

# Australian Competition & Consumer Commission Digital Platforms Inquiry

**Submission from the Obesity Policy Coalition** 

3 April 2018

#### 1. Introduction

The Obesity Policy Coalition (OPC) is a partnership between the Cancer Council of Victoria, Diabetes Victoria and the Global Obesity Centre at Deakin University, a World Health Organization Collaborating Centre for Obesity, with support from VicHealth. The OPC advocates for evidence-based policy interventions and research to address the high rates of overweight, obesity and unhealthy diets in Australia, particularly in children.

We are grateful for the opportunity to comment on Australian Competition and Consumer Commission's Digital Platforms Inquiry issues paper.

The OPC understand that the scope of the inquiry is considerable and that it has a focus on the impact of digital platforms on the supply of news and journalistic content. However the OPC believes that it has a role as a public health organisation to comment on the following terms of reference:-

iii. the impact of platform service providers on media and advertising markets

v. the impact of information asymmetry between platform service providers, advertisers and consumers and the effect on competition in media and advertising markets.

The OPC's primary interest is in demonstrating the gathering of personal data and marketing of unhealthy food using digital platforms<sup>1</sup> is widespread, and that government regulation is required to control data collection and digital marketing<sup>2</sup> through digital platforms as it is having a significant impact on vulnerable populations, specifically children.

## 2. Background

#### The problem of digital marketing of children's food products

The marketing of unhealthy children's food is an increasingly important issue in Australia and internationally. Children's consumption of energy dense, nutrient poor foods has increased significantly over the past 30 years. Australian children's diets are comprised, on average, of 40% 'junk' food and only 5.4% of children, eat the recommended 5 serves of vegetables per day, with fruit consumption also generally falling short of recommended serves. Children's dental health is declining. There has been a 61% increase in tooth decay in 12-year-old children from 1998 to 2010, and a 78% increase for 6-year-old children from 1996 to 2010. Recent research has shown that both the frequency and the amount of sugar is important in developing tooth decay.

Australia is in the midst of an epidemic of childhood obesity, threatening the population's welfare. Overweight and obesity have escalated rapidly in recent years, to the point that over one quarter of

<sup>&</sup>lt;sup>1</sup> Digital search engines, social media platforms and other digital content aggregation platforms

<sup>&</sup>lt;sup>2</sup> The umbrella term used for the marketing of products and services using digital technologies, mainly on the internet, but also including mobile phones and any other digital medium.

<sup>&</sup>lt;sup>3</sup> Australian Bureau of Statistics, Australian Health Survey: First Results, 8 December 2015.

 $<sup>17</sup> https://www.healthdata.org/sites/default/files/files/country\_profiles/GBD/ihme\_gbd\_country\_report\_australia.pdf$ 

<sup>4</sup>http://sugarfreesmiles.com/tooth-decay-in-australia/

<sup>&</sup>lt;sup>5</sup>Berabbe et al, The Shape of the Dose-Response Relationship between Sugars and Caries in Adults, Journal of Dental Research, Vol 95, Issue 2, pp. 167 - 172

Australian children is now overweight or obese.<sup>6</sup> Obesity is a leading risk factor for chronic disease including cardiovascular disease, type 2 diabetes and some cancers. Alarmingly, type 2 diabetes is now being diagnosed in children. As a result of this obesity epidemic, the current generation of children is expected to die at an earlier age than their parents.

Obesity-related diseases are already burdening Australia's strained public health system and, if left unchecked, will continue to increase. The cost of weight-related disease is projected to cost the government \$87.7 billion over 10 years from 2015-2025.<sup>7</sup>

Clearly urgent action is required to curb that epidemic.

Instead, advertising of unhealthy food to children is becoming increasingly pervasive and sophisticated. Food advertisers are constantly developing new techniques and technologies, especially in the digital space, to target children as well as adolescents, and subjecting them to high exposure to advertising for fast food, confectionery, soft drinks and other unhealthy products.

