

30 July 2020

Call for evidence on children's recognition of advertising: outcome

Overview

This statement sets out the <u>Committee of Advertising Practice's</u> response to the <u>call for evidence</u> it issued in October 2019 concerning children's recognition of online advertising. The assessment of responses does not suggest the need to consider changes to CAP's policies. However, this is an important policy area. CAP will continue to monitor developments in the evidence and will launch monitoring and compliance work later in 2020.

CAP would like to thank those who took the time to respond to the call; a full evaluation of responses is included in <u>Annex A</u>.

Background

Recognising advertising is important for all consumers. The <u>UK Code of non-Broadcast Advertising</u>, <u>Direct & Promotional Marketing</u> (the CAP Code) states that marketing communications must be obviously identifiable as such (<u>rule 2.1</u>). As part of the framework of rules intended to counter misleading marketing practices, the recognition rules reflect provisions of UK consumer protection legislation.

The ability to recognise marketing communications is particularly important for younger children who are still developing their understanding of the commercial world, including the persuasive intent behind marketing messages. CAP developed dedicated guidance to identify situations in online media where particular care should be taken to ensure young audiences recognise marketing and offer suggestions for how that might be achieved. It came into effect in December 2017,

Recognition of advertising: online marketing to children under 12 guides the Advertising Standards Authority (ASA) in its interpretation and enforcement of the CAP Code. The guidance also helps marketers to prepare their online campaigns in a responsible way. It responds to evidence which calls into question younger children's ability to recognise certain kinds of online advertising. Online marketing communications directed at under-12s and significantly integrated into the surrounding editorial or other non-advertising content are required to clarify prominently and up-front the identity and commercial intent of the marketer, if it is not otherwise clear from the context.

As part of the 12-month review of the guidance following its implementation, an evaluation of ASA casework involving the recognition rules showed few complaints had been received about recognition of online advertising involving children. Mindful of how online environments are fast-evolving and insights from pieces of recent research – by the ASA on ad labelling for adults and Ofcom's yearly media literacy reporting –CAP issued a call for evidence to check its thinking and further test the guidance's effectiveness.

The <u>call for evidence</u> document sets out in greater detail the background to this response including detail of the guidance and the evidence base that facilitated its development.

Responses to the call for evidence



There were seven responses to the call for evidence; from the Betting and Gaming Council (BGC), the British Toy and Hobby Association (BTHA), Cancer Research UK (CRUK), Facebook, Media Smart, Super Awesome and Sustain.

The responses are summarised in more detail in the evaluation included in Annex A; the following provides a brief summary:

- In general, there were no significant responses that suggest a need for changes to the guidance. However, responses were quite limited in number and scope.
- The only significant calls for change came from Sustain and CRUK but were based on concerns over the impact of advertising on children's food choices; something beyond the scope of this piece of work.
- On the guidance itself, the BTHA, Media Smart and Super Awesome were strongly
 positive about its impact and effectiveness from industry take-up and child
 protection perspectives.
- The call for evidence revealed no indication of instances or potential scenarios of non-compliance.
- In relation to the evidence base, again the response was limited, although Super Awesome provided some bespoke consumer research looking at recognition of advertising that was supportive of the guidance.
- HFSS and gambling-related stakeholders cited several academic studies, but these
 focused on the impact of advertising on children rather than the narrower question
 of recognition. One example was a study that found disclosures were associated
 with increased calorific intake when compared to influencer ads that weren't
 identified.
- Media Smart and Facebook provided supportive responses from the perspectives of the importance of media literacy (Media Smart is referenced in the guidance as a useful resource to link to) and how platform policies (including wider child protection standards in areas like data) help to control risks in content directed at children.

Outcome

CAP considers that there is no substantive case for change to the guidance. Submissions did not call into question CAP's stance on the underlying evidence base. The primary evidence submitted or cited was either supportive of the present approach or related to issues outside the scope of the call for evidence.

CAP acknowledges that marketing to children – particularly for sensitive product sectors like soft drinks high in fat, salt and sugar (HFSS) – presents a range of regulatory challenges where regulation must be effective in mitigating potential risks. Those are met by a range of rules in the CAP Code designed to address particular harms, ranging from the potential for ad content, in general, to cause physical, mental or moral harm, to sector-specific concerns such as the need to appropriately limit children's exposure to HFSS product advertising. This regulatory process focused narrowly on the question of children's ability to recognise ads in accordance with the general standards set out in section 2 of the Code.

One of the key questions going into the call for evidence was whether the guidance has been effective in focusing on under-12s only. Responses did not make a case for extension



of the guidance. However, it is important to note that CAP's recognition policies for general audiences – that disclosure like '#AD' should be used where the nature of a communication is not clear – already protect children aged 12-15s as they do adult audiences. The guidance's purpose is to identify scenarios where additional actions by marketers – enhanced disclosure – are necessary to protect younger children.

On a more practical level, there were no indications from the responses of non-compliance or of areas of uncertainty that might require clarification. Industry responses provide a reasonable indication that the guidance is being put into practice in key sectors. However, the absence of ASA casework, CAP is alert to the possibility that the guidance requiring further development. At the same time, CAP acknowledges the limitations to responses; for instance, there were only a small number of submissions and/or citations of academic evidence on ad recognition.

Next steps

CAP concludes there are good grounds for the effectiveness of the guidance; its basis in the evidence, levels of compliance and usability. However, recognising importance of this policy issue – especially as online media are rapidly evolving and becoming an ever more important part of children's media lives – CAP commits to continue monitoring emerging evidence and carry out a compliance exercise later in the year to test more proactively adherence to the guidance in key sectors such as toys, video games, entertainment, food and soft drinks.

CAP thanks all those who responded to the call for evidence.