Cancer Research UK

Analysis of revenue for ITV1, Channel 4, Channel 5 and Sky One derived from HFSS TV advertising spots in September 2019

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Cancer Research UK is publishing the second part of its analysis of September 2019’s Nielsen TV advertising data. The first half of that analysis, published in February 2020, and the methodology for both parts, is included as an appendix to this briefing.

Key findings:

- ITV1, Channel 4, Channel 5 and Sky One derived a small proportion (8%) of their total ad revenue from adverts for products high in fat, salt or sugar (HFSS) during September 2019.
- Under a 9pm watershed, broadcasters would have lost 5% of their total advertising revenue, if all HFSS adverts were removed completely between 5.30am and 9pm without anything in their place.
- Over three-quarters (79%) of potential revenue loss from removing all HFSS adverts could be mitigated against by companies advertising their existing non-HFSS products instead of promoting their HFSS ones.
- Almost two thirds of HFSS product adverts aired between 6pm and 9pm fall within categories that Public Health England has identified as being the highest contributors to excess sugar or calories in people’s diets.

Cancer Research UK commentary:

The UK Government has a golden opportunity to introduce a 9pm watershed on junk food adverts across all media and help create an environment that makes it easier for everyone to maintain a healthy weight. Cancer Research UK analysis shows that companies have it in their power to promote healthier options and, in doing so, markedly reduce any impact further advertising restrictions would have on broadcasters.

Our research has found that companies are continuing to choose to advertise their products high in fat, salt and sugar (HFSS) on some of the most highly-watched TV channels, and particularly at peak time, despite having alternative products they could easily switch to.

This impacts directly on consumers, who do not appear to be getting encouraged to buy some of the reformulated and healthier products that are available, and instead are being nudged towards less healthy options and categories of food.

The government’s efforts to encourage people to change their behaviour are much less likely to be effective without restrictions on HFSS food and drink advertising. These restrictions should apply not only to TV, but also on-demand, digital and social media platforms, as well as promotions in-store and online, to avoid simply displacing such marketing activity elsewhere.
CRUK new analysis

Broadcasters derive a relatively small proportion of their ad revenue from HFSS adverts, of which adverts shown between 6-9pm contribute the largest single-share.

- HFSS advertising income made up 7.87% (£15,139,780) of total ad revenue during September 2019 on ITV1, Channel 4, Channel 5, and Sky One.
- 41.82% (£6,331,332) of the spend on HFSS adverts on ITV1, Channel 4, Channel 5, and Sky One during September 2019 was for slots between 6pm and 9pm.
- HFSS adverts between 6-9pm made up 3.29% of total ad revenue for ITV1, Channel 4, Channel 5, and Sky One during September 2019.

Under a 9pm watershed, broadcasters would stand to lose approximately 5% of their total advertising revenue, if all HFSS adverts between 5.30am and 9pm were removed completely without any product substitutions or alternate adverts in their place.

- Total revenue loss for a 9pm watershed (between 5.30am and 9pm) on ITV1, Channel 4, Channel 5 and Sky One would be estimated at £9,741,988 - approximately two-thirds (64.35%) of the total HFSS ad revenue – assuming these adverts were not replaced in any way. ¹
- This equates to 5.07% of total advert income during September 2019 for those channels. ²

Over three-quarters of potential revenue loss from a 9pm watershed could potentially be mitigated against by companies advertising their existing non-HFSS products.

- More than four-tenths (43.94%) of the expenditure for all HFSS adverts on ITV1, Channel 4, Channel 5 and Sky One during September 2019 is for products where a non-HFSS alternative within the same brand could be advertised instead. For adverts shown just between 6-9pm this figure is 43.35%.
- When including parent company product alternatives and retailers who could remove HFSS products from their generic brand adverts, the percentage of HFSS advert expenditure that could be replaced with advertising a non-HFSS alternative rises to 79.48% across the whole day, and 78.31% for adverts between 6pm and 9pm.

Almost two thirds of HFSS product adverts aired between 6pm and 9pm fall within categories that Public Health England has identified as being the highest contributors to excess sugar and calories in people’s diets.

- 61.54% of the HFSS product adverts aired between 6pm and 9pm on ITV1, Channel 4, Channel 5 and Sky One during September 2019 are for products which fall within Public Health England’s calorie or sugar reduction programme categories or are within the scope of the soft drinks industry levy.

¹ Total HFSS ad revenue across ITV1, Channel 4, Channel 5, and Sky 1 from midday to 9pm during September 2019 was £9,184,176 (4.78% of total income) and from midnight to 9pm was £10,213,982 (5.31% of total income). We estimate that total income from HFSS ads during September 2019 between 5.30am and midday (6.5 hours) was £557,812 - assuming HFSS ads are distributed evenly across the midnight to midday period, as we don’t have further breakdown between those times.

² Assuming HFSS adverts are distributed evenly across the midnight to midday period, where we don’t have the detailed breakdown as we do for the second half of the day.
APPENDIX 1 - Original analysis (published Feb 2020):

Junk food ads are still prevalent on our TV screens, particularly on channels and at times that young people are much more likely to be watching.

