - consume it that session.

16-17 age group

The results were inclusive (see the documented comments below), but based on those responses they were more likely to consume it.

Oh yeah.

For sure.

You only went in to buy one.

When we go to parties if there's heaps of alcohol, we'll drink heaps of alcohol.

When you've got it there in front of you, you keep pushing yourself, oh another one.

Yeah.

51. If the above can be a reliable indication of the results of the focus group study, then the 18-25 age group has a greater probability of **not** consuming any extra volume of liquor purchased pursuant to a promotion but either storing it for later use or sharing it amongst friends. With respect to the 16-17 age group, they have a greater probability or preference **not** to purchase a higher volume of alcohol (i.e. "2 for 1 deals") but half price deals. This is because the purchased liquor is to be consumed within a short time of purchase and cannot be stored (see above comments). The author even acknowledges this by stating (at page 897) *"younger respondents were less likely to be motivated by promotions that offered extra volumes of alcohol because of difficulties in store, and needing to hide alcohol from parents"*.
52. In comparison the data collected from the Woolworths promotion (i.e. which Woolworths has been criticised about) shows it was attractive to females aged 35 and older. There are significant reasons as to why the promotion was **not** attractive to young persons and why *"shopper docket"* promotions are not marketed towards this age category (see Section 2 of letter from BSV to OLGR dated 18.4.13). In any event, based on the findings with Reference 16 there would be higher probability that any extra volume of liquor purchased pursuant to the promotion by the age group 18-25 would have been stored or shared (and **not** consumed by the person of purchase in one session). This supports Woolworths' position.
53. Additionally, there are many interactive influences that affect a young person's decision to consume alcohol irresponsibly. To suggest that promotions of the type outlined by Woolworths would adversely impact upon future decisions of young persons fails to consider the underlying factors that must first exist. Even the author of this particular research acknowledges (at page 898) future research could explore underlying themes and motivations and that *"many of the participant's responses ... demonstrate that marketing does not act in isolation from our influences on alcohol consumption, including the family. Responses demonstrate that there is a complex relationship between alcohol marketing, family and purchasing and consumption behaviours"*.
54. PSJ however makes the statement (at page 6 of the 2013 Jones Report and presumably relying on Reference 16) that *"buy one get one free promotions have the potential to encourage excessive consumption of alcohol due to both the emotional response to receiving something for "free" and (particularly for young people) the fact that if alcohol is available it is generally consumed"*. Notably, there is **not** a shred of evidence within Research 16 or the focus group studies to support this claim at all.
55. This same research is again relied upon by PSJ at page 6 of the 2013 Jones Report (under the sub-heading *"do point-of-sale promotions impact on consumption behaviour?"*),

where it is stated *“our qualitative research with teenagers and young adults found that some (but not all) young people report consuming these increased volumes of alcohol on the single drinking occasion”*. The actual findings (although it cannot be verified) are as outlined above. With respect to the age category 18-25 the majority indicated they would share the increased volume of alcohol purchased or they would store it for later use. Whilst PSJ’s above comments are correct, clearly the overall theme given to these words at page 6 of the 2013 Jones Report is incorrect if based upon this documented research.

Reference 17 - Jones SC, Barrie L, Robinson L, Allsop S & Chikritzhs T (2012) Point-of-sale alcohol promotion in the Perth and Sydney metropolitan areas. *Drug and Alcohol Review*, 31(6), 803-808

56. At page 4 of the 2013 Jones Report (under the sub-heading *“are there distinguishing features of liquor promotions, and any risk of harm associated with same, conducted by corporate versus independent packaged liquor stores?”*) it states *“our research on point-of-sale promotions, conducted in New South Wales and Victoria, found that packaged liquor outlets connected to supermarkets are particular problematic”* and *“price-related promotions were also most commonly offered by outlets attached to large supermarket chains, supporting concerns raised by public health advocates that these large supermarket chains provide greater incentives for customers to purchase larger quantities of alcohol”*.
57. The purpose of Reference 17 (the findings which was relied upon within the 2013 Jones Report), was to document the nature and extent of POS alcohol promotions in bottleshops in two Australian capital cities; namely Sydney and Perth. The unreliability of Reference 17 findings is demonstrated within the dot points below:-
 - Advertisements in local print media were reviewed to identify hotel and liquor stores advertisements 2-3 weeks before the data was collected. The authors have targeted bottleshops actively providing specials, promotions and the like. There was no random selection of bottleshops for the purpose of this study; each bottleshop was purposely selected. In that light the results cannot be a true indication of what is occurring across bottleshops within Perth and Sydney. Its authors acknowledge this factor at page 805, where they state *“this type of purposive sampling does not necessarily result in a fully representative sample of all off-premises outlets”*.
 - 12 stores in each State (i.e. a total of 24) were selected. Reviewing POS material relevant to 12 pre-selected bottleshops (see dot point above) is insufficient for any reliable pattern to be established. Its authors acknowledge this factor at page 807, where they state *“an obvious limitation of our study was that we conducted audits in only 24 outlets....and thus our findings may not be generalisable to all Australian outlets”*.
 - 7 independently owned outlets (3 in Perth and 4 in Sydney); 11 liquor chain outlets (6 in Perth and 5 in Sydney) and 6 outlets attached to Supermarkets (3 in each city) participated in the study. That is to say only 6 pre-selected bottleshops (see dot point 1) attached to supermarkets were audited. It is not known if any of those supermarkets were operated by either Coles Australia or Woolworths Limited.
 - No attempt was made to review outlets of a similar size and range (i.e. comparing *apples with apples*). For example, a small 50sqm bottleshop attached to a hotel is **not** comparable to a 200sqm metre bottleshop attached a supermarket. Logically a

larger store is more likely to offer more promotions than a smaller bottleshop, but this was not considered relevant by its authors.

58. The authors attempted to show there were more promotions (with a greater number of standard drinks sold) at bottleshops attached to Supermarkets, but clearly this study could not accurately make that finding for the above reasons. The study sample clearly lacked depth and independency over the choice of the bottleshops that participated. Consequently the findings are speculative at best.

Reference 18 - Jones SC, Gregory P, Barrie L, Allsop S & Chikritzhs T (under review) The influence of point-of-sale (POS) Promotions on Bottle Shop Purchases of Young Adults

59. Reference 18 is relied upon at pages 4 and 5 of the 2013 Jones Report (under the sub-heading "*do point-of-sale promotions impact on purchase behaviour?*"). Reference 18 is however under review and therefore unavailable to the public. It is therefore simply unknown if it has any relevance to the matters at hand. Whilst PSJ states (at page 5 of the 2013 Jones Report) "*we conducted a cross-sectional survey at 24 bottleshops; 12 each in Sydney and Perth*" and "*509 adults (18 and over) exiting bottleshops having purchased alcohol*" were surveyed, the author fails to indicate: (a) the type and split of bottleshops used in the survey (i.e. bottleshops attached to hotels, bottleshops attached to supermarkets, independent stores and so forth); and (b) when and how the purchased alcohol was planned to be consumed (i.e. consumed by an individual or shared on the day of purchase, or consumed over the days, weeks or months that follow the purchase). Unless the study can actually be reviewed, so as to identify the matters at (b) above, it should be disregarded for present purposes.
60. Whilst at page 4 of the 2013 Jones Report, PSJ then relies on an earlier study described as "*Jones and Reis, published data*", PSJ's reliance on this data has the same issues as noted above. The data is not available for review and the items outlined at items (a) and (b) are simply unknown. It is completely unreasonable for an author to rely upon findings within one of their own studies, where that study or data is not publically available for review by their peers. In that light the study and data should be disregarded for present purposes.

Reference 19 - Jones SC & Magee CA (2011) Exposure to alcohol advertising and alcohol consumption among Australian adolescents. *Alcohol and Alcoholism*, 46(5), 630-637

61. At page 9 of the 2013 Jones Report (under the sub-heading "*do supermarket-linked point-of sale promotions target certain types of customers or present increased risks for vulnerable consumers?*"), PSJ states "*our research with 1,113 NSW adolescents aged 12 to 17 years found that 79% had seen alcohol advertising in a bottleshop and that this exposure was associated with earlier drinking initiation..... this is particularly salient in the context of promotions that encourage purchase at a liquor store co-located with a supermarket; given that many women shop for groceries with their children, any promotion that encourages them to enter a liquor store and purchase alcohol at the time of grocery shopping will increase the likelihood of children (a very vulnerable group) being exposed to alcohol marketing. Even more concerning, this also sends the message to children that alcohol is an 'ordinary commodity' that is purchased on a regular basis, just like bread and milk*". Reference 19 is relied upon by PSJ to support the above comments.

62. The objective of Reference 19 was to collect data on 12–17 year old Australian adolescents' exposure to different types of alcohol advertising and examine the association between exposure to advertising and alcohol consumption. 1,113 adolescents aged 12–17 years were surveyed. The findings were that *“the majority indicated that they had been exposed to alcohol advertisements on television, in newspapers and magazines, on the internet, on billboards/posters and promotional materials and in bottleshops, bars and pubs; exposure to some of these types of alcohol advertisements was associated with increased alcohol consumption, with differences by age and gender”*.
63. As stated above, PSJ states *“our research with 1,113 NSW adolescents aged 12 to 17 years found that 79% had seen alcohol advertising in a bottleshop and that this exposure was associated with earlier drinking initiation.....”*. This statement is **not** correct (or at best has been taken out of context). In response to questions posed to the participants the authors state (at page 632) *“nearly all participants indicated that they had seen alcohol advertising on television (94.2%) with the majority indicating that they had seen advertisements for alcohol in bottleshops (79.0%; while our question was worded as ‘in a bottleshop’ it is possible that some of our respondents may have been referring to seeing advertising on the outside of a bottleshop or, in the case of a bottleshop attached to a supermarket, by seeing the interior from within the supermarket) and in magazines (74.7%). About half indicated that they had seen alcohol advertisements on a billboard or poster (60.7%), on the Internet (55.4%), in a bar/pub (53.6%), in a newspaper (53.1%) or on promotional material (51.4%)”*. The above questions relate to what participants might have seen over their life-time. There was **no** established link or finding within Reference 19 that a result of participants merely being exposed to a bottleshop (79% as noted in the above circumstances) that this leads to early drinking initiation. The comments within the 2013 Jones Report are false or at best highly misleading to the reviewer.
64. The actual findings can be dissected as follows:-

Topic:	Finding:
Advertising and alcohol initiation:	<p>The Findings: Among males and females aged 12–15 years and males aged 16–17 years, after adjusting for covariates, there was no association between alcohol initiation and exposure to alcohol media of any type. Among females aged 16–17 years, alcohol initiation was associated with recalling exposure to alcohol advertising in magazines (odds ratio 1.85), bottleshops (odds ratio 2.04), and bars/pubs (odds ratio 2.22).</p> <p>Our Comments: There is no link between advertising and alcohol initiation within 12-15 year olds and males age 16-17. With respect to the suggested link with females aged 16-17, the strongest association was found to be bars/pubs.</p>
Advertising and regular alcohol consumption (in the previous 12 months):	<p>The Findings: males aged 12–15 years exposure to internet advertising was associated with regular alcohol consumption. For males aged 16–17 years, exposure to alcohol advertising in a bottleshop or bar/ pub was associated with regular alcohol consumption. Alcohol advertising on TV was associated with a reduced likelihood of regular alcohol consumption in this group. Exposure to alcohol advertisements in a bar/pub predicted greater alcohol consumption among females aged 12–15 years; TV advertising was associated with a reduced likelihood of regular consumption. None of the advertising media was associated with regular alcohol consumption among females aged 16–17 years.</p>

Topic:	Finding:
Advertising and recent alcohol consumption:	<p>The Findings: Alcohol advertising in magazines and on the Internet was associated with alcohol consumption among males aged 12–15 years. In females aged 12–15 years, advertisements in newspapers and bars/pubs were associated with recent alcohol consumption. Exposure to TV advertising was associated with reduced odds of recent consumption in males aged 16–17 years. However, none of the other advertising factors were associated with increased odds of recent alcohol consumption in males or females aged 16–17 years. Our Comments: There was no finding of any link between advertising and recent alcohol consumption with bottleshops.</p>

Reference 20 - Liang, W & Chikritzhs (2011) Revealing the link between licensed outlets and violence: Counting venues versus measuring alcohol availability, *Drug and Alcohol Review* 30, 524-535

65. At page 7 of the 2013 Jones Report (under the sub-heading “*is packaged alcohol (and associated promotions) less associated with harm than on-premises alcohol promotions?*”), PSJ relies on Reference 20 and states “*a study examining the impact of alcohol availability on violence in Western Australia found that the average volume of sales in off-licence venues was significantly associated with all measure of assault, including those that occur at on-licence venues such as hotels, nightclubs and restaurants*”.
66. Reference 20 is a cross-sectional study rather than longitudinal study. It therefore only takes a **snapshot** of a single year correlation of wholesale purchases of alcohol and assaults in Western Australia for the same single year. The data used is from the financial year 2000/2001 (it is over 11 years old). The volume of pure alcohol has been calculated from wholesale purchases according to a conversion formula based on data from the period 91/92 to 95/96. There has been no provision made for the changes in the *mix of sales* during the intervening 20 years. Given that Reference 20 was received for publication in September 2010, and that wholesale purchases data and assault data are still available, it begs the question why the author did not use more up-to-date data in the study.
67. Dr Chikritzhs acknowledges socio-economic factors are shown to be significant prediction of assaults, but in this study states they were “*precluded [from] reliable testing of interaction terms*” for these factors. The study also speculates and draws conclusions regarding economic availability and pricing, despite that fact that no data on pricing was collected or used in the study. There was no indication of any correlation between the resident population of the LGA’s studied and the location of those consuming the alcohol that was purchased. The trade area of a bottleshop does not conveniently coincide with an LGA. It is influenced by many things including the location of regional and neighbourhood shopping centres, physical barriers such as rivers and freeways, and the arterial road network that services a particular area.
68. Despite the major shortcomings within Reference 20, Dr Chikritzhs alleges that there is a significant impact caused by liquor sales from bottleshops, not only at private and public locations but also at other licensed premises. It is her view that patrons consume liquor

elsewhere before coming to, for example, hotels where they then engage in anti-social behaviour on those premises. Dr Chikritzhs completely ignores:-

- the fact that hotels are permitted to sell take-away liquor;
- that it is a legal requirement for all licensed premises, which attract those customers who might “pre-load”, to take steps both at the point of entry (by having appropriate queuing, identification, security and RSA systems in place) as well as having their staff in the hotel (such as RSA marshals) to prevent instances of excessive intoxication.

69. It is impossible to determine, from a statistical point of view, what percentage of those persons who are committing offences in or outside, for example a hotel, have in fact been drinking elsewhere beforehand. Bearing in mind all Dr. Chikritzhs’ arguments are directly tied to statistical data, her argument must, in those circumstances, carry very little weight because not only does she have no data to support her views but she ignores the abovementioned legal requirements.
70. It is recognised that the overall sale of packaged liquor in any community is largely governed by market forces in that community, which cannot be manipulated or controlled by individual licensees or bottleshops. That is to say there is a *pre-determined demand*² for packaged liquor products in any community, which remains relatively stable despite, for instance, introducing a new bottleshop nearby or the existence of the promotions offered at existing bottleshops.
71. Dr Chikritzhs states (page 15) that “we observed that the higher the amount of alcohol sold per off-site³ outlet the greater the risk of reported assault within an LGA. This held for all types of locations”. Whilst this may or may not be true, the study is flawed because it has not firstly explored what the *pre-determined* demand for pre-packaged liquor is within a community and secondly, then determined (by real evidence) that by introducing a new bottleshop (or existing bottleshops partaking in promotions) this would then result in the pre-determined demand increasing.
72. Woolworths acknowledges the fact that some areas have a higher pre-determined demand for packaged liquor when compared to other areas. Statistically and logically there is a higher chance of alcohol related crime (i.e. assaults) in an area where the pre-determined demand for liquor in a community is greater in that area when compared to other areas. What Woolworths disputes (and where there is no evidence to the contrary) is that the pre-determined demand changes within a particular area when a new bottleshop is introduced to an area (where packaged liquor service is already available) or where existing bottleshops partake in specials and promotions.
73. The Chikritzhs study has **not** explored whether sales from existing bottleshops in the study area would simply decrease - she has measured the volume of alcohol sales from existing outlets (at a static point in time) compared with assaults in that area. The study has clearly acknowledged, under the heading “limitations” page 21, that “we have not been able to identify the other individual differences among the outlets themselves, the individuals who patronise them or their movements in time and space”.

² It is acknowledged pre-determined demand can vary from one location to the next and factors such as the characteristics of the population of a community can influence the same. Whilst a pre-determined demand can vary with special occasions such as Christmas, holidays and the like, this variance is still part of the overall pre-determined demand and is not something manipulated or controlled by individual licensees. The pre-determined demand for pre-packaged liquor products is divided into segments (ie market share) and existing liquor outlets merely compete for market share within the pre-determined demand. The pre-determined demand for packaged liquor products remains relatively steady (as evident by the information provided with the Statement of Impact).

