# Legal use of Social Media Advertising and Marketing in B.C.'s Liquor Industry

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#### Introduction

When a liquor licensee, or someone representing a liquor licensee, uses an online platform such as Facebook, Pinterest, Instagram, business websites and others – including blog posts – to promote, advertise or market the liquor products they make or sell, they must follow the advertising rules that apply to more 'traditional' platforms, such as newspapers, magazines, bus shelters, television, radio, etc. Social media has become another way for businesses to reach customers and all advertising and marketing must comply with provincial and federal law and policy.

## Why is this document necessary?

The Liquor and Cannabis Regulation Branch investigate a licensee's online presence as part of routine compliance checks.

The Branch encourages licensees to educate themselves on liquor law and policy. All B.C. liquor industry licensees must comply with B.C.'s liquor laws, regulations, policies and the Canadian Radio-television and Telecommunications Commission's Code for Broadcast Advertising of Alcoholic Beverages —this extends to their social media presence.

This document is meant to educate businesses within the liquor industry on the rules and responsibilities related to the use of social media for marketing and advertising liquor.

# **B.C. Law and Regulation Governing Liquor Advertising**

#### Requirements under the *Liquor Control and Licensing Act* – With Explanation

Section 15(2)(e) states:

- (2) Without limiting subsection (1), the general manager may impose terms and conditions respecting all matters related to the manufacture, purchase, sale, service and consumption of liquor under a licence or endorsement and the operation of establishments and service areas, including, without limitation, respecting one or more of the following:
  - (e) advertising... used by a licensee in relation to an establishment.

#### Section 64 states:

- (1) A person must not advertise liquor or the availability of liquor except in accordance with the regulations.
- (2) Regulations referred to in subsection (1) may adopt by reference a code, standard or rule enacted as or under a law of Canada, as amended from time to time.

What this means, is that no one can legally advertise liquor in B.C. in a way that goes against what is written in the Liquor Control and Licensing Regulation, and also allows B.C. to adopt federal rules regarding advertising liquor.

#### Requirements under the Liquor Control and Licensing Regulation – With Explanation

Part 7, Division 2, of the Liquor Control and Licensing Regulation provides additional information about advertising requirements in B.C. Section 169 "Requirements applicable to all advertisements" states:

A person who advertises liquor or the availability of liquor must ensure that the advertisement complies with the Code for Broadcast Advertising of Alcoholic Beverages, as amended from time to time, published by the *Canadian Radio-television and Telecommunications Commission under the Broadcasting Act* (Canada).

This means that any type of liquor advertisement in B.C. must follow the Code for Broadcast Advertising of Alcoholic Beverages. There has been confusion surrounding the word "broadcast" when people have assumed that this means advertisements only on radio or television. However, the regulation says this is applicable to *all* advertisements. Therefore, in B.C. this includes radio, television, traditional print ads or social media – in essence, anywhere a liquor licensee is promoting, marketing or advertising.

#### **Licensee Terms and Conditions**

Each licensee Terms and Conditions Handbook has a section about advertising that contains additional information which is unique to each licence class. The purpose of this document is not to become specific about specific licence types, but to provide overall information regarding social media as an advertising means that also must comply with all advertising rules, especially the Code for Broadcast Advertising of Alcoholic Beverages.

Terms and conditions handbooks also provide information about what the Liquor and Cannabis Regulation Branch may do if a licensee is found in violation of the advertising rules. Additional information is found on the Liquor and Cannabis Regulation Branch's website under "Compliance and Enforcement": <a href="https://www2.gov.bc.ca/gov/content/employment-business/business/liquor-regulation-licensing/bc-liquor-control-compliance-and-enforcement">https://www2.gov.bc.ca/gov/content/employment-business/business/liquor-regulation-licensing/bc-liquor-control-compliance-and-enforcement</a>

# Canadian Radio-television and Telecommunications Commission Code for Broadcast Advertising of Alcoholic Beverages (CRTC Code)

