

# YOUTH OVEREXPOSED: ALCOHOL ADVERTISING IN MAGAZINES, 2001 TO 2003

## I. Executive Summary

Distilled spirits and beer advertising in national magazines between 2001 and 2003 consistently reached more underage youth<sup>1</sup> than adults on a per capita basis, according to an analysis by the Center on Alcohol Marketing and Youth (CAMY) of 10,455 alcohol ads costing almost \$1 billion. Major findings from this analysis include the following:

### Overexposure of Underage Youth

- The beer industry led the way in this “overexposure”<sup>2</sup> of underage youth, delivering 52%, 57%, and 48% more advertising to underage youth than to adults on a per capita basis in 2001, 2002 and 2003 respectively.

- The distilled spirits industry delivered 33%, 23% and 20% more advertising to underage youth than to adults on a per capita basis in 2001, 2002 and 2003 respectively. However, the dominance in spending by distilled spirits companies (see below) meant that the volume of distilled spirits advertising reaching underage youth overwhelmed that of beer.
- Collectively, underage youth overexposure to alcohol advertising declined from 26% to 15% during this period as companies moved more of their ad placements to publications with 30% or less underage youth readership (see below), the spending on advertising for “alcopops”<sup>3</sup> declined, and wine advertising continued its trend of not overexposing underage youth in general.

### Distilled Spirits Leads Spending, Beer Spending Up

- Distilled spirits advertising was by far the dominant category of alcohol advertising in magazines during this period, accounting for 79%, 76% and 70% of the advertising dollars in 2001, 2002 and 2003 respectively.
- Beer spending increased from \$31 million in 2001 to \$34 million in 2002, and then jumped to \$55 million in 2003. This, combined with the decline in distilled spirits spending, resulted in beer advertising accounting for 16.8% of alcohol advertising in 2003, up from 9.5% and 9.9% in 2001 and 2002, respectively.

<sup>1</sup> For this report, unless otherwise noted, youth are defined as persons ages 12 to 20, and adults are defined as persons age 21 and over.

<sup>2</sup> Underage youth are more likely to see on a per capita basis, or be “overexposed” to, a magazine ad for alcohol when it is placed in a publication where the percentage of underage youth in the readership is greater than the percentage of underage youth in the general population. (In 2003, for example, this meant that youth were overexposed to ads in magazines where underage youth were more than 15.18% of the readership.) “More likely to be read by” (as well as percentage measures of youth overexposure and other comparisons of adult and youth exposure to alcohol advertising in this report) is based on “gross rating points,” which measure how much an audience segment is exposed to advertising per capita. Another way of measuring advertising exposure is “gross impressions” (the total number of times all members of a given audience are exposed to advertising). The adult population will almost always receive far more “gross impressions” than youth because there are far more adults in the population than youth. Gross rating points are calculated by dividing gross impressions by the relevant population (e.g. persons 21 and over) and multiplying by 100. See Appendix B for a glossary of terms used in this report.

<sup>3</sup> “Alcopops” are also referred to as “low-alcohol refreshers,” “malternatives” or “flavored malt beverages.” Many of the brands in this category, which includes brands such as Mike’s Hard Lemonade and Smirnoff Ice, have alcohol contents of between 4% and 6%, similar to most traditional malt beverages. Alcohol and Tobacco Tax and Trade Bureau (TTB), “Notice No. 4—Flavored Malt Beverages and Related Proposals,” *Federal Register* (March 24, 2003): 14293.

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- Advertising for alcopops all but disappeared between 2002 and 2003. In 2001 and 2002 alcopops advertising accounted for 2.2% and 3% of the ad spending respectively, but in 2003 this declined to .9%.
- Although spending on alcopops advertising declined, its overexposure of underage youth grew. On a per capita basis, underage youth were exposed to 63% more alcopops magazine advertising than legal-age adults in 2001, and this grew to 72% in 2002, and finally to 92% in 2003.
- In 2003, more than 50% of the \$326 million spent on magazine advertising by alcohol companies, as well as almost half of the 3,241 ads, were in magazines read by disproportionate numbers of underage youth.

## Impact of New Industry Marketing Guidelines

- In September 2003, the trade associations for the beer and distilled spirits industries announced a new voluntary guideline for their members: no advertising in publications with 30% or greater underage youth audiences. In 2001, the alcohol industry placed 382 ads worth \$30 million in publications with greater than 30% underage youth compositions, and in 2002 this increased slightly to 389 ads worth almost \$38 million. However, in 2003<sup>4</sup> the alcohol industry placed only 223 ads worth almost \$20 million in such publications, indicating a move toward the new threshold even before it was announced.
- While the alcohol industry substantially reduced the number of ads and the amount of spending in publications with 30% or greater underage youth audiences between 2002 and 2003, the reductions in the number of ads and the amount of spending in publications with 15% or greater underage youth



Appeared in *Stuff*, April 2003: 19.3% underage youth in 2003

## Half of Alcohol Ads Placed in Magazines with Disproportionate Youth Readerships

- More than 55% of the \$990 million spent on alcohol advertising in magazines between 2001 and 2003 went to ad placements in magazines that were more likely to be read by underage youth than by adults on a per capita basis.



Appeared in *Maxim*, April 2003: 23.8% underage youth in 2003

audiences were more modest. Fifteen percent is the threshold proposed by the National Research Council and Institute of Medicine in their landmark September 2003 report on underage drinking in the United States because it reflects the actual proportion of underage youth, ages 12 to 20, in the U.S. population. The reductions in the number of ads and the amount of spending in these publications were 19% and 15% between 2002 and 2003, while the corresponding reductions for publications above a 30% threshold were 43% and 48%.

## II. Why the Concern

Alcohol use is the leading illegal drug problem among America's youth. Every day, 7,000 young people under age 16 take their first drink.<sup>5</sup> Young people are more likely to drink alcohol than to smoke

or use other illegal drugs.<sup>6</sup> In 2004, one in five eighth-graders, more than one in three 10th-graders, and almost half of 12th-graders reported drinking in the past month. And nearly one in five 10th-

<sup>4</sup> Data for alcohol ad placements in magazines in 2004 will not be available until mid-2005.

<sup>5</sup> Calculated using the 2003 National Survey on Drug Use and Health. J. Groerer of the Substance Abuse and Mental Health Services Administration, e-mail to David H. Jernigan, PhD, 14 September 2004.

<sup>6</sup> National Research Council and Institute of Medicine, *Reducing Underage Drinking: A Collective Responsibility*, R.J. Bonnie and M.E. O'Connell, eds. (Washington, DC: National Academies Press, 2004), 35.

graders and one in three 12th-graders had been drunk at least once in the past month.<sup>7</sup>

When young people drink, they are far more likely to drink heavily than adults,<sup>8</sup> and the consequences are predictable and tragic. The Centers for Disease Control and Prevention estimates that in 2001 (the most recent year for which figures are available) 4,554 young people under 21 died from alcohol-related causes.<sup>9</sup> More than 30% of drivers ages 16 to 20 who died in motor vehicle crashes in 2003 had been drinking,<sup>10</sup> and alcohol is involved in an estimated 23% of suicides<sup>11</sup> and 47% of homicides among persons under 21.<sup>12</sup> Drinking among young people can also impair brain development,<sup>13</sup> and binge drinking may increase the likelihood of teen pregnancy.<sup>14</sup>

### III. About This Report

Alcohol advertising reaching young people has been a subject of concern for parents, policymakers and youth advocates for many years. The debate has often centered on the content of alcohol advertising. However, as the National Research Council and Institute of Medicine recently concluded as part of

A growing body of public health research has explored the relationship between alcohol advertising and young people's drinking behavior. Studies have shown that youth exposure to alcohol advertising increases awareness of that advertising,<sup>15</sup> which in turn influences young people's beliefs about drinking, intentions to drink, and drinking behavior.<sup>16</sup> Brain imaging has revealed that, when shown alcoholic beverage advertisements, teens with alcohol use disorders have greater activity in areas of the brain previously linked to reward, desire, positive affect and episodic recall, with the degree of brain response highest in youths who consumed more drinks per month and reported greater desires to drink.<sup>17</sup> When it reviewed the evidence on this issue in 1999, the Federal Trade Commission (FTC) concluded that, "While many factors may influence an underage person's drinking decisions,

including among other things parents, peers, and the media, there is reason to believe that advertising also plays a role."<sup>18</sup>



Appeared in *Sports Illustrated*, July 14-July 21, 2003: 23.2% underage youth in 2003

their landmark study, *Reducing Underage Drinking: A Collective Responsibility*,<sup>19</sup> "formulating and applying a content-based standard is a difficult undertaking. The need to do so will depend in part on whether and to what extent the placement of advertisements is restricted. For example,

there would ordinarily be less need for a content restriction if placements were precluded in any media for which more than 10 percent of the audience was expected to be underage than there would be if placements were precluded only if more than 50 percent of the audience was expected to be underage."