³ A reference to an “off-site outlet” is equivalent to a “packaged liquor licence” or a “retail liquor store” in NSW. The terms have been used interchangeably throughout this correspondence

74. Reference 20 also has not examined the likely trade area (i.e. the area where the majority but not all customers are drawn from) of particular outlets when examining the level of violence in an area and then match that area to the level of violence within that identified specific area – the author has only examined the level of violence occurring in an LGA a statistical local area. A trade area is quite often smaller than an LGA and can often overlap boundaries with another LGA. Other factors should also be examined, for example, where there is a more densely populated area there is statistically speaking always a higher chance that crime will take place in that area. In some instances a trade area is large and can encompass many LGAs. Relevantly persons can travel significant distances, for example, between home and work and may purchase their liquor in one place but consume it in a completely different location. Until the research to be relied upon can ascertain precisely where the liquor was purchased as well as where the liquor was consumed (being the locality for e.g. an incident of alcohol related harm) to insist that there is a relevant correlation between off-premises sales and alcohol related harm caused elsewhere (on its own) means that little weight and significance must be given to it.
75. Dr Chikritzhs is of the strong view that competitive pricing practices may increase and in turn enhance access to alcohol and the relative buying power of consumers. Her view implies that customers will purchase more and therefore consume more (page 5). She provides no data to support this view, nor does Dr Chikritzhs take into account that customers may for example purchase more because of the “special” price, however will consume it over a longer period of time (eg: when wine is purchased by the case).
76. Dr Chikritzhs introduces her theme (page 5) that consumption off premises influences the level of harm that occurs at on-premises, yet (as set out above) she has not acknowledged anywhere in her paper the fact that hotels sell liquor for consumption off-site, nor the fact that it is an offence to allow intoxicated persons to not only enter a licensed premises but to remain on those premises.
77. Relevantly in her statistics, when she dissects the number of sales made at various licensed outlets (see page 9), no attempt has been made to distinguish between liquor sold from hotels for consumption on-premises or off-premises, particularly where in Western Australia (as in NSW) there are large numbers of hotels with drive-in or drive-through retail liquor stores or significant “bottleshop” areas on-site.
78. Further, whilst the study alleges “*volume of alcohol sold appeared to have greatest impact on assaults occurring at private residences*” (page 15), the study does not explore the possibility of what violence would occur in the home in any event despite the volume of alcohol sold. It is remarkable that Dr Chikritzhs only refers to persons consuming liquor at home and other unlicensed locations before attending on-premises (where presumably they become violent). However she does not consider the opposite position. That is persons consuming alcohol at a hotel, nightclub or restaurant and then coming home and causing alcohol related problems. Dr Chikritzhs does not take into account that likelihood anywhere in her research. The difficulty with addressing the issue of “*pre-loading*” is that it is completely anecdotal. There has never been any research, surveys or studies carried out to not only prove conclusively that it occurs but if it does occur to what extent and importantly what impact does it have in a practical sense. That is to say, it can only be treated as speculation, at this point in time, because there is no credible data or research to support the allegations associated with it.
79. It is also significant that the study acknowledges (page 15) that “*when controlled for volume of alcohol sales, numbers of off-site outlets did not significantly predict risk of assault (even for private residences)*” and further that the “*higher amount of alcohol sold per off-site outlet the greater the risk of reported assault within an LGA*”. That is to say Dr.

Chikritzhs makes a remarkable statement by alleging it does not matter how many bottleshops there is, that it is the volume of alcohol each one sells that is relevant. She states there is no strong correlation between the number of off-site outlets and the level of violence, but there is a strong correlation between the volume of alcohol sold from off-site premises and violence. She cannot accurately determine this by her research at all for the simple fact that Dr. Chikritzhs has not considered the matters outlined above.

80. Dr. Chikritzhs also makes much of “pre-loading” and the impact of patrons consuming liquor before attending on-site premises however, as set out above, pre-packaged take away liquor can be purchased from off-premises outlets as well as from hotels. However again no data or research to identify those members of the public who participate in that activity is supplied. The types of person who participate in “pre-loading” activities are likely to be different from one area to the next. Dr Chikritzhs has not examined “pre-loading” effects for different types of socio-economic areas or age groups.
81. Whilst there is an element of any community who prefer to drink at home (particularly those under the age of 25) before going out, they do so because they commence their socialising later in the evening and they meet earlier at another location first, such as at a friends house. A retail liquor store operated by Woolworths is very unlikely to influence their existing socialising patterns. The liquor being consumed at those residential premises may come from a variety of locations including liquor that may have been purchased at a much earlier point in time, whether from off-premises outlets or a hotel or the internet. It is also more likely that if a group of young people are gathering at a persons home that they will purchase the liquor on their way, namely from the nearest off-site outlet (whether it be a hotel or retail liquor store) and are very unlikely to make a special trip to a specific bottleshop (because of a particular promotion they might have earlier seen) unless it is the most convenient located store to their current location. Further, the purchases are likely to be smaller ones, such as single bottles or a six-pack where the price, whether discounted or otherwise, is likely to be less relevant. None of these common circumstances have been taken into account by Dr. Chikritzhs.
82. The issue taken with Dr. Chikritzhs’ position is that it is unsustainable because it is not supported by any solid evidence that: (a) alcohol related harm is caused or increased in a neighbourhood by adding a new bottleshop (or by the promotions offered by existing bottleshops); and (b) a new bottleshop (or by the promotions offered by existing bottleshops) introduces new drinkers or causes existing drinkers to drink more when compared to what they would normally otherwise do.
83. Dr Chikritzhs says much of the quantity of alcohol that is sold from a specific outlet when compared to the number of outlets but the study fails to consider whether or not the pre-determined demand for liquor in that community changes (and therefore if there is any direct correlation within that particular community with a change and the rate of assaults). Whilst we do not propose to provide a detailed summary of the limitations within the study, we point out, as an example only, those remarks at page 21 which state *“this study was also cross-sectional, so it does not have the benefit of examining changes over time and concluding with confidence [our emphasis] whether outlet density changes preceded changes in violence or vice versa”*.
84. Further to the above, there is no consideration given to external and natural factors in Dr Chikritzhs’ study that might skew their figures and in turn their conclusions, such as persons migrating from one LGA to the next where alcohol related harm occurs. Where there are temporary increases in a population, it is statistically more likely that there would be greater numbers of offences in that area, but this can “skew” statistics” as they are based on resident population only. It may not matter that one LGA or community has

more licensed premises than others when you take into account the actual migration of patrons.

Reference 21 - Livingston M (2011) Alcohol outlet density and harm: Comparing the impacts on violence and chronic harms. *Drug and Alcohol Review*, 30,515-523

85. At page 7 of the 2013 Jones Report (under the sub-heading “*is packaged alcohol (and associated promotions) less associated with harm than on-premises alcohol promotions?*”), PSJ relies on this paper and states “*this is consistent with the findings of a recent analysis of the effect of outlet density, which found a strong positive association between packaged liquor outlet density and rates of alcohol-caused chronic disease, and an association between packaged liquor outlet density and violence rates*”. Reference 21 is relied upon by PSJ to support her comments.
86. The aim of Reference 21 was to determine how outlet density at a postcode level was related to hospitalisation rates over a 14 year period. Reference 21 examined trends in postcode-level hospitalisation admission data for assault and for alcohol use disorders over that period. The report claims to establish a link between bottleshop density and the rate of alcohol use disorders (or chronic disease). The limitations within the study are relevant including those outlined at page 522. Due to the limitations, the author claims that the results only provide a broad picture of the relationship between alcohol outlets, violence and chronic disease.
87. There is an overall reliance or theme within Reference 21 that increasing the density of bottleshops outlets might reduce the real cost of alcohol and therefore *problem* drinkers are able to source their alcohol from cheaper outlets; thereby presumably consuming more alcohol than otherwise would be the case. The author relies on other studies and states (at page 516) “*the simplest theoretical justification for the relationship between alcohol outlet density and alcohol-related harm is an economic one: that increasing the number of alcohol outlets reduces the real cost of alcohol (incorporating the convenience cost of making a purchase, along with the monetary price), thus increasing consumption and related problems*”. No evidence has been provided within Reference 21, nor was any suggestion made that any study or research had been previously carried out to determine the impact of pricing at a local level when a new bottleshop opens. The author therefore makes assumptions that are unsubstantiated by any real evidence, including completely ignoring the ABS official position that the consumption of alcohol in Australia has remained steady for the last 13 years – that is despite an increase in density of licensed premises from 1997 to 2011 (from 32,269 liquor licences to 54,297 an increase of some 68%), alcohol consumption data provided by the ABS indicates that consumption levels have remained relatively stable (ie between 9.92 and 10.57 litres of alcohol per person) over the same period of time.
88. There is no evidence within Reference 21 that establishes that when a new bottleshop is introduced into an area where there already exists the ability to purchase take away liquor (or as a result of promotions at existing bottleshops), that such introduction of itself causes a change in the purchase price of alcohol.
89. Mr Livingston suggests (at page 521) that chronic alcohol-related disease occurs disproportionately, with there being more vulnerability in disadvantaged areas when compared to more advantaged areas. Whilst this may or may not be correct, the issue here is that there is no evidence within Reference 21 that increasing the density of bottleshops increases the rates of alcohol use disorders. The conclusions are based on the

purchase price of alcohol changing by including an additional bottleshop in an area, which the author presumably means people will buy more alcohol for their dollar and therefore there is an ability to consume more). No evidence was provided in the study to support this proposition.

90. The outcomes within Reference 21 (which is relied upon by PSJ) are flawed because there is simply no evidence to support them. Further, the ABS evidence on consumption data in Australia clearly contradicts these views. If the views of the author were correct (which this is not suggested at all) there would be a clear increase in consumption levels in Australia in linear with the 68% increase in licensed premises in Australia since 1997 to 2011, but this has not occurred at all.
91. Whilst it may be true that today there is a greater probability of chronic diseases attributable to alcohol consumption amongst the more vulnerable members of our community, this does not necessarily mean they are consuming more alcohol when an additional bottleshop opens at all. Factors that relate to a persons vulnerability to chronic disease must not be viewed in isolation to other important factors. In many cases alcohol is not the problem at all; it is used as a self medication to dampen down the underlying issue and it is the underlying issue that needs to be addressed and treated. There is also evidence that if there has been a *trauma related incident then there is a higher risk to having a drinking problem* (comments by Professor Alexander McFarlane – *the intertwined nature between trauma and drug and alcohol use: the self-medication hypothesis*, Drug and Alcohol Conference, Canberra, November 2010). Trauma can occur in ones life for a number of reasons, such as through death of a family member or friend, break down of a marriage, unemployment etc. As to reasons why perhaps the more vulnerable members of our community suffer from a greater probability of chronic disease may simply be that there is more “trauma” within their life and less opportunity to seek affordable treatments outside self medication options.
92. The simple truth is the author cannot accurately make any connection based on 14 years of hospitalisation data relevant to the density of off-premises (that are equivalent to a NSW *packaged liquor licence*). The thesis does not take into account other types of licences in the study area, which may be the direct cause of the rates of alcohol use disorders. It simply suggests a correlation (that cannot be found with certainty) and therefore the conclusion is misleading and factually incorrect.
93. The author notes the views of other studies (at page 516) and states “Parker [41] who put forward the idea of clusters of licensed premises as “great attractors”, which attract motivated offenders and potential victims to the same locality. Gruenawald [42] took this idea further, proposing that increasing the number of liquor licences produces increasingly selective niche drinking environments clustering together likeminded people, thus increasing the confrontations between violence-prone drinkers”. These views and the other similar views outlined in the study do not relate to *packaged liquor licences* at all but premises where the consumption of alcohol occurs on the premises. Therefore Livingston is also not accurately distinguishing between the impacts that are relevant to *packaged liquor licences* at all and draws upon conclusions that can never apply to a retail liquor store alone.
94. At page 517 Livingston, relying on other research, states “There is good reason to expect that different types of outlets contribute differently to types of harm”, yet the connection that he claims to have made here – that is that there is evidence that “the density of off-premises alcohol outlets is related to the rate of alcohol use disorders” simply cannot be determined on its own (because it is simply not known where patients have purchased their liquor from and the reason why they have been admitted to hospital may be for a

variety of other reasons). The claim is simply that in an area where off-premises density has increased in line with an increase in hospitalisation admission data for assault or disorders, that it must be because of the number of off-premises venues. Accepted research practices require a more balanced approach where one factor is not isolated from others - that is a combination of factors at specific locations where the risk of alcohol related harm might increase. The author has simply not explored the entire situation and taken into account other realistic factors.

95. In conclusion, and for the reasons set out above, Reference 21 is flawed and does not support the matters contained within the 2013 Jones Report.

Not Referenced – Kuo et al, 2003

96. At page 7 of the 2013 Jones Report (under the sub-heading “do point-of-sale promotions impact on consumption behaviour?”), PSJ relies on this paper and states “in the US, studies of alcohol advertising and promotions have shown a direct association between the availability of specials and promotions in off-premises outlets near university campuses and binge drinking rates among university students”. This paper could not be sourced however PSJ makes reference to it within the Reference 16.
97. At page 887 of Reference 16, PSJ states “Kuo et al. (2003) conducted environmental assessment of neighbourhoods surrounding 119 college campuses across the USA, with a focus on off-premises (e.g. liquor stores, grocery stores, convenience stores) and on-premises (e.g. bars, clubs, restaurants) outlets that sold beer”. That is to say the study did **not** relate to liquor products in general but rather the availability of beer only. Accordingly, the comments made by PSJ within the preceding paragraph are either incorrect or, at the very least, misleading.

Attachment 2: The Report of Professor Adrian Furnham

Critique of “Expert Report on ‘shopper docket’ Alcohol Promotions” by Sandra Jones (20 May 2013)

**Professor Adrian Furnham
University College London**

1 July 2013

*A Critique of Professor Jones' Expert Report on "shopper docket"
alcohol promotions
Adrian Furnham
University College London*

Introduction

Professor Jones from the University of Wollongong's Centre for Health Initiatives prepared a report published on the 20th May 2013 entitled *Expert Report on "shopper docket" alcohol promotions* which addressed 10 issues. The report suggests that particular supermarket-linked, point-of-sale promotions are likely to increase sales and rather than lead to "stock-piling", result in both increased consumption and moreover unhealthily "at a single setting" consumption. This report examines a number of these claims in her report.

First however I wish to provide my expert view on the shopper docket receipt promotion offered by Woolworths Limited itself, which forms the foundation for the instructions to Professor Jones to prepare her report. I am instructed the promotion used as an example (and which was communicated to Professor Jones) involved:-

- The sale of one bottle of South Island Marlborough Sauvignon Blanc white wine at a cost to the customer of \$15.99. The liquid within the bottle was equivalent to 7.4 standard drinks.
- A customer (upon producing a *receipt* outlining details of the promotion) was entitled to receive, at the end of the above purchase, a bonus 6 pack of Sol Mexican Beer free of charge. The liquid within the 6 bottles of beer was equivalent to 7.2 standard drinks.
- Only one *receipt* per redemption was permitted but it could be the case that a customer produces multiple *receipts*.
- The promotion *receipts* were issued to customers following the ending of another sales transaction (i.e. within either a Woolworths Supermarket or one of its bottleshops).

I am informed Woolworths Limited has collected data following the ending of the promotion as to the type of customer (i.e. sex and age category) who redeemed the offer. I have personally not reviewed this data (although I am aware of its findings), as that is factual evidence rather than something that requires validation by another.

My view is therefore based on my experience and work in alcohol related matters (my CV is **attached**) as well as the available literature in this area. *First*, the promotion seems reasonable. It takes planning and a level of intelligence to use and abuse and unlikely to be

abused/used by impulsive young people prone to binge drinking. The fact that women aged 35 years plus liked the promotion proves that. Indeed it is quite possible they buy the wine for themselves and give the beer away as a present. Few women do not binge or preload on beer, unlike spirits which is more common.

Second I am very interested in the concept of vulnerable customers and have written a report on this topic. There are different types of vulnerability: cognitive (associated with the very old) who get confused/mixed up; those who are physically impaired as well as socially vulnerable to a particular aggressive sales pitch. It is however my view that the promotion is very safe and does not appeal to vulnerable persons. It provides a record, it is a two step process and it requires some delay of gratification for the shopper.

Third, as noted the promotion may encourage a spontaneous purchase (as noted possibly for a present rather than for personal consumption) but there remains no evidence that purchase behaviour is linked to consumption behaviour.

I therefore do not find that the promotion could lead to any of the type of concerns expressed by Professor Jones and which are commented upon in further detail in the paragraphs that follow.

1. What is considered irresponsible, rapid or excessive consumption of alcohol?

In her final paragraph Professor Jones suggests that “in the context of medical evidence, national surveys and common parlance, consuming more than four standard drinks in a single drinking occasion is “excessive consumption”. This is presented as if there is no debate or disagreement about this issue more frequently referred to as “binge drinking”. This merits some discussion. In short, there is considerable debate as to how much is consumed, by whom and under what conditions to be considered “unhealthy, irresponsible or excessive consumption”.

At the most simple level *binge drinking may be conceptualised as drinking a large quantity of alcohol in a short period of time, usually with the specific aim of getting drunk.* There is considerable disagreement however, among researchers and policy makers as to what, more specifically than this, constitutes binge drinking. The issue most people are rightly concerned about, other than health and possible addiction, is that binge drinking is associated with accidents and irresponsible sexual practices particularly in young people. Wechsler and Kuo (2000) asked students what they thought characterised binge drinking- they suggested 6 drinks in a row for men and 5 for women. Interestingly the students’ estimates of binge

behaviour changed alongside their own drinking levels. Further, these American students estimated that a third of their number were binge drinkers.

