

# Advertising in the Digital Age

The challenge of how to regulate advertising in the fast growing new media channels

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## Talk covering:

- What is advertising and why is regulation important?
- The Problem of regulating the Internet and live broadcast to mobile devices
- Some specific problem areas
- The Audio–Visual Services Directive (previously TVWF, Television Without Frontiers Directive)
- ICC Guidelines on Marketing and Advertising using Electronic Media
- EASA and re-inventing self-regulation

## Some facts about new media advertising

***“Mobile marketing spend is set to double by 2008”***

New Media Age 23/2/06

***“The ring tone market is worth \$5 million in 2005.”***

New Media Age 23/2/06

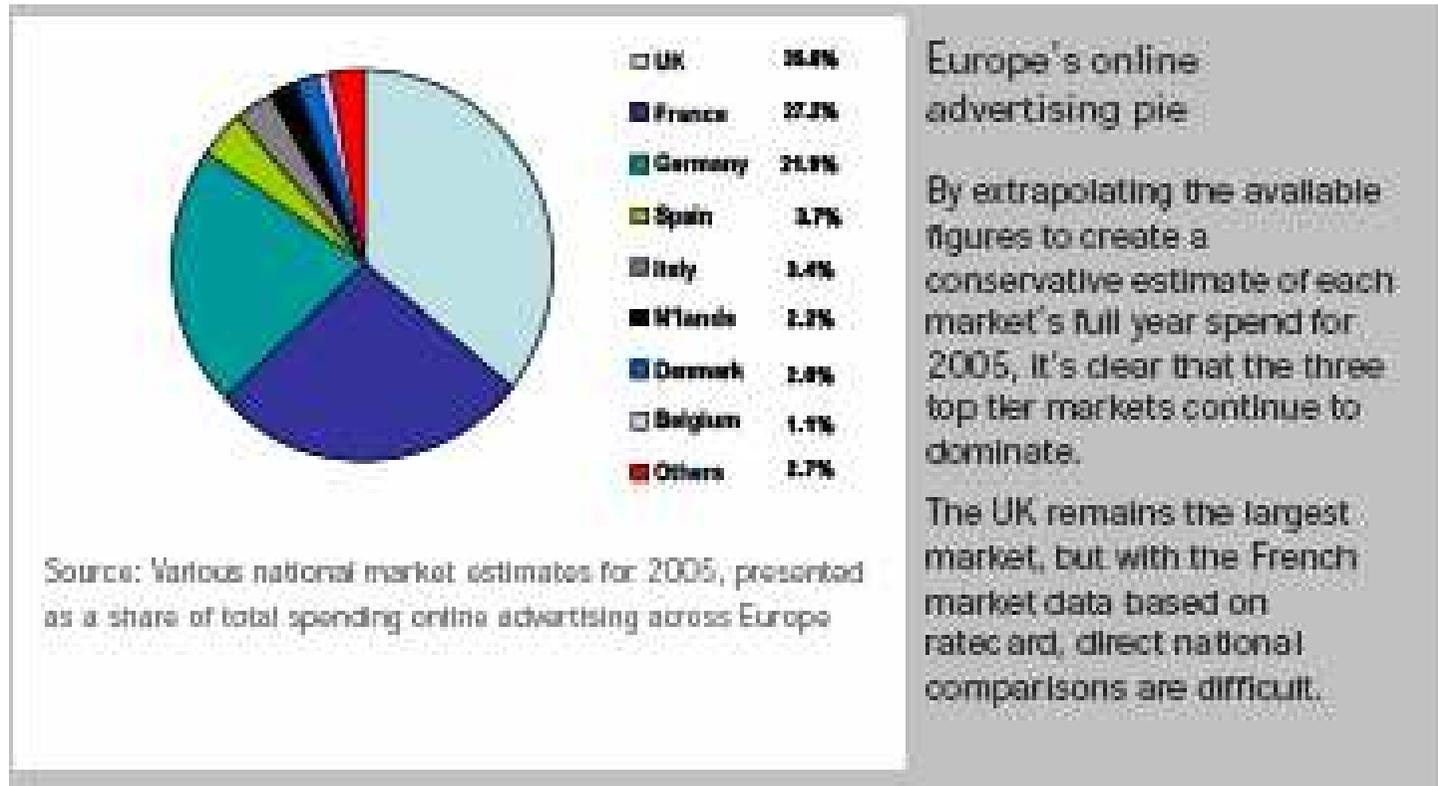
***“ The UK has the world’s highest level of digital TV viewers at nearly 70% and the US 55%”***

Ofcom and BBC News on line 17/03/2006



## A €4bn market? Probably more

The research collated here suggests Europe's marketers spent around €4bn in online advertising during 2005.



IAB – Digital Insight Report Feb 2006



## Key Findings

- Advertisers risk losing consumers trust if they don't maintain standards.
- There is a clear expectation that 'pulled' advertising should conform to standard, unless clearly signposted otherwise, but there are different expectations of what that standard should be.
- Most consumers assumed that ads had to be truthful on any platform. It was the one area of regulation that respondents did not want weakened, and would like extended across all media platforms.



‘Ka’ viral advertisement – ‘cat’ 2005

Problem viral advertising

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**IPA**

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## Television Without Frontiers Directive

**James Purnell – UK Minister for Creative Industries and Tourism including responsibilities for broadcasting**

*“If non-linear services are to be included at all, the obligations need to be very narrow and there needs to be much more emphasis on self-regulation.”*

*“If Europe gets this wrong, that could lead to operators moving out of the EU, and work directly contrary to the Lisbon Agenda of transforming the EU into the most competitive and dynamic knowledge-based economy in the world.”*



*The European Advertising Standards Alliance and its members firmly support the creation of a Single Market for consumers and businesses, and are committed to working together to deliver it. A coherent self-regulatory framework across the EU is the foundation for ensuring the appropriate balance between an effective Single Market, providing a level playing field for advertisers to operate in, and the equally important objective of maintaining a high level of consumer protection.*

*Advertising self-regulation thus reflects a rich and varied tapestry of systems for business responsibility, complementing the law.*

*This Charter of Best Practice offers a goal for self-regulatory systems throughout the Single Market while recognising that the means of achieving it may differ. It is a practical example of 'unity through diversity'.*





*“If self-regulation is to remain a bulwark against threats to the freedom to advertise responsibly, it has to be effective in New Media as well as old.”*

Lord Borrie QC, Chairman of the Advertising Standards Authority during speech at the ISBA Annual Conference 2006



A triumvirate of brand owners, regulators and alert consumers to monitor advertising content.



- Brands that fail to adhere to the rules online risk damage to their reputation
- Advertising self-regulatory bodies like the Advertising Standards Authority in the UK must not shrink from upholding challenges to non-compliant advertisements in new media
- Consumers will need to watch out for their own interests online - through technological and regulatory filters and through improved media literacy.