The Canadian Radio-television and Telecommunications Commission is an agency of the federal government. Their Code for Broadcast Advertising of Alcoholic Beverages is designed to ensure that alcoholic beverage advertising does not contribute to the negative health and societal effects related to excessive or inappropriate consumption. Website: <a href="https://crtc.gc.ca/eng/television/publicit/codesalco.htm">https://crtc.gc.ca/eng/television/publicit/codesalco.htm</a>

#### **Consider these Five Key Themes to Avoid Non-Compliance**

To help a licensee remain in compliance, start by considering the below five themes found within the Code for Broadcast Advertising of Alcoholic Beverages when thinking about advertising, marketing or promotions – including through social media:

- 1. Advertising must not encourage the over consumption of alcohol
- 2. Advertising must not promote the irresponsible or illegal use of alcohol
- 3. Advertising must not associate alcohol with social or personal achievement
- 4. Advertising must not be directed to persons under the legal drinking age
- 5. Advertising must not associate alcohol with the use of motor vehicles or with activities requiring a significant degree of skill or care.

#### Helpful Guide to Interpreting the Code for Broadcast Advertising of Alcoholic Beverages

Below is the full text of the Code for Broadcast Advertising of Alcoholic Beverages, with examples of common advertising violations following each part. These examples are based on common non-compliant social media messaging:

Commercial messages for alcoholic beverages shall not:

(a) attempt to influence non-drinkers of any age to drink or to purchase alcoholic beverages;

Example of violation: An image of a patron handing an open beer to another individual with a caption stating, "Strangers can become new friends with a beer".

Why this is unacceptable: there is no indication that the patron is aware of the other's stance on alcohol consumption – they could be a non-drinker.

Example of violation: A group of friends seated at a table with an open drink in front of each with a caption stating, "Truth or Drink!"

Why this is unacceptable: there is a clear message being conveyed that the individuals in the game will have to drink if they do not wish to participate in the "truth telling" portion. It is encouraging consumption as a challenge.

(b) be directed at persons under the legal drinking age, associate any such product with youth or youth symbols, or portray persons under the legal drinking age or persons who could reasonably be mistaken for such persons in a context where any such product is being shown or promoted;

Example of violation: An image of a toddler sitting on his mother's lap with his hands on a pint of beer with a caption stating, "He's got the right idea".

Why this is unacceptable: Although made in jest, the imagery depicts a child featured prominently to promote the product.

(c) portray the product in the context of, or in relation to, an activity attractive primarily to people under the legal drinking age;

Example: An image of a group of young people all holding their beer bottles in the air, smiling with a caption stating, "Frosh Week!"

Why this is unacceptable: Not all university/college entry-level students are of legal drinking age and the depiction does not make it explicitly clear that all persons are legally able to consume alcohol.

(d) contain an endorsement of the product, personally or by implication, either directly or indirectly, by any person, character or group who is or is likely to be a role model for minors because of a past or present position of public trust, special achievement in any field of endeavour, association with charities and/or advocacy activities benefiting children, reputation or exposure in the mass media;

The bottom line: Advertisements and depictions must not contain an endorsement by someone considered to be a role model for underage persons (real or fictional).

Example of violation: An image of a man dressed up as Santa Claus holding an open beer with a caption stating, "Add it to your wish list."

Why this is unacceptable: Santa Claus is commonly associated with young people and the imagery implies that he enjoys the consumption of the product.

(e) attempt to establish the product as a status symbol, a necessity for the enjoyment of life or an escape from life's problems, or attempt to establish that consumption of the product should take precedence over other activities;

Example of violation: An image of a man sitting alone at the bar with a pint, looking sad, with a caption stating "There's only one way to get over this break up..."

Why this is unacceptable: The imagery implies that by consuming beer, the individual will no longer feel sad or upset.

Example of violation: An image of a patron with a full pint in front of them in the middle of the day with a caption stating, "#Hooky".

Why this is unacceptable: The image and caption suggest that the individual is skipping work in order to consume alcohol.

(f) imply directly or indirectly that social acceptance, social status, personal success, or business or athletic achievement may be acquired, enhanced or reinforced through consumption of the product;

Example of violation: An image of an individual ordering two beverages at a bar with well-dressed business people with a caption stating, "time to get that promotion!"