In academic literature “binge drinking” is usually defined as *five or more alcoholic drinks consumed in one sitting*. However various researchers have objected to this definition with De Jong (2003) outlining three problematic aspects:-

1. This definition takes no account of other important factors such as:
 - The drinker’s weight and height;
 - The drinker’s personal drinking history;
 - The time period over which the alcohol was consumed; and
 - Whether or not food was consumed with the alcohol.
2. The idea of intermittent yet prolonged episodes of alcohol abuse ought to be included.
3. The use of cut-off points assumes that consumption below this level is safe.

As can be seen from these criticisms, the failure to include such individual and contextual factors is not only overly simplistic and reductionist in nature, but reduces the utility of the definition itself. Such criticism however, does not pass without contention.

Much confusion remains, such that the prestigious *Journal of Studies on Alcohol* set out the following guidance for authors in 2003:

“While some contributors have simply used a set number of drinks per drinking occasion to define a binge (e.g. 5 drinks in a row for men and 4 drinks in a row for women), others feel that the term “binge” should only be used to describe an extended bout of drinking or other substance use (often operationalised as at least 2 days) in which the personal neglects other activities in order to drink.

In order to avoid the confusion that potentially arises when different clinical phenomena are being described by the same name, the Journal has now adopted a policy that requires the term “binge” to be used in a specific way in accepted manuscripts. According to the policy, the term “binge” should only be used to describe an extended period of time (usually two or more days) during which a person repeatedly administers alcohol or another substance to the point of intoxication, and gives up his/her usual activities and obligations in order to use the substance. It is the combination of prolonged use and the giving up of usual activities that forms the core of the definition of a “binge”.

If authors are using the word “binge” to mean something other than the extended period of intoxication with concomitant neglect of activities/obligations as described above, we ask that they change their terminology. Alternative terms for the word “binge” include “heavy drinking”/“heavy use” or “heavy episodic drinking”/“heavy episodic use.”

Thus, any effort to understand the phenomenon of binge drinking begins with a definitional problem and so, one researcher may categorise a pattern of behaviour as “binge drinking” while another may not. Indeed many moderate drinkers maybe surprised to find that an average middle-class dinner party may be easily classified as a “binge drinking” session.

One could essentially define binge drinking in four ways. *Firstly*, it can be done by simple consumption figures (i.e. 6 drinks per session, which is the number many researchers believe is relevant). *Secondly*, it could be done more sophisticatedly by looking at the nature of the consumption session (time, food/water accompaniments and by the drinking history of the individual). *Thirdly*, it could be left up to the individual to give a post-event definition of whether the session was binge drinking or not. *Fourthly*, binge drinking could be examined in terms of the consequences for the individual (hangover) or by the social/anti-social behaviours which are associated with the consumption.

Consuming 5-10 units of alcohol in a few hours without water or food and with the explicit aim of getting drunk is without doubt irresponsible, unwise and very unhealthy. However it is misleading for Professor Jones to suggest there is agreement among researchers or the general public as to what precisely defines “excessive consumption”. It clearly varies on the particular circumstances. Therefore, Professor Jones’ conclusion that “*four standard drinks in a single drinking occasion is “excessive” consumption*” is not supported by the literature and I believe is incorrect.

2. Which individuals or groups are at risk of engaging in irresponsible, rapid or excessive consumption of alcohol?

In all western countries it is young males (15-30yrs) that are statistically the most common binge drinkers. The literature suggests it is mainly male young students, mostly white, and they do it around 2 – 3 times per week. They do it for various reasons: status, peer

pressure, campus culture, but the patterns are complex. Thus Baer (2002) found four factors commonly associated with binge drinking.

1. Family history and parents' behaviour: Genetics, parent's drinking and parenting skills and style have all been associated with young people and binge drinking.
2. Personality: Three traits have been consistently investigated – impulsivity/disinhibition; extraversion/sociability; and neuroticism/emotionality.
3. Drinking motives, alcohol expectancies and perceived norms. Drinking for emotional escape and relief as opposed to social purposes has been shown to be unhealthy. Expectations of what alcohol does to the self and others is also implicated in unhealthy drinking as are perceived social norms. Note it is the perception of how much others drink (and why) not the realities that is important.
4. Social Affiliation: This is reasoned to be the most important factor and refers to drinking activities, games and general practices.

Equally, Dowdall and Wechsler (2002) in a describing of the complexity of the issues listed (some of) the factors that affect American college drinking:

Pre college	College
<p>Family</p> <ul style="list-style-type: none"> * Genetic predisposition * Parental drinking * Race/ethnicity * Educational background. <p>Public Policy</p> <ul style="list-style-type: none"> * State laws * Drinking at age 21 * Local community ordinances * Law enforcement <p>Alcohol Environment</p> <ul style="list-style-type: none"> * Price * Marketing practices * Outlet density * Hours of sale <p>Social/Institutional</p> <ul style="list-style-type: none"> * Social class * Neighbourhood * Middle/high school * Church/synagogue * Subcultures 	<p>Individual</p> <ul style="list-style-type: none"> * Previous drinking history * Age of first drink * High risk behaviour * Social network <p>College Environment</p> <ul style="list-style-type: none"> * Drinking traditions * College type * Peer groups * Residential system * Greek system * Intercollegiate athletics <p>Alcohol Environment: on Campus</p> <ul style="list-style-type: none"> * Availability * Price * Quantity available * Advertising <p>Alcohol Environment: off Campus</p> <ul style="list-style-type: none"> * Retail price of alcohol * Quantity accessible * Outlet density * Proximity to outlets * Point of purchase displays * Alcohol advertising.

Inevitably young people need access to disposable cash to buy alcohol. Social class is an important factor in this equation. Thus whilst it is true that young males are the most likely to be binge drinkers, a wide array of other factors influence those who choose to, or not to, use, misuse or abuse alcohol in any way.

3. Are there distinguishing features of liquor promotions, and any risk of harm associated with same, conducted by corporate versus independent packaged liquor stores?

I believe that the author is correct in her assertion that supermarket chains, with their size and purchasing power can provide greater incentives to customers to purchase larger quantities of alcohol. However, there are two issues here which will be revisited. First, purchasing more on one occasion (of any product) does not necessarily imply greater consumption overall or indeed at one sitting. Next, it is increasingly common for small (non supermarket) outlets (i.e. independent operators) to use various “loss leaders” to attract shoppers (which may include alcohol).

However I see no evidence provided by Professor Jones to answer the above. There is no evidence in the *Binge Drinking* literature that I am aware of which suggests the place or type of purchase has any effect on systematic consumption of the product. Impulsive individuals (a personality characteristic) make impulsive purchases and consume impulsively but they do that anywhere with many products.

It is my opinion, that whilst there are perhaps greater incentives at supermarkets chains, there are no significant differences in the risk of alcohol related harm associated with *corporate* versus *independent* packaged liquor stores.

4. Do point-of-sale promotions impact on purchase behaviour?

It is not surprising that sales go up with promotions. The author quotes a Government study where people reported that if alcohol was discounted they would buy more. She also quotes two of her own (as yet) unpublished studies which give the same results. Ignoring the issue of this research not (as yet) being subjected to peer-review scientific scrutiny, there appear to be three important issues here.

First, it is difficult to imagine that similar results would not occur if the product were not alcohol but something like tinned foods, soap shampoo etc. That is, people respond to sales/promotion by purchasing more of the product.

Second, some would be surprised by how relatively few people “say” that they would buy more frequently when discounts are offered. Note that only 13% *spontaneously* said that they bought alcohol as a result of a promotion. In other words the promotion had no effect on 87% of shoppers.

Third, the most important issue here is the problem of methodology. In both studies the words “when prompted” are used. This means that when people are asked a question they tend to give different answers to when they are asked direct questions with fixed answers (yes/no) or multiple choices. This issue is of concern to researchers, many of whom believe that these prompts can be used to influence results. There is extensive literature first reviewed by Schwarz (1999) showing how all sorts of features like the order of questions, the response format, and the description the market researcher gives of themselves and the purpose of the survey which can have a massive impact on responses. The differences between open-ended and closed (prompted) questions can be illustrated in a famous study which showed that when asked “the most important thing for children to prepare themselves for life is...” only 4.6% offered the response “think for themselves”, but that when given a multiple choice 61.5% responded in this way.

Methodology influences results. What people say and what they do are not the same. There is an extensive literature on the problems of using self-reports of behaviour to measure actual behaviour (i.e. purchasing) because it is so prone to bias. All researchers demand “multi-trait multi method approaches” to reduce systematic bias. Prof Jones relies all the time on self-report and not actual behavioural data.

Even using her own data she is rightly tentative and cautious i.e “These results *suggest* that alcohol POS promotions *may* encourage...”. This is quite different from producing good evidence that *proves* promotions *do..* have a particular effect.

Additionally, Professor Jones ignores other literature (see Appendix). For example, British (Duffy, 1989), Canadian (Lariviere et al. 2000) and the USA (Lee & Trembling, 1992) each concluded the same as did a recent review (Luik et al. 2008): there is little or no relationship between alcohol advertising spend and enlarging the market by increased alcohol consumption. However the advertising mix does change both brand and type of alcohol consumed.

I am of the view, that whilst point of sale promotions may impact on purchase behaviour there is no evidence that this adversely impacts on consumption behaviour (see Appendix).

5. Does the character of buy-one-get-one-free alcohol point-of-sale promotions risk encouraging irresponsible, rapid or excessive consumption of liquor?

There are a number of issues concerning Prof Jones' report here. *First* her data are based exclusively on focus groups. Thus it is a cross-sectional, self-report study which cannot answer causal questions (see above and appendix). There are many issues that lead focus group data to be unreliable and invalid predictors of behaviour. Even so she noted: "many participants initially stated that these promotions *did not influence their promotions for drinking decisions*"...Note that the precise number was not given. Further, it seems apparent that this is not the answer Prof Jones wanted and so noted "...on reflection most of them were able to recall (in considerable detail) promotions that they had participated in. This appears to be the result of prompting.

The power of any *by one get one free* promotion has the power to encourage sales, but there is no evidence that it leads to unhealthy consumption of the product. It is argued that "*the emotional response of receiving something for 'free'..*" somehow leads to excessive consumption. There is a large amount of literature on the psychology of persuasive techniques in advertising but, as far as I know, nothing on the relationship between the method(s) of persuasion and later consumption.

I have reviewed the shopper docket promotion offered by Woolworths Limited (i.e. the purchase of a South Island Marlborough Sauvignon Blanc bottle of wine at \$15.99, with the customer entitled to a bonus 6 pack of Sol Mexican Beer). In my opinion the promotion (or similar ones like it) does not (based on a review of the literature -see Appendix) encourage irresponsible, rapid or excessive consumption of liquor.

6. Do point-of-sales promotion impact on consumption behaviour?

The author notes promotions can lead to stockpiling of paper goods and canned foods presumable because they, like alcohol, are not quickly perishable. There is no reason to assume that alcohol is not treated similarly. However Prof Jones quotes a study without statistics (... "some (but not all) young people..."). She claims that she has evidence that these purchases frequently lead to consumption in *a single sitting*. This is however is unclear: who is at that single sitting and for how long does it occur. Thus a group of six teenagers may

consume a pack of six beers while playing video games and eating over a four hour session which is unlikely to be judged as unhealthy. This is different from an individual consuming the same amount alone in a few hours whether he/she purchased the products themselves or not.

She notes a study (Kuo et al, 2003) in the first full paragraph on page 7, but this paper is not in the references. Nor are there other salient papers referred to in Professor Jones' Report which do not show that result (see appendix).

As far as I know (based on the literature available to me) there is no evidence that point of sale promotions of the type and nature offered by Woolworths Limited (i.e. the shopper docket promotion I have reviewed) would adversely impact on consumption behaviour.

7. Is packaged alcohol (and associated promotions) less associated with harm than on-premises alcohol consumption

The author here deals with many issues like people "pre-loading" meaning drinking at home before going out; the relationship between alcohol consumption and domestic violence; liquor outlet density and alcohol abuse etc. Then in the final paragraph she notes "*It is not unreasonable to assume.....* Yet these presumptions are not proof. Indeed there is, as far as I can see no scientific proof for this assumption that drinking in the home either before going out (to drink more or not) leads to excessive and unhealthy drinking. In order to prove this point it is possible (but expensive and difficult) to devise a study which will answer the causal association: that is where alcohol is purchased and at what price has a systematic and consistent effect on the way (place, amount) it is consumed (see appendix).

8. Do supermarket-linked point-of-sale promotions target certain types of customer or present increased risks for vulnerable customers?

Once again Professor Jones does not provide evidence to either answer the question or indeed support her case. Most countries have strict rules about alcohol advertising which means certain theme or images are not allowed. The question here is where is the evidence that supermarkets (or anyone else for that matter) are trying to target different demographic or psychographic groups like middle class males, young persons, persons who are pregnant, or those with particular religious, political or other views?

How would one provide proof of this? First, it would be desirable to interview those in the supermarkets responsible for the advertising and consider their view and motivation. More

important one needs to do *experimental studies* with systematically varied promotions (beer vs wine; time of year; brand) and then to record the particular characteristics of the purchaser that one was interested in. Thus it is possible to test the assumption that a particular supermarket chain is targeting, for example, young males to purchase “cheap white spirits” and then to test whether this works in the sense that their purchasing goes up, while others remain stable over time. It involves collecting data and monitoring, which is now possible with store cards. But this causal, scientific data is not available. Professor Jones is making falsifiable claims with insufficient evidence that seems to not be in the spirit of disinterested academic research (see Appendix).

Her fourth point (page 9) in answer to this (double) question addresses the most fundamental issue underlying all this work namely “the substantial evidence...that exposure to alcohol marketing...is associated with earlier initiation and greater consumption among young people”. It is a topic which attracts considerable research (Morgenstern et al., 2010) and reviews (Anderson et al. 2009). It is here we see three issues of great concern with regard to this report. That is:-

- a. Highly selective reading: The author presents the case as if there is consistent and agreed evidence for her position. This is far from the truth (see appendix) and reflects a highly selective reading of the considerable scientific literature. There are as many papers showing no effects of advertising on purchase and consumption than those that do.
- b. Heavy reliance on her own research which she omits to note had been criticised in the academic literature. Thus Jackson (2012) notes “ *I am concerned that the authors have chosen to discuss only the findings in their study which confirms their beliefs regarding the harmful impact of alcohol advertising, such as the results relating to magazine and internet advertising and promotion at licensed premises*” (p79). She is politely accused of confirmation bias or the selective reporting of her results. This appears throughout this report.
- c. A reliance on cross-sectional, self-report studies which can say nothing about causation (see appendix). Where there have been longitudinal behaviour studies they have often found no association with alcohol marketing and consumption in young people. As an example note some of the conclusions from a recent study by Gordon et al. (2010):

*“After controlling for confounders, **no association** was found between uptake of drinking and baseline awareness of alcohol marketing (Modell) or the number of brands recalled at baseline” (p. 475).*

*“After controlling for confounders, **no association** was found between uptake of fortnightly drinking at follow-up and number of brands recalled at baseline (Model 7)” (p. 475).*

*“ After controlling for confounders, **no association** was found between uptake of monthly drinking at follow-up and baseline awareness of alcohol marketing (Model 9), number of brands recalled at baseline (Model 11) or baseline appreciation of alcohol advertising (Model 12)” (p. 476).*

*“ Multiple regression analysis, controlling for demographics, baseline drinking status, amount consumed at baseline and other drinking related variables found **no association** between units consumed at follow-up and baseline measures of awareness or involvement in alcohol marketing, number of brands recalled or appreciation of alcohol advertising” (p. 476).*

9. Are controls in regard to limits on quantities on shopper docket adequate?

Again Professor Jones makes the assumption, with no evidence, that the purchase will lead to single-session or binge drinking, and therefore needs to be (more) controlled. This is a public policy decision based on no evidence. There is an interesting and important literature on the efficacy of different methods to control alcohol consumption with very mixed results (see appendix).

10. Would additional controls in the form of restrictions be appropriate?

In this final paragraph it is clear that Professor Jones is a “regulator” (see Appendix), who has either a poor or biased reading of the long and complicated literature in this area. She over-emphasises empirical data (i.e. “recognised the *powerful association*”). Her last sentence sets out very clearly her agenda though she has failed to provide good scientific evidence to support her position which possibly may require considering some further legislation.



Professor Adrian Furnham

Appendix:

There are three parts to this appendix. The first looks at the “politics of alcohol advertising”. The second looks at the evidence that alcohol advertising leads to increased consumption, whilst the third part looks at the types and effects of alcohol control.

1. Taking Sides: The Politics of Alcohol Advertising

A great deal has been written about advertising in general to young people. Researchers and social policy specialists as well as consumer activist groups have considered, often with more heat than reason, the effects of advertising, particularly television advertising to children. The result is *two opposing forces*: educators and legislators who are bitterly opposed in terms of the data they quote, arguments they rehearse and more importantly legislation they want and do not want passed.

Advertising and marketing to young people is a social policy but also an academic and a political issue. Academic researchers and political researchers, just as much as pressure group activists, find it hard to dissociate empirical finding with a preferred solution to the problem of how to persuade young people to behave in particular ways. Over time this had led to the development of two opposing camps: groups with very different ideologies. There are potentially extreme positions taken by both (Furnham 2003, 2009)/

The Opposing Camps		
	<u>Educators</u>	<u>Legislators</u>
<u>Politically</u>	Right-Wing Pro-Business	Left-Wing Anti-Business
<u>Philosophically</u>	Descriptive Individualistic	Pre/Proscriptive Collectivistic
	<i>Empiricists</i>	<i>Post-Empiricists</i>
<u>Research</u>	Cautious Crucial Experimental Academic publications Aimed at understanding	Certain Optional Survey Press releases, policy document Aimed at acting

The two groups take a very different approach not only to advertising but social issues in general. They are ideologically different and inevitably somewhat selective in the evidence they admit to support their position.