<sup>7</sup> L.D. Johnston, P. M. O'Malley, J.G. Bachman, and J.E. Schulenberg, *Overall teen use continues gradual decline; but use of inhalants rises* (Ann Arbor, Mich: University of Michigan News and Information Services, December 21, 2004), table 3. Available at <http://www.monitoringthefuture.org/data/04data.html#2004data-drugs> (cited 16 March 2005).

<sup>8</sup> National Research Council and Institute of Medicine, *Reducing Underage Drinking: A Collective Responsibility*, 35.

<sup>9</sup> L.T. Midanik et al., "Alcohol-Attributable Deaths and Years of Potential Life Lost—United States, 2001," *MMWR Weekly* 53, no. 37 (24 Sept 2004): 866-870.

<sup>10</sup> National Highway Traffic Safety Administration, *Traffic Safety Facts 2003* (Washington, DC: National Center for Statistics and Analysis, U.S. Department of Transportation, 2005), table 79.

<sup>11</sup> Calculated using Alcohol-Related Disease Impact (ARDI) data, Centers for Disease Control and Prevention. Data include only deaths for ages 15 to 20. M. Stahre of the Centers for Disease Control and Prevention, e-mail to David H. Jernigan, PhD, 20 December 2004.; See also G.S. Smith, C.C. Branas, and T.R. Miller, "Fatal Nontraffic Injuries Involving Alcohol: A Metaanalysis," *Annals of Emergency Medicine* 33, no. 6 (June 1999): 662.

<sup>12</sup> D.R. English, C.D.J. Holman, E. Milne et al., *The Quantification of Drug Caused Morbidity and Mortality in Australia* (Canberra: Commonwealth Department of Human Services and Health, 1995).

<sup>13</sup> S.A. Brown and S.F. Tapert, "Health Consequences of Adolescent Alcohol Involvement," in *Reducing Underage Drinking: A Collective Responsibility, Background Papers* [CD-ROM] (Washington, DC: National Academies Press, 2004), 383-401.

<sup>14</sup> T.S. Dee, "The Effects of Minimum Legal Drinking Ages on Teen Childbearing," *The Journal of Human Resources* 36, no. 4 (2001): 824-838.

<sup>15</sup> R.L. Collins et al., "Predictors of beer advertising awareness among eighth graders," *Addiction* 98 (2003): 1297-1306.

<sup>16</sup> S.E. Martin et al., "Alcohol Advertising and Youth," *Alcoholism: Clinical and Experimental Research* 26 (2002): 900-906; A.W. Stacy et al., "Exposure to Televised Alcohol Ads and Subsequent Adolescent Alcohol Use," *American Journal of Health Behavior* 28, no. 6 (2004): 498-509.

<sup>17</sup> S.F. Tapert et al., "Neural Response to Alcohol Stimuli in Adolescents With Alcohol Use Disorder," *Archives of General Psychiatry* 60, no. 7 (July 2003): 727-735.

<sup>18</sup> Federal Trade Commission, *Self-Regulation in the Alcohol Industry: A Review of Industry Efforts to Avoid Promoting Alcohol to Underage Consumers* (Washington, DC: Federal Trade Commission, 1999), 4.

<sup>19</sup> National Research Council and Institute of Medicine, *Reducing Underage Drinking: A Collective Responsibility*, 137.



Appeared in *Cosmopolitan*, September 2002: 23.3% underage youth in 2002

This report and other studies<sup>20</sup> conducted by CAMY analyze the placement of alcohol advertising. For this report, CAMY commissioned Virtual Media Resources (VMR) of Natick, Massachusetts to analyze alcohol advertising that appeared in national magazines from 2001 to 2003. VMR is an independent media research, planning, market analysis and consulting firm serving communications organizations and marketers in a wide variety of market segments and media. VMR was established in 1992 and has grown to service over 100 clients across the United States and Canada in retail, publishing, financial, automotive, public health and other fields.

This report is based on the industry-standard data sources and methods that are available to ad agencies and advertisers as they make their decisions about where to place their advertising. Advertising occurrence and expenditure data came from TNS Media Intelligence (formerly known as CMR or Competitive Media Reporting). Audience data came from Mediamark Research Inc., the leading industry source for magazine readership demographics.

The measures in this report are standard to the advertising research field but may not be familiar to the general reader. "Reach" refers to the number or percentage of a target population that has the opportunity to see an ad or a campaign through exposure to selected media. "Frequency" refers to the number of times individuals are exposed to an ad or campaign and is most often expressed as an average number of exposures. "Gross rating points," or "GRPs," measure how much advertising exposure is going to a particular population on a per capita basis. For example, the measure of 100 GRPs indicates that the population received the equivalent of one exposure per person (although this also could have come from 50% of the population seeing the advertising two times). GRPs are the mathematical product of reach and frequency: if the reach is 80% and the average frequency is 2.5, then the GRPs total 200. GRPs thus provide a comparative measure of per capita advertising exposure. Further information on sources and methodology may be found in Appendix A. Appendix B provides a glossary of advertising research terminology.



Appeared in *FHM*, July 2002: 17.5% underage youth in 2002

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<sup>20</sup> The Center's studies of alcohol advertising on television and radio, in magazines and on the Internet are available at [www.camy.org](http://www.camy.org).

## IV. Alcohol Advertising in Magazines

Alcohol companies spent nearly \$5.5 billion on advertising in the measured media of television, radio, print and outdoor between 2001 and 2003. Of this, more than \$1.2 billion went to advertising in national magazines; this report looked at product advertising representing 82% of this spending.<sup>21</sup> Overall, alcohol advertising in the magazines analyzed for this report decreased in spending by 5.5% (from \$344 million to \$326 million), and fell by 10% in number of ad pages (from 3,598 to 3,241) purchased from 2002 to 2003. (See Table 1.) While distilled spirits companies were the dominant buyer of alcohol advertising in magazines from 2001 to 2003, their spending declined during this period (from \$254 million to \$228 million). On the other hand, beer companies substantially increased their spending (from \$31 million to \$55 million). This period also reflects the “boom and bust” of spending on magazine advertising for alcopops.

**Table 1: Alcohol Ads and Spending in National Magazines Measured by MRI, 2001 to 2003**

Beverage Type	2001		2002		2003	
	Ads	Dollars	Ads	Dollars	Ads	Dollars
Beer and Ale	292	\$30,524,944	291	\$33,991,692	465	\$54,893,009
Distilled Spirits	2,840	\$254,375,577	2,697	\$260,802,078	2,330	\$228,207,697
Alcopops	73	\$6,944,474	96	\$10,294,433	29	\$3,009,913
Wine	411	\$28,534,584	514	\$38,857,593	417	\$39,947,891
<b>TOTAL</b>	<b>3,616</b>	<b>\$320,379,579</b>	<b>3,598</b>	<b>\$343,945,795</b>	<b>3,241</b>	<b>\$326,058,509</b>

Source: TNS Media Intelligence, 2001-2003

## V. Youth Overexposure to Alcohol Advertising in National Magazines

When young people ages 12 to 20 are disproportionately represented in a magazine’s readership relative to their presence in the general population, this creates youth “overexposure” to alcohol advertising in the magazine (see footnote 2 above). In the advertising industry, average issue readership equates with advertising exposure.

From 2001 to 2003, youth were consistently overexposed to beer and distilled spirits advertising in national magazines.<sup>22</sup> By category, young people were exposed to over 48% more beer advertising per capita than adults all three years. Spirits overexposure fell over the three years: from young people seeing 33% more distilled spirits ads per capita in 2001 to 20% more in 2003. Overexposure to alcopops advertising increased all three years, but the amount of alcopops advertising fell, causing total youth exposure to alcopops advertising in 2003 to be less than half what it was in 2001.

In marked contrast to youth exposure to beer, distilled spirits and alcopops advertising, youth exposure to wine advertising was consistently lower than adult exposure and decreased over the three years. In 2001, youth were exposed to 55% less wine advertising per capita than adults of legal drinking age and, in 2003, they were exposed to 66% less wine advertising in magazines than adults age 21 and over.

<sup>21</sup> Magazine titles and editions included in this analysis were those for which TNS Media Intelligence tracked advertising occurrences and for which MRI provided readership estimates. For more information on methodology, see Appendix A. For a list of the magazines included in the analysis, see Appendix C.

<sup>22</sup> See Table 2 for calculations of overexposure: if the ratio of GRPs delivered to the 12- to 20-year-old age group compared to GRPs delivered to the 21+ age group is greater than 1, youth are overexposed. For instance, the ratio for beer and ale in 2001 was 1.52, meaning 12- to 20-year-olds were exposed to 52% more beer advertising in magazines on a per capita basis than adults.

