



# THE QUEEN'S SPEECH: CHANGE IS A-COMING?

BY RICHARD TEMPLE, CEO | 12 MAY 2021

# JUNK FOOD

"Not hugely surprising" was my initial reaction to yesterday's Queen's Speech. The claws of state regulation are now gripping much tighter. Our policy makers are not going to lose political capital defending adland. It's more important to look at what's going to happen and what can we all do for our clients.

State regulation of social media platforms is imminent. Even hardened libertarians will struggle to defend the "we're a platform not a publisher, gov" line. The devil will be in the detail so don't expect to see overnight change. The draconian fines of £18m or 10% of global turnover are eye-catching headlines and seem to be based on GDPR laws.

This also provides us with a clue as to how Facebook and Google will react. They will defend vigorously in the law courts. They will then keep headhunting from OFCOM because the salaries will be significantly higher and because they can. This will render a lot of regulation toothless in the short-term.

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CEO

JOHN AYLING &  
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More interestingly, the online ban on HFSS food and the post-2100 watershed on TV is going to be more disruptive in the short-term. It immediately brings to mind the old saying: Sociologists think advertising is too effective; accountants think it's not effective enough. They can't both be right. In the short-term, it is highly unlikely that any econometric model will be able to justify paying the price-premium for late peak television. Margins on food products are relatively small and you have to sell a lot of volume to make it work.

If you are a food manufacturer, there are a number of things you should be considering:

- 1** Check out your nutrition profile certificate. The last HFSS advertising intervention in 2008 created a lot of anomalies for seemingly healthy foods such as yogurts.
- 2** Consider bringing forward any TV spend from future years and amortise the cost. It is a relatively settled question that TV rarely delivers short-term sales uplift but is exceptional at delivering long-term sales effectiveness.
- 3** Create a sonic distinctive brand asset (a jingle to you and me) as radio appears to be exempt from the ban. Be careful here as BCAP covers TV and radio.
- 4** Really research which OOH formats you can still use. HFSS foods are already banned on Transport for London sites. It seems an easy win for relatively powerless provincial mayors to instigate ban this elsewhere too. There is already regulation on proximity to schools.
- 5** Take a look at newspapers and magazines again. Yes, print circulations have fallen by two-thirds in 20 years. Yet there is still a consequential audience to take advantage of here. Perhaps we should dust-off the PPA's planning guidelines on print strikeweights from 20 years ago.

The detail of the looming law changes are still to be published. Like it or not: our new reality is greater regulation in the advertising industry. Strong majority governments will target advertising as an easy 'win'. We need to adapt. We also need to ask: who will defend the advertising industry?

**"WHO WILL DEFEND  
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INDUSTRY?"**



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