Protectionists believe that advertising needs strict control through legislation. They argue that there is data, usually privately commissioned surveys, to suggest that binge drinking

is the direct result of sexy advertisements showing drinking to be the ideal pursuit of young, attractive, successful people. They argue that all parents are of like mind on this issue and that advertisers exploiting their naivety and desire to be one of the crowd. **Protectionists** demand action and their preference is for legal action. Usually this means restricting or banning advertising; tightening up on where alcohol can be bought and consumed; and favouring increasing taxation on all alcohol products.

To the opposite group, (i.e. the **Educationalists**) they appear to be anti-business, left wing, anti-empirical, patronising to young people. Protectionists and legislators have been successful in certain European countries in ensuring government legislation, as opposed to industry regulation, of particular advertisements particularly on television. Frequently various pressure groups combined together to find and proselytise on behalf of a protectionist anti-advertising banner. However it probably remains true to say there is little or *no evidence* that this strategy works in dissuading young people from wanting particular goods or "protecting" them from advertisers (Furnham 2003, 2009).

Educationalists argue that it is both unwise and unethical to ban advertising for two reasons. First, young people need education and banning advertisements simply puts back their consumer education, understanding and knowledge. It renders them more naive and unable to understand and effectively deal with the new consumer society. Second, they argue from experimental data both that advertisements are clearly not exclusive in determining preferences and sales. Some young people drink; others do not; some act responsibly (most of the time) others do not. Advertising has only a modest influence on what and where young people drink certainly not how much they drink. Educationalists also argue that strict voluntary codes that advertisers have to follow are more than sufficient to protect young children from unfair advertising.

Opponents see those in favour of education as right wing, pro-business, apologists who are "in the pocket" of advertisers. They are often to be found in think tanks and maybe supported by manufacturers. They often commission academic research in the certain knowledge that it will show the complexity of the factors and processes leading to child product requests.

The problem for both groups is they have a strong inclination to over simplify a complex problem ignoring ideas and data they do not like. The most important is which factors are the most powerful influences in determining purchasing preferences and drinking behaviours.

Those who are clearly more committed to education rather than legislation offer 10 points in favour of their position:

1. The theoretical naivety of the explanatory simple causal models proposed to explain how advertising leads to purchasing.
2. The empirical weakness of the data they use to support their position like unpublished survey work asking leading questions of small unrepresentative samples.
3. The social policy inconsistency (perhaps hypocrisy) which shows only certain products targeted for banning.
4. The crypto-political agenda that is found both in their funding and other activities.
5. The impossibility of speaking on behalf of others when they are essentially an unelected body who cannot speak on behalf of a diverse group like consumers.
6. The commissioning of disinterested research (endowing university chairs, planning conferences). However it is doubtful if there could ever be a definitive, "killer" study or series of studies that settled the argument either way in that it is proved, to the satisfaction of everyone, what caused what and how.
7. Emphasise the educative role, of advertising and television and that banning both infantilises and restricts children and adolescent development.
8. Demonstrating the self-evident fact that advertising pays for programming of all sorts in entertainment or education.
9. Showing that bans backfire and have often the opposite effect that they are supposed to have.
10. By emphasising that banning subverts the family and nationalises children attempting to take away the rights of parents. (Furnham, 2003,2009)

The question is who is in the best position to decide what advertisements a young person can or cannot see: the young person themselves, their parents or the State. There are obvious objections to the young person themselves given their understanding and experience. Equally one could argue that the state has no right to nationalise children and subvert the family. This leaves the parents as the most obvious, important, powerful people to help children understand the moral social and economic world and regulate consumer socialisation.

The problem is that researchers are often caught up in this debate and unscientifically take sides. Few are immune and able to do what the academics require: dispassionate, disinterested and good science

2. Alcohol advertising to young people.

It is not difficult to find studies or quotes that support a particular viewpoint. Thus one can find evidence that alcohol advertisements increase sales of alcohol in the long and short term and that advertising spend is linked to overall consumption. Equally it is easy to find studies that show no link at all. The question is looking at what a range of different studies using different methods tend to show i.e. doing a review of reviews or better still a meta-analysis.

Additionally, research in this area is difficult and expensive because of the type of studies required to answer critical questions and the number of variables involved. It is also an area that attracts a good deal of “ideological” baggage making it difficult for reviewer and researchers to get clear answers. It remains as a consequence very difficult to assert with any empirically backed confidence which type of advertising for which type of product has a demonstrable behavioural effect on any group of people. The information that follows is therefore a balanced view of the literature.

Television and magazine commercials (as well as in-store offers) encourages, particularly young people, to want and consume alcohol. Television advertising, according to this model, creates (false, dangerous and expensive) wants in the young person; not needs. Television advertising is thus accorded a primary motivational role and hence the problem can be solved by banning it. In the context of binge drinking the idea is that advertising (anywhere) causes binge drinking. To believe that advertising *alone* can create wants is very naïve – advertising helps companies satisfy demand at best. Even to the most gullible viewer advertising cannot persuade people to buy brands they really do not want.

One of the central and still unsatisfactory questions for everyone in the business of marketing is “Does advertising work?” Inevitably the question has become more sophisticated and is about what type of advertising has what kind of effects for whom under what particular circumstances. Thus the medium is important, as is the particularly characteristics of the advertisements. Further, it is often extremely difficult to measure results which include memory for the brand as opposed to large scale campaigns.

The problem is researchers answering simple questions to immense ones. Consider the simple questions: does exposure to alcohol advertisements increase the likelihood and actual consumption in young people? There are various sorts of studies in this area:

- *Econometric* looking at aggregated national or international data (i.e. alcohol consumed, money spent on advertising and tax revenue).
- *Longitudinal quantitative* studies following a (or more) cohort over time looking at changes in behaviours as a function of certain factors.
- *Cross-sectional studies* looking at the relationship between various factors like demography and alcohol beliefs and behaviours.
- *Experimental studies* which attempt to manipulate one factor (i.e. type of advertisement) and examine its effects on another (i.e. memory for brand, intention to buy).
- *Intervention studies* aimed at changing behaviour which maybe longitudinal or cross section and attempt to demonstrate the effectiveness of introducing a strategy aimed at changing behaviour.
- *Qualitative studies* that explore small groups or individuals and their beliefs and behaviours with respect to alcohol.
- *Biographical and auto biographical studies* of individuals, often well known using tracing a tragic decent into alcoholism but occasionally revealing a heroic battle and subsequent triumph.

Often studies are a combination of these types and may be on very different scales. As ever, each may be justly liable to a variety of methodological critiques. The hope of a decisive, conclusive, accepted, “killer” research review or study from one or many traditions (i.e. econometric, quantitative, qualitative) to answer the question about the (manifold and complex) impact of advertising on alcohol consumption for whole societies or specific groups *is unlikely ever to occur*.

It is accepted that it is both difficult and expensive (in terms of resources) to demonstrate a causal relationship between advertising and consumption. It is also agreed by scholars who work in this area that there are various necessary requirements. They are:

Sample: it is important that a sufficiently large and representative sample be studied so that one can make unbiased generalisations to the population as a whole. Small and

unrepresentative groups with respect to geographical location, demography, culture etc, can yield unsatisfactory results that cannot be generalised to the population as a whole.

Time: the only way in which it is possible to demonstrate causality is to do longitudinal work and follow the same people over (a reasonable) amount of time, ensuring there are no systematic drop-outs. Cross-sectional work cannot demonstrate causality. Further, it is desirable to take measurements at a number of time periods to ensure that any trends that are present are identified.

Behaviour: when it comes to sensitive issues like drinking it is imperative that good behavioural markers are obtained not only of drinking (quantity, chronicity, type) but also of media consumption (television, magazine). There are numerous and well-established problems that arise when using self-report measures making it unwise to rely upon data collected in this way – unless verified by other methods. Systematic errors in self-reports – and the report of observers known to the target individuals – are prone to distortions which make them unreliable and potentially invalid.

Confounding Variables: there are a range of well established factors which are associated with both media consumption/marketing awareness *and* alcohol consumption. These include variables associated with the target individuals (e.g., demographics, personality, ability), their social circumstances (e.g., family situation, parenting style, peer groups, financial status), their physical situation (e.g., urban/rural), access to media (e.g., availability of broadband), as well as other socio-economic, cultural and historic factors. It is imperative that these factors are controlled for (usually statistically) so that one can be sure that variable of interest (i.e., alcohol marketing) is indeed associated with the target behaviour (drinking alcohol).

Statistical Analysis: whilst there is a great deal of choice in the statistics procedures available some are more powerful and appropriate than others. Nearly always there are quite stringent assumptions associated with a particular analysis and breaking those assumptions can invalidate the test. Furthermore the difference between statistical significance and social significance always needs to be considered. For example, a very

small effect (i.e., a very weak correlation between two variables) can, in a large sample be highly statistically significant, but may have little or no social significance.

The reason is the complexity and difficult of research. There are always questions about the quality and quantity of the data; the appropriateness and interpretation of the statistical analysis; and the fact that different interpretations can be put on the particular results. Thus everything has to be considerably qualified. As stated above, it is not difficult to find studies or quotes that support a particular viewpoint. Thus one can find evidence that alcohol advertisements increase sales of alcohol in the long and short term and that advertising spend is linked to overall consumption. Equally it is easy to find studies that show no link at all. The question is looking at what a range of different studies using different methods tend to show i.e. doing a review of reviews or better still a meta-analysis.

Balanced, impartial, academic reviews talk about inconclusive, equivocal or mixed results. Studies are inconsistent though it is possible often to talk of relative trends. A report commissioned by The Advertising Association in 2008 entitled Advertising and the Misuse of Alcohol suggested there are three central issues/debates in this area:

- Does increased alcohol consumption lead to great abuse and health costs?
- Does alcohol advertising affect overall consumption or brand specific purchases?
- Does alcohol advertising directly cause the initiation of drinking?

Attempts to answer these fraught and complex questions have resulted in large scale econometric studies as well as qualitative and quantitative research. Previous literature reviews from various countries over the past 25 years have suggested that alcohol advertising effort and spend is unrelated, or insignificantly related to overall consumption but rather reallocates brand sales in a zero-sum market. However this is very difficult research based on weak or missing statistics like advertising expenditure as well as the drinkers knowledge, attitude and behaviour or the behaviour of sub-groups.

Sometimes research is reasonable straight forward using econometric research. Thus one can look at advertising expenditure on beer, spirits and wine over a particular period and the consumption some time later. British (Duffy, 1989), Canadian (Lariviere et al. 2000) and the USA (Lee & Trembling, 1992) each concluded the same as did a recent review (Luik et al. 2008): there is little or no relationship between alcohol advertising spend and enlarging the

market by increased alcohol consumption. However the advertising mix does change both brand and type of alcohol consumed.

The impact of advertising on alcohol consumption has inevitably attracted literature reviews (Smart, 1988; Fisher, 1993). Some big reviews have clear conclusions e.g. advertising bans do not reduce alcohol consumption or abuse: advertising expenditures do not have a market wide expansion effect; and survey-research studies of youth behaviours are seriously incomplete as a basis for public policy.

One of the most quoted works is that of Safer (1991) who published a controversial paper in the *Journal of Health Economics*. He noted that 2% of all USA American advertising was aimed at alcohol which was about half of all alcohol advertising in the world. He argued that small studies particularly focusing on brand choice cannot show the effects of long periods of cumulative information provided by advertising. His study was cross-sectional looking at data from 17 countries over 13 years. He had various measures including the real price of alcohol, real income per capita consumption of alcohol, liver cirrhosis and motor vehicle fatality as well as advertising bans.

However as is the way with research of this type, the analysis received a stern critique. Young (1993) reanalysed the data and revealed flaws in interpretation. He argued that there were three serious problems with the research.

“First there is evidence of reverse causation: countries with low consumption/death rates to adopt advertising bans, creating a (spurious) negative correlation between bans and consumption/death rates. Second, even this correlation largely disappears when the estimates are corrected for serial correlation. Third, estimates based on the components of consumption – spirits, beer and wine – mostly indicate that bans are associated with increased consumption.” (p. 213)

He suggests that his analysis like many other careful studies in the area fail to provide evidence that banning alcohol advertising reduces consumption or associated deaths. Inevitably Saffer (1993) returned to attack his attackers. He accused Young (1991) of poor statistics and inappropriate inferences drawn from them. Saffer argued that the continued addition of advertising leads to smaller and smaller increments in consumption. So the relatively small changes in consumption have (demonstrably) little effect on consumption. He argues that smaller, local, cross-sectional studies which sees a much wider change in spend could and does show that advertising really raises alcohol consumption. But his critics like Nelson (2005) point out that alcohol advertising is a very mature market. All people in the

west are familiar with alcohol drinks. Therefore there are diminishing marginal returns for alcohol advertising but it can lead to brand change.

Naturally, the focus of research on alcohol advertising has been on its effects on young people. Twenty years ago Atkin (1990) did a useful theoretical overview of the affects of televised alcohol messages on teenage drinking patterns. He notes as have others that adolescents maybe particularly responsive to alcohol advertisements. First, the sheer number of commercials and portrayal of drinking in comedies, drama and soaps. Second, their curiosity motivates them to seek the life-style and enjoyment of those they see drinking. Third, their limited experience and fewer opportunities to observe drinking may make them more receptive to media affects. Fourth the “forbidden fruit” of adult behaviour is clearly alluring.

The problem with cross sectional studies is that they cannot show causation. To show young people notice, recall and rate highly alcohol advertising neither means that they are more likely to drink nor that advertising produces drink related behaviour. It could be that particular young people (less educated males) who are more likely to drink and watch television are particularly attentive to the advertising of alcohol. Wyllie et al (1998) believe they have evidence that alcohol consumption on drinking occasions is linked to positive responses to beer advertisements and not vice versa but their conclusions remain tentative.

Is there a correlation between alcohol advertising and alcohol demand among young people? There certainly has been a great deal of interest and research on the topic. (Collins et al, 2003). In a critical review Saffer (2002) made the following points:

1. The advertising-to-sales ratio is higher in the alcohol industry than the average because the market is dominated by fewer larger firms that compete.
2. Alcohol products have very specific brand capital which is the collective positive associations people have with a brand. Brand capital depreciates over time and requires refreshing and updating.
3. Targeted advertising use specific imagery and attempts to create the “personality of a brand”.
4. Increases in brand capital may result from the creation of additional brands or the increase in capital per brand.
5. However, the economic concept of diminishing marginal utility predicts after a certain point increased input (advertising) leads to reduced output (sales).
6. The same pattern is true of advertising all products or counter-advertising.

Saffer (2002) argued that empirical studies of alcohol advertising to youth are essentially of three types: Studies of advertisement content, symbolism, portrayals and placement but which do not correlate content with consumer behaviour; Studies in-depth interviews on peoples media exposure and self-reported alcohol use and beliefs; Econometric studies using aggregated statistics over various communities that examine the effects of alcohol advertising on market share and total consumption.

Looking in detail at over 25 studies over a 25 year period on both advertising and counter-advertising Saffer (2002) concluded thus:

“Critics of alcohol advertising want to reduce the social and medical problems associated with the misuse of alcohol, and they often argue for a ban on alcohol advertising. This policy choice is based on the assumptions that alcohol advertising increases alcohol misuse and that bans eliminate or reduce advertising. Although there is enough evidence to conclude that advertising increases total alcohol consumption and alcohol misuse, advertising bans reduce advertising only under certain conditions. A ban on one or two media, such as television and radio, will result in substitution to available alternative media. It can be argued that television and radio reach so many people that bans on their use will surely have an effect. However, media that can reach more people charge proportionally higher prices, and, per dollar spend, television and radio are no more effective than other mass media. It is possible that bans on campus alcohol advertising could have an additional effect by acting as a signal of administrative intolerance. A ban on the use of a given medium will result in substitution to other available media.

He goes on to consider counter-advertising:

“Although surveys show that the public supports the idea of alcohol advertising bans, the recent entrance of spirits advertisers in the cable television market has not generated any public concern. Five Organisation for Economic Cooperation and Development countries recently rescinded bans on alcohol advertising. Alternatively, there is an increasing body of literature that demonstrates that alcohol counter-advertising is effective with teenagers and young adults. New restrictions on alcohol advertising might also result in less alcohol counter-advertising. Given these trade-

offs, increased counter-advertising, rather than new advertising bans, appears to be the better choice for public policy.” (p.180).

De Jong (2002) on the other hand looked at the role of mass media campaigns in reducing high-risk drinking among students. He recommends they address three issues: information on the negative consequences of heavy drinking; realistic information on social and behavioural norms around; and advocacy of sensible drinking. However, he does admit having very little data on the advocacy of these programmes.

Some reviews have come to different conclusions. Smith and Foxcroft (2007) did a thorough review of seven cross-sectional studies and did conclude *exposure to alcohol advertising did influence young people’s drinking behaviour* though the mechanisms process is unclear. However critics point to numerous typical problems the most serious of which is the use of subjective (i.e. self-report) measures of advertising watching and alcohol consumption. Other critiques include what data is not collecting (personal and family drinking history, personality) attrition rate in the studies, sampling bias of both people and advertisements.