Taken together, the level of youth overexposure to alcohol magazine advertising fell between 2001 and 2003: in 2001, youth were exposed to 26% more alcohol advertising per capita than adults, while in 2003 they were exposed to 15% more than adults. This overall drop in overexposure appears to be the result of a number of factors: companies moving more of their ad placements to publications with 30% or less underage youth readership, the decline in the alcopops market, and the wine industry's continuing trend of not overexposing underage youth in general.

**Table 2: Exposure to Alcohol Advertising in National Magazines by Age Group, 2001 to 2003**

Beverage Type	Gross Rating Points (GRPs)				GRP Ratios		
	Youth Ages 12-20	Adults Age 21+	Young Adults Ages 21-34	Adults Age 35+	12-20:21+	12-20:21-34	12:20:35+
<b>2001</b>							
Beer and Ale	1,870	1,227	2,064	914	1.52	0.91	2.04
Distilled Spirits	13,175	9,916	15,892	7,680	1.33	0.83	1.72
Alcopops	407	250	480	164	1.63	0.85	2.49
Wine	606	1,359	1,285	1,386	0.45	0.47	0.44
<b>TOTAL</b>	<b>16,057</b>	<b>12,752</b>	<b>19,720</b>	<b>10,144</b>	<b>1.26</b>	<b>0.81</b>	<b>1.58</b>
<b>2002</b>							
Beer and Ale	1,840	1,171	2,049	842	1.57	0.90	2.19
Distilled Spirits	11,324	9,234	14,809	7,143	1.23	0.76	1.59
Alcopops	668	388	787	239	1.72	0.85	2.80
Wine	544	1,637	1,604	1,649	0.33	0.34	0.33
<b>TOTAL</b>	<b>14,376</b>	<b>12,430</b>	<b>19,249</b>	<b>9,873</b>	<b>1.16</b>	<b>0.75</b>	<b>1.46</b>
<b>2003</b>							
Beer and Ale	2,425	1,633	2,881	1,163	1.48	0.84	2.08
Distilled Spirits	8,618	7,194	11,422	5,601	1.20	0.75	1.54
Alcopops	193	101	210	60	1.92	0.92	3.24
Wine	381	1,134	1,086	1,152	0.34	0.35	0.33
<b>TOTAL</b>	<b>11,616</b>	<b>10,062</b>	<b>15,598</b>	<b>7,976</b>	<b>1.15</b>	<b>0.74</b>	<b>1.46</b>

Sources: TNS Media Intelligence 2001-2003, MRI Spring Adult Studies 2002-2004, MRI TwelvePlus 2001-2003, MRI Teenmark 2001

Alcohol advertisers have argued that the real target for their advertising is not all adults over 21, but rather a segment of young adults, such as those ages 21 to 34.<sup>23</sup> As Table 2 shows, underage youth had almost as much exposure to alcohol advertising in magazines as young adults ages 21 to 34. For instance, underage youth saw nine beer ads for every 10 seen by young adults, per capita, in 2001 and 2002. On the other hand, underage youth were exposed to far more alcohol ads than adults 35 and over, the age of most of their parents. In 2003, on a per capita basis, teens saw twice as many beer ads, more than three times as many ads for alcopops, and 50% more spirits ads than adults 35 and over, the age group of most parents of teenagers.

Another way to express the exposure of age groups to advertising is to look at reach and frequency. From 2001 to 2003, beer and ale advertising routinely reached more than 80% of the 12- to 20-year-old age group, while distilled spirits advertising reached more than 90%. (See Table 3.) At the same time, the frequency of beer advertising increased between 2001 and 2003, going from

<sup>23</sup> See, e.g., H. Riell, "Half Full or Half Empty?," *Beverage Dynamics*, 112, no. 3 (May 1, 2002): 8; R. Zimoch, "Malternatives: A new brew rides to the rescue," *Grocery Headquarters* 68, no. 4 (April 1, 2002): 83; S. Theodore, "Beer's on the up and up," *Beverage Industry* 92, no. 4 (April 1, 2001):18-24.

on average 22 ads reaching underage youth per capita to 29. On the other hand, the frequency of distilled spirits advertising declined during this period—from on average 141 in 2001 to 94 in 2003. Again, the contrast with wine is noticeable: the reach of wine advertising to underage youth declined from 57% to 43% during this period, and the frequency declined as well, albeit modestly, from 11 to 9.

**Table 3: Exposure to Alcohol Advertising in National Magazines, as Measured by Reach and Frequency, 2001 to 2003**

Beverage Type	Ages 12-20		Age 21+		Ages 21-34		Age 35+	
	Reach	Freq	Reach	Freq	Reach	Freq	Reach	Freq
<b>2001</b>								
Beer and Ale	84.8%	22.1	76.3%	16.1	88.0%	23.4	71.0%	12.9
Distilled Spirits	93.4%	141.0	95.3%	104.0	98.0%	162.1	93.5%	82.1
Alcopops	60.6%	6.7	44.2%	5.6	66.1%	7.3	36.2%	4.5
Wine	56.6%	10.7	71.7%	19.0	75.8%	17.0	70.4%	19.7
<b>TOTAL</b>	<b>94.0%</b>	<b>170.8</b>	<b>96.2%</b>	<b>132.5</b>	<b>98.2%</b>	<b>200.7</b>	<b>94.8%</b>	<b>107.1</b>
<b>2002</b>								
Beer and Ale	81.1%	22.7	75.3%	15.6	88.6%	23.1	68.4%	12.3
Distilled Spirits	92.4%	122.6	95.8%	96.4	98.6%	150.2	93.6%	76.3
Alcopops	64.7%	10.3	47.1%	8.2	71.3%	11.0	35.5%	6.7
Wine	50.2%	10.8	73.0%	22.4	75.7%	21.2	71.1%	23.2
<b>TOTAL</b>	<b>93.3%</b>	<b>154.1</b>	<b>96.9%</b>	<b>128.2</b>	<b>99.1%</b>	<b>194.2</b>	<b>95.7%</b>	<b>103.2</b>
<b>2003</b>								
Beer and Ale	82.4%	29.4	81.4%	20.1	89.4%	32.2	77.1%	15.1
Distilled Spirits	91.4%	94.3	93.7%	76.8	97.0%	117.7	90.3%	62.0
Alcopops	50.3%	3.8	29.8%	3.4	51.0%	4.1	21.9%	2.7
Wine	43.2%	8.8	62.5%	18.1	65.6%	16.6	61.9%	18.6
<b>TOTAL</b>	<b>92.7%</b>	<b>125.3</b>	<b>95.6%</b>	<b>105.3</b>	<b>98.3%</b>	<b>158.7</b>	<b>93.6%</b>	<b>85.2</b>

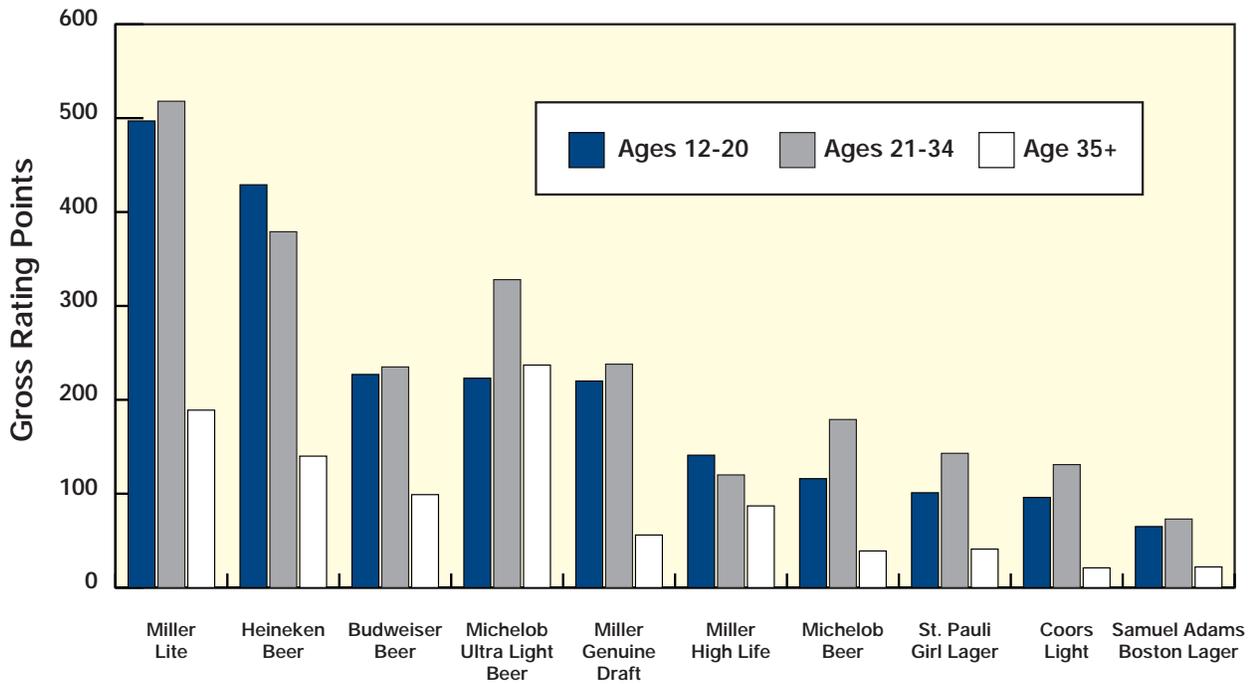
Sources: TNS Media Intelligence 2001-2003, MRI Spring Adult Studies 2002-2004, MRI TwelvePlus 2001-2003, MRI Teenmark 2001

