

Topic: “Marketing of Alcohol on Niue”

Introduction:

Niue, ‘the Rock of Polynesia’ is the world’s biggest single raised coral atoll with an area of 259 square kilometers. Located in the South Pacific about some 2000km to the north east of New Zealand; and is right in the middle of the heart of the Polynesian triangle of Samoa to the north; Tonga to the south and the Cook Islands to the east.

Niue suffered its worst natural disaster yet in January this year and is recovering slowly.

Niue after many years of independence attains a new form of government since 1974 and enjoys a unique constitutional relationship with the Government of New Zealand, which includes dual citizenship. A Memorandum of Associations related to this relationship will be signed in October 2004, marking yet another new development.

Undoubtedly this relationship of free association with New Zealand has generally allowed Niue as a young developing country to fare quite well in terms of ‘living standards’. However, whilst all is well, the country is suffering from an ‘acute dilemmatic depopulation condition’ (ADDC). Incidentally Government is conducting a Population Head Count (not a Census) exercise to check the actual population with the results expected to be out in mid or late next month (October).

Basically this depopulation condition is a concern to everyone on Niue who are principally the ‘keepers and custodians of the Niuean heritage’. It needs possible and practical strategies in order to resolve or at least attempt to influence and alleviate the severity of the condition. Adverse social, economical, cultural and political implications provides a real sense of urgency as it directly impacted on our present and future status as a sovereign nation and people with its cultures, language and its heritage.

A population of 1788 in the 2001 Census implies a tiny mixed economy of cash and subsistence. Niue export taro, handcrafts and obviously ‘human resources’ and is anticipating with confidence positive results in the very near future from its newly established export developments of fish and agricultural products. There is a Fish and Nonu processing plant, both expected to start processing soon. Vanilla is also a strong export product included.

Youth population from Population Census of 2001 showed youth age 15-35 of 489 out of 1788 with 242 females and 247 males. This was about 27% of the total population four years ago and probably it is down to 20% or less today. These youths are distributed around the 14 villages in the country.

In terms of ‘the Marketing Alcohol on Niue’, Alcohol is regulated and controlled under the Liquor Act 1975. Amongst other provisions, the Act provides for the Government of Niue through the Treasury Department as the sole importer of Liquor; a custody of the stock and the sale to the public of 18 years and over; a Liquor Board (consist of government and general public representatives) with expressive powers to issue Liquor Licenses to business establishment as well as incorporated local clubs to

resell liquor on or off the premises or both; can also issue Liquor License to manufacture liquor. Actually a license to manufacture Alcohol was issued to a local business operator in the early 1990's but later ceased to operate for reasons beyond management control.

The local media, the Broadcasting Corporation of Niue (BCN), a State Owned Enterprise, established in 1989 with a Board of Directors consist of government officials as well as general public representatives (women, youth, religion and private sector). Deliberately the Board established a BCN '*working policy*' since its inaugural Board of Directors. (I was a member representing the Youth interest). The '*working policy*' restrict the promotions of alcohol related advertisements or sponsorships on its Television Niue (TVN) screen and its Radio Sunshine (RS) waves to '*logos*' and '*brand*' names only and absolutely no prices.

The local newspaper, privately owned, the Niue Star has similar style of '*working policy*' as that of BCN. Actually this was once a government-controlled newspaper that was privatized in the 1990's.

Recently introduced in the country is the Internet which potentially another popular media form available. It is very doubtful that the Internet medium would have the same lines of probable restrictions as the other mentioned media forms. However this is one new media form that needs to have a closer look at in order to see and by how much alcohol related advertisements are featured or not on such popular sites that young people frequently surf!

So with that brief back ground on Niue's economy and situation it would not be difficult to understand the Niue experience in terms of Marketing of Alcohol on Niue.

Now, basically, '*with the marketing of alcohol on Niue*', one's immediate impression would be that of a similar experience of other developing economies. That is, Niue's experience would run parallel to those other developing countries, who would deliberately exploit the magic of the media through advertising, sponsorship and promotion of alcohol industry. Unfortunately Niue has a different experience, given the economy's general characteristics mentioned earlier on.