These powerful new digital marketing practices are developed as a result of children's increased reliance on digital devices and applications which allow digital content aggregation platforms to gain unprecedented data and insight into an individual's personal behaviours. A key goal of the marketing industry is to reach young people at the earliest possible age and influence their subconscious desire for commercial products, such as fast food.

There is compelling evidence that unhealthy food advertising influences children's food preferences, requests and consumption, and contributes to overweight and obesity. Unhealthy food advertising to children also raises serious ethical concerns, as children do not have the cognitive capacity to understand and resist the influence of advertising.

In light of the evidence, the World Health Organization (WHO) and numerous expert public health bodies have called for countries to implement effective controls to limit children's exposure to unhealthy food marketing, to reduce their risk of a poor diet, weight gain and chronic disease. <sup>9</sup>

The following answers to the selected question to stakeholders further highlight the problems with digital marketing to children and make recommendations to address the problem.

<sup>&</sup>lt;sup>6</sup> Australian Bureau of Statistics, National Health Survey: First results, 8 December 2015, http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/by%20Subject/4364.0.55.001~2014-15~Main%20Features~Key%20findings~1, http://www.abs.gov.au/ausstats/abs@.nsf/mf/4364.0.55.001. 27.2% of children aged 5-17 years is overweight or obese.

<sup>&</sup>lt;sup>7</sup> PWC, 'Weighing the Cost of Obesity: A case for action (2015)': https://www.pwc.com.au/pdf/weighing-the-cost-of-obesity-final.pdf <sup>8</sup> G Cairns, K Angus and G Hastings, 'The extent, nature and effects of food promotion to children: A review of the evidence to December 2008] Geneva: World Health Organisation, 2009; G Hastings et al. Review of the research on the effects of food promotion to children (Final report), Prepared for the Food Standards Agency, 22 September 2003.

<sup>&</sup>lt;sup>9</sup> World Health Organization. Set of recommendations on the marketing of foods and non-alcoholic beverages to children. Geneva: World Health Organization, 2010, endorsed by the World Health Assembly, of which Australia is a member, in 2010: http://apps.who.int/iris/bitstream/10665/44416/1/9789241500210\_eng.pdf

# 3. Answers to questions to stakeholders

# 3.18. Describe the nature of the impacts (positive and negative) that digital platforms are having on consumers? What causes these impacts? Are these impacts temporary or ongoing?

Digital platforms are having a significant ongoing impact on consumers, in particular vulnerable consumers such as children, as they facilitate digital marketing of unhealthy food. Digital marketing is a more pervasive and personal form of marketing that acquires information about an individual, tracks them wherever they go, analyses what they say to friends and family and knows what products they purchase. Digital marketing is particularly powerful when directed to children because of their extensive use of digital media and the particular nature of digital marketing tools employed.

### Children's use of digital media

On a typical weekday, Australian children spend an average of two hours online outside of school hours, and of these 25% are online for more than four hours. <sup>10</sup> The nature of children's use of digital media allows marketers to achieve repetitive and sustained engagement of children, some of whom may use social media or play a game for as long as they like, whenever they like, often without supervision.

The use of apps among children is high – a 2013 study revealed that the use of apps by children aged 4–14 had doubled to 69% in the preceding 18 months, with children using an average of seven apps in the month leading up to the study.<sup>11</sup>

While children are drawn to gaming apps, increasingly children favour social media sites and apps, video viewing sites and websites. We know that children are accessing platforms that offer a wide range of content for all ages, not just child specific content. Sites popular with children include Facebook, Instagram, Snapchat and YouTube.

YouTube was the most popular social media network with 8 to 11-year-olds, according to a 2013 report into young Australians' experience of social media. It showed that half of 8–9 year olds (53%) and seven in ten 10–11 year olds (69%) had used YouTube, and 60 per cent of 10–11 year olds had used it in the last four weeks. Facebook was popular with children, despite its policy of restricting access to those aged over 13 years – one in six 8–9 year olds (16%) and one in three 10–11 year olds (31%) had used it. Global trends in internet and social media practices indicate that children's use is likely to have increased in the five years since the study.