## VI. Brands That Expose Youth to More Advertising

Figures 1, 2 and 3 show the relative media exposure of youth ages 12 to 20, young adults ages 21 to 34, and adults age 35 and over. For the beer and distilled spirits brands with the largest youth audiences for their advertising in 2003, for the most part young adults received the heaviest media exposure per capita. However, Figures 1 and 2 show that the spillover of beer and distilled spirits advertising from the 21-to-34 age group was consistently toward the under-21 age group. For nine of the 10 beer brands, more advertising reached 12- to 20-year-olds per capita than adults age 35+. For distilled spirits, 10 of 10 brands delivered more advertising to 12- to 20-year-olds per capita than to adults 35+. For two of the beer brands and one of the distilled spirits brands, more advertising reached the under-21 audience on a per capita basis than the 21-to-34 age group. In contrast, Figure 3 shows that, for the wine brands with the largest youth audiences for their advertising, the advertising skewed most of the time to the older audiences rather than toward the younger age group. Alcohol industry representatives argue that this most likely reflects an older demographic target for the wine industry.<sup>24</sup>

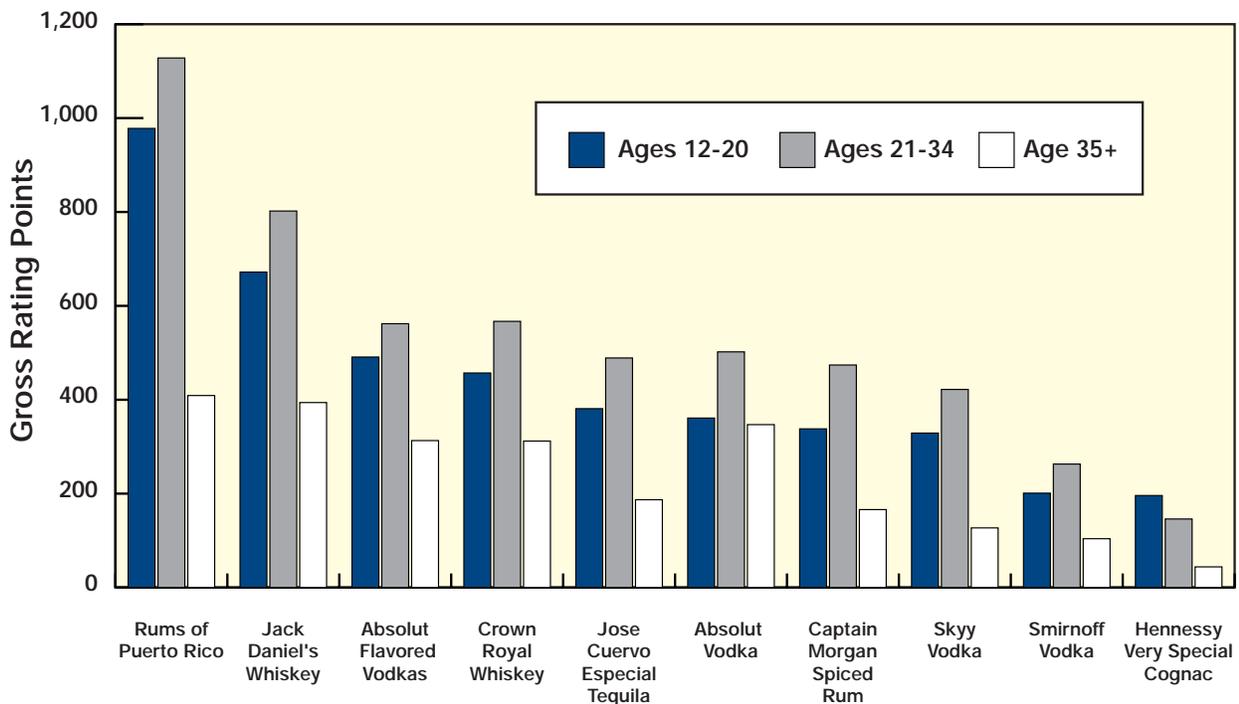
<sup>24</sup> Personal communication with David Jernigan, March 20, 2005.

Figure 1: Beer Brands With the Largest Youth Audiences for Their Magazine Advertising, 2003



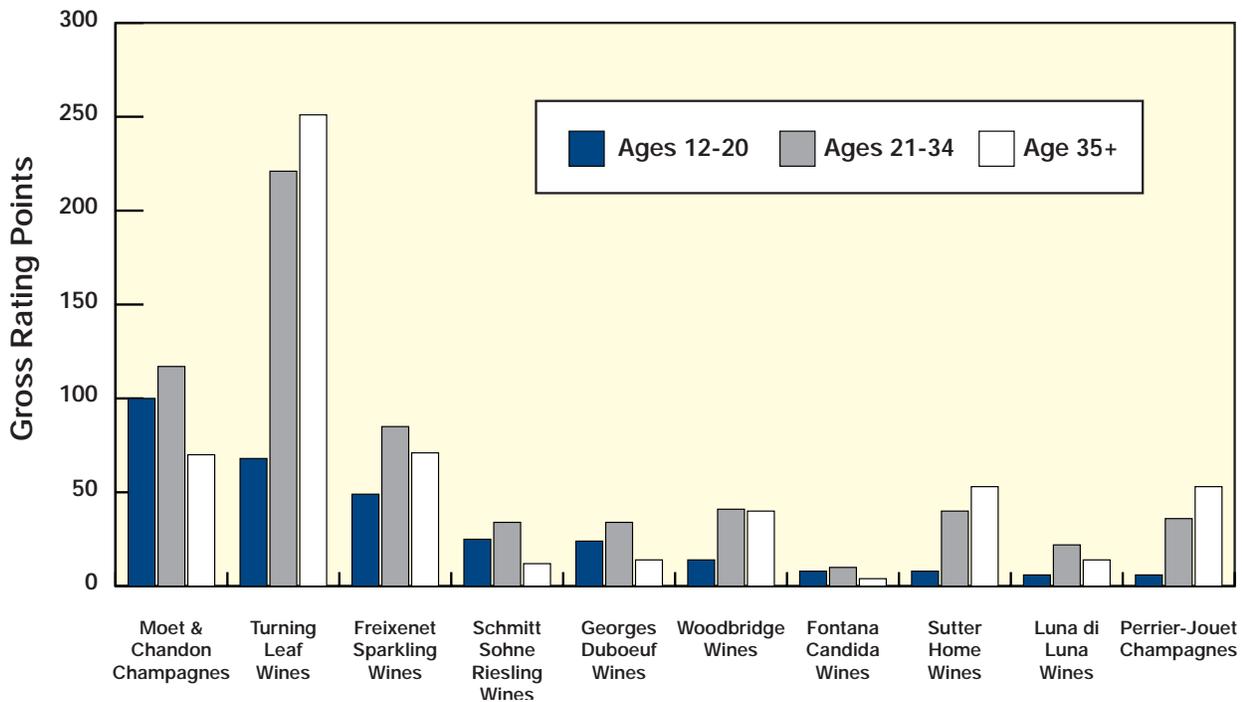
Sources: TNS Media Intelligence 2003, MRI Spring Adult Study 2004, MRI TwelvePlus 2003

Figure 2: Distilled Spirits Brands With the Largest Youth Audiences for Their Magazine Advertising, 2003



Sources: TNS Media Intelligence 2003, MRI Spring Adult Study 2004, MRI TwelvePlus 2003

Figure 3: Wine Brands With the Largest Youth Audiences for Their Magazine Advertising, 2003



Sources: TNS Media Intelligence 2003, MRI Spring Adult Study 2004, MRI TwelvePlus 2003

## VII. Alcohol Advertising in Magazines with Disproportionately High Youth Readerships

Over the period from 2001 to 2003, 56% of the spending on the alcohol advertisements studied for this report, as well as almost 50% of the ads, was in magazines with disproportionately high youth readerships.<sup>25</sup> In 2001 and 2002, the spending—slightly less than 60%—and number of ads—just above 50%—in such publications stayed relatively constant. In 2003, the spending for ads in these magazines dropped to 52% of all spending, and the percentage of all ads “overexposing” underage youth declined to 46%. The reductions between 2002 and 2003 in the number of ads (from 1,855 to 1,492) and dollars spent (from \$199.2 million to \$169.5 million) were 19.6% and 14.9% respectively. (See Table 4.)