Alcohol advertisements it is argued promise increased sociability, emotional release, adventure, escape, social acceptance, refreshment elegance and relaxation. Inevitably the negative features are ignored. The idea is that advertisements disinhibit viewers through the process of legitimisation and rationalisation. Drinking is innocuous, acceptable, and normal – even “proper”. There seems to be two broad theoretical positions – stimulus-centred theories and receiver-oriented theories. The former includes social learning theory, which suggests processes like observational learning and modelling. Thus teenagers imitate what they see and learn about when and where and what and how much to drink. They learn to associate emotions with drinking as well as attributions to those drinkers. Cultivation theory notes that heavy viewers of whatever background begin to share a television version of reality. Thus if alcohol is the most common drink consumed at all social occasions viewers will believe that is normal, expected and appropriate. Further the agenda-setting theory suggests that the media leads debates so that if it chooses to it can endorse both the use and misuse of alcohol by showing ‘heroic’ characters as frequently drunk or run stories about the hazards of drink driving.

Receiver-oriented theories suggests that particular individuals seek out media to fulfil their individual needs. Young people are not passive consumers of the media. Young people

get to learn the cost benefit analysis of drinking. He notes that research up to that time has various flaws the most common of which is correlational methodology which cannot speak to causal direction. Another is the problem of not having control groups. Others areas concern who the participants in studies and their media they are exposed to and the fact that alcohol consumption is often based on self-report data. Of the studies reviewed the effects are either non-existent or very small.

Hurtz (2007) attempted to assess if store alcohol advertising encouraged adolescent drinking. In a self-report study of nearly 2,500 6-8th grade pupils they found store visits were related to drinking. They found as predicted that around a fifth reported having at least one alcohol promotional item and they were also 1.5 times more likely to report current drinking compared to those who did not have items. Also those more exposed to the advertisement (measured as a function of shop visits) were more likely to have ever drunk. Whilst Professor Jones seeks to reply on this report at page 9 of her report, she fails to acknowledge the authors are aware that they cannot infer causality (more ads lead to more drinking) because of their cross-sectional data and the fact, that some other factor (like the adolescent's personality) may underlie the relationship between store visits and alcohol consumption.

Some studies have looked at total exposure to advertising on radio, television, magazines and in-store advertising. Collins et al (2007) studies 1786 American 11-12 yr olds. They took into account all sorts of relevant factors such parental monitoring, peer pressure, personality, religious beliefs. They compared those with low and high exposure and found those exposed to more ads were more likely to be current drinkers and more likely to intend to drink. They note the results are consistent with the hypothesis that exposure to alcohol advertising leads to under age drinking. However this study like so many others suffered methodological problems. Cause cannot be inferred. All data was based on self-report, this sample maybe unusual and it maybe that children of this age are particularly vulnerable to advertisements.

An American study of 28 magazines printed in 2003 found a mean of 37 alcohol advertisements per magazine (7 beer, 27 spirits) but with very great variability. Thus *Better Homes and Gardens* had none while *Sport Illustrated* had 148. Siegel et al (2008) attempted through an economic analysis to see if in magazines young people are disproportionately exposed to alcohol advertising. This is indeed what they found: alcohol is more prevalent in magazines with a high proportion of young readers. However they were careful to point out that they are not concluding that they believe their results suggest that alcohol advertisers are targeting youths versus young adults.

However an American econometric study of alcohol advertising in 35 major magazines looking at readership demographics (age, income, race, gender), magazine characteristics (sales, issues) and alcohol beverage (beer, wine, spirits), advertising concluded that there is no evidence that alcohol advertisers target adolescent readers.

Another form of advertising is retail or store advertising. This occurs in convenience stores, small market shops and naturally in liquor stores. Researchers note that because of their difficulty and expense of longitudinal studies they are rare. However Henriksen et al (2008) studies over 1000 young Americans over a year. All were classified as never-drinkers and the beginning. They looked a brand recall or recognitions but also to marketing receptivity measured by whether they owned (or wanted) a branded item. Those more prone to market receptivity were older, male, with more peer pressure to get drunk; with poorer grades and more prone to risk taking. Yet they found alcohol advertising and promotions were associated with the uptake of drinking though they admitted they could not speak to the underlying mechanisms to explain this. Researchers advocate education (not legislation) to make young people more aware of retailers and advertisers motives and tactics.

The bottom line is that research in this area is difficult and expensive because of the type of studies required to answer critical questions and the number of variables involved. It is also an area that attracts a good deal of “ideological” baggage making it difficult for reviewer and researchers to get clear answers. It remains as a consequence very difficult to assert with any empirically backed confidence which type of advertising for which type of product has a demonstrable behavioural effect on any group of people.

3. Prevention, Control and Legislation

Prevention is better than cure. Prevent the increase in, and incidence of, binge drinking rather than spent effort trying to cure those who become habitual binge drinkers.

The British Cabinet-Office Strategy Unit Interim Analytic Report believes there are essentially four strategies:

1. *Education, Information and Communication:* Through government sponsored “sensible drinking messages”; through health education lessons; and through encouraging industry to lead responsible advertising.
2. *Controlling supply (availability) and pricing:* through regulating suppliers, levying of tax.

3. *Health and Treatment Services:* Using occupational health, hospital screening to target people for prevention and treatment.
 4. *Community safety and criminal justice system:* To identify, deter, penalise and rehabilitate problem cases.
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They appear to indicate that supply and pricing are key factors for young binge drinkers. This is very much political, legalistic and expensive. Governments can (mostly) affect supply and pricing but the question is whether it is effective. More important are the unplanned consequences of these actions. Russian attempts to reduce excessive consumption of vodka had massive and immediate effects that were neither planned nor desired. Smuggling, home distilling and the increase in alcohol related organised crimes are just some of the more established consequences of governments attempting to control alcohol sales.

These are usually a limited number of strategies:

- Licensing laws: Extending or restricting both licences and licensing hours.
- Partnering with the alcohol industry to encourage social responsibility.
- Education in schools and public campaigns.
- Prevention and treatment services like counselling in specific settings.
- The control of advertising via the usual media but also point of sale promotions and the internet.
- Managing supply through taxation.

A central question remains the role of governments in public health. Jocheben (2006) suggested that one could categorise this as a “nanny vs steward” issue. She suggests this is the classic debate between interventions and libertarians. The former in society and protect the vulnerable while the latter advocate minimal government interference and maximal personal liberty and responsibility. She noted early libertarian reactions to the 1872 Licensing Act were couched in terms of restricted freedom. She notes that governments afraid of the intrusive or nanny label prefer to see their interventionists strategies as enabling or empowering. It is the middle ground language of “choosing health”, “informed choice” or “setting standards”. Old fashioned libertarians still talk about fundamental freedoms, propaganda and relentless interference.

Government interventions can either be seen as attempts to promote particular behaviours or discourage them. The most common weapon or lever is taxation. Tax certainly changes behaviour though it may equally encourage behaviours (smuggling, home distilling) that it failed to anticipate. Next there is restriction of access such as where alcohol can be bought (and consumed). Third there are advertising restrictions and bans. Fourth, there is the use of surveillance and penalties to ensure compliance with proscribed behaviours (i.e. drink-drive laws) and finally education through health awareness programmes.

Treatments as varied as aversive therapy, hypnosis and psychotherapy are well researched. Over the years a number of proposals to prevent alcohol abuse have been suggested and some tried with varying degrees of success and failure. These include:

1. *Prohibition:* History has shown very clearly that it can only succeed where there is widespread popular support. Otherwise attempts to impose it fail, often with paradoxical consequences.
2. *Fiscal Controls:* This could be related to the alcohol content of drinks or the real price of the alcohol production. Some governments try to vary taxation to keep the price of alcohol at a constant level. Consumption is a function of price but sudden heavy unpopular taxation can easily lead to illegal or unhealthy home brewing as well as smuggling across borders.
3. *Licensing Controls:* Making it more difficult to obtain alcohol by reducing licensed retail premises, times at which drink can be served or raising the age of drinkers. Previous experiments have shown that this appears to increase binge drinking and most favour relaxing restrictions on establishment numbers and acceptable hours of consumption.
4. *Advertising bans and controls:* Research is difficult and ambiguous. Further as Eastman (1984) noted: "Overall, advertising seems to have little if any influence on alcohol demand, and no studies have been published in which a strong influence has been detected. The UK Code of Advertising Standards does have a section on alcohol which explicitly attempts to prevent young people from becoming specific marketing targets." (p.184)
5. *Education:* Most researchers support this approach. Note Eastman's (1984) conclusion:

"The best means of prevention in a rational society is through education. If it is to be successful, health education must be continual, it must provide convincing

information that can be understood by most of the population, and it must be adequately funded. The task of organising, orchestrating and maintaining an educational programme of a worthwhile sort would be considerable. Bear in mind that the programme would need to comprise a package of programmes would need to comprise a package of programmes targeted on the entire population as well as on sub-groups. Different programmes would be needed for children in primary and secondary education while, at the other extreme, adults in occupations that carry a high risk of drinking problems would require quite different packages. Although a major part of the total programme would be concerned with those who already drink, no doubt different age groups, different ethnic groups, and even the two sexes would best be served by programmes designed specifically for them. Commerce, industry and the trades unions could, and should” (p 183-184).



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Attachment 1: The CV of Professor Adrian Furnham

Professor ADRIAN FURNHAM

An academic, consultant on organizational behaviour, writer and broadcaster. Particularly adept at communicating complex psychological and business concepts to a variety of clients.

British.

Date of Birth: 3rd Feb. 1953.

Married: one son. (22. Jul.1997)

CAREER

1981-DATE

LONDON UNIVERSITY

Professor in Psychology (ad hominem) in the University of London (since 1.10.92). Teaching applied, differential, and occupational, psychology to under- and postgraduate students. Doctoral and Masters candidate supervisor. Previously Lecturer (1981-1987) and Reader (1988-1992) at UCL.

1978-1990

OXFORD UNIVERSITY

Lecturer in Psychology at Pembroke College (1979-1982). Part-Time Tutor in psychology in the Department of External Studies: teaching management science and psychology to groups of middle and senior managers.

1985-2000

APPLIED BEHAVIOURAL RESEARCH ASSOCIATES

Founder director of a management consultancy which specialises in research on corporate evaluation and design, performance appraisal, personnel and corporate assessment and selection, state-of-the art of literature reviews. Clients have included: Foreign Office, BT, TWA, Lloyds Bank, Cathay Pacific Airways, Channel Four, Abbey Life, Boots, Hambros Bank, Ritz Hotel, Air New Zealand, Hong Kong Jockey Club, Marks and Spencer, Careers Research Forum, Specsavers, CIPD, Barclays Wealth, Goldman Sachs, Emirates Airlines.

1995-97

HONG KONG UNIVERSITY BUSINESS SCHOOL

Visiting Professor at the Business School every spring term.

1999-2007

HENLEY MANAGEMENT COLLEGE

Total Oil Marine Visiting Professor of Management .

2009-

NORWEGIAN SCHOOL OF MANAGEMENT

Adjunct Professor in Organisational Psychology.

EDUCATION

1995	NATAL University	D.Litt.
1991	LONDON University	D.Sc.
1977-81	OXFORD University	D.Phil.
1976-77	STRATHCLYDE University	M.Sc.
1975-76	LONDON University (LSE)	M.Sc. Econ (with distinction)
1970-74	NATAL University	B.A.Hons, M.A.

Chartered Occupational Psychologist; Chartered Health Psychologist; Fellow of the British Psychological Society. Member of the American Psychological Association and the Japanese Psychological Association.

Cited as most productive European Psychologist from the 1990's; second most productive psychologist in the world, 1985-2005.

Elected past president of the International Society for the Study of Individual Differences. Entry in current Who's Who.

Fellow of the Leadership Trust 2010; Academician of the Learned Society of the Social Sciences 2010

PUBLICATIONS

1981-DATE *Author of 70 books* including Culture Shock, The Economic Mind, The Protestant Work Ethic, The Psychology of Behaviour at Work, Psychology of Money, Psychology of Managerial Incompetence; Heart and Mind Management; The People Business; The Psychology of Physical Attractiveness. 50 Psychology Ideas; Management Intelligence, The Elephant in the Boardroom; Body Language in Business; Bad Apples; Leadership- Everything you want to know .Various popular pieces (around 500) in newspapers (Financial Times, Guardian, Daily Telegraph, Daily Mail, Times Higher Educational Supplement, Sunday Times) and magazines (Spectator, Personnel Management, New Scientist, Across the Board, Spotlight) in both Europe and North America. *Columnist* in various magazines (Mastering Management, Human Resources) and newspapers (FT, Sunday Times, Daily Telegraph). *Author of 1000 peer-reviewed scientific papers* in international scientific journals.

BOOKS BY ADRIAN FURNHAM

A. Academic Books

1. Social situations (1981) (with Michael Argyle and Jean Graham)
2. The psychology of social situations (1981) (Edited with Michael Argyle)
3. Social behaviour in context (1986) (Edited)
4. The economic mind (1986) (with Alan Lewis) *
5. Culture shock (1986) (with Stephen Bochner) *
6. Personality psychology in Europe (1986) (edited with Alois Angleitner and Guus van Heck)
7. Lay theories (1988) *
8. The anatomy of adolescence (1989) (with Barrie Gunter)
9. The Protestant work ethic (1990)
10. Young people's understanding of society (1991) (with Barrie Stacey)
11. Consumer profiles: an introduction to psychographics (1992) (with Barrie Gunter) *
12. Personality at work (1992) *
13. Biodata: biographical indicators of business performance (1993) (with Barrie Gunter and Russell Drakeley)
14. Corporate assessment: auditing a companies personality (1993) (with Barrie Gunter)
15. Social psychology at work (1995) (edited with Peter Collett) *
16. The new economic mind (1995) (with A. Lewis and P. Webley) *
17. Why psychology? (1995) (with David Oakley)
18. Economic socialisation (1996) (edited with Peter Lunt)
19. All in the mind (1996) *
20. Complementary medicine (1997) (with Charles Vincent)
21. The psychology of behaviour at work (1997) * *Second Edition 2005*
22. Children as consumers (1998) (with Barrie Gunter)
23. The psychology of money (1998) (with Michael Argyle) *
24. Personality and social behaviour (1999) (with Patrick Heaven) *
25. Designing and analysing questionnaires and surveys (2000) (with Chris Jackson)
26. The psychology of culture shock (2001) (with Stephen Bochner & V. Ward)
27. Assessing potential (2001) (with Barrie Gunter)
28. Management Incompetence (2003)
29. The Dark Side of Behaviour at Work (2004). (with John Taylor)*
30. Personality and Intellectual Competence (2005) (with Tomas Chamorro-Premuzic)
31. Learning at Work (2005) (with John Taylor)
32. The Psychology of Physical Attraction (2007) (with Viren Swami)*
33. Body Beautiful (2007) (with Viren Swami)
34. Personality and Intelligence at Work (2008)*
35. The Economic Socialisation of Young People (2008)
36. **50 Psychology Ideas you really ought to know** (2009)*
37. The Psychology of Personnel Selection (2010) (with Tomas Chamorro-Premuzic)*
38. The Elephant in the Boardroom (2010)
39. Bad Apples (2011)(with John Taylor)
40. Handbook of Individual Differences.(2011)(edited with Sophie von Stumm & Tomas Chamorro-Premuzic)
41. Humanitarian Work Psychology(2012)(edited with Stuart Carr and Malcolm MacLachlan)
42. Group Dynamics and Organisational Culture (2012)(with Athena Xenikou)
43. Psychology (2013)(with Ronald Comer and Elizabeth Gould)

B. Popular Books

44. Business watching (1994) (with Barrie Gunter)
45. The myths of management (1996)
46. Corporate culture shock (1997)
47. The psychology of managerial incompetence (1998)
48. Body language at work (1999)
49. The hopeless, hapless and helpless manager (2000)
50. The 3D Manager: Dangerous, Derailed and Deranged (2001)
51. Mad, Sad and Bad Management (2003)
52. Management and Myths (2004)
53. The People Business (2005)*
54. Just for the Money (with Tom Booth) (2005)
55. Management Mumbo Jumbo (2006)*
56. Head and Heart Management (2007)*
57. Dim Sum Management (2008)
58. Management Intelligence (2008)
59. Managing in Turbulent Times (2009)
60. Body Language in Business (2010) (with Evgeniya Petrova)*
61. Managing People in a Downturn (2011)
62. Leadership: All you need to know (2011)(with David Pendleton)
63. The Talented Manager (2012)

64. The Engaging Manager (2012)

C. Specialist Monographs

65. Reaching for the counter (1993)

66. Children and advertising (2000)

67. Growing up with advertising (2002) *

68. Binge Drinking (2003)

69. What Motivates Potential Adversaries (2004) (with John Taylor)

70. Dishonesty at Work (2005) (with John Taylor)

71. Alcohol and Young People (2009)

* Translated into at least one other language including Chinese, French, Greek, Czech, Portuguese, Russian, Polish, Japanese, Dutch, German, , Bulgarian, Korean.

Some detailed papers on alcohol

Furnham, A. (1993). *Reaching for the Counter. The new child consumers: Regulation or Education?*

London: Social Affairs Unit.

Furnham, A. (1999) Economic socialisation. *British Journal of Developmental Psychology*, 17, 585-604.