Children are using multiple internet-enabled devices; up to three for a 10 to 11 year old. These range from computers and laptops to mobile phones and tablets. Mobile phone 'ownership' increases significantly with age. The report found that 11 per cent of eight to nine year olds have their own

<sup>&</sup>lt;sup>10</sup> Students, computing, and learning: making the connection. Paris: Organisation for Economic Co-operation and Development; 2015:40 Fig. 1 (http://www.oecd.org/publications/students-computers-and-learning-9789264239555- en.htm

<sup>11</sup> New Generations study of 1800 children and parents commissioned by cable TV station Cartoon Network released in 2013, as reported by the Australian, 11 April 2013, available at http://www.theaustralian.com.au/media/children-jump-into-apps-era/story-e6frg996-1226617569555

<sup>&</sup>lt;sup>12</sup> Mascheroni G, Olaffson K, Met children go mobile. Risks and Opportunities. 2nd edition. Milan; Educatt; 2014.

<sup>&</sup>lt;sup>13</sup> Australian Communications and Media Authority 'Like, post, share: Young Australians' experience of social media', 2013. Accessed at http://www.cybersmart.gov.au/About%20Cybersmart/Research/~/media/Cybersmart/About%20Cybersmart/Documents/Newspoll%20Q uantitative%20Like%20Post%20Share%20%20final%20PDF.pdf

mobile phone, increasing to 67 per cent of 12 to 13 year olds. <sup>14</sup> As a result, much online activity by children occurs without adult supervision.

#### Digital marketing has a particularly powerful impact on children

Manufacturers and marketers are embracing digital marketing for its ability to amplify traditional advertising, increase the target audience and achieve greater attention, recall, brand awareness and intent to purchase. Digital marketing is relatively inexpensive, indeed social media posts on a company's own page cost nothing, with the option to pay a relatively small fee to reach more people. This allows unhealthy food companies to place their advertisements on multiple media platforms that seek out children as they navigate the digital world. The relatively low cost and high impact is reflected in the increasing number of businesses that choose to advertise online. In 2016, 61% of large Australian businesses paid to advertise on social media, up from 36% in 2011.

Digital marketing techniques have become sophisticated and distinct from traditional forms of marketing, such as television and print media. It holds particular advantages for advertisers because it is targeted, interactive, uses peer to peer engagement and unidentified advertising.

#### **Targeted**

Online marketing may be tailored to the content that the viewer is watching on a site (contextual advertising) or to the characteristics and preferences of the user (behavioural advertising).<sup>17</sup> A network of digital platforms collect extensive personal information from ever increasing volumes of data generated by internet users, to facilitate the delivery of behavioural advertising, which may specify audiences with precision. These methods are so pervasive that researchers have concluded that it is impossible to avoid online tracking.<sup>18</sup> There is very little effective regulation to protect children from this practice.

Individual profiles are created from a person's digital footprint that are so specific that they have been used by unhealthy food advertisers to target advertisements specifically, for instance to a person's ice cream flavour preference based on their purchase history. Geo-location data has allowed fast food marketers to deliver advertisements in real time based on a person's location. This is particularly potent when one considers the well documented emotional volatility and lack of impulse control in children and adolescents.

Researchers contend that the capacity to collect data and the understanding of the vulnerabilities of children has driven the design of digital media, noting that Facebook's marketing, data collection and targeting operations are attuned to the key aspects of adolescent development.<sup>20</sup>

<sup>15</sup> Brand awareness optimisation. In: Introducing new ways to buy, optimise and measure ads for a mobile world.

Facebook website post, 30 September 2015 (https://en-gb.facebook.com/business/news/Ad-Week-UK).

<sup>&</sup>lt;sup>14</sup> Ibid, p 30

<sup>&</sup>lt;sup>16</sup> Sensis Social Media Reprt, p61, accessed at https://www.sensis.com.au/asset/PDFdirectory/Sensis\_Social\_Media\_Report\_2016.PDF

<sup>&</sup>lt;sup>17</sup> World Health Organisation, "Tackling food marketing to children in a digital world: transdisciplinary perspectives (2016).