Table 4: Ad Spending and Number of Ads Placed in Magazines with Disproportionately High Youth Readerships, 2001 to 2003

	Total		Overexposing			
	Ads	Spending	Ads	% Total	Spending	% Total
2001	3,616	\$320,379,579	1,867	51.6%	\$190,224,222	59.4%
2002	3,598	\$343,945,795	1,855	51.6%	\$199,166,793	57.9%
2003	3,241	\$326,058,509	1,492	46.0%	\$169,507,074	52.0%
<b>Total</b>	<b>10,455</b>	<b>\$990,383,883</b>	<b>5,214</b>	<b>49.9%</b>	<b>\$558,898,089</b>	<b>56.4%</b>

Sources: TNS Media Intelligence 2001-2003, MRI Spring Adult Study 2004, MRI TwelvePlus 2003

<sup>25</sup> For 2003, this meant magazines where youth accounted for more than 15.18% of total readership, the percentage of youth ages 12 to 20 in the general population 12 and above. For 2002 and for 2001, youth ages 12 to 20 accounted for 15.39% and 15.75% of the 12+ population, respectively, based on MRI's population estimates.

Table 5 shows the magazines with disproportionately high youth readerships that attracted more than a million dollars in alcoholic beverage advertising in 2003, as well as the percentages of youth in their readerships.

**Table 5: Magazines with Disproportionately High Youth Readerships with More Than a Million Dollars in Alcoholic Beverage Advertising, 2003**

<b>Publication</b>	<b>Alcohol Ads</b>	<b>Alcohol Ad Dollars</b>	<b>Youth Audience Composition</b>
<i>Sports Illustrated</i>	148	\$41,122,774	23.2%
<i>Maxim</i>	124	\$21,102,190	23.8%
<i>Cosmopolitan</i>	68	\$11,651,335	21.5%
<i>Rolling Stone</i>	112	\$11,411,660	29.7%
<i>Entertainment Weekly</i>	94	\$10,094,246	19.2%
<i>ESPN The Magazine</i>	73	\$9,663,300	31.3%
<i>Stuff</i>	112	\$8,913,300	19.3%
<i>FHM Magazine</i>	115	\$7,975,595	17.6%
<i>Vibe</i>	81	\$6,484,837	38.9%
<i>Vogue</i>	43	\$6,330,604	21.3%
<i>InStyle</i>	67	\$6,254,500	19.6%
<i>Us Weekly</i>	67	\$5,327,065	16.8%
<i>Marie Claire</i>	30	\$2,609,510	23.8%
<i>Sporting News</i>	71	\$2,520,849	25.3%
<i>Spin</i>	48	\$2,360,273	35.1%
<i>Premiere</i>	43	\$2,018,136	23.2%
<i>Jane</i>	33	\$1,973,243	18.7%
<i>Glamour</i>	8	\$1,573,563	21.7%
<i>Popular Mechanics</i>	15	\$1,529,918	18.2%
<i>Ebony</i>	25	\$1,373,801	21.3%
<i>Self</i>	12	\$1,125,885	17.7%

Sources: TNS Media Intelligence 2003, MRI Spring Adult Study 2004, MRI TwelvePlus 2003

In each year between 2001 and 2003, more than 30 brands placed all of their advertising in magazines with disproportionately high youth readerships. Of the brands that did this, Table 6 shows the number of ads and dollars spent by those brands with more than a million dollars worth of advertising in the magazines analyzed for this report.

**Table 6: Highest-Spending Alcohol Brands Advertising Only in Magazines with Disproportionately High Youth Readerships, 2001 to 2003**

<b>Brand</b>	<b>Ads</b>	<b>Dollars</b>
<b>2001</b>		
Miller Lite	20	\$4,970,570
Heineken Beer	31	\$3,748,315
Skyy Vodka	31	\$3,408,308
Cutty Sark Scotch	19	\$1,662,976
Killarney's Red Lager	9	\$1,183,425
<b>2002</b>		
Skyy Blue Malt Beverage	44	\$4,150,196
Heineken Beer	27	\$3,669,295
Doc Otis Hard Lemon	17	\$1,966,389
Kahlua Liqueurs	16	\$1,617,237
Jameson Irish Whiskey	12	\$1,236,000
<b>2003</b>		
Heineken Beer	42	\$5,826,235
Skyy Blue Malt Beverage	26	\$2,801,987
De Kuyper Cordials & Liqueurs	24	\$1,655,526
Coors Light	11	\$1,624,430
Remy Red Cognac	23	\$1,618,607
Seagram's Extra Dry Gin	19	\$1,252,984
Skyy Flavored Vodkas	10	\$1,192,316

Sources: TNS Media Intelligence 2001-2003, MRI Spring Adult Studies 2002-2004, MRI TwelvePlus 2001-2003, MRI Teenmark 2001

## VIII. Double Exposure: Advertising Above a 30% Threshold for Youth Audience Composition

For decades, the alcohol industry's voluntary marketing codes of good practice have designated maximum youth audiences to protect young people from undue exposure to alcohol advertising.<sup>26</sup> Current policy debates focus on determining a level of youth exposure that is reasonable and acceptable and that provides the public health protection of limiting underage youth exposure while still allowing the industry to reach its legal market with its advertising.

In 1999, the Federal Trade Commission (FTC) examined the issue of alcohol advertising and young people at the request of Congress and criticized the Beer Institute and the Distilled Spirits Council of the United States (DISCUS) for their then-current thresholds of 50% underage audience composition: "Only 30 percent of the U.S. population is under the age of 21, and only ten percent is age 11 to 17. The 50 percent standard, therefore, permits placement of ads on programs where the underage audience far exceeds its representation in the population. Given this age composition of the population, large numbers of underage consumers can be exposed to alcohol ads even though a majority of the audience is of legal age."<sup>27</sup>

<sup>26</sup> Richard P. Kusserow, *Youth and Alcohol: Controlling Alcohol Advertising That Appeals to Youth* (Washington, DC: U.S. Dept of Health and Human Services Office of Inspector General, 1991), 13; Federal Trade Commission, *Alcohol Advertising and Marketing: A Report to Congress* (Washington, DC: Federal Trade Commission, 2003), 7.

<sup>27</sup> Federal Trade Commission, *Self-Regulation in the Alcohol Industry*, 9.

The FTC also recognized that alcohol companies might actually be undercounting the number of underage persons in the audiences for their advertising, since the surveys used to measure magazine audience composition do not count readership under age 18 for many publications, and radio surveys do not count anyone under age 12.<sup>28</sup> As a result, the Commission called on the industry to follow the “best practices” then current among some alcohol companies.<sup>29</sup> These “best practices” ranged from 55% to 60% legal-age audience thresholds for radio to 60% to 70% thresholds for print and 70% to 75% thresholds for television.

In September 2003, the Beer Institute and DISCUS announced that henceforth their codes would mandate a 30% maximum youth audience for beer and spirits advertising (the Wine Institute’s code had such a threshold in place since 2000). With 12- to 20-year-olds comprising roughly 15% of the general population 12 and above (the population measured in standard magazine audience studies), a 30% threshold still permits 12- to 20-year-olds to have twice the exposure per capita of the adult population to alcohol advertising.

In reviewing the placement of alcohol ads in magazines from January 2001 through December 2003, CAMY found movement toward compliance with a 30% threshold during 2003. Spending on alcohol advertising in magazines with audiences greater than 30% increased from 2001 to 2002, but then dropped below the 2001 level in 2003. The reduction in ads and dollars spent between 2002 and 2003 represented substantial declines of 43% and 48%, respectively. (See Table 7.)

**Table 7: Alcohol Advertising Placements and Expenditures  
in Publications With Greater Than 30% Youth Audience Compositions, 2001 to 2003**

Year	Ads Above 30%	% of Total Ads	Dollars Above 30%	% of Total Dollars
2001	382	10.6%	\$ 30,000,933	9.4%
2002	389	10.8%	\$ 37,983,478	11.0%
2003	223	6.9%	\$ 19,766,359	6.1%

Sources: TNS Media Intelligence 2001-2003, MRI Spring Adult Studies 2002-2004, MRI TwelvePlus 2001-2003, MRI Teenmark 2001

As Table 8 shows, 10 brands spent more than a million dollars on ad placements over 30% in 2001. This group grew to 13 in 2002 before dropping to only five brands in 2003, when the beer and distilled spirits industries announced in September that member companies should not place ads in publications where the underage audience is 30% or greater. While no brand made the list all three years, for two of the three years, Jim Beam White Bourbon Whiskey, Absolut Vodka, Miller Lite and Heineken spent more than a million dollars each year on placements in magazines with youth audience compositions in excess of 30%.

<sup>28</sup> Federal Trade Commission, *Self-Regulation in the Alcohol Industry*, 9.

<sup>29</sup> Federal Trade Commission, *Self-Regulation in the Alcohol Industry*, 9-10.