Furnham, A. (2002). *Growing up with advertising*. London: SAU.

Furnham, A., Ingle, H., Gunter, B., & McClelland, A. (1997). A content analysis of alcohol portrayal and drinking in British television soap operas. *Health Education Research*, 12, 519-529.

Ingle, H., & Furnham, A. (1996). Attitudes, knowledge, and uses of alcohol in university students. *Counselling Psychology Quarterly*, 9, 309-323.

Furnham, A., & Lowick, V. (1984). Attitudes to alcohol addiction: the attribution of addiction. *Social Science and Medicine*, 18, 673-681.

Furnham, A. (2003). *Binge Drinking*. London: SAU

Furnham, A. (2009). *Alcohol and Young People*. London: SAU

Furnham, A. (2010). Kicking the Habit. In Furnham, A. (Ed) *50 Psychology Ideas You really Need to Know*. London: Quercus

Attachment 4: The Report of Professor David Hanson

Critique of “Expert Report on ‘shopper docket’ Alcohol Promotions” by
Sandra Jones (20 May 2013)

David J. Hanson, Ph.D.
Professor Emeritus of Sociology
State University of New York
Potsdam, New York

1 July 2013

The "Expert Report on 'shopper docket' Alcohol Promotions" by Sandra Jones (20 May 2013), which she prepared for the NSW Office of Liquor, Gaming and Racing is so consistently and seriously invalidated by numerous methodological weaknesses and biases in interpretation and reporting that it cannot be considered either an impartial nor a scientific document.

The author heavily relied on three publications of which she is the primary author:

Jones SC & Smith K (2011), The effect of Point of Sale Promotions on the alcohol purchasing behaviour of young people in metropolitan, regional and rural Australia. *Journal of Youth Studies*, 14(8), 885-900

Jones SC, Barrie L, Robinson L, Allsop S & Chikritzhs T (2012) Point-of-sale alcohol promotion in the Perth and Sydney metropolitan areas. *Drug and Alcohol Review*, 31(6), 803-808

Jones SC & Magee CA (2011) Exposure to alcohol advertising and alcohol consumption among Australian adolescents. *Alcohol and Alcoholism*, 46(5), 630-637

Many defects of these and other papers upon which the Jones Report is based are detailed in Attachment 1 (Review of Relevant References).

Some of the problems of fact and interpretation are organised below ad seriatum in terms of the questions to which Sandra Jones responded.

Before these are outlined however I wish to provide my expert view on the shopper docket receipt promotion offered by Woolworths Limited, and which forms the foundation for the instructions to Prof. Jones to prepare her report. I am instructed the promotion used as an example (and which was communicated to her) involved:-

- * The sale of one bottle of South Island Marlborough Sauvignon Blanc white wine at a cost to the customer of \$15.99. The liquid within the bottle was equivalent to 7.4 standard drinks
- * A customer (upon producing a receipt outlining details of the promotion) was entitled to receive, at the end of the above purchase, a bonus 6 pack of Sol Mexican Beer free of charge. The liquid within the 6 bottles of beer was equivalent to 7.2 standard drinks.
- * Only one receipt per redemption was permitted but it could be the case that a customer produces multiple receipts.
- * The promotion receipts were issued to customers following the ending of another sales transaction (i.e. within either a Woolworths Supermarket or one of its bottleshops). It therefore involved a two-step process to redeem the offer.

I am informed that data was collected following the ending of the promotion as to the type of customer (i.e. age and gender) who redeemed the offer (see Section 2 of the letter from Back Schwartz Vaughan to the Office of Liquor, Gaming and Racing dated 18 April 2013). My view is based on my extensive experience and research in alcohol related matters as well a review of the available literature in this particular area.

In my opinion there is no evidence of any elevated risk or harm from this promotion (or others similar to it) compared with other promotions typically offered by bottleshops.

It is important to note that data collected on the demographics of customers who actually redeemed the promotion offer indicates that 87% were age 35 or older. Among all cases in which gender information was available, 59.4% were female (Section 2 of the letter from Back Schwartz Vaughan to the Office of Liquor, Gaming and Racing dated 18 April 2013). There is no evidence that promotion redeemers in these demographic categories have any particular vulnerability for an increased potential for alcohol related harm resulting from this or similar promotions. To the contrary, it would appear that the promotion had particular appeal to older drinkers, a category that can be assumed, based on other demographic and epidemiological research, to be generally more responsible alcohol consumers (Bureau of Infrastructure, Transport and Regional Economics. Road Deaths Australia. 2011 Statistical Survey, 2012).

1. What is considered irresponsible, rapid or excessive consumption of alcohol?

It is not appropriate to use recommendations of the National Health and Medical Research Council and the National Drug Strategy Household Survey to define “excessive” consumption. Although it might be true “in common parlance” that consuming more than four standard drinks in a single drinking occasion (undefined) is excessive consumption, the actual level that is excessive will vary from one person to another, as explained below.

Nor is it correct, as she does, to say that that definition is true in the context of medical evidence because there is great variation in the quantities and frequencies of alcohol consumption associated with various health and safety outcomes. National definitions and guidelines vary significantly around the world, reflecting the fact that these judgments are heavily influenced by social and cultural factors.

It is important to note that consuming more than the national Guidelines recommend is not necessarily excessive drinking. The Guidelines themselves appear to have been developed with a recognition of that fact and they do not identify or categorize any specific levels as either risky or high risk. Rather, the Guidelines identify levels of drinking at which the risk of alcohol-related harm remains low (compared with not drinking at all) for both alcohol-related harm over a lifetime and for the risk of injury on a single occasion of drinking (National Health and Medical Research Council (2009) Australian Guidelines to Reduce Health Risks from Drinking Alcohol, Canberra: National Health and Medical Research Council).

On a population level, it is well established that the risk to good health and longevity constitutes a J-shape. That is, drinking at low or moderate levels, compared to abstaining, reduces the risk to good health and long life. At some point, as consumption increases, the risk rises to equal that of abstaining. As consumption further increases, the risk surpasses that of abstaining (Sabia S et al. Influence of individual and combined healthy behaviours on successful aging. Canadian Medical Association Journal, 2012, 184(18), 1985-1992; Kim, JW et al. Alcohol and cognition in the elderly: A review. Psychiatry Investigation, 2012, 9(1), 8-16; Pryde MM and Kannel WB. Efficacy of dietary behaviour modification for preserving cardiovascular health and longevity, Cardiology Research and Practice, 2011, article ID 820457. DOI: 10.4061/2011/820457.PMCID: PMC3021873). The Guidelines document completely ignores these facts.

The Guidelines state that a great deal of individual variability exists:

“there is significant variability in biological responses to alcohol, determined by factors such as sex, body size and composition, age, experience of drinking, genetics, nutrition and individual metabolism. There are also social determinants of variability, with clustering of risk-taking behaviours (eg smoking and harmful drinking) in some people and differences in the risk of harm depending on setting (eg there is a greater risk of harm if the drinker has to travel after drinking)” (National Health and Medical Research Council (2009) Australian Guidelines to Reduce Health Risks from Drinking Alcohol, Canberra: National Health and Medical Research Council).

The Guidelines therefore do not attempt to define what “excessive” consumption of alcohol might be. With respect to terms that could be affiliated with “excessive” consumption of alcohol, the Guidelines document specifically states:

“A number of terms have been used in reporting studies of drinking and many of these are hard to quantify. For this reason, they are not used in these guidelines other than in the context of discussion of existing studies. These terms include: ‘binge drinking’, ‘heavy drinking’, ‘problem drinking’ and ‘risky drinking’.”

(National Health and Medical Research Council (2009) Australian Guidelines to Reduce Health Risks from Drinking Alcohol, Canberra: National Health and Medical Research Council)

A general but inadequate definition of excessive drinking would be consuming alcohol to a degree it that significantly risks harm to the drinker or others. It begs the questions of what is a significant risk of harm and ignores the fact that the consumption risk associated with different harms depends on the specific harm being considered. Any more specific general definition of “excessive” consumption is arbitrary and cannot apply to different people in different situations. A useful measure of alcohol consumption is blood alcohol concentration (BAC), but the BAC level associated with different harms varies widely.

Public policy ignores the complexities of what constitutes excessive drinking in connection with such activities as operating motor vehicles and establishes rather arbitrary but politically acceptable maximum levels of BAC.

2. Which individuals or groups are at risk of engaging in irresponsible, rapid or excessive consumption of alcohol?

Prof. Jones’ response to this question reports little but conveys a negative, if not alarmist, tone regarding the extent of alcohol misuse in Australia: “excessive consumption is evident across the Australian population”, “more than 3.7 million people”, “more than 7.3 million people”, etc.

Given the actual survey data upon which it is based, an impartial response would not have conveyed the negative tone found in this response to the Office of Liquor, Gaming and Racing.

The clear bias in other work by Prof. Jones has been criticized by scholars and others. For example, Nicki W. Jackson of the Auckland Regional Public Health Service expressed concern about the bias evident in the Jones and Magee article that is widely used as a source in the Jones Report (Jones SC, Magee CA, 2011, Exposure to alcohol advertising and alcohol consumption among Australian adolescents. *Alcohol and Alcoholism*, 46, 630–637). Jackson wrote in that journal:

"I am concerned about the number of significant findings which receive no discussion or interpretation within the article. In the study, exposure to alcohol advertising on television was found to be significantly associated with a reduced likelihood of regular alcohol consumption in males aged 16–17 years [adjusted odds ratio (AOR) 0.16: 0.03–0.92], females aged 12–15 years (AOR 0.24: 0.06–0.91) and reduced odds of recent alcohol consumption in males aged 16–17 years (AOR 0.12: 0.02–0.82). Yet discussion of these results does not occur. I am concerned that the authors have chosen to discuss only the findings in their study which confirm their beliefs regarding the harmful impact of alcohol in advertising, such as the results relating to magazine and internet advertising and promotion at licensed premises. Ignoring unfavourable data within research can be considered as a confirmation bias (Nickerson, 1998). This bias is particularly pertinent given that the study found that nearly all (94%) participants had seen alcohol advertising on television in addition to the magnitude of the risk reduction being found to be large.

"Being more receptive to the significant findings which support particular hypotheses limits the opportunities to explore new findings which are counter-intuitive to our beliefs. As Popper (1963) noted, 'the criterion of the scientific status of a theory is its falsifiability, or refutability, or testability'. In this case, one hypothesis has been tested and refuted and this deserves explanation to advance our theoretical understanding of the role of particular forms of alcohol advertising, such as television. In conclusion, preferential treatment of evidence in the discussion of results should be considered a bias. It is important to be vigilant to this, given that it is only human nature to support the side you favour" (Jackson NW, 2012, Equal discussion of significant findings? Possible confirmation bias in study of alcohol advertising. Letter to the Editor, Alcohol and Alcoholism 47(1), 29).

Prof. Jones' bias against alcohol, alcohol advertising and alcohol promotion is evident throughout her entire report. That bias is neither new nor isolated and can be seen, for example, in:-

- her stated desire to ban alcohol energy drinks (The world Today, 4 May 2011. Available at abc.net.au/worldtoday/content/2011/s3207457.htm);
- her statement that the existence of alcohol flavoured products (as distinct from alcohol beverages) "scares me" and her suggestion that action be taken against those products (Jones S. NSW Alcohol Summit 2013: Session 11. Available at vimeo.com/62319584);
- her call for "an urgent overhaul of the current alcohol advertising regulation system" (UOW alcohol study's sobering findings. University of Wollongong press release, 6 June 2006. Available at expertguide.com.au/news/article.aspx?ID=427);
- her calls for more stringent alcohol controls and regulation (Mardon C. Alcohol companies marketing to teens: expert. Illawarra Mercury, 19 September 2012); and
- her public assertion that "ineffective and confounding advertising rules [are] little match for the brazen methods used by alcohol companies" and that "If we restrict alcohol advertising I don't believe we harm anyone except the industry" (Webster M. UOW academic takes on youth alcohol abuse. Illawarra Mercury 6 May 2013).

Based on my analysis of the shopper docket receipt promotion, it is my opinion that there is no evidence or reason to believe that this promotion or others like it would increase the risk of engaging in irresponsible, rapid or excessive consumption of alcohol by those who actually redeem the offer.

3. Are there distinguishing features of liquor promotions, and any risk of harm associated with some, conducted by corporate versus independent packaged liquor stores?

As support for her assertions, Prof. Jones referenced only a study, of which she was the primary author (Jones, Barrie, Robinson, Allsop and Chikritzhs, 2012). However, as detailed on items number 57 and 58 of Appendix 1, the serious inadequacies of that study yield irrelevant results. These inadequacies include the fact that the study

- is based on a purposive rather than a probability sample. Thus, the findings apply only to the sample itself and cannot be generalised to any larger group of stores,
- involved audits in only 24 outlets. Thus, the findings apply only to those outlets and cannot be generalised to any other outlets, and
- failed to either control for or limit outlets of a similar size or other important characteristic. Thus, it compares non-comparable outlets.

Prof. Jones' response to the question, being based entirely on her study, is speculative at best and has no relevance to any evidence-based discussion or consideration of public policy. Therefore, it should be disregarded.

It is my opinion that there are no distinguishing features between the alcohol promotions conducted by corporate and independent package stores and therefore no significant differences in the risk of alcohol related harm associated with promotions conducted by corporate versus independent packaged liquor stores. A belief that any risks are higher at corporate package stores might be a reflection of the common bias against "corporate" and chain stores.

4. Do point-of-sales promotions impact on purchase behaviour?

The Jones Report cites a study that it identifies as "Government of Western Australia Drug & Alcohol Office (2011)", which is also "TNS Social Research. Cheap Drinks. Government of Western Australia Drug and Alcohol Office, March 2011." That study used self-reports of subjects from a self-selected panel on the Internet. It did not examine actual purchases or subsequent behaviours such as when alcohol was actually consumed. Because it is not a probability sample, the results cannot be generalised to other individuals or groups.

A more serious problem is the use of unpublished research by Prof. Jones and her colleagues (Jones et al, under review) and unpublished data (Jones and Reis, unpublished data). See Attachment 1 for more specific information. Because these materials are not publicly available, they cannot be examined and evaluated. This is an especially serious problem because of Jones' documented record of selective reporting and ignoring findings which are inconsistent with her bias against alcohol advertising and promotion.

Prof. Jones' response should be disregarded as irrelevant to the question posed.

It appears that the shopper docket promotion influences the purchase behaviour of a proportion of customers who might (a) buy a number of the products that appeal to them when that product

is on special; (b) product switch (i.e. select one brand of wine over another); or (c) trade up to a product that is normally out of their budget or price range when the product is on special.

However, there is no evidence in any literature that I am aware of that the shopper docket promotion, or any other form of point-of-sale promotion like it, at off-premises venues changes alcohol consumption behaviour.

5. Does the character of buy one get one free alcohol point-of-sale promotions risk encouraging irresponsible, rapid or excessive consumption of liquor?

The response to this question offered by Prof. Jones is based on 12 focus groups consisting only of adolescents age 16 to 17 and young people age 18 to 25 (Jones and Smith, 2011). The use of focus groups carries significant risks to obtaining valid results. They provide exploratory qualitative study impressions rather quantitative data for hypothesis testing; are highly subject to social desirability bias; are very susceptible to interpretive bias by the focus group leader to support a preferred outcome; and have low reliability and validity of results.

Evaluating or validating investigator conclusions is impossible in the absence of audiovisual recordings of all focus group questions and interactions, including the instructions given to group members. As earlier established, the issue of investigator bias is especially severe in the case of research by Prof. Jones.

Because of these unsurmountable problems, Prof. Jones' response to the question should be disregarded.

I have reviewed the shopper docket promotion offered by Woolworths Limited (i.e. the purchase of a South Island Marlborough Sauvignon Blanc bottle of wine at \$15.99, with the customer entitled to a bonus 6 pack of Sol Mexican Beer). Based on the available scientific research on such matters, it is my opinion that the promotion, or others similar to it, does not in any way encourage irresponsible, rapid or excessive consumption of alcoholic beverages.

6. Do point-of-sale promotions impact on consumption behaviour?

In responding to this question, Prof. Jones again cited her own focus group study to suggest that point-of-purchase promotions lead to increased alcohol consumption on a single drinking occasion and she provides selected quotes as supposed support of her belief. However, her selective bias against alcohol advertising and promotion has already been established.

Prof. Jones also implies that in the U.S. research on alcohol advertising and promotion at off-premise outlets demonstrates that they lead to binge drinking. However, the study she referenced as support only examined the availability of beer, not other alcoholic beverages. It is both erroneous and misleading to generalised from a study of beer to all other forms of alcoholic beverage. If it is not intentionally deceptive, it is another example of Prof. Jones' strong bias against alcohol advertising. In addition, the authors of the referenced study explicitly state that in their research "causality cannot be determined" (Kuo M, Wechsler H, Greenberg P, Lee H. The marketing of alcohol to college students. American Journal of Preventive Medicine, 2003, 25(3), 204-211).

Based on the published research literature, it is my opinion that there is no evidence that point-of-sale promotions such as the shopper docket program offered by Woolworths Limited (which I

have examined in detail), or similar point-of-sales promotions have any adverse impact on alcohol consumption behaviours.

