

Advertising + Marketing

New Age Targeting Requirements for Beer Advertising

The Bottom Line

- The Beer Institute and Brewers Association increased the advertisement targeting requirements for beer ads to 73.6% from 71.6%.
- In response, the beer industry – and publishers, media companies, media buying agencies and influencers – will need to retool their ad targeting and placement practices to ensure that advertisements appear only in media where 73.6% of the audience is of drinking age or older.
- These updates will likely extend beyond the beer industry, and even the alcohol industry, and may require changes in advertising practices for any product that can only be sold to individuals who are 21 and up.

Beer advertising can now only appear in media where 73.6% of the audience is 21 years of age or older – an increase from 71.6%. The updated targeting requirements are from the Beer Institute and the Brewers Association, the self-regulatory organizations that govern the beer industry. The increase could eventually impact the entire alcohol industry, along with the media companies that carry their advertisements and other industries whose products can only be used by individuals who are 21 years of age or older.

Advertising and Marketing Rules for Alcoholic Beverage Suppliers

In addition to federal and state laws and regulations, alcoholic beverage suppliers are governed by various self-regulatory organizations. Each organization has its own advertising and marketing code to ensure that members adhere to socially responsible practices when creating and disseminating advertising. Although these codes do not have the force of law, the Federal Trade Commission (FTC) has brought enforcement actions for particularly egregious violations of these self-regulatory codes.

One of the foundational principles for responsibility in alcoholic beverage advertising is that advertising materials should not be directed toward individuals who are under the drinking age of 21. In support of this goal, the self-regulatory organizations each developed detailed principles governing media buying for alcohol advertisements, including

requirements for the audience composition of alcoholic-beverage advertising. Since 2011, advertising materials could only appear in media where the advertiser reasonably expected that 71.6% of the audience was 21 or older. This threshold was based on the proportion of the population that was 21 or older, as measured by the 2010 census, and was intended to ensure the ads were not directed to audiences that were disproportionately young. Although the FTC has historically taken a hands-off approach in this area, it indicated that “it expects all industry members to adhere to this new standard” when first adopted.

The Updates and What They Mean

In late July, the Beer Institute and Brewers Association jointly updated their targeting thresholds, now requiring that beer advertising only appear in materials where at least 73.6% of the audience is 21 years of age or older. This increase is intended to reflect updated data in the 2020 census indicating that individuals who are 21 years of age or older represent a larger proportion of the population than was reported in the 2010 census, on which the 71.6% standard was based.

These changes apply only for the beer industry, as the alcohol industry’s other self-regulatory groups – the Wine Institute and Distilled Spirits Council of the United States (DISCUS) – have yet to adopt the new standard. However, all of the alcohol industry’s self-regulatory organizations previously followed the same 71.6% standard, so the Wine Institute and DISCUS may very well update their standards to match the new 73.6% standard in the coming months.

In addition, these changes have broad implications beyond the alcohol industry.

Publishers, media companies, media buying agencies and even influencers have typically been required to follow the 71.6% standard when working with alcohol companies. They will likely need to revisit their targeting and placement practices to ensure compliance with the new standard.

More broadly, these standards are useful for any industry whose products can only be used by individuals who are 21 years of age or older, including gambling/sports betting, marijuana and tobacco/e-cigarettes. Though the regulatory schemes for these industries vary widely, and may be subject to even stricter requirements, advertisers and third parties who work with them may wish to consider adopting the new stricter standards to ensure that advertisements are being targeted to a demographically appropriate audience.

For More Information

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