'Advertisement' according to my Oxford Advanced Learners Dictionary 6th Edition is a notice, picture or film telling about a product, job or service; and 'Advertise' is to tell the public about a product a product or service in order to encourage people to buy or to use it.

1. One example – Alcohol Advertisement aimed at young people

With such definition of '*advertisement*' and '*advertise*' given above, it is very difficult to think of an example of an alcohol advertisement or related advertisement aimed at young people or any anyone for that matter on Niue.

Not only because of the local Medias' restrictions on all alcohol related advertisement but also restrictions caused by the way in which the overall alcohol industry is managed.

The local media allows only the mere displaying of brand names or logo and not prices.

Government is the sole licensed importer and seller of alcohol to the public - 18 years and over including authorized (Liquor License holders) business establishments and local (village) sports club to sell alcohol on or off the premises or both. It controls the issue of license to manufacture liquor.

Whilst government allocated for the purchases of alcohol from its Treasury Operating Account, it does not have a promotional budget. It is not difficult to understand why the absence of a promotional budget allocated as well. Perhaps government subscribed to a general public's perception that it is unnecessary to have alcohol related promotional budget due to the nature of the product (being alcohol) and the nature of the market size being small to the extent where everyone knows where the Bond Store is and what kind of supply it holds. (Bond Store by the way is the name of the place where the country's booze is stored and sold from.)

But whatever the case may be, government does not have a promotional budget for its business of selling alcohol.

2. One example of alcohol sponsorship of a sports or cultural events

'Sponsorship' according to my Oxford Advanced Learners Dictionary 6th Edition is the act of sponsoring or a financial support from a sponsor; 'Sponsor' is a person or a company that pays for a radio or television program or for concert or sporting event;

Perhaps the closest or the only example in this case could be related to the government-imposed tax, of a 1NZD on all cartons of beer only (not liquor or wine) sold over its counter. This 1NZD is transferred to a special government fund earmarked for local Sport Organization or activities.

The Government of Niue through the Treasury Department distributed at its discretion promotional materials received from the New Zealand suppliers. It is not known the exact local recipients but these promotional materials includes posters (possibly the one's used in New Zealand); free cartons of beers, and various other product like sports equipments with printed beer brand and logos.

There is also an annual local outrigger Canoe Race, open to all ages and males and females, organized by a local club- 'Nuku Club' every Constitutional Celebration. The Nuku Club is a liquor license holder to sell alcohol on and off the premises. The competition is a national event and the prizes are primarily sponsored by the Nuku Club and are believed to be mainly cash. It is not known if prizes were sometimes issued in alcohol form. But there is a significant presence and attendance of young peoples during this event.

3. One example of an alcohol advertisement displaying a nationalistic theme

It is very doubtful if there is an example of an alcohol advertisement displaying a nationalistic theme. With the kind of media environment and public perception of alcohol being a product, which does not seem to be openly or publicly promoted as such in the country, it is very unlikely to site an alcohol advertisement displaying a nationalistic theme!

4. One example of what you consider to be the most offensive or problematic alcohol advertisement in your country

Given the comments earlier about the media environment and the public perception of alcohol, it is even very difficult to think of an offensive or problematic example in Niue.

However the explanation in this section is provided not in the context of the most offensive advertisement but perhaps more as a relative potential problematic issue.

Niuean cultural and traditional ceremonies in some way can be easily and mistakenly interpreted as indirectly and unconsciously reinforcing promotion of alcohol on Niue.

This is culturally a very sensitive subject, but within these public or private cultural and traditional ceremonies, the presence of alcohol itself and the consumption levels and patterns are fairly prominent. Alcohol is not the focus of these social events but the host family in terms of a gesture of appreciation.

The host family who performed for instance a Hair Cutting or Ear Piercing ceremony (a one day event) is expected at the end of the day, in the privacy of its home, provide a treat of traditional food and barbecue and drinks, all as token of appreciation for all the assistance received from families and friends (almost the entire community).

