

PRACTICAL EXAMPLES



MARS HAS SUCCESSFULLY IMPLEMENTED A GLOBAL COMMITMENT ON NO MARKETING TO CHILDREN UNDER 12



WHY WE WERE MOTIVATED TO CHANGE



- Growing concern in Europe on the marketing of High Fat, Salt and Sugar foods to children prompted Mars to act.
- Between 2000 and 2006, Mars examined the academic evidence on marketing to children and concluded that from age 12 onwards, the majority of children can think critically about advertising
- Growing body of scientific literature and the consensus on age 12 forms the basis of the Mars Marketing Code.



IMPACT WE HAVE SEEN



Global commitment on no marketing to children under 12 for all Mars food products (chocolate, confectionery, gum and main meal products).

Encouraged the wider industry to follow our lead through trade association discussions.

Promoted self regulation as a viable alternative to regulation for marketing and advertising restrictions.

Lessons learned:

- Top down leadership/sponsorship for the marketing code essential.
- Owned by Marketing rather than Corporate Affairs to truly embrace the Code.
- To win over heart and minds to make it work.
- Governed by annual board review of compliance.
- 'Drivers license' approach gave personal responsibility to all associates involve in marketing communications.



HOW WE DID IT



- A bold commitment: we do not market to children under 12 years old.
- Regular code updates and strong governance.
- Developed an online 'drivers license' test to certify all associates in marketing & corporate affairs plus external agencies.
- Initiated industry-wide discussions through World Federation of Advertisers.
- The Mars Marketing Code was developed by Marketing, and Corporate Affairs leaders and launched in 2007.



PRACTICAL EXAMPLES



AHOLD HAS INTRODUCED A HEALTHY PRODUCT LINE FOR CHILDREN



WHY WE WERE MOTIVATED TO CHANGE



- Albert was the first retailer in the Czech Republic to introduce a healthy product line for children and anticipated a growing customer interest in eating healthy.
- With the Smurf characters, popular among children, Albert stressed the importance of fruit and vegetables, and also offered its customers recipes for healthy breakfast and snacks.
- Creating the Smurf campaign and healthy kids product line allowed us to teach children the principles of a healthy diet in a fun and positive way.



HOW WE DID IT



- 42 own brand products were selected or formulated together with suppliers, based on the strict "I know what I eat" national health criteria.
- The packaging was changed into Smurf-themed packaging to make them easy to spot and attractive to children.
- A campaign was created to create a Smurf 'mania' in the Czech Republic using various media coverage, creating fun games and a real buzz around healthy products, Smurf gifts and other merchandise.

IMPACT WE HAVE SEEN



- The healthy product line for children was a great success and the Smurf coverage was greatly appreciated by customers, both parents and children.
- The campaign illustrates how own brand healthy products for children can be successful in increasing awareness of healthy products and diets for children and their families.
- The impact has been measured via additional sales and customer response.
- Main take away is that as a retailer one can have direct impact and support healthier lives of children and their families and drive commercial success at the same time.



PRACTICAL EXAMPLES



Good Food. Good Life

NESTLÉ HAVE BEEN PROMOTING RESPONSIBLE MARKETING TO CHILDREN ACROSS MORE THAN 50 COUNTRIES



WHY WE WERE MOTIVATED TO CHANGE



- As a leading nutrition, health and wellness company, we have a responsibility to promote our products in ways that encourage balanced consumption, especially by children.
- Over the last 15 years we have strengthened our commitment to responsible advertising and marketing by publishing detailed policies and principles to be followed across Nestlé. In 2008 we introduced our first Marketing Communication to Children Policy. The policy was subsequently updated in 2011 and in January 2015.



IMPACT WE HAVE SEEN



- The revised Policy on Marketing Communication to Children (<http://bit.ly/1S7V3zo>) comes into effect in December 2015.
- Nestlé has a process in place to better ensure compliance with our Consumer Communication Principles and Policy on Marketing Communication to Children. This includes a set of Implementation Guidelines, support and a monitoring system including reporting. All Nestlé markets have received a comprehensive document aimed at facilitating the understanding of the Policy and Principles and thus facilitating the accurate implementation. These guidelines include the briefing of advertising and media agencies as well as guidance on the development, planning and execution of communication initiatives for products targeted at children.
- Nestlé's internal process for monitoring compliance is in addition to the external third party monitoring taking place within the framework of industry pledges.
- End 2014, Nestlé had signed pledges on responsible marketing to Children covering more than 50 countries.
- In addition, our efforts were communicated as an external commitment, part of our Creating shared value report (<http://bit.ly/1HfA1eL>).