Why this is unacceptable: The imagery and caption suggest that by buying the product for what is implied to be the individual's bosses, the individual will be promoted and implicitly be more successful.

(g) imply directly or indirectly that the presence or consumption of alcohol is, in any way, essential to the enjoyment of an activity or an event;

See examples in part (e).

(h) portray any such product, or its consumption, in an immoderate way;

Advertisements and imagery cannot display an unrealistic or excessive number of cases, containers or servings in a situation where consumption is expected to occur or is shown to be occurring.

Example of violation: An image of a woman awkwardly holding three partially-consumed beers with both hands with a caption stating, "Try them all!"

Why this is unacceptable: The imagery and caption suggest that the woman is consuming all three beverages at once.

(i) exaggerate the importance or effect of any aspect of the product or its packaging;

Example of violation: An image of a person hugging a pint of beer tightly with a caption stating, "I would literally die if I didn't have this beer right now."

Why this is unacceptable: The use of the exaggeratory phrase "literally die" implies that the person's quality of life is significantly lessened without the beer.

(j) show or use language that suggests, in any way, product misuse or product dependency, compulsive behaviour, urgency of need or urgency of use;

Example of violation: An image of a man at his office computer with a thought bubble stating, "I NEED A BEER!"

Why this is unacceptable: There is a suggestion of dependency in that the individual cannot perform his regular responsibilities without requiring alcohol.

(k) use imperative language to urge people to purchase or consume the product;

Example of violation: A close-up of a new product with a caption stating, "You gotta buy it today while it's hot!"

Why this is unacceptable: the phrase "you gotta buy" is used in an imperative sense.

(I) introduce the product in such a way or at such a time that it may be associated with the operation of any vehicle or conveyance requiring skill;

Example: An image of an individual holding a beer can seated in the driver's side of a car with a caption stating, "Road trip!"

Why this is unacceptable: There is an implication that the individual might drive the vehicle while consuming the product.

(m) introduce the product in such a way or at such a time as may associate the product with any activity requiring a significant degree of skill, care or mental alertness or involving an obvious element of danger;

Example: A licensee allowing fans/followers to upload images of themselves enjoying that licensee's liquor product. In one set of images, which became shared with others, people without lifejackets were shown drinking beer while tubing down rapids.

Why this is unacceptable: Encouraging such behavior could lead to tragic consequences. The activity shown would be clearly dangerous.

Also, see example in part (I) immediately above.

(n) contain inducements to prefer an alcoholic beverage because of its higher alcohol content;

Example of violation: An image of a pint of beer with a caption stating, "9% is better than 5%!"

Why this is unacceptable: By indicating that the higher percentage is superior to the lower percentage, it is inducing consumers to consume the more potent alcoholic beverage.

(o) refer to the feeling and effect caused by alcohol consumption or show or convey the impression, by behaviour or comportment, that the people depicted in the message are under the influence of alcohol;

Note that something like stating that the product is "thirst-quenching" is acceptable as it does not refer to intoxication.

Example of violation: A video of two patrons with open beer in each hand stumbling and swaying as they make their way through the bar.

Why this is unacceptable: This is a blatant display of commonly attributed drunken behaviour.

(p) portray persons with any such product in situations in which the consumption of alcohol is prohibited;

Example of violation: An image of a man and woman clinking full pint glasses by a bonfire at a public beach.

Why this is unacceptable: There is no indication that alcohol consumption would be permitted on this public beach.

Also, see example in part (m) – (Liquor in an open watercraft).

(q) contain scenes in which any such product is consumed, or that give the impression, visually or in sound, that it is being or has been consumed.

Example of violation: A patron holding a partially-consumed pint glass to their lips.

Why this is unacceptable: There is an implied act of current consumption.

### If in Doubt Contact Us

The Liquor and Cannabis Regulation Branch encourages licensees to <u>contact their local inspector</u> should they have any questions regarding what is acceptable advertising and marketing.