**Table 8: Brands Spending More Than a Million Dollars in a Year on Ad Placements in Publications With Greater Than 30% Youth Audience Compositions, 2001 to 2003**

Brand	Total		>30% Ages 12-20		% of Total >30%	
	Ads	Dollars	Ads	Dollars	% Ads	% Dollars
<b>2001</b>						
Jim Beam White Bourbon Whiskey	111	\$10,552,999	24	\$1,649,577	21.6%	15.6%
Bacardi Light Rum	90	\$8,970,902	26	\$1,644,747	28.9%	18.3%
Absolut Vodka	158	\$13,503,356	16	\$1,459,007	10.1%	10.8%
Courvoisier Cognacs	54	\$4,682,239	16	\$1,449,098	29.6%	30.9%
Kahlua Liqueurs	89	\$7,726,895	23	\$1,385,984	25.8%	17.9%
Beefeater Gin	84	\$8,620,563	14	\$1,243,870	16.7%	14.4%
Fosters Beer	33	\$3,083,673	15	\$1,162,558	45.5%	37.7%
Captain Morgan Spiced Rum	95	\$10,614,802	15	\$1,096,544	15.8%	10.3%
Hennessy Very Special Cognac	73	\$5,564,405	16	\$1,078,428	21.9%	19.4%
Dewar's White Label Scotch Whiskey	63	\$5,075,039	12	\$1,075,960	19.0%	21.2%
<b>2002</b>						
Jim Beam White Bourbon Whiskey	120	\$13,266,720	40	\$3,688,675	33.3%	27.8%
Miller Lite	77	\$10,758,970	27	\$2,544,081	35.1%	23.6%
Absolut Vodka	170	\$18,090,984	19	\$1,833,675	11.2%	10.1%
Stolichnaya Vodkas	68	\$8,658,138	17	\$1,627,850	25.0%	18.8%
Jim Beam Black Bourbon Whiskey	45	\$5,607,004	14	\$1,592,500	31.1%	28.4%
Heineken Beer	27	\$3,669,295	17	\$1,515,020	63.0%	41.3%
Bacardi Light Rum	47	\$4,458,733	17	\$1,433,016	36.2%	32.1%
Bacardi Flavored Rums	94	\$7,971,729	12	\$1,421,402	12.8%	17.8%
Courvoisier Cognacs	22	\$2,104,836	12	\$1,111,006	54.5%	52.8%
Skyy Vodka	51	\$5,333,698	11	\$1,091,713	21.6%	20.5%
Bacardi Rums	44	\$4,618,648	11	\$1,077,230	25.0%	23.3%
Ciclon Rum	20	\$2,411,754	9	\$1,059,400	45.0%	43.9%
Rums of Puerto Rico	83	\$7,945,900	14	\$1,054,182	16.9%	13.3%
<b>2003</b>						
Miller Lite	63	\$13,189,307	18	\$1,889,846	28.6%	14.3%
Heineken Beer	42	\$5,826,235	18	\$1,787,980	42.9%	30.7%
Absolut Flavored Vodkas	91	\$10,841,771	12	\$1,343,516	13.2%	12.4%
Miller Genuine Draft	33	\$3,540,387	13	\$1,306,004	39.4%	36.9%
Rums of Puerto Rico	163	\$13,687,905	12	\$1,096,677	7.4%	8.0%

Sources: TNS Media Intelligence 2001-2003, MRI Spring Adult Studies 2002-2004, MRI TwelvePlus 2001-2003, MRI Teenmark 2001

## IX. Advertising Above 15%: Meeting a Proportional Standard

In the magazine universe measured for this report, young people ages 12 to 20 made up around 15.2% of the age 12+ population in 2003.<sup>30</sup> While there is public health concern about underage drinking before age 12,<sup>31</sup> the public health surveys that measure underage drinking start at age 12. Moreover, public health research has documented 13 years of age as the average age of initiation for drinking for current drinkers, ages 12 to 17.<sup>32</sup>

Reasoning that young people ages 12 to 20 are approximately 15% of the general population 12 and above, the National Research Council and Institute of Medicine recommended in September 2003 that “the industry should consider eventually moving toward a 15 percent threshold to further reduce the number of youth who are exposed to advertising intended for adults.”<sup>33</sup> In 2001 and 2002, the spending and number of ads in magazines above this threshold remained relatively constant, but the percentage of both ads and dollars over 15% declined from 2002 to 2003 by 19% and 15% respectively. (See Table 9.)

**Table 9: Alcohol Advertising Placements and Expenditures in Publications With Greater Than 15% Youth Audience Compositions, 2001 to 2003<sup>34</sup>**

Year	Ads Above 15%	% of Total Ads	Dollars Above 15%	% of Total Dollars
2001	1,867	51.6%	\$190,224,222	59.4%
2002	1,855	51.6%	\$199,166,793	57.9%
2003	1,494	46.1%	\$169,668,845	52.0%

Sources: TNS Media Intelligence 2001-2003, MRI Spring Adult Studies 2002-2004, MRI TwelvePlus 2001-2003, MRI Teenmark 2001

What is critical to understand about alcohol advertising placed above the 15% threshold is that it constitutes the overwhelming majority of alcohol advertising reaching the underage audience. For instance, in 2003 the ads placed above the industry's 30% threshold accounted for only 16% of all the alcohol advertising reaching the underage audience. On the other hand, ads placed above a 15% threshold in 2003 accounted for 87% of the alcohol advertising reaching the underage audience that year. (See Table 10.)

**Table 10: Advertising Exposure of Underage Youth With Different Thresholds of Underage Youth Audience Composition, 2001 to 2003**

	Total	Youth Ages 12-20 GRPs			
		>15%	% Total	>30%	% Total
2001	16,057	14,338	89.3%	3,340	20.8%
2002	14,376	12,532	87.2%	3,680	25.6%
2003	11,616	10,094	86.9%	1,797	15.5%
<b>Total</b>	<b>42,049</b>	<b>36,964</b>	<b>87.9%</b>	<b>8,817</b>	<b>21.0%</b>

Sources: TNS Media Intelligence 2001-2003, MRI Spring Adult Studies 2002-2004, MRI TwelvePlus 2001-2003, MRI Teenmark 2001

<sup>30</sup> Mediamark Research Inc., 2004.

<sup>31</sup> Leadership to Keep Children Alcohol Free, a coalition of governors' spouses, federal agencies, and private and public organizations, focuses on preventing alcohol use by children between the ages of nine and 15. See <http://www.alcoholfreechildren.org/> (cited 16 March 2005).

<sup>32</sup> Calculated using the 2003 National Survey on Drug Use and Health. J. Gfroerer of the Substance Abuse and Mental Health Services Administration, e-mail to David H. Jernigan, PhD, 14 September 2004.

<sup>33</sup> National Research Council and Institute of Medicine, *Reducing Underage Drinking: A Collective Responsibility*, 140.

<sup>34</sup> Table 9 differs slightly from Table 4 because there were two ads in 2003 in publications with youth audiences greater than 15% but less than 15.2%, the threshold for overexposure in that year.

## X. Conclusion

Magazines are a demographically targeted medium. Because there are so many options from which to choose, advertisers have the ability to identify and reach their audiences with far greater precision than with broadcast television, where there are fewer precisely targeted options.

Beer, distilled spirits and alcopops marketers consistently overexposed youth under the legal drinking age by wide margins between 2001 and 2003. The worst instances of overexposure—placement of advertisements in magazines with more than 30% youth audiences—declined over the three-year period. With the advent of the revamped marketing codes of the beer and distilled spirits industries and their 30% threshold for the placing of ads, such ads are disappearing. Still, as late as November 2004, for instance, the Code Review Board for DISCUS received complaints from industry members that other alcohol companies continued to place ads in a magazine with greater than 30% underage youth audience composition.<sup>35</sup>

On the other hand, relative overexposure of those closest to the legal drinking age of 21 actually worsened over the three-year period. Analysis of the per capita exposure of 18- to 20-year-olds and 21- to 24-year-olds revealed that both groups had virtually the same exposure to alcohol advertising in magazines, but the trend was toward 18- to 20-year-olds' relative exposure growing larger than that of 21- to 24-year-olds, as shown in Table 11.

