



# Advertising on the internet & other digital media

European guidance  
put in place by  
the advertising industry



## Policy maker brief





## Why should you read this leaflet?

Advertising carried by digital platforms, such as internet advertising, mobile phone advertising and outdoor advertising in video format, is an area of advertising where a certain degree of uncertainty existed with regards to the rules. The advertising industry has now clarified at a European level its guidance on the remit of the self-regulatory rules.

## How to use this leaflet?

If you already know the answers to such questions as

- what is advertising self-regulation,
- what do advertising self-regulatory organisations do,
- how is it more effective than the self-regulatory systems used by other sectors and

then please continue reading and find out to what types of digital media the advertising industry has recommended extending the self-regulatory rules to.

If you don't then please turn this leaflet over...

More information on self-regulation and the latest status on the adoption of the Digital Media Communications Best Practice can be found on:  
[www.easa-alliance.org](http://www.easa-alliance.org)



# What types of digital media communications are included in the guidance?

The best practice guidance recommends that advertising self-regulatory organisations extend their remit to include digital marketing communications. Once their remit is extended, these organisations can provide copy advice/clearance and handle complaints on ads carried by digital media in the same way as they do for ads carried by traditional media, such as television, press, outdoor and direct mail.

Digital marketing communications, as put forward in the best practice guidance, are defined as content under the influence of marketers intended primarily to promote products/services or to influence consumer behaviour, crystallised in the following digital formats (non-exhaustive list):

- Text advertising
- Paid search
- Online 'public' classified ads
- Display ads (moving & non-moving)
- Marketer-created or endorsed virals
- User Generated Content seeded or endorsed by marketers (e.g. blogs, social networks)
- Online in-game ads
- MMS/SMS advertising
- Video outdoor
- DVD/CD-Rom





## What is out of remit?

- Editorial content incl independent reviews on websites
- Corporate reports
- Genuine User Generated Content (non-endorsed/non-marketer created)
- Techniques generally prohibited by law (spyware, malware)

## What about marketer-owned websites?

Additional guidance was drafted for marketer-owned websites as not everything on these constitutes advertising.

The following exhaustive list of types of content on a marketer-owned website are now recommended to be within remit:

- All claims made in communications except when they are made in strictly “editorial” content (for example annual reports, CSR reports)
- Any form of commercial communications as covered by Unfair Commercial Practices Directive (for example price promotions)
- Third party User Generated Content endorsed by the marketer (for example marketer endorsed virals)
- Uploaded marketing communications which previously appeared on other media, such as radio, TV or posters

## What about privacy?

Data protection is in most cases regulated by the statutory authorities and therefore lies outside of the remit of European advertising self-regulatory organisations, as they are usually only responsible for ensuring that rules related to *advertising content* are observed. With regard to consumer privacy, the advertising industry acknowledges that this is an important issue and is currently looking into whether self-regulation can play a role.

## Who decided on this best practice & why?

The EASA Digital Marketing Communications Best Practice is the result of intensive discussions held with both European media, agency and advertiser associations, and national self-regulatory organisations across the EU. The European Advertising Standards Alliance and its members also held informal stakeholder consultation sessions with the European Commission and NGOs such as EUROCOOP.

By giving best practice guidance on how to extend the remit of self-regulatory organisations, EASA helps ensure coherence throughout the EU27 about the approach of advertising self-regulatory organisations in handling complaints on digital advertising.

## When will the best practice be in place?

The guidance as put forward in the EASA Digital Marketing Communications Best Practice is in the process of being adopted by self-regulatory organisations across the EU27. If necessary, the guidance will be reviewed and adapted. It is expected that by the beginning of 2010 most will have extended their remits to digital media.



## Why do we need responsible advertising?

Advertising not only informs people of products, services and brands but also provides an indispensable life line for the creation of online material as well as television shows, magazine and newspaper content to name a few. For advertising to retain consumer trust and be a healthy life line for the media it needs to be responsible. Advertising self-regulation is the advertising industry's way to help make sure that advertising content is responsible.

## What is advertising self-regulation?

Advertising self-regulation is a system whereby the advertising industry (comprising of advertisers, agencies and media) writes and signs on to specific rules covering issues such as misleading advertising and taste and decency. This code as well as the task of making sure that the advertising industry adheres to the ethical standards as described in the code are the main responsibilities of advertising self-regulatory organisations especially set up for this purpose.

## Why should we trust the advertising industry to make rules that benefit all?

Inherently advertising exists to inform a consumer of the existence of a product, service or brand. If the message is tainted because the ad is misleading or shows bad taste, people will decide not to buy that product. A bad campaign affects the advertiser but also the agency who created it (that advertiser is likely not to make use of their services again) and the media that ran it (bad ads can reflect badly on the rest of the content). It is therefore in the interest of the whole advertising industry to have rules that will ensure that advertising is legal, decent, honest and truthful and to effectively enforce them.

# What is a self-regulatory organisation?

An advertising self-regulatory organisation is a watchdog that enforces the code. It does so in two ways. First, it provides copy advice to the advertising industry upon request, to make sure that campaigns are in compliance with the codes. Second, should complaints arise the body handles both consumer and competitor complaints in relation to advertising, usually at no cost. For this it has a jury in place which by and large includes independent lay experts. In terms of sanctions, self-regulatory organisations ask non-compliant ads to be withdrawn, which often has greater cost implications than imposing a fine. If an advertiser does not want to withdraw its ad the body can make sure that the media does not carry the ad. As a measure of final resort it can always refer the offending advertiser to the legal authorities.

These advertising watchdogs are funded by the advertising industry yet are independent of it as biased decisions would ensure a collapse of trust in the system.

## Does one exist in every European country?

Advertising watchdogs exist in 20 out of the 27 EU Member States, covering more than 95% of total EU27 ad-spend [*source: GroupM*]. By the second half of 2009 it is expected that self-regulatory bodies will also be up and running in Bulgaria, Cyprus and Luxembourg.

## Do people make use of its services?

Definitely. Looking at European-wide statistics that the European Advertising Standards Alliance compiles, self-regulatory organisations in the EU27 dealt with 48.132 complaints as well as 55.196 copy advice requests in 2007.





## Why would self-regulation work for advertising when it has failed in other sectors?

Unlike products in other sectors, advertising is under daily public scrutiny, as it inherently aims at being in the centre of public attention. Advertisements that make false claims or that are offensive usually generate an immediate public outcry. Anyone can complain about flawed ads to the self-regulatory organisations, with one complaint being enough to start an investigation. Through this system that empowers everyone, consumers as well as the three different parts of the advertising industry ensure that advertising standards are high and reflect the national culture and values.

## What is the European Advertising Standards Alliance - EASA

The European Advertising Standards Alliance is the single authoritative voice on advertising self-regulation issues and promotes high ethical standards in commercial communications by means of effective self-regulation through best practice, while being mindful of national differences of culture, legal and commercial practice.

As a non-profit organisation based in Brussels, it brings together 32 national advertising self-regulatory organisations in Europe and beyond as well as 16 organisations representing the advertising industry.

More information can be found on [www.easa-alliance.org](http://www.easa-alliance.org)