Brand ambassadors and children in peer-topeer marketing

Advertising Guidance (non-broadcast and broadcast)



Foreword

The Committee of Advertising Practice (CAP) offers guidance on the interpretation of the UK Code of Non-broadcast Advertising and Direct & Promotional Marketing (the CAP Code) in relation to non-broadcast marketing communications.

The Broadcast Committee of Advertising Practice (BCAP) offers guidance on the interpretation of the UK Code of Broadcast Advertising (the BCAP Code) in relation to broadcast marketing communications.

Advertising Guidance is intended to guide advertisers, agencies and media owners how to interpret the Codes but is not a substitute for those Codes. Advertising Guidance reflects CAP's and/or BCAP's intended effect of the Codes but neither constitutes new rules nor binds the ASA Councils in the event of a complaint about an advertisement that follows it.

For pre-publication advice on specific non-broadcast advertisements, consult the CAP Copy Advice team by telephone on 020 7492 2100, by fax on 020 7404 3404 or you can log a written enquiry via our <u>online request form</u>.

For advice on specific radio advertisements, consult <u>Radiocentre</u>, and for TV advertisements, <u>Clearcast</u>.

For the full list of Advertising Guidance, please visit our website.

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Background

Marketers should be aware that the advertising industry, under the auspices of the Advertising Association, has published its own voluntary Pledge not to employ, directly or indirectly, paid or paid-in-kind young people under the age of 16 to promote brands, products, goods, services, causes or ideas directly to their known peers, associates or friends. The Pledge can be found <u>here</u>.

What is peer-to-peer marketing?

There are a range of techniques whereby a marketer may incentivise a child to express their endorsement of a product, either offline or online. The incentive might be monetary but in the online environment it is more likely to consist of access to content, virtual points or the like.

Marketers often provide the user with access to information, promotions and exclusive content if the web user hits the "Like" button on Facebook or "Re-tweets (RTs)" a tweet on Twitter, for example. Their decision to "like" or "RT" the brand then becomes visible to their friends in their "news feeds".

What are brand ambassadors?

A brand ambassador is someone engaged by a marketer to promote a brand or product to others. This typically involves celebrities who act as the public face of a marketer.

However, it may involve the employment of a consumer by a marketer to promote products or services to their peers. In contrast to other forms of peer-to-peer marketing where a consumer responds to a marketer's invitation for an incentive, a brand ambassador is employed on a more formal basis to promote the brand to their friends or people with whom they interact; the content of the brand ambassador's communications is normally controlled by the marketer.

Examples of the practice may include employing children to tell their friends about a particular product in return for free goods, or providing children with branded clothing to wear and discuss with their peers when socialising with them. These practices are typically undertaken with parental consent.

What types of peer-to-peer marketing and brand ambassadorship are subject to the CAP Code?

The CAP Code applies to marketing communications in a range of non-broadcast media, including advertisements in electronic media, companies' marketing communications on their own websites and online sales promotions. The Code is likely to cover the content of particular peer-to-peer advertisements delivered by brand ambassadors or generated

as a result of a child responding to an incentive offered by a marketer but it does not cover the relationship (employment or otherwise) between the marketer and the child.

Live oral communications, including verbal expressions of endorsement, are not covered by the CAP Code: conversations between children, even at the behest of a marketer, are not – for practical reasons relating to the capture and enforcement of such communications – covered by the CAP Code.

The CAP Code will apply to marketing communications that result from a reciprocal relationship between the marketer and a child and where editorial control rests with the marketer. Editorial control does not mean that the marketer need have sole authorship of the communication: the content may be created by the child. However, if the marketer retains the right of approval or the ability to intervene to correct or ask for the removal of a communication, then the ASA may consider the marketer retains editorial control.

If a child is not paid by the marketer but receives material benefit for promoting a product or brand to friends by sending an email or posting a message on a social networking site, and the marketer had editorial control of that message, the CAP Code would apply to that communication. For example, if an individual "followed" or "Liked" a brand (and that action was made known to his or her online friendship group), without an incentive from the marketer, the CAP Code would not apply.

As a general rule, the greater control a marketer exerts over a communication, the greater the likelihood that it will be treated as a marketing communication subject to the CAP Code.

Recognition of marketing communications

All communications resulting from peer-to-peer marketing or the use of children as brand ambassadors must be obviously identifiable as such to comply with CAP Code rule 2.1 (see Rules section below).

Marketers should take particular care in ensuring that it is clear to the target audience (children) that the communication is advertising material. Marketers may need to take additional steps to ensure that the average child will recognise the content as marketing. Further CAP guidance on this can be found <u>here</u>.

In social media, it is recommended that advertisers make their marketing communications identifiable by using text such "#ad" or "advertisement" upfront in their communications to remove any confusion as to whether the content is marketing or editorial material. Marketers remain free to adopt their own creative approaches, but they must make sure that communications resulting from peer-to-peer marketing and the use of children as brand ambassadors are obviously identifiable as marketing communications. Further guidance from CAP can be found <u>here</u> and industry guidance is available from the <u>IAB</u> and <u>ISBA</u>.

