

Do advertising bans work? Lessons from abroad

Article



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"Obviously, we know that ads do trigger something in your brain, right, to signal, you got to have this now," our analyst Man-Chung Cheung said on a recent episode of the "Behind the



Numbers: Around the World" podcast. But when it comes to banning advertising for certain products, the effects aren't always clear-cut.

Several countries have recently implemented or proposed advertising bans:

- The Netherlands: The Hague banned ads promoting fossil fuels, including petrol, diesel, aviation, and cruise ships.
- Spain: Drafted a bill to restrict e-cigarette advertising and sales to youths.
- UK: Plans to ban ads for foods high in fat, sugar, and salt in 2024.
- Singapore: Banned ads for sugary drinks in 2020.

The evidence is mixed on whether these bans change consumer behavior.

"It takes a much more holistic approach just to sort of promote healthier diets," Cheung said regarding food advertising restrictions.

For tobacco, combining ad bans with education campaigns and high taxes has proven effective in reducing smoking rates in many countries. But for products like alcohol in Russia, advertising bans have had little impact on consumption.

Advertising bans can have major economic repercussions. In the US, <u>the consumer packaged</u> goods industry spends about \$50 billion annually on advertising.

Some argue long-term public health benefits outweigh short-term economic costs. The UK government hopes reducing obesity through ad restrictions will ease pressure on the National Health Service.

Cultural differences shape approaches

Global attitudes toward advertising restrictions vary. "We know in the United States we're not real big on that, right? Almost nothing here is banned," our analyst Ethan Cramer-Flood said.

European countries tend to be more open to government intervention on public health issues. Countries in Asia, like Singapore, have also embraced advertising restrictions as part of broader health initiatives.

While ad bans can influence behavior, their effectiveness depends on broader policy approaches and cultural contexts. "It's complicated," Cramer-Flood said.



In the US, where advertising bans on tobacco have existed for decades, "indeed we can now say smoking is and has been at an all-time low and continues to be at an all-time low every year," he said. "But meanwhile, they jacked up the taxes on cigarettes so outrageously and overwhelmingly that it also became too expensive for young people to even take up."

Listen to the full episode.

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