<sup>&</sup>lt;sup>18</sup> Hoofnagle CJ etal, Behavioural advertising: the offer you can't refuse. Harvard Law Policy Review 2012: 6:273

<sup>&</sup>lt;sup>19</sup> Baus L. Location-based mobile marketing is where it's at for consumers. Marketing Land, 20 February 2014 (http://marketingland.com/location-based-mobile-marketing-consumers-74256).

<sup>&</sup>lt;sup>20</sup> consumers-74256).

<sup>13</sup> Montgomery K. Youth and surveillance in the Facebook era: policy interventions and social implications. Telecommunication Policy 2015;39:771–86

#### Peer to peer engagement

Digital marketing also engages children in powerful peer-to-peer viral marketing, involving 'sharing' with friends. Peer-to-peer marketing exploits one of the primary motivators of pre-teens and teenagers, the need to define their identity. This vulnerability has been exploited in the social media model of sharing. This process allows an individual to identify with a product and then like and share.

Research has found that social media users are engaging with digital marketing from unhealthy food brands on a daily basis. This enables marketers to capitalise on the users' social networks and magnify the reach and personal relevance of their marketing messages.<sup>21</sup>

Apps like Snapchat are another medium used by fast food chains to engage children and teenagers with their product. McDonald's, for instance, has produced a Snapchat lens which converts the image of a person's face into a hamburger, complete with McDonald's branding. The person shares the image with friends, so the child essentially does the advertising for the fast food chain.

#### Interactive

Digital marketing is interactive involving children in a two-way interaction with the brand via social media, branded communication, competitions or games. Unhealthy food and beverage marketers who are keen to reach children seek to engage them in entertaining experiences and encourage them to share these experiences with their friends.

#### Unidentified advertising

A feature of digital marketing is the blending of advertising with unpaid content to create a variety of stealth marketing techniques. This is particularly concerning as children are vulnerable consumers and are likely to have reduced capacity to understand the commercial and persuasive intent behind advertising messages.<sup>22</sup>

The immersive and embedded nature of commercial messages in advergames means they may not be recognisable to children, particularly as these activities are often not punctuated by breaks or cues to interrupt a child's participation, or to alert a child to the persuasive intent.<sup>23</sup> In the same way, advertisers may craft Instagram or Facebook advertisements that appear as posts, which make them difficult to identify as advertising.

Vlogging is another form of unidentified marketing which appeals to children. Around a third of children who use YouTube in the UK watch vlogs/blogs. Girls are much more interested in these than boys and viewing is highest for older children, peaking at half of 11–12 year olds. <sup>24</sup> This word of

<sup>&</sup>lt;sup>21</sup>18Freeman B, Kelly B, Baur L, Chapman K, Chapman S, Gill T, et al. Digital junk: food and beverage marketing on Facebook. Am J Public Health 2014;104:e56–64.

<sup>&</sup>lt;sup>22</sup> Kunkel D, Wilcox BL, Cantor J, Palmer E, Linn S & Dowrick P. Report of the APA Task Force on Advertising and Children. Washington DC: American Psychological Association, 2004, <a href="http://www.apa.org/releases/childrenads.pdf">http://www.apa.org/releases/childrenads.pdf</a>.

<sup>&</sup>lt;sup>23</sup> Soontae A and Hannah Kang 'Do online ad breaks clearly tell kids that advergames are advertisements that intend to sell things?' (2012) 32(4) International Journal of Advertising 655.

<sup>32(4)</sup> International Journal of Advertising 655.

24 2016b. New Childwise report reveals children's favourite internet vloggers, Norwich, Norfolk: Childwise; 2016, (http://www.childwise.co.uk/uploads/3/1/6/5/31656353/childwise\_press\_release\_-\_vloggers\_2016.pdf).

mouth advertising is very powerful as children view Vloggers as authentic, trusting their recommendations.<sup>25</sup>

Unsupervised: parents can't control or critique

The nature of children's use of digital media allows marketers to achieve repetitive and sustained engagement of children, some of whom may use social media or play a game for as long as they like, whenever they like, often without supervision.