If a child has received payment or a reciprocal benefit for placing a marketing communication, marketers may wish to make that fact clear by stating "X posted this message in return for access to a game/entry into a competition" to ensure that a child audience is not misled or has their credulity exploited because they believe that a communication was placed by their friend without an incentive or reciprocal relationship.

Marketers should check they are not potentially in breach of The Consumer Protection from Unfair Trading Regulations 2008 (CPRs) if they do not disclose the fact that advertising material has been paid for.

Specific guidance on marketing to children

Marketers are reminded that the CAP Code in its entirety, including section 5 which contains specific rules for marketing communications that are addressed to, targeted at or feature children, applies to incentivised peer-to-peer marketing and communications that arise from brand ambassador activity. The CAP Code does not, however, cover live oral communications (see II (i) of the CAP Code).

Marketing communications, however they arise, must do nothing to make children feel inferior or unpopular if they do not have a product or do not engage in peer-to-peer marketing or brand ambassadorship. For example, marketers should avoid stating or implying that a child will be a failure unless they take up an offer, that they "must" do something or that "everyone else has this [product]". Claims of that nature are likely to appeal to children's natural desire to fit in and may make them feel inferior if they do not participate and place them under undue pressure and are likely to breach CAP Code rule 5.2.1.

Marketers must ensure they do nothing that is likely to result in children's physical, mental or moral harm (CAP Code rule 5.1). For example, children must not be encouraged to take unnecessary risks such as adding strangers to their social networking profile in order to qualify for a promotion or access to content or be presented with peer-to-peer or brand ambassador marketing communications for content that is likely to be inappropriate for them.

Marketing communications that arise from peer-to-peer or brand ambassador activity must not encourage peer pressure by stating or implying that all a child's friends have [product X] and that they should do too, nor should they suggest that a child should only add friends who have 'liked' Brand X. Claims of that nature might make a child feel inferior or encourage children to pressurise their friends into engaging with the marketing communication. Marketers must bear in mind the likely reaction to the marketing communication from children, which is influenced by their age, experience and the context in which the marketing communication appears.

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Marketers must ensure that their marketing communications do not exploit children's credulity about what is required of them to engage in peer-to-peer marketing or be employed as brand ambassadors; they must understand the extent of their commitment and the likely result of their engagement. Particular care should be taken to ensure that communications do not exaggerate what is likely to be attainable by the child, bearing in mind their experience and likely understanding. For example, 'receive extra power in the game if you click our 'Like' button' when clicking the button provides no material benefit to gameplay.

Marketing communications must not encourage children to make a nuisance of themselves, pester their parents (CAP Code rule 5.4.1) or undermine parental authority, for example by stating or implying that a child should keep a secret from their parents.

Marketing communications addressed to or targeted at children must not include a direct exhortation to children to buy a product or persuade their parents to buy a product, such as "Buy X" or "Get your mum or dad to buy X for you" (CAP Code rule 5.4.2).

For marketing communications and practices that fall outside the scope of the CAP Code, such as the formal employment of children, marketers are strongly urged to seek parental/guardian consent before engaging a child in brand ambassador activity.

Rules

- 2.1 Marketing communications must be obviously identifiable as such.
- 2.3 Marketing communications must not falsely claim or imply that the marketer is acting as a consumer or for purposes outside its trade, business, craft or profession; marketing communications must make clear their commercial intent, if that is not obvious from the context.
- 2.4 Marketers and publishers must make clear that advertorials are marketing communications; for example, by heading them "advertisement feature".
- 5.1 Marketing communications addressed to, targeted directly at or featuring children must contain nothing that is likely to result in their physical, mental or moral harm:
- 5.1.1 children must not be encouraged to enter strange places or talk to strangers;
- 5.1.4 children must not be encouraged to copy practices that might be unsafe for a child;
- 5.1.5 distance selling marketers must take care when using youth media not to promote products that are unsuitable for children;
- 5.2 Marketing communications addressed to, targeted directly at or featuring children must not exploit their credulity, loyalty, vulnerability or lack of experience:
- 5.2.1 children must not be made to feel inferior or unpopular for not buying the advertised product;
- 5.2.2 children must not be made to feel that they are lacking in courage, duty or loyalty if they do not buy or do not encourage others to buy a product;
- 5.2.3 it must be made easy for children to judge the size, characteristics and performance of advertised products and to distinguish between real-life situations and fantasy;
- 5.2.4 adult permission must be obtained before children are committed to buying complex or costly products;
- 5.3 Marketing communications addressed to or targeted directly at children:
- 5.3.1 must not exaggerate what is attainable by an ordinary child using the product being marketed;
- 5.3.2 must not exploit children's susceptibility to charitable appeals and must explain the extent to which their participation will help in any charity-linked promotions.
- 5.4 Marketing communications addressed to or targeted directly at children
- 5.4.1 must not actively encourage children to make a nuisance of themselves to parents or others and must not undermine parental authority

- 5.4.2 must not include a direct exhortation to children to buy an advertised product or persuade their parents or other adults to buy an advertised product for them.
- 5.5 Marketing communications that contain a direct exhortation to buy a product via a direct-response mechanism must not be directly targeted at children.

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