- Almost half (47.58%) of all food adverts shown during September 2019 on ITV1, Channel 4, Channel 5 and Sky One were advertising HFSS products.

- Almost 6 in 10 (55.38%) of all food adverts shown between 6pm to 9pm during September 2019 on ITV1, Channel 4, Channel 5 and Sky One were advertising HFSS products

- When including E4 and ITV2 – also amongst the most popular commercial channels watched by children – the proportion of HFSS adverts shown across the day was also almost half (47.54%) and specifically between 6pm-9pm was almost 6 in 10 (55.09%) of all food adverts.

Disappointingly, there has been a slight rise in the proportion of junk food adverts in the sixteen months since we last conducted this analysis. That rise has come despite the publication of Chapter 2 of the Childhood Obesity Plan and the Government’s consultation on measures to reduce children’s exposure to such junk food adverts.

- In September 2019 there was a slight rise in the proportion of food adverts on C4, C5, ITV1 and Sky One between 6pm and 9pm which were for HFSS products compared with May 2018 - from 48.57% (9646/19860) to 55.38% (10981/19829) \((X^2 = 184.27, p < 0.001)\)

Out-of-home / delivery brands continue to be the largest source of HFSS adverts between 6pm-9pm; with HFSS sugary snacks such as chocolate, sweets, cakes and biscuits also featuring prominently, as well as supermarket ads for HFSS products available in-store.

- HFSS out of home/delivery brands accounted for over one-third (35.01%) of HFSS food adverts shown between 6pm-9pm during September 2019 on ITV1, Channel 4, Channel 5 and Sky One.

- Adverts for chocolate, sweets, biscuits, cakes, morning foods and pastries accounted for more than a quarter (28.04%) of HFSS food adverts shown between 6pm to 9pm during September 2019 on ITV1, Channel 4, Channel 5 and Sky One.

Fruit and veg ads make up less than one-in-every-fifteen food ads shown between 6pm-9pm. This is a welcome rise since May 2018, but is still at such a low level that it does little to counteract the much greater frequency of junk food ads young people would see at that time.

- Fruit and veg were the primary focus of only a small proportion (6.46%) of food adverts shown between 6pm to 9pm during September 2019 on ITV1, Channel 4, Channel 5 and Sky One.

- In September 2019 fruit and veg adverts made up only 6.46% (1281/19829) of all food adverts on C4, C5, ITV1 and Sky One between 6pm and 9pm, a rise compared with May 2018’s figure of 4.5% (895/19860). \((X^2 = 73.08, p <0.001)\)

Additional observation:
The proportion of HFSS ads would likely be higher if PHE’s recommended revised Nutrient Profile Model was used. Brands and broadcasters have opposed that revised model and delayed its introduction, despite its purpose being to reflect Government’s updated nutrition advice to reduce free sugars consumption and increase fibre intake.
Appendix 2 - Methodology

Channels chosen:

We focused on the top commercial channel from each main broadcaster which was most watched by children, based on BARB data. This was ITV1, C4, C5 and Sky One. We also did additional analysis including the next two channels most watched by children: ITV2 and E4. The BARB data counts a child as aged 4-15.

BARB data from March 2019 (with % share of commercial channels, so excluding BBC channels):

- ITV (inc HD) had 31% share of total child audience that month with 2.9m children watching
- Channel 4 had 24% share of total child audience that month, with 2.2m children watching
- Channel 5 had 20% share of total child audience that month, with 1.9m children watching
- ITV2 had 13% share of total child audience that month, with 1.2m children watching
- E4 had 8.9% share of total child audience that month, with 0.84m children watching
- Sky One had had 7.8% share of total child audience that month, with 0.73m children watching

Dataset:

- The data is taken from the Nielsen database of TV advertising – a leading industry source – and includes the number of spots for each ad campaign, the timing and channel they were shown, and the (industry) estimated value of each spot.
- The data includes all adverts shown on linear television during September 2019 on ITV1, Channel 4, Channel 5, and Sky One. The data also included E4 and ITV2 - though unless otherwise stated we have not included those channels in the results here, in order to be able to directly compare with our analysis of May 2018, which didn’t include E4 or ITV2.
- For this initial analysis, the data was broken down into adverts shown between 6-9pm and adverts shown between 9pm-6pm (i.e. the rest of the 24hr period).
- We were also provided with links to many of the original adverts.

Categorisation:

- We categorised all adverts according to whether they were advertising non-food and food.
- Food adverts were then categorised by food groups – based on PHE definitions. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/839756/Sugar_reduction_yr2_progress_report.pdf (p74-76)
- We searched for nutrition data per 100g for each of the food and soft drink products advertised, and then used the January 2011 Nutrient Profile Model to calculate whether they were HFSS or not.

Comparison dataset:

- We compared the September 2019 figures with those that we had from our directly comparable analysis of Nielsen data of TV adverts shown in May 2018. That analysis was published in July 2019 https://www.thegrocer.co.uk/health/brands-urged-to-advertise-healthier-alternatives-to-hfss-food/595715.article