Surveys show that while parents would like to monitor their children's viewing, their involvement in monitoring or limiting what their children view declines as their child gets older.<sup>26</sup>

The personalised nature of digital marketing makes it difficult for parents to supervise. As a result, parents are largely unaware of unhealthy food advertising to children in digital media<sup>27</sup> and tend to assume that marketing of unhealthy food online isn't a problem and that their children would ignore any unhealthy food marketing they see.

#### Impact of digital marketing on childhood obesity

Systematic reviews of the evidence have concluded that food promotion influences the types of food children prefer, demand and consume, and is likely to contribute to poor diets, negative health outcomes, weight gain and obesity in children.<sup>28</sup> This underpins the core recommendation of the WHO Commission on Ending Childhood Obesity to reduce children's exposure to such marketing.<sup>29</sup>

A study in the Netherlands demonstrated that playing food-based advergames increased a child's food intake in a similar way to food commercials.<sup>30</sup>

An Australian study looked at the marketing of six food brands across multiple digital media platforms and identified a number of relationship and brand tactics. It found that the use of sophisticated integrated branding strategies in immersive online media allows marketers to generate young consumer brand engagement at an interactive, direct and social level that is more powerful than traditional media.<sup>31</sup>

It is now recognised that the impact of digital marketing on teenagers is significant. Adolescents are likely to have access to money; they are an attractive target for marketers. In the past it was assumed that adolescents had the cognitive capacity to recognise advertisements and their persuasive intent, however previous analysis didn't consider the unique emotional, implicit and social impact of digital marketing. Adolescents are susceptible because of neurological and hormonal changes which cause them to be more subject to peer influence, including risky decision making. <sup>32</sup> It

<sup>26</sup> ACMA, Children's television viewing and multi-screen behaviour, 2017, p25.

<sup>25</sup> ibid

<sup>&</sup>lt;sup>27</sup> Mehta KP, Coveney J, Ward P, Handsley E (2014). Parents' and children's perceptions of the ethics of marketing energy dense nutrient-poor foods on the internet: Implications for policy to restrict children's exposure. Public Health Ethics 2014;7(1):21–34

<sup>&</sup>lt;sup>28</sup> See no 5

<sup>&</sup>lt;sup>29</sup> See no 6

<sup>&</sup>lt;sup>30</sup> Folkvord F, Anschütz DJ, Buijzen M, Valkenburg PM. The effect of playing advergames that promote energy-dense snacks or fruit on actual food intake among children. Am J Clin Nutr 2013;97:239–45.

<sup>&</sup>lt;sup>31</sup> T Davis and N Confoss, Young consumer-brand relationship building potential using digital marketing, European Journal of Marketing, V 50, No m11 2017. P1993.

Knoll LJ, Magis-Weinberg L, Speekenbrink M, Blakemore SJ. Social influence on risk perception during adolescence, Psychol Sci 2015;26:583–92<sup>32</sup>

is accordingly crucial to consider the vulnerability of teenagers as well as children as digital marketing continues to grow.

#### 3.19. What are the advantages and disadvantages of using digital platforms for consumers?

The advantage for young consumers is that they can communicate effectively with their peers; the disadvantage of this is that they are subject to largely unregulated marketing.

- 3.21. Are consumers generally aware of these terms and conditions? Specifically, do Australian consumers understand the value of the data they provide, the extent to which platforms collect and use their personal data for commercial purposes, and how to assess the value or quality of the service they receive from the digital platforms?
- 3.23. If you consider the collection of data part of the effective price paid by consumers for use of the digital platforms, to what extent are consumers aware of and provide informed consent for the collection and use of their data?

There has been widespread concern about whether consumers are aware of the extent to which digital platforms collect and use their personal data for commercial purposes and whether consumers provide informed consent to this data collection. The OPC believes this concern is particularly significant for children and adolescents.