7. Is packaged alcohol (and associated promotions) less associated with harm than on-premises alcohol promotions?

Prof. Jones argues that “off-premise alcohol consumption contributes to a significant proportion of the alcohol-related harm that occurs in alcohol-related venues.” Although many drinkers may report having consumed some packaged alcohol prior to visiting alcohol-related venues, she fails to provide any evidence of the amount of alcohol consumed before visiting alcohol-related venues. Therefore, her assertion is speculative rather than factual and should be disregarded.

She then asserts that there is an “association between (excessive) alcohol consumption in the home environment and domestic violence.” However, she provides no evidence that the alcohol presumably related to domestic violence is consumed in the home rather than elsewhere. She also falsely assumes that domestic violence must occur in the home rather than in other environments, an assumption that is patently incorrect. Therefore, it is not necessarily packaged alcohol that is consumed.

In neither of these two assertions does Prof. Jones address the matter of packaged alcohol promotions posed in the question to which she replied.

Prof. Jones next asserts that a study of the effect of outlet density “found a strong positive association between packaged liquor outlet density and rates of alcohol-caused chronic disease, and an association between packaged liquor outlet density and violence rates [Livingston, 2011].” In reality, that study does not provide any evidence that increasing bottleshop density increases either the rates of alcohol use disorders or the rates of violence. Many of the serious inadequacies of the study are identified in items number 85 through 94 in Attachment 1. Therefore, her assertion based on this irrelevant study should be disregarded as unsupported.

Prof. Jones then argues that “A study examining the impact of alcohol availability on violence in Western Australia found that the average volume of sales in off-licence venues was significantly associated with all measures of assault, including those that occur at on-licence venues such as hotels, nightclubs and restaurants [Liang & Chikritzhs, 2011].” However, her contention is not supported by the study she references because it is so fundamentally and completely compromised by a number of logical and methodological inadequacies. These are elaborated in items number 65 through 84 in Attachment 1. Therefore, her statement based on this study should be disregarded as speculation.

Finally, Prof. Jones wrote that “packaged alcohol contributes substantially to the harms associated with on-premise alcohol consumption, with people preloading - drinking (cheaper) alcohol at home prior to going out [Wells et al, 2009].” However, the Wells essay has been criticized by leading alcohol expert Dr. Robin Room and his colleague, who observed that

“Partanen [2] found, comparing the same individual's drinking occasions lasting 2 hours or more at home and on-premises, that Helsinki respondents drank about the same amount in the two contexts, but did it over a longer period of time at home, resulting in less intoxication. A recent British case-control study of young offenders found that the respondent having assaulted someone was associated with going out to a nightclub (not

quite significant), associated negatively with going to a pub, and showed no association with other incident contexts [3]. Inspection of the data shows that, combining the results for pubs and nightclubs, there is no significant difference between on-premise and off-premise results.

“These studies suggest that whether on-premise drinking is less problematic than off-premise drinking should be—again—a matter for investigation rather than assumption. Clearly, it can go both ways. Furthermore, policies that can reduce harm from on-premise consumption apply regardless of whether pre-drinking takes place” (Room R and Livingston M. Does it matter where the drinking is when the object is getting drunk?: Commentary. *Addiction*, 2008, 104(1), 10-11).

Prof. Jones’ argument that “off-premise alcohol consumption contributes to a significant proportion of the alcohol-related harm that occurs in alcohol-related venues” is without any scientific evidence or foundation. To present her unproven hypothesis as fact, she provides irrelevant facts, non sequiturs, illogical reasoning, discredited studies, and assertions based on a lack of evidence. Accordingly, her conclusions should be disregarded.

In my opinion there is no credible evidence that packaged alcohol (and packaged alcohol promotions) contribute to on-premises alcohol related problems.

8. Do supermarket-linked point-of-sale promotions target certain types of customers or present increased risks for vulnerable consumers?

After presenting statistics on alcohol consumption in Australia, Prof. Jones concluded that “Women are increasingly experiencing the short - and long-term health effects of excessive drinking” and cites her source as the 2010 National Drug Survey (Australian Institute of Health and Welfare, 2011. 2010 National Drug Strategy Household Survey Report. Drug Statistics Series 25). She clearly creates the impression that excessive drinking is an increasing, if not epidemic, problem among women in particular.

However, the survey data reveals a different picture. It demonstrates that for the period of the study, (i.e. between 2007 and 2010),

- the proportion of pregnant women who abstained during pregnancy increased by 30%,
- the proportion of all abstainers increased significantly and among those age 12-17, it increased dramatically,
- the proportion of daily drinkers declined,
- the proportion of risky drinkers from a single occasion declined, and
- the proportion of risky drinkers (causing risk of alcohol-related harm over a lifetime) declined slightly.

All of these increases in abstinence and declines in drinking occurred in spite of widespread alcohol advertising and promotion. For more specific information, see Attachment 1.

Prof. Jones states that “the argument that these promotions offer a bonus (i.e. buy some alcohol get some free) on quality products means that they are targeting people who are less likely to

be risky drinkers is fallacious. In fact, current evidence suggests that women with higher incomes and higher levels of education are more likely to consume alcohol and to consume at higher levels (a pattern that is not evident for men)." She cites as her sources Huerta M & Borgonovi F (2110) Education, alcohol use and abuse among young adults in Britain. OECD Education Working Papers 50 and Bongonovi F & Huerta M (2010) Education, alcohol use & abuse among young adults in Britain. Social Science Med 71(1), 143-151.

It is important to note that the titles of both of these publications are identical, they report the same research, and the content of each is identical. Listing both as sources implies that they are separate publications reporting separate research, thus apparently strengthening Prof. Jones' argument. Doing so is considered dishonest, unethical, and unprofessional.

The referenced study (not studies) did not find that a higher proportion of women with higher income and educational levels are more likely to drink and to do so at higher levels. This conclusion is unsupported by the data, unsupported by the investigators' statements, clearly erroneous and appears to reflect Prof. Jones' bias.

For more information on the study's actual findings and Prof. Jones' misinterpretations or misrepresentations, see items number 5 through 8 on Attachment 1.

Prof. Jones asserts that "any marketing that has the potential to increase alcohol consumption among women of child-bearing age has a high likelihood of placing the most vulnerable of our citizens (unborn children) at risk." There is nothing in the sources she cites to indicate that an increase in alcohol consumption among women of child-bearing age has a HIGH LIKELIHOOD of harming their children. This statement is an exaggeration at best.

Although it is true that not drinking is the safest option for women who are pregnant or planning to become pregnant, it appears that not a single published medical study has ever found any woman who consumed no more than one drink per day has ever given birth to a child with Foetal Alcohol Syndrome. Many studies report no harm from low to moderate consumption of alcohol. For example, an analysis of seven major medical research studies involving over 130,000 pregnancies concluded that consuming two to 14 drinks per week does not increase the risk of giving birth to a child with either malformations or Foetal Alcohol Syndrome. (Polygenis D. (1998). Moderate alcohol consumption during pregnancy and the incidence of fetal malformations: a meta-analysis. Neurotoxicology and Teratology, 20, 61-67).

Prof. Jones states that "there is substantial evidence from Australia and overseas that exposure to alcohol marketing - including in-store marketing is associated with either earlier initiation and greater consumption among young people" and provides as the supporting evidence Elickson P et al. (2005) Does alcohol advertising promote adolescent drinking? Results from a longitudinal assessment. Addiction, 100, 235-246.

However, Elickson and colleagues emphasize that

"it is not difficult to find studies or quotes that support a particular viewpoint. Thus, one can find evidence that alcohol advertisements increase sales in the long and short term and that alcohol spend (sic) is linked to overall consumption, but equally, it is as easy to find studies that show no link at all. The trick is to look at what a range of different studies, using different methods, tends to show, i.e doing a review of reviews or, better still, a meta-analysis.

“Balanced, impartial, academic reviews talk about inconclusive, equivocable or mixed results. Studies are inconsistent, though it is often possible to talk about relative trends.”
(Furnham A. Alcohol & Young Adults. University College of London, n.d.)

Prof. Jones has a demonstrated record of bias in her writing on the subject of alcohol advertising and promotion. However, it is important that studies not be “cherry picked” to create the illusion of scientific support for a favoured perspective or ideological position.

She expressed concern that shopping for alcohol along with groceries “sends the message to children that alcohol is an ‘ordinary commodity’ that is purchased on a regular basis, just like bread or milk.” That concern appears to result from her personal bias. Sociological and anthropological research reports that societies in which alcohol is stigmatized tend to have higher rates of alcohol-related problems than do societies in which its consumption is viewed as a natural and normal part of life and regularly consumed in the home along with other foods. (Peele S. Using culture and behaviour in epidemiological models of alcohol consumption and consequences for Western nations. *Alcohol & Alcoholism*, (1997), 32, 51-64; Heath D. A Decade of Development in the Anthropological Study of Alcohol Use: 1970-1980. In: Douglas M (ed.) *Constructive Drinking Perspectives on Drink from Anthropology*. Cambridge, England: Cambridge University Press, 1987, pp. 16-69; MacAndrew C & Edgerton R. *Drunken comportment: A Social Explanation*. Chicago, IL: Aldine, 1969; Hanson D. *Preventing Alcohol Abuse: Alcohol, Culture, and Control*. Westport, CT: Praeger, 1985). In societies with high consumption but low rates of alcohol related problems, buying alcohol along with bread or milk would not be a matter of concern or anxiety.

9. Are the controls in regard to limits on quantities on shopper dockets adequate?

In responding to this question, Prof Jones wrote that

“The promotions in question are limited to one 6-pack of beer free with one bottle of wine purchased, that is 14.6 standard drinks (Woolworths) and three bottles of wine free with three bottles purchases, that is 44.4 standard drinks (Coles). At these levels, this is 3.6 times (Woolworths) and 11.1 times (Coles) the quantity that puts a drinker at risk of an alcohol-related injury from a single drinking occasion (and even if the Woolworths purchaser was a women who would drink the wine while her husband drank the beer, they would both be consuming almost double the amount that would puts (sic) them at risk of an alcohol-related injury. Thus, even if the controls were iron-clad, there would still be risk of harm.”

This reply is based on the highly questionable assumption that the hypothetical couple she describes were to leave the premises and immediately begin consuming the entire purchase on that one occasion. She fails to provide any evidence regarding the probability of such an occurrence.

Prof Jones then argues that “a single shopper could return several times during the same day; or the shopper could travel to multiple outlets of the same store....” However, she provides no evidence regarding the probability of that occurrence.

One could just as well argue that there are inadequate controls to prevent a suicidal shopper from purchasing a large quantity of inexpensive high proof spirits on sale, leaving the premises, attempting to consume the entire quantity, and dying from alcohol poisoning. It’s a possibility,

but what's the actual probability? Prof. Jones blurs the important distinction between possibility and probability to her advantage.

In her answer to the question posed to her, Prof. Jones used a highly unreasonable assumption in order to promote her argument that there are inadequate controls on quantity limits in the shopper docket promotion. However, when it served her purpose in answering question 8 ("Do supermarket-linked point-of-sale promotions target certain types of customers or present increased risks for vulnerable customers?"), she completely ignored the data made available to her that the promotion did not attract young persons, who are the most at-risk group for alcohol related harms (Section 2 of the letter from Back Schwartz Vaughan to the Office of Liquor, Gaming and Racing dated 18 April 2013).

10. Would additional controls in the form of restrictions be appropriate?

Prof Jones argues that "There is a need for regulators - and marketers - to consider the immediate and cumulative effect of point-of-sale promotions on drinking patterns, particularly those of younger drinkers." Although she cites no source to support her contention, she argues that "Limiting such promotions is a potentially important element of the overall strategy required to reduce alcohol-related harm." By "limiting" she apparently means "prohibiting."

To impose this limitation or prohibition, Prof. Jones wrote that "At a minimum, this would include explicitly including off-premise promotions in the Liquor Act and in the Liquor Promotion Guidelines - and then setting out within the Guidelines specific off-premise promotions that would be subject to a notice under Section 102 (such as free alcohol with the purchase of alcohol, free gifts tied to the purchase of larger volumes of alcohol, competitions to win exclusive merchandise or tickets to high-profile events with the purchase of larger volumes of alcohol)."

Without citing any sources in support of her belief, this call for more stringent prohibitions on alcohol advertising and promotion are consistent with Prof. Jones' public called for more strict controls and regulations indicated under earlier.

In her response to the question posed, Prof. Jones failed to cite any references in support of her opinion. Instead, she relied on her long-held bias that alcohol marketing and promotion should be more highly restricted. Therefore, her answer should be disregarded as speculative and biased.

* * * *

In summary, and as indicated earlier, the "Expert Report on 'shopper docket' Alcohol Promotions" by Sandra Jones (20 May 2013), which she prepared for the NSW Office of Liquor, Gaming and Racing, is so consistently and seriously invalidated by numerous methodological weaknesses and biases that it cannot be considered either an impartial nor a scientific document. Therefore, the Jones Report and its conclusions should be disregarded.


David J. Hanson

Attachment 5: The CV of Professor David Hanson

David J. Hanson

I. Position

Professor Emeritus of Sociology
State University of New York (SUNY)
Potsdam, NY 13676

II. Contact Information

112 Breckenridge Place
Chapel Hill, NC 27514
(919) 942-5115
Hansondj@potdam.edu

III. Education

Ph.D., Syracuse University, 1972
M.A., Syracuse University, 1967
Honors B.A. *cum laude*, Florida State University, 1963

IV. Experience

2002-present Professor Emeritus of Sociology (SUNY Potsdam)
2001-2002 Professor of Sociology (SUNY Potsdam)
2000-2001 Professor of Sociology and Acting Chair of the Department
of Sociology (SUNY Potsdam)
1995-2000 Professor of Sociology and Director of Assessment (SUNY
Potsdam)
1985-1989 Professor of Sociology (SUNY Potsdam)
1977-1985 Associate to Professor and Chair of the Department of
Sociology (SUNY Potsdam)
1968-1977 Assistant to Associate Professor of Sociology (SUNY
Potsdam)

V. Publications and Papers (Select List of Publications/Presentations Dating from about 1990)

1. Books

Alcohol Education: What We Must Do. Westport, CT: Praeger Publishers, 1996.

Preventing Alcohol Abuse: Alcohol, Culture and Control. Westport, CT: Praeger Publishers, 1995.

2. Chapters & Articles Reprinted in Books

Responses to Arguments Against the Minimum Drinking Age. In: Channell, Carolyn and Crusius, Timothy (Eds). *Engaging Questions: A Guide to Writing.* McGraw-Hill, 2011.

Thinking Like a Researcher. In: Korgen, Kathleen Odell, White, Jonathan M., and White, Shelley K. (Eds). *Sociologists in Action, Social Change, and Social Justice.* Los Angeles, CA: Sage, 2011.

History of Alcohol and Drinking around the World. In: Wilson, Hugh (Ed). *Drugs, Society and Behavior.* NY: McGraw-Hill, 2010.

DWI Courts: Effectively Addressing Drunk Driving. In: Higgins, Paul and Mackinem, Mitchell (Eds.) *Problem-Solving Courts: Justice for the Twenty-First Century.* Westport, CT: Praeger Publishers, 2009.

Repeal of Prohibition in the U.S. In: Engdahl, Sylvia (Ed.) *Constitutional Amendments: Amendments XVIII and XXI - Prohibition and Repeal.* Farmington Hills, MI: Gale Publishing, 2009.

Extracts from Alcohol Problems and Solutions website. In: Hollen, Kathryn H. *Encyclopedia of Addictions.* Santa Barbara, CA: Greenwood Press, 2008.

Alcohol Facts and Fiction. In: Merino, Noel (Ed.) *Gateway Drugs.* San Diego, CA: Greenhaven Press, 2008.

What about the Drinking Age? (with Heath, Dwight B. and Rudy, Joel S.), *Chronicle of Higher Education.* In: Kiesbye, Stephen (Ed.). *At Issue: Should*

the Drinking Age be Lowered? Bloomfield Hills, MI: Cengage Publishing, 2008.

World Drinking Ages table from website. In: Hanson, Glen, Venturelli, Peter, and Fleckenstein, Anette. *Drugs and Society*. Sudbury, MA: Jones and Bartlett Publishing, tenth edition, 2008.

Drinking Alcohol Damages Teenagers' Brains. In: Nakaya, Andrea C. (Ed.) *Opposing Viewpoints: Underage Drinking*. San Diego, CA: Greenhaven Press, 2007.

The Legal Drinking Age: Science vs. Ideology. In: *Power-Up English (Advanced)*, (a textbook for English as a Foreign Language course in Japanese universities.) Tokyo: Nan'un-Do Publishers, 2007.

How Alcohol Effects Us: The Biphasic curve. In: Solohub, Roman T. *Clear Thinking When Drinking: The Handbook for Responsible Alcohol Consumption*. Acworth, GA: Empennage Press, 2007.

Healthy Drinking. In: Solohub, Roman T. *Clear Thinking When Drinking: The Handbook for Responsible Alcohol Consumption*. Acworth, GA: Empennage Press, 2007.

It's Better to Teach Safe Use of Alcohol. In: Solohub, Roman T. *Clear Thinking When Drinking: The Handbook for Responsible Alcohol Consumption*. Acworth, GA: Empennage Press, 2007.

The Legal Age Should be Lowered. In: Solohub, Roman T. *Clear Thinking When Drinking: The Handbook for Responsible Alcohol Consumption*. Acworth, GA: Empennage Press, 2007.

The Legal drinking Age: Science versus Ideology. In: Solohub, Roman T. *Clear Thinking When Drinking: The Handbook for Responsible Alcohol Consumption*. Acworth, GA: Empennage Press, 2007.