Young people's presence in these functions can be easily interpreted as a concern because of the resultant social environment. One would argue that there is no relationship between these traditional and cultural ceremonies and the tendencies of the young people's attendance to consume alcohol without control. Actually the frequency of these local traditional events is so few to create any impact at all. The following estimates are 1994 estimated figures. An estimated of twelve (12) Hair Cutting and Ear Piercing per year in the country; five (5) weddings per year; about twenty (20) welcome/ farewells; Village Show days about 9 per year in the country. (Source F Sioneholo (1994), Unpublished Document.)

To put in context and to reflect the current situation of the population condition, an estimated reduction would be, by as much as sixty to seventy percent.

Thus in conclusion, the Marketing of Alcohol on Niue generally appears not to pose as a significant social problem or economical. However, Niue must always be cautious and proactive in its responses as the nature of the inevitable changes brought about by the Alcohol Industry developing economies are often subtle and deceptive.

Just a couple of weeks ago, there was a radio announcement by the Liquor Board seeking public opinion on the idea of distributing Alcohol through a sole supermarket

in the country and other small shops in town as well as those in the villages. This could be argued as an indication of the inevitable changes in which developing economies are subjected to.

Whilst Niue continues to struggle against all odds with its acute depopulation condition, one thing for sure is that it is not immune to the constant pressures of the inevitable economic changes and development. And if not very careful, could easily inflict a lot of unnecessary and undesirable social consequences

Niue must invest proactively in researches on Alcohol related social issues. The aim is to keep track of the behavior of the Industry as well as the consumers of alcohol. Such research should include all Niueans in Niue, New Zealand and elsewhere. It would be interesting to see and to explore what kind of drinking behavior Niueans has. Also this would not only enable decision makers to verify some of the existent observations but would enable Government and the public in general to have better understanding of the social issues related to Alcohol on Niue and its subjects elsewhere. On this note perhaps SHORE could assist in directing these necessary researches.

Additional Information

A list of all the different types of media that contain alcohol advertisements eg TV, Radio, news paper,

The following Media would have some alcohol related advertisement:

1. Television Niue
2. Radio Sunshine
3. Niue Star (local News paper)
4. Internet

An estimate of what percentage of young people are exposed to the different types of media


It is estimated that about 99.9 percent of the young people that are exposed to the different types of media.

Whether or not the Alcohol Industry is self regulating

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The local media, namely the Broadcasting Corporation of Niue (BCN), a State Owned Enterprise, established in 1989 with a Board of Directors which is made up of government officials as well as representatives of the general public (women, youth, religion and private sector). Incidentally the Board established a '*working policy*' since its inaugural Board of Directors. (I was a member representing the Youth interest). The '*working policy*' restrict the promotions of alcohol related advertisements or sponsorships on its Television Niue (TVN) screen and its Radio Sunshine (RS) waves to 'logos' and 'brand' names only and absolutely no prices.

Alcohol industry is controlled and is self-regulating. This is the Liquor Act 1975. Niue used to have a licensed local business manufacturing local beer, the 'Fiafia Larger' (translated literally as 'Happy Larger'). This was a move towards import substitution but was not successful for reasons beyond management's control.

 ***Whether there are bans or limits put on the advertising of alcohol eg types of alcohol advertised or times of advertising.***

The local media, the Broadcasting Corporation of Niue (BCN) has a working policy since its inaugural Board of Directors of 1989 (I was member representing the Youth Sector) which restricted the promotions of alcohol related advertisements or sponsorships on its Television Niue (TVN) screen or its Radio Sunshine (RS) waves.

Only Logos and Brand names are allowed but certainly not prices.

The local News paper, the Niue Star would have followed the same line of restrictions since it was once a government controlled news paper.

Another popular media available freely on the island is the internet. But the internet medium would not have the same lines of probable restrictions as the others mentioned. Actually this is one of the local media forms that need to have a closer look at in order to see if alcohol advertisements are featured or not in such popular sites that young people frequently surf!