**Table 11: Exposure of 18- to 20- and 21- to 24-Year-Olds to Alcohol Advertising in Magazines, 2001 to 2003**

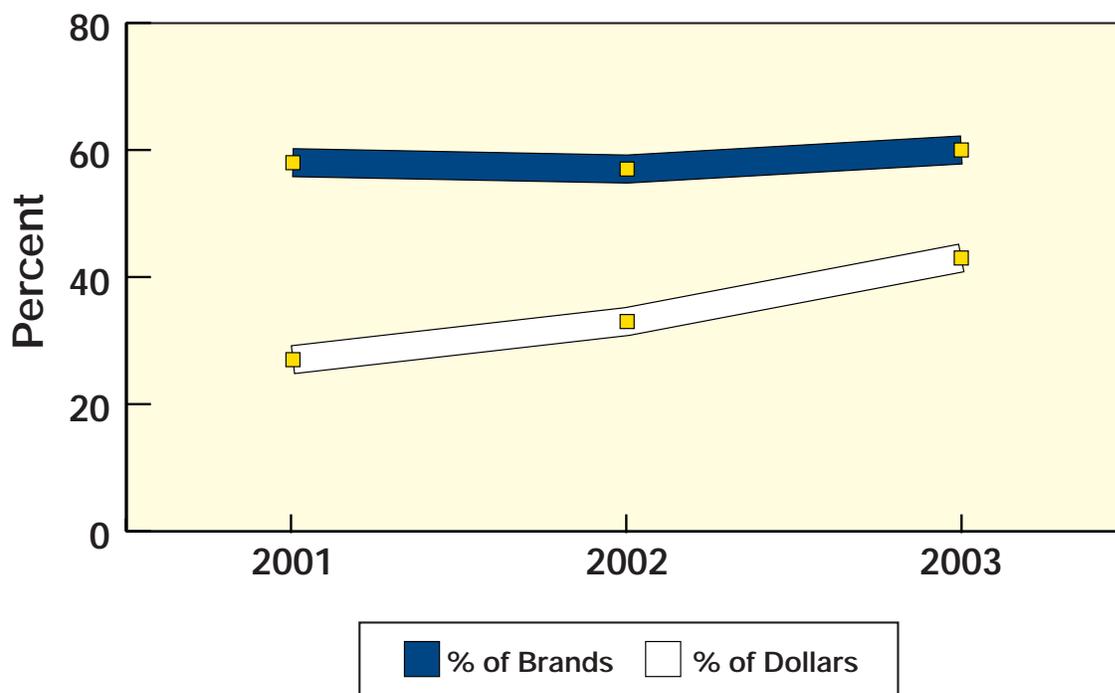
Beverage Type	GRPs		GRP Ratio
	Ages 18-20	Ages 21-24	18-20 : 21-24
<b>2001</b>			
Beer and Ale	2,862	2,795	1.02
Distilled Spirits	20,403	20,510	0.99
Alcopops	689	662	1.04
Wine	1,104	1,145	0.96
<b>TOTAL</b>	<b>25,059</b>	<b>25,111</b>	<b>1.00</b>
<b>2002</b>			
Beer and Ale	2,761	2,468	1.12
Distilled Spirits	18,125	17,602	1.03
Alcopops	1,092	1,040	1.05
Wine	1,109	1,470	0.75
<b>TOTAL</b>	<b>23,087</b>	<b>22,580</b>	<b>1.02</b>
<b>2003</b>			
Beer and Ale	3,992	3,527	1.13
Distilled Spirits	13,970	13,394	1.04
Alcopops	311	280	1.11
Wine	714	996	0.72
<b>TOTAL</b>	<b>18,987</b>	<b>18,197</b>	<b>1.04</b>

Sources: TNS Media Intelligence 2001-2003, MRI Spring Adult Studies 2002-2004, MRI TwelvePlus 2001-2003, MRI Teenmark 2001

<sup>35</sup> Distilled Spirits Council of the United States (DISCUS), *Semi-Annual Code Report: Consolidated First Edition for the Period January 2004 through December 2004* (Washington, DC: Distilled Spirits Council of the United States, 2005), 9.

Although this overexposure of young people as they neared the legal drinking age seemed to be worsening, it is still worth noting that, for 2003, 60% of the alcohol brands advertising in the magazines analyzed for this report achieved greater exposure for their advertising from legal-age than from underage readers. These brands represented 43% of the alcohol advertising dollars in the magazines used for this report. This is an improvement: in 2002, 57% of brands representing only 33% of spending had more exposure to legal-age adults than to underage youth. And in 2001, 58% of brands that accounted for just 27% of spending had more legal-age than youth exposure. (See Figure 4.) This trend suggests that it is possible for alcohol companies to craft media buying strategies that will significantly reduce the youth overexposure to alcohol advertising documented in this report.

Figure 4: Percent of Brands Not Overexposing Youth in Magazines and Corresponding Dollars, 2001 to 2003



Sources: TNS Media Intelligence 2003, MRI Spring Adult Studies 2002-2004, MRI TwelvePlus 2001-2003, MRI Teenmark 2001

# Appendix A: Methodology

## Research Process

Our research methodology followed a process similar to that of a media planner. We first investigated advertising spending for all brands in each alcoholic beverage category. We next used audience research data to quantify the demographic composition of audiences reached with each brand's advertising schedule.

## Counting Ads—Using TNS Media Intelligence

Advertising occurrence data from TNS Media Intelligence (formerly CMR) were used to identify brand advertising by publication and date. TNS Media Intelligence measures over 300 publications in addition to television and other media. TNS Media Intelligence and its predecessor companies have been an advertising industry standard reference for decades.

For this report, only alcoholic beverage product advertising in national or full editions of publications, as measured by Mediamark Research Inc. (MRI), was included. We did not include non-product advertising. Advertising in demographic and regional editions of magazines was omitted since it is not practical to assign a national audience estimate to ads appearing in only a portion of a magazine's circulation.

Only those publications reported in either the MRI Teenmark survey for 2001, the MRI TwelvePlus surveys for 2001 through 2003, or the MRI Spring 2002 through Spring 2004 Adult Studies were included in the analysis. By restricting this analysis to product advertising in full-run editions of MRI-reported magazines, we tracked 80% of magazine advertising expenditures in 2001, 85% in 2002, and 83% in 2003.

**Table 12: Disposition of Advertising Expenditures, 2001 to 2003**

	2001		2002		2003		2001-2003	
	Dollars	% Dollars	Dollars	% Dollars	Dollars	% Dollars	Dollars	% Dollars
All Alcohol Ads	\$402,363,408	100.0%	\$405,194,692	100.0%	\$394,282,425	100.0%	\$1,201,840,524	100.0%
National Editions Only	\$375,134,784	93.2%	\$378,990,704	93.5%	\$359,334,695	91.1%	\$1,113,460,183	92.6%
Product Ads Only	\$371,409,764	92.3%	\$369,397,092	91.2%	\$347,375,282	88.1%	\$1,088,182,138	90.5%
Reported by MRI	\$320,379,579	79.6%	\$343,945,795	84.9%	\$326,058,509	82.7%	\$990,383,883	82.4%

Sources: TNS Media Intelligence 2001-2003, MRI Spring Adult Studies 2002-2004, MRI TwelvePlus 2001-2003, MRI Teenmark 2001

## Measuring Audiences

### Sources of Magazine Audience Data

Mediamark Research Inc. (MRI), the leading source of U.S. magazine audience estimates for consumer advertising, conducts ongoing studies of adults and teens to estimate publication audiences. These data are published either twice per year (for adults 18+) or annually (for teens). Audience estimates from the following surveys were used for this report:

#### 2001 Advertising Occurrences

- For persons age 18+: Spring 2002 Adult Study (representing surveys from March 2001 through March 2002)
- For teens ages 12 to 17: Teenmark and TwelvePlus 2001 surveys (representing surveys from the summers of 2000 and 2001). The Teenmark study was used only for *Maxim*, which was not published in the TwelvePlus report.

#### 2002 Advertising Occurrences

- For persons age 18+: Spring 2003 Adult Study (representing surveys from March 2002 through March 2003)
- For teens ages 12 to 17: TwelvePlus 2002 survey (representing surveys from the summers of 2001 and 2002)

#### 2003 Advertising Occurrences

- For persons age 18+: Spring 2004 Adult Study (representing surveys from March 2003 through March 2004)
- For teens ages 12 to 17: TwelvePlus 2003 survey (representing surveys from the summers of 2002 and 2003)

While the Spring Adult, Teenmark and TwelvePlus surveys all measure ages 18 to 19, we used the more widely accepted Spring Adult Study as the source for ages 18 to 19.

## Notes on Magazine Audience Research Methodology

The adult survey methodology uses a “recent reading” technique, as part of a personal interview, that identifies readers in an average issue of each publication. The survey methodology for readers under age 18 (used by the Teenmark and TwelvePlus studies), using a household sample drawn from the Adult Study, employs a “frequency of reading” process with a mailed questionnaire in which respondents indicate, for those publications they have read or looked into at all within the past six months, how many (out of an average four issues) they have read. The raw data are weighted such that a respondent claiming to have read one out of four issues is assigned a .25 probability of being in the average audience for the magazine, two out of four a .50 probability, etc. The two surveys represent differing methodologies, a common feature of advertiser-supported media surveys, but they are also the most commonly accepted and used magazine audience surveys for their respective markets.

## Ad Exposure Measures

To calculate audience delivery, we credited publication audience estimates for discrete demographic cells for each publication issue in which a brand was advertised. We did not credit multiple insertions for a given brand within a single issue, for to do so would overstate audience exposure. We did not differentiate between ad type (size, color, etc.), since differential advertising impact measures based on advertising unit are not universally accepted.