Exaggerating the Problem of Underage Drinking is Ineffective Prevention. In: Merino, Noel (Ed.) *Issues that Concern You: Underage Drinking*. San Diego, CA: Greenhaven Press, 2006.

Binge Drinking is Declining among Youths. In: Aue, Pamela Willwirth (Ed.) *Opposing Viewpoints: Teen Drug Abuse*. San Diego, CA: Greenhaven Press, 2006.

The Drinking Age Should be Lowered. In: *Introducing Issues with Opposing Viewpoints: Drunk Driving*. San Diego, CA: Greenhaven Press, 2006.

A Junk Science Congregation. In: Stanford, Eleanor (Ed.) *Introducing Issues with Opposing Viewpoints: Advertising*. San Diego, CA: Greenhaven Press, 2006.

Mothers Against Drunk Driving: A Crash Course in MADD. In: Overby, Chris. *The Drinking & Drug War in America*. Lulu.com/, 2005. ISBN: 978-1-4116-7022-8.

The Reputation of MADD. In: Overby, Chris. *The Drinking & Drug War in America*. Lulu.com/, 2005. ISBN: 978-1-4116-7022-8.

Underage Drinking. In: Hybels, Sandra, and Weaver, Richard L. (Eds.) *Communicating Effectively*. NY: McGraw-Hill, 2004.

Alcohol Consumption (graph). In: Bello, Ignacio and Britton, Jack. *Contemporary Mathematics*. Boston, MA: Houghton Mifflin, 2004 (eighth edition).

Alcohol and Stroke Risk (graph). In: Bello, Ignacio and Britton, Jack. *Contemporary Mathematics*. Boston, MA: Houghton Mifflin, 2004 (eighth edition).

Alcohol and Risks of Mortality (graph). In: Bello, Ignacio and Britton, Jack. *Contemporary Mathematics*. Boston, MA: Houghton Mifflin, 2004 (eighth edition).

The Legal Drinking Age: Science vs. Ideology. In: Balkin, Karen (Ed.) *Alcohol: Opposing Viewpoints*. San Diego, CA: Greenhaven, 2004.

College Students, Alcohol and Rape (with others). In: O'Biereck, Gary, and O'Biereck, Sheila A. (Eds.) *Human Portraits and Behavioral Inquiries*. Toronto, Ontario: Canadian Scholars' Press, 2002.

The Extent of Underage Drinking is Exaggerated. In: Torr, James D. (Ed.) *Teens and Alcohol: Current Controversies*. San Diego, CA: Greenhaven, 2002.

Alkoholmisbrug kan Begrænses. In: Nielsen, Lone Soderstron (Ed.) *Beretning Aret 2000*. Copenhagen, Denmark: GODA, 2001.

Formal Education. In: Houghton, Eleni, and Roche, Anne M. (Eds.) *Learning About Drinking*. New York: Taylor & Francis, 2001.

Advertising Doesn't Encourage Teen Alcohol Abuse. In: Egendorf, Laura. K. (Ed.) *Teen Alcoholism*. San Diego, CA: Greenhaven, 2001.

Interview of Roderic B. Park, Lerner Permits for Underage Drinkers. In: Egendorf, Laura. K. (Ed.) *Teen Alcoholism*. San Diego, CA: Greenhaven, 2001.

Alcohol, Law and Policy. In: Torr, James D. (Ed.) *Alcoholism*. San Diego, CA: Greenhaven Press, 2000.

Binge Drinking. In: Torr, James D. (Ed.) *Alcoholism*. San Diego, CA: Greenhaven Press, 2000.

Historical Overview of Alcohol Abuse. In Ammerman, Robert T., Ott, Peggy J., and Tarter, Ralph E. (Eds.) *Prevention and Societal Impact of Drug and Alcohol Abuse*. Mahwah, NJ and London, England: Lawrence Erlbaum Associates, Publishers, 1999.

Health: Alcohol Use and Abuse. In Smith, Shelly Wilkerson (Ed.) *Stand! Drugs and Society*. St. Paul, MN: Coursewise Publishing, 1999.

(Alcohol and Culture in) The United States of America. In: Heath, Dwight B. (Ed.) *International Handbook of Alcohol and Culture*. Westport, CT: Greenwood Press, 1995.

Drinking Behavior: Taking Personal Responsibility (with Engs, Ruth C.) In: Venturelli, Peter (Ed.) *Drug Use in America: Social, Cultural and Political Perspectives*. New York: Jones and Bartlett, 1994.

College Students' Drinking Patterns and Problems. In: Fund for the Improvement of Post Secondary Education and Texas Christian University. *HELP: Higher Education Leaders/Peers Network Resource Manual*. Washington, DC and Fort Worth, TX: Fund for the Improvement of Post Secondary Education and Texas Christian University, 1992.

The Drinking Age Should be Lowered. In: Goldberg, Raymond G. (Ed.) *Taking Sides: Clashing Views in Controversial Issues on Drugs and Society*. Guilford, CT: Dushkin Publishing, 1993. Reprinted from *Controversies in the Addictions Field*. Dubuque, IA: Kendall-Hunt, 1990, where it was first published.

Black College Students' Drinking Patterns (with Engs, Ruth C.). In: Forster, Brenda, and Salloway, Jeff (Eds.) *The Socio-Cultural Matrix of Alcohol and Drug Abuse*. Lewiston, NY: Edwin Mellen Press, 1990.

The Drinking Age Should be Lowered. In: Engs, Ruth C. (Ed.) *Controversies in the Addictions Field*. Dubuque, IA: Kendall-Hunt, 1990.

3. Encyclopedia Articles

The Effects of Substances on Driving. In: Miller, Peter (ed). *Encyclopedia of Addictive Behaviors*. Elsevier/Academic Press, 2012.

Alcoholics Anonymous (A.A.) In: Barnett, George A. (ed). *Encyclopedia of Social Networks*. Thousand Oaks, CA: Sage, 2011.

Alcohol Use and Youth Education. *The Encyclopedia of Criminology and Deviant Behavior*. Philadelphia, PA: Brunner/Routledge, 2001.

Wayne Bidwell Wheeler. *American National Biography*. New York: Oxford University Press, 1999. (Wayne Wheeler was the de facto leader of the Anti-Saloon League and was the single most powerful leader of the American temperance movement)

Drug Prevention Education. *Encyclopedia of Education and Encyclopedia of Higher Education*. Oxford, England: Elsevier Science, 1998. CD-ROM

Alcohol, Drug and Smoking Educations. *The International Encyclopedia of Education*. Oxford, England: Pergamon Press, second edition, 1994.

Drug Education Programs. *The International Encyclopedia of Curriculum*. New York: Pergamon Press, second edition, 1991.

4. Selected Journal Articles

Reduction of consumption theory: a test using the drinking patterns and problems of collegians in the United States, 1983-1994 (with Engs, Ruth C.). *The College Student Journal*, September, 1999.

The drinking behaviors of a sample of university students in Nanning, Guangxi province, People's Republic of China (with others). *Substance Use and Abuse* (formerly the *International Journal of the Addictions*), 1997.

The effectiveness of specific public policies on substance abuse prevention. *Current Opinion in Psychiatry*, May, 1996.

Collegiate drinking: administrators' perceptions campus policies and student behaviors (with Engs, Ruth C.) *National Association of Student Personnel Administrators Journal*, Winter, 1995.

Boozing and brawling on campus: a national study of violent problems associated with drinking over the past decade (with Engs, Ruth C.) *Journal of Criminal Justice*, May, 1994.

Drinking games and problems related to drinking among moderate and heavy drinkers (with Engs, Ruth C.) *Psychological Reports*, August, 1993.

The Student Alcohol Questionnaire: an updated reliability of the Drinking Patterns, Problems, Knowledge, and Attitude Subscales (with Engs, Ruth C.) *Psychological Reports*, January, 1994.

College students' drinking problems: a national study, 1982-1991 (with others). *Psychological Reports*, August, 1992.

The drinking patterns of American and Polish university students: a cross-national study (with others). *Drug and Alcohol Dependence*, 1991.

The influence of religion and culture on drinking behavior: a test of hypotheses between Canada and the U.S.A. (with others). *British Journal of Addiction*, 1990.

Alcohol knowledge and drinking patterns of nursing students over time (with Engs, Ruth C.) *College Student Journal*, Spring, 1989.

Reactance theory: a test with collegiate drinking (with Engs, Ruth C.) *Psychological Reports*, June, 1989.

The alcohol knowledge and drinking myths of a national sample of university students (with Engs, Ruth C.) *Journal of College Student Development*, March, 1989.

Miscellaneous Publications

World Drinking Ages and related materials. In: Venturelli, Peter J., Hanson, Glen, and Fleckenstein, Annette (Eds). *Drugs and Society*. 11th edition. Jones & Bartlett (to be Published July 1, 2012).

What We're Doing Now to Prevent Underage Drinking Isn't Working; It's Time to Try Something Else. *Los Angeles Times*, May 30, 2011.

Should the Drinking Age be Lowered to 18? Yes: Drinking "Licenses" Promote Responsible Behavior. *American Teacher*, November, 2008, 93(3), 3.

Should the Drinking Age be Lowered to 18? Yes: Drinking "Licenses" Promote Responsible Behavior. *On Campus*, November/December, 2008, 28(2), 3.

Extracts from Alcohol Problems and Solutions. In: Hollen, Kathryn H. *Encyclopedia of Addictions*. Santa Barbara, CA: Greenwood Press, 2008.

How Much Is Too Much? Can Teach Responsible Drinking. *Houston Chronicle*, December 31, 1995.

New Approach through Culture Could Help Curb Alcohol Abuse. *Wisconsin State Journal*, July 9, 1995.

It's Better to Teach Safe Use of Alcohol. *Milwaukee Sentinel/Journal*, October 8, 1995.

Peer Pressure Key in Shaping Drinking Habits. *USA Today*, December 13, 1994.

Campus Drinking Greatly Exaggerated. *Chicago Tribune*, January 28, 1994.

The Misguided Prohibition that Governs U.S. Colleges (with others). *Chronicle of Higher Education*, August 10, 2001.

It's Better to Teach Use of Alcohol. *Milwaukee Sentinel/Journal*, October 8, 1995.

University Students' Drinking Patterns and Problems: Examining the Effects of Raising the Purchase Age (with Engs, Ruth C.) Baltimore, MD: American Council on Alcoholism, 1989 (Booklet). Reprinted from *Public Health Reports*, where it was first published.

Invited Papers/Presentations (Since 2000)

World Drinking Ages and related materials. In: Venturelli, Peter J., Hanson, Glen, and Fleckenstein, Annette (eds). *Drugs and Society*. 11th edition. Jones & Bartlett, 2012.

What We're Doing Now to Prevent Underage Drinking Isn't Working; It's Time to Try Something Else. *Los Angeles Times*, May 30, 2011.

Should the Drinking Age be Lowered to 18? Yes: Drinking "Licenses" Promote Responsible Behavior. *American Teacher*, November, 2008, 93(3), 3.

Should the Drinking Age be Lowered to 18? Yes: Drinking "Licenses" Promote Responsible Behavior. *On Campus*, November/December, 2008, 28(2), 3.

The Minimum Legal Drinking Age. Invited presentation to the Moral Forum, Center for Ethics & Social Responsibility. University of Alabama, September 14, 2009.

A Drinking Learner's Permit. Presenter, Drinking Age Debate, Issues Day. Saint Mary's Hall, San Antonio, TX, March 26, 2009.

Toward New Alcohol Policies. Guest speaker at Beyond Amethyst: The Conference, sponsored by the Five Colleges Consortium (Hampshire, Amherst, Mount Holyoke and Smith Colleges and the University of Massachusetts Amherst), at Hampshire College, April 24, 2009.

Alcohol Education: What Works. Keynote Address at Mothers Against Drunk Driving (MADD) Power Camp, Storrs, CT, August 3, 2005.

Testimony on alcohol advertising and marketing to youth presented to New York State Assembly Standing Committee on Alcoholism and Drug Abuse (October 22, 2002).

Alcohol Education: What Works. Invited presentation at American Campus and Alcohol Regional Conference, Orlando, FL (September, 2002).

Thinking and Drinking: Alcohol Expectancies and Consequences. Invited presentation at the GODE Alkoholdninger meetings, Copenhagen, Denmark, April, 2001.

Alcohol Education: What works. Invited presentation t American Campus and Alcohol Regional Conference, San Antonio, TX, November 2001.

Cultural Impact on Alcohol Abuse. Invited presentation at the Scandinavian Medical Alcohol Board (SMAB) meetings, Oslo, Norway, October, 2000.

Alcohol Education: What Works. Invited presentation at the American Campus and Alcohol National Conference, Washington, DC, October, 2000.

V. Miscellaneous

Member, Editorial Board. *International Journal of environmental Research and Public Health*, 2009 - present.

Expert testimony on effects of Sunday alcohol beverage sales presented to the Indiana State Assembly Interim Study Committee on Alcoholic Beverages, September 15, 2009.

Advisory Board member, American Association for the Advancement of Science (AAAS) "Science inside Alcoholism" project, 2007-2010.

Member, Board of Directors, Baldwin Research Institute, Amsterdam, New York.

Member, Board of Scientific and Policy Advisors, American Council on Science and Health.

Age of propaganda: the government attacks teenage drinking with junk science (with Matt Walcoff). *Reason*, October, 2004.

President, New York State Sociological Association (1982-1983; 1993-1994).

Co-chair, Conference for Treaty Six First Nations, "Alternative Approaches to Addictions and Destructive Habits" (Edmonton, Alberta: November 6-8, 1995). Sponsored by Health Canada.

State University of New York Chancellor's Award for Excellence in Teaching (May, 1990).

Award for Excellence (New York State Sociological Association: October, 1987). Ninth such award granted in 35 years.

Materials from Alcohol Problems and Solutions web site selected for use by the U.S. Army CFSC-MWR Academy, 2007.

"The National Minimum Drinking Age Act of 1984" selected for use by the Multistate Academic and Vocational Curriculum Consortium, 2007.

"Drinking and Driving" selected for distribution by Magellan Behavioral Health, 2007.

Expert testimony on alcohol advertising and marketing to youth presented to New York State Assembly Standing Committee on Alcoholism and Drug Abuse, October 22, 2002.

Author of over 300 scholarly publications and papers.

Appearances as an alcohol expert on the "NBC Nightly News," the BBC's "The World Tonight," the Dr. Laura television program, CBC's "Daybreak," "CNN Saturday," NPR's "All Things Considered" and "To the Best of Our Knowledge," the Voice of America, Alan Colms' radio program, the ABC radio news and many local radio programs across the U.S. and foreign countries.

Research reported in the *New York Times*, the *Chicago Tribune*, the *Los Angeles Times*, and many other newspapers. Quoted in *Family Circle*, *Health* magazine, *Reason*, *Men's Health*, *Parade* (Sunday newspaper supplement) and other popular publications.

Research cited in textbooks in sociology, psychology, social psychology, adolescent psychology, personality, social deviance, social problems, social foundations of education, political science, alcohol studies, drug studies, health science, marriage and family, biostatistics, and research methods.

Expert witness and alcohol consultant in federal criminal and civil cases (2000 to present).

January 2013

Attachment 6: The Media Release - Alcohol Beverages Advertising Code



MEDIA RELEASE

20 June 2013

Woolworths Liquor Group becomes a signatory to the Alcohol Beverages Advertising Code

The Management Committee of the Alcohol Beverages Advertising Code (ABAC) today announced that Woolworths Liquor Group has become a signatory to the Code. Woolworths Liquor Group includes Dan Murphy's, BSW and Cellarmasters.

Chair of The ABAC Scheme Ltd, Mrs Denita Wawn, said today "the involvement of the Woolworths Liquor Group, as both a producer and retailer of alcohol products, was very much welcomed by the ABAC Management Committee".

Woolworths Liquor already participates in ABAC by pre-vetting many of its advertisements and also co-operation and compliance with any adjudication decision of the ABAC Panel.

In becoming a signatory, Woolworths will commit funding towards the scheme and has to comply with the pre-vetting requirements for advertisements, naming or packing of products.

Woolworths Liquor Group General Manager, Brad Banducci, said today, "as Australia's largest liquor retailer, we are pleased to formalise our commitment to the community by joining ABAC as a signatory".

Woolworths Liquor Group joins a large number of alcohol advertisers, representing well over 90% of alcohol advertising in Australia, that have committed to the objectives of the Code to ensure that alcohol advertising is responsible and does not encourage irresponsible consumption or consumption by underage persons.

ENDS.

For further information contact: Mrs Denita Wawn, Chair of The ABAC Scheme Ltd, 0416 145 233

Background:

- The Code regulates the content of alcohol advertising and packaging in Australia and alcohol promotion at events. Subject to regular reviews, the Code reflects community expectations and changes in the media and advertising industries.
- The Alcohol Advertising Pre-vetting Service provides independent, confidential advice to advertisers on whether proposed advertisements comply with the Code. This service is offered on a 'user pays' basis.
- The ABAC Adjudication Panel, headed by the Chief Adjudicator, Professor the Hon Michael Lavarch AO, considers public complaints about alcohol advertisements and packaging that fall within the jurisdiction of the Code. The Panel and its deliberations are independent of the Management Committee and the broader alcohol and advertising industry.
- In 2012, alcohol complaints represented 1.47% of all advertising complaints which is a drop from the average of 4% over the previous 5 years.