Measures to protect privacy are very limited. The Privacy Act 1988 (Cth) does not specify an age after which individuals can make their own privacy decisions. For consent to be valid, an individual must have capacity to consent. Where consent is required for an organisation or agency to handle the personal information of an individual under the age of 18, the organisation or agency will need to determine on a case-by-case basis whether that individual 18 has the capacity to consent. This is particularly difficult in an online setting.

Legislation in the United States prohibits the collection of personally identifiable data if a child is under 13 years of age, without parental consent.<sup>33</sup> As many companies operate internationally, this appears to have become the de facto cut off for privacy protection and potentially the reason why many sites exclude users who are younger than 13. This does not protect children for whom parents provide consent or who are pretending that they meet the age requirements of sites, particularly social media sites.

Parents and children may give consent to the collection of data without realising the implications. Privacy policies are often so complex and legalistic that they have been characterised as deceptive<sup>34</sup> and accordingly provide minimal practical protection as users of all ages overlook them in their enthusiasm for digital engagement. The OPC recommends the adoption of measures to ensure that children under 16 provide informed consent to collection of their personal data.

The personalised nature of digital marketing makes it difficult for others to observe, while the extensive, detailed data available to Google, Facebook and Instagram and food marketers, is not publicly available. This imbalance of information is an impediment to monitoring and safeguarding

<sup>34</sup> Reidenberg J et al, Disagreeable privacy Policies: mismatches between meaning and users' understanding. Berkley Technology Law J 2015; 39-68.

<sup>&</sup>lt;sup>33</sup> Children's Online Privacy Protection Rule (COPPA). 16 CFR Part 312. Washington DC: Federal Trade Commission

the exposure of children to digital marketing. The OPC recommends that the adoption of measures to ensure the transparency and control of personal data collection from consumers by digital platforms.

**Recommendation**- the adoption of measures to ensure informed consent by children under 16 to collection of their personal data.

**Recommendation**- the adoption of measures to ensure the transparency and control of personal data collection from consumers by digital platforms.

3.32. Attachment B summarises the key existing regulation in Australia that applies to the media and advertising services markets. Are there any additional existing or proposed laws or regulations in Australia which should be taken into account by the ACCC in this inquiry?

In addition to the Australian Association of National Advertisers (AANA) self-regulatory advertising codes mentioned in Attachment B there are two additional AANA Codes, the Advertising and Marketing Communications to Children (Children's Code) and the Food and Beverages Advertising and Marketing Communications Code (Food and Beverages Code).

Further, there are also two self-regulatory food industry codes which purport to control unhealthy food marketing to children. These were developed in 2009 when the Australian Food and Grocery Council (AFGC) introduced two extra voluntary codes to restrict food advertising to children. The Responsible Children's Marketing Initiative (RCMI) applies to food and beverage advertising (not including fast food advertising) 'directed primarily to' children under 12 by food companies that are signatories. The Quick Service Restaurant Industry Initiative for Responsible Advertising and Marketing to Children (QSRI) applies to fast food advertising 'directed primarily to' children under 14 by fast food companies that are signatories. The codes are administered by the Advertising Standards Board. These voluntary codes purport to ensure that food advertising 'directed primarily to children' represents healthier choices but the weak provisions provide very little protection.

3.36. Are the existing laws and regulations sufficient to address the activities of digital platforms? Is there a case for the specific regulation of digital platforms and, if so, what issues would proposed regulation seek to address?

#### Lack of controls on digital marketing

Despite the consensus among peak public health agencies that children should be protected from the marketing of unhealthy products, there remains a notable lack of regulation designed to limit children's digital exposure to unhealthy food marketing. Presently, controls on marketing to children are overwhelmingly left to a system of weak industry self-regulation, overseen by the Advertising Standards Board.

Complaints about advertising on social media are unlikely to succeed because self-regulatory codes only cover advertisements that are directed primarily to children, who are younger than 12 under the Responsible Children's Marketing Initiative (RCMI) and younger than 14 under the Quick Service Initiative (QSRI).

