

## Extending the digital media remit of the Advertising Standards Authority (ASA)

### Q&A

#### Q. What is the Advertising Standards Authority (ASA)?

- A. The ASA regulates advertising content in the UK. It covers broadcast, print, radio, outdoor, cinema and digital media. The advertising code for non-broadcast media is written and agreed by the industry (including the IAB) but the ASA independently administers and enforces the rules set out in the code.

The self-regulatory rules complement existing law for advertising and fill in any necessary gaps. The system also offers a faster, cheaper and more effective solution to issues than statutory legislation / regulation. For further information on the ASA visit [www.asa.org.uk](http://www.asa.org.uk).

#### Q. So what exactly is happening?

- A. The ASA is extending its existing self-regulatory rules for digital media to cover:

- ❖ advertisers' own marketing communications on their own websites; and
- ❖ advertiser controlled marketing communications in other non-paid for space.

The IAB and some of its members have worked with the rest of the advertising industry on the planned remit extension and fully support this. A copy of the ASA's media release can be found at <http://asa.org.uk/Media-Centre.aspx>.

#### Q. What are the details?

- A. The ASA has published an implementation plan that outlines further details on the extended digital media remit. This is open for comments and feedback and you can download the implementation plan at <http://asa.org.uk/Media-Centre.aspx>.

From 1 March 2011, the existing self-regulatory rules (known as the British Code of Advertising, Sales Promotion and Direct Marketing or the 'CAP Code') will apply to:

*Advertisements and other marketing communications by or from companies, organisations or sole traders on their own websites, or in other non-paid-for space online under their control, that are directly connected with the supply or transfer of goods, services, opportunities and gifts, or which consist of direct solicitations of donations as part of their own fund-raising activities.*

**Q. Does the extended digital media remit include social media?**

- A. Yes. Marketing communications on advertiser-controlled ‘pages’ on social networking sites, such as Facebook, MySpace and Twitter, will come within the extended remit.

User-generated content (UGC) will not fall within the extended remit unless it is incorporated – solicited or unsolicited – into an advertiser’s marketing communication. For example, only the advertiser’s marketing communication on a social networking page will come within the extended remit.

The extended digital media remit will also cover advertiser-controlled advergames used to promote a product or service. Advergames, when part of a paid-for advertisement, are already within the ASA’s existing remit (see below).

**Q. What is not covered?**

- A. The ASA’s digital media remit will not be extended to the following:

- ❖ All the existing exemptions from the ASA’s current remit. For example, editorial content, ‘natural’ search engine listings and press releases and other PR material.
- ❖ Investor relations and ‘heritage advertising’ (eg previous ‘iconic’ brand campaigns). These are new exclusions.

**Q. What areas of digital media does the ASA already regulate?**

- A. The self-regulatory rules that govern digital marketing (the ‘CAP Code’) recently underwent a fundamental review and the latest version can be found at [www.cap.org.uk/The-Codes/New-Advertising-Codes.aspx](http://www.cap.org.uk/The-Codes/New-Advertising-Codes.aspx).

The ASA’s existing remit covers all digital marketing in paid-for space. This includes the following:

- PPC search marketing.
- Display ads – banners, skyscrapers, MPUs, home page takeovers as well as video (pre-roll etc.).
- Commercial classified advertisements.
- Email marketing.
- Mobile marketing – SMS, MMS.
- In-game advertising.
- Advergames – as part of a paid-for advertisement.
- Viral and engagement marketing.
- Sales promotions (even in non-paid for space).

The IAB has a short guide to these existing regulations at [www.iabuk.net/en/1/thebuzzonregulation.html](http://www.iabuk.net/en/1/thebuzzonregulation.html). This will soon be updated to cover the extended digital media remit.

**Q. Why is this happening? Is it necessary? What does it mean for the digital marketing sector?**

- A. The existing self-regulatory rules are being extended in light of the growing level and changing nature of marketing in the digital space. Self-regulation must keep pace with changing technology and innovative commercial practices.