## Reach Calculations

Audience reach estimates were calculated using IMS (Interactive Market Systems) print media evaluation applications and MRI Spring Adult, TwelvePlus and Teenmark studies. IMS is the leading provider of print media evaluation software for advertising.

## Alcohol Category and Brand Classifications

Category and brand classifications were defined by *Impact*, an industry reference published by M. Shanken Communications Inc., so that the categories and brands represented in this report would be consistent with the classifications used by the industry. The industry itself is experiencing significant change, primarily in the relatively new alcopop or “malternative” beverages, which are derived from different bases (most commonly malt). These are frequently marketed through joint agreements between distillers and brewers, and have been grouped by Impact in recent years either as “low-alcohol refreshers” (2002) or as “ready-to-drink flavored alcoholic beverages” (2003 and 2004).<sup>36</sup>

## Magazines and Ads Not Counted

Certain publications with significant alcohol advertising as tracked by TNS Media Intelligence are not currently measured by MRI and were therefore not included in this analysis.

Of the 153 magazines with alcohol product advertising in 2001 monitored by TNS Media Intelligence, 98 were measured for media audiences by MRI. For 2002 there were 146 monitored magazines with alcohol advertising, of which 108 had national editions that were measured by MRI; for 2003 there were 140 monitored magazines with alcohol advertising, of which 106 had national editions that were measured by MRI. The unmeasured publications represent \$51.0, \$50.8 and \$55.0 million in product advertising for alcoholic beverages in 2001, 2002 and 2003, respectively, or 13.7%, 12.9% and 14.4% of all magazine product advertising reported by TNS Media Intelligence.

Audiences for youth ages 12 to 17 for many publications with substantial alcohol advertising are not measured by MRI; for these publications data are only available for ages 18 and older. Because this analysis is based only on published, industry-accepted survey data, we have not attempted to estimate the age 12 to 17 audiences for those publications although all may be presumed to have at least some readership under the age of 18.

An unknown amount is spent on many publications that were not monitored by TNS Media Intelligence or measured by MRI for all three years of advertising tracked in this report, such as *Blender*, *XXL*, *Smooth*, *King*, and many more.

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<sup>36</sup> Each book covers the market for the previous year. In 2003 and 2004, the category is defined as “low-proof refreshers (not over 7% alcohol), primarily single-serve items.” M. Shanken Communications, *2002 Edition: The U.S. Beer Market: Impact Databank Review and Forecast* (New York: M. Shanken Communications, 2002); M. Shanken Communications, *2003 Edition: The U.S. Beer Market: Impact Databank Review and Forecast* (New York: M. Shanken Communications, 2003); M. Shanken Communications, *2004 Edition: The U.S. Beer Market: Impact Databank Review and Forecast* (New York: M. Shanken Communications, 2004).

## Appendix B: Glossary of Advertising Terms

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Advertising exposure is most commonly measured in terms of reach, frequency and rating points. We have provided a glossary of terms for those unfamiliar with this terminology. This report makes use of publication readership data, which are based on audiences, not magazine circulation. Circulation refers to the number of issues purchased or distributed; audience refers to the average number of readers, typically three to 10 times as great as circulation.

### **Target Audience(s)**

The target audience for advertising provides a description of the demographics (age, gender, income, etc) of the people the advertiser seeks to reach with its message.

### **Reach**

Reach is used to describe the number or percentage of a target population that has the potential to see an ad or a campaign through readership of selected media.

### **Frequency**

Frequency indicates the number of times individuals are exposed to an ad or campaign; it is most often expressed as an average number of exposures.

### **Rating Points**

Rating points, or GRPs (gross rating points), provide a measure of total advertising exposure and incorporate the impact of both reach and frequency. One rating point equals the number of exposures equivalent to 1% of a target population, and it may include repeat exposures. In advertising math, reach x frequency = GRPs: 75 reach (% of the

potential audience) x 6.8 frequency (average number of exposures) = 510 GRPs or rating points.

### **Composition**

Composition is a measure of audience concentration for a particular demographic. If 41% of *Vibe's* audience is between the ages of 12 and 20, then 12-to-20 age composition of *Vibe* is 41%.

### **Composition Index**

Composition index (or audience concentration relative to population) is a statistic that compares the demographic composition of a magazine audience to the composition of the base population. If a magazine's composition is greater than the population for a particular age cell, the index is greater than 100; if it is less than the population, it is less than 100.



## Appendix C: Publications and Ads Tracked for This Report

Publication	2001 Ads	2002 Ads	2003 Ads	Total	Publication	2001 Ads	2002 Ads	2003 Ads	Total
Allure	8	7	8	23	Midwest Living		4	4	8
American Photo	13	9	11	33	Modern Bride		1		1
American Way	3	3		6	Money	16	12	20	48
Architectural Digest	10	18	19	47	Motor Boating			1	1
Atlantic Monthly	19	8	15	42	Motor Trend	4			4
Audubon	1			1	National Geographic Traveler	4	6	10	20
Automobile	8	19	6	33	Natural History	8	10	6	24
Backpacker		1		1	New York Magazine	49	32	16	97
Barrons	2	14		16	Newsweek	12	8	3	23
Bassmaster		7	23	30	O, Oprah Magazine		21	11	32
Better Homes and Gardens		3		3	Outdoor Life	25	18	5	48
Bicycling		2	5	7	Outside	37	28	15	80
Biography	3	12		15	PC Magazine	10	7	5	22
Black Enterprise	33	30	38	101	Penthouse	12	7		19
Bon Appetit	68	58	35	161	People	44	25	9	78
Bridal Guide	1	2	3	6	Playboy	180	138	102	420
Brides	6	1	1	8	Popular Mechanics	17	15	15	47
Business Week	22	27	45	94	Popular Photography	1			1
Car & Driver	10	7	6	23	Popular Science	9		9	30
Coastal Living	3	4	7	14	Premiere	36	47	43	126
Conde Nast Traveler	31	27	42	100	Prevention		1	4	5
Cooking Light	24	24	19	67	Real Simple		9	9	18
Cosmopolitan	99	94	68	261	Redbook	1	8	2	11
Country Weekly	14	17		31	Road & Track	7	1	4	12
Discover	12	7	8	27	Rolling Stone	198	136	112	446
Ducks Unlimited	5	5	4	14	Runners World	3	3	8	14
Ebony	32	27	25	84	Scientific American	9	6	5	20
Elle	39	27	4	70	Self	10	13	12	35
Elle Décor	15	14	15	44	Shape		4	1	5
Entertainment Weekly	137	101	94	332	Ski Magazine	34	49	31	114
ESPN The Magazine	138	130	73	341	Skiing	51	39	38	128
Esquire	77	63	78	218	Smart Money	11	7	8	26
Essence	26	17	16	59	Smithsonian	17	13	6	36
Family Handyman		6	2	8	Southern Accents	3			3
FHM Magazine		105	115	220	Southern Living	9	6	1	16
Field & Stream	32	28	21	81	Spin	81	56	48	185
Fitness			3	3	Spirit			1	1
Food & Wine	141	174	114	429	Sporting News	46	37	71	154
Forbes	72	51	39	162	Sports Illustrated	156	159	148	463
Fortune	50	44	46	140	Stuff		120	112	232
Glamour	21	10	8	39	Sunset	17	20	9	46
Golf Digest	28	36	38	102	Tennis	14	5	7	26
Golf Magazine	48	62	81	191	Texas Monthly	48	33	34	115
Golf World		4		4	The New Yorker	76	94	101	271
Gourmet	37	58	63	158	The Source			7	7
GQ	140	150	134	424	This Old House		9	6	15
Harpers Bazaar	24	13	2	39	Time	10	18	23	51
Health	4			4	Town & Country	4	8	12	24
Hot Rod			2	2	Traditional Home			4	4
House & Garden	15	16	25	56	Travel & Leisure	50	54	48	152
House Beautiful	4	3	3	10	Travel Holiday	3			3
InStyle	116	108	67	291	US News&World Report		2	2	4
Inc.	2	2		4	Us Weekly	67	59	67	193
Jane		49	33	82	Vanity Fair	59	82	84	225
Jet	40	31	31	102	Vibe	52	60	81	193
Kiplingers Personal Finance	6	1	7	14	Victoria	1			1
Marie Claire	43	35	30	108	Vogue	49	47	43	139
Martha Stewart Living	23	36	14	73	W Magazine			48	48
Maxim	172	157	124	453	Wired			13	13
Men's Fitness	3	2	6	11	Yachting	2	5	7	14
Men's Health		2	6	8	Yahoo! Internet Life	49			49
Men's Journal	121	64	55	240					
Metropolitan Home	14	12	13	39					
					<b>Total</b>	<b>3,616</b>	<b>3,598</b>	<b>3,241</b>	<b>10,455</b>

Source: TNS Media Intelligence 2001-2003