HOW WE DID IT



- The development of the Policy was informed by feedback received directly from our stakeholders. Industry Pledges that Nestlé is a signatory to also proved to be a useful tool for Nestlé to receive third party feedback.
- Internally, a working group was set up driven by the Marketing and Consumer Communication department, the Public Affairs department and the Corporate Wellness Unit. This group involved on a regular basis the different business units (categories) as well as the Regional Operations.

PRACTICAL EXAMPLES

The Coca-Cola Company

THE COCA-COLA COMPANY HAS SUCCESSFULLY PROGRESSED POLICY IN ADVERTISING TO CHILDREN



WHY WE WERE MOTIVATED TO CHANGE



- The Coca-Cola Company has a long standing commitment to the responsible marketing of its products and respects the rights of parents and caregivers by not marketing any of its brands directly to children under 12.
- In response to stakeholders expectations (e.g. WHO and the EU Commission) to reduce the exposure of children to advertising for products high in fat, salt or sugar, this commitment was formalized in 2010 and is part of the Companies 4 global commitments to promote healthy, balanced and active lifestyles.
- To respond to evolving stakeholders expectations and changing media environment, an enhanced Responsible Marketing Policy was announced in 2014 covering all media.



HOW WE DID IT



- The commitment and how to implement, are consistently part of any briefing to our teams on our broader strategy to promote healthy, balanced and active lifestyles. Toolkits and trainings have been developed and a corporate audit is in place.
- As responsible marketing is a challenge for the entire F&B industry, we have worked with partners such as WFA and IFBA to align practices across industry in view of having the highest possible impact. This has led to the EU Pledge.
- We constantly listen and engage with stakeholders and consumers and consider their views and expectations when evolving our commitments to ensure they stay relevant.



IMPACT WE HAVE SEEN



- Our responsible marketing commitment applies to all 200+ countries & territories in which we operate.
- Best Practice: EU Pledge:
 - The Coca-Cola Company is a founding member of the EU Pledge (launched in 2007), a voluntary initiative by major F&B manufactures to reduce the exposure of children younger than 12 to advertising for products high in fat, sugar and salt.
 - The EU Pledge has 21 signatory companies that represent over 80% of food ad spend in Europe.
 - The commitments are monitored by an independent third party. This monitoring shows not only high compliance but importantly a 88% reduction in advertising for covered products.
- Lessons learned: not everything can be codified, colleagues need to consider both the letter as well as the spirit of the commitment.

PRACTICAL EXAMPLES



PEPSICO HAS MET ITS POLICY CHANGE ON ADVERTISING TO CHILDREN IN ITS KEY GLOBAL MARKETS



WHY WE WERE MOTIVATED TO CHANGE



- Children are a special audience and we wanted to take special care to support parents and caregivers in making appropriate decisions for their children.
- We have adopted global policies regarding responsible advertising to children and direct beverage sales to schools that ensure that we communicate responsibly with children and their caregivers.



HOW WE DID IT



- In 2008, we adopted a global voluntary commitment to advertise to children under the age of 12 only products that meet specific science-based nutrition criteria.
- In 2012, we strengthened our Responsible Advertising to Children Policy by defining advertising to children to mean that we will not buy advertising in programs with an audience profile greater than 35 percent children under the age of 12.



IMPACT WE HAVE SEEN



- This policy change was fully implemented by the end of 2013. In globally representative markets such as Russia, China, Colombia, Malaysia, Saudi Arabia, South Africa, Thailand and six countries in the EU, we achieved 99 percent compliance with our Responsible Advertising to Children Policy.
- PepsiCo maintains a Global Policy on the Sale of Beverages to Schools. Our global policy provides that our direct sales to schools focus on water, juice, milk and low-calorie beverages that support healthy nutrition habits among students.
- In 2013, Frito-Lay developed 14 products to meet the U.S. Department of Agriculture's Healthy, Hunger-Free Kids Act of 2010 and its Smart Snacks in Schools guidelines to assist the government in its goal of feeding kids nutritious foods in school and combating childhood hunger. In addition, PepsiCo Europe extended its "Good Parent" range of snacks.