The extended remit therefore seeks to enhance consumer (especially children), industry and political trust and confidence in digital media thereby protecting and enhancing business rather than seeking to restrict it. It will reinforce the integrity of digital marketing ensuring that practitioners and brands communicate in an ethical way.

The IAB believes the ASA is the most effective body to handle this. It is the 'one stop shop' for consumer complaints and is widely recognised as one of the best and most efficient regulators in the UK.

**Q. Isn't this old news?**

- A. The advertising industry announced its intention – in principle - to extend the ASA's digital media remit back in March. See the IAB's news story at [www.iabuk.net/en/1/adindustrytoextendselfregulatoryremit.mxs](http://www.iabuk.net/en/1/adindustrytoextendselfregulatoryremit.mxs). However, the detail of how this would work in practice still needed to be discussed and agreed by the Committee for Advertising Practice (CAP), the industry body that writes the self-regulatory rules. The IAB is represented on CAP.

**Q. When does this extended remit go live and become enforceable?**

- A. The extended remit will go live on 1 March 2011. This gives the ASA six months to raise awareness of the extended remit amongst the general public (see below) and for marketers to be get comfortable with it.

**Q. Wasn't it all going to go live this autumn?**

- A. No. In an ideal world it would have made sense for the extended remit to come into force when the revised existing rules come into force (on 1 September). However, this is a major step for advertising and the internet which will potentially impact upon everyone doing business online. There needs to be a period of grace to raise awareness and therefore long-term compliance.

**Q. Surely this means more work for the ASA. How will it be paid for?**

- A. The ASA and the self-regulatory system are advertiser-funded: that means that advertisers themselves foot the bill. This is currently achieved via a 0.1% levy on ad spend collected at the agency level. To meet the expected additional costs, this levy is to be applied to PPC search marketing, mobile marketing and affiliate marketing (none of which was previously levied). Google has also agreed to supplement this.

The Advertising Standards Board of Finance (Asbof), the body that collects the levy, has a guide to the levy collection system at [www.asbof.co.uk](http://www.asbof.co.uk).

The ASA has recently undergone a major review of how it works, including its operating costs and head count, to ensure it delivers value for money, particularly in the current economic climate.

**Q. How will the ASA enforce this extended remit?**

A. In the event of non-compliance, the ASA's existing sanctions for paid-for digital media – such as publishing its adjudications - will continue to apply. There are some additional ones for the extended remit. These are:

- ❖ Providing details of an advertiser and its non-compliant marketing communication on a new ASA microsite.
- ❖ With the co-operation of the search engines, removing paid-for search ads that link directly to the page hosting the non-compliant marketing communication.
- ❖ Buying search ads that highlight the continued non-compliance. This will link to the ASA's microsite.

The ASA tries to avoid sanctions and the Committee for Advertising Practice (CAP) works to maintain high standards. CAP offers training and advice as well as copy advice at <http://copyadvice.co.uk/>.

**Q. Is there any kind of review?**

A. Yes. Anyone can comment at any time on the extended digital media remit via [codepolicy@cap.org.uk](mailto:codepolicy@cap.org.uk). However, there will be formal quarterly reviews and a comprehensive review in Q2 2013 (two years after the extended remit comes into force).

**Q. Is the ASA doing anything to raise awareness of this extended remit?**

A. Yes. The ASA will be running a media campaign in 2011 to make the general public aware of the extended remit. IAB members will be helping with this.

**Q. What is the IAB doing to support this?**

A. IAB media owner members will help the ASA with its consumer campaign. Separately the IAB is working with Asbof to raise awareness of the levy within smaller and niche players within the search, mobile and affiliate marketing sectors.

Between now and the 1 March 2011 (when the extended remit goes live) the IAB will also be raising awareness amongst the broader digital marketing sector. Further details on this will follow.

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