Whether an advertisement is directed primarily to children is determined by either its content or placement. For an online advertisement to be assessed as primarily directed to children by its placement, children must represent at least 35% of the audience. It is unlikely that advertisements on Facebook, Instagram or Snapchat would be assessed as primarily directed to children because the nominal age for participation in these sites is 13 and it would be assumed that it is not possible to satisfy the 35% audience requirement. This is despite data<sup>35</sup> showing that a significant proportion of children under 13 are using the sites and the admission by Facebook that it is difficult to verify the age of users and that there may be many users younger than 13.<sup>36</sup>

The codes also fail to capture apps and games by interpreting "directed primarily at children" very narrowly. An illustration is the KFC "snack your face" app, a free, animated game, premised on a quest to help save the Popcorn Chicken characters that have been stolen from KFC. A complaint that the app breached the QSRI by marketing high-fat snacks to children was dismissed because, although the Advertising Standards Board accepted it would be attractive to children, it was not directed primarily to them, as they would not meet the very high audience threshold of 35%. <sup>37</sup>

In addition, the advertising of many unhealthy products is not restricted, because pursuant to the RCMI and the QSRI, the companies define whether a product is a "healthier choice".<sup>38</sup> This means that although the RCMI and QSRI apply, few online activities are actually restricted because of the wide and permissive range of products that companies allow themselves to promote to children.

For example, Paddle Pop ice-creams, which contain around 21% sugar by weight, or 11g sugar per serve, <sup>39</sup> are considered a "healthier choice", which means the Paddle Pop website is permitted under the self-regulatory codes, forging positive brand associations through significant time periods of online play, using recognisable characters.

The present self-regulatory industry codes are ineffective to control the exposure of children to digital marketing. They are particularly ill-suited to address social media marketing, online marketing, apps and advergames – allowing a large volume of unhealthy food marketing to reach children. The Obesity Policy Coalition believes that the Australian Government must act in line with the WHO recommendations and impose legislative, regulatory or strong co-regulatory measures to reduce the volume of food marketing reaching children under 16, particularly from digital media. The existence of intricate data on the use of digital media should be considered when designing mechanisms to reduce children's exposure to marketing of unhealthy foods. The food industry has access to information about individuals, including their age, which allows the targeting of advertising. It logically follows that if required by regulation, the food industry would have the capacity to block access to the unhealthy food marketing children are seeing, according to specific parameters such as age, in a manner that it is not possible in open access media like television.

http://adstandards.com.au/casereports/determinations/standards.

<sup>&</sup>lt;sup>35</sup> Australian Communications and Media Authority ', at no 23

<sup>&</sup>lt;sup>36</sup> Sweney M. Facebook admits it is powerless to stop young users setting up profiles. The Guardian. Available at: http://www.theguardian.com/technology/2013/jan/23/facebookadmits-powerless-young-users. Accessed May 29, 2014 <sup>37</sup> See Advertising Standards Board decision 0383/13, available by searching at

<sup>&</sup>lt;sup>38</sup> See RCMI and QSRI, Schedule 1 (Core Principles) S1.1(a), and 5.3 (Compliance), available at http://afgc.org.au/health-and-nutrition/industry-codes/advertising-to-children/qsr-initiative.html

<sup>&</sup>lt;sup>39</sup> Values are based on Paddle Pop Choc flavour, see nutrition information for this and other products at http://www.paddlepop.co.nz/products/Streets-Paddle-Pop-Banana.aspx#!/products/Streets-Paddle-Pop-Caramel.aspx

**Recommendation-** the introduction of legislative, regulatory or strong co-regulatory measures to reduce the volume of food marketing reaching children under 16, particularly from digital media.

#### 4. Conclusion

The OPC supports the ACCC's inquiry into digital platforms and request that the ACCC endorse the OPC's recommendations to introduce effective controls of digital marketing and data collection by digital platforms. The OPC also draws the attention of the ACCC to the capacity of digital platforms to gather colossal amounts of data, which could be harnessed to gather data to assist with research aimed at curbing the obesity epidemic.