

# Advertising regulation: The balance is shifting

Annual Report 2015

Advertising Standards Authority  
Committees of Advertising Practice



The Advertising Standards Authority (ASA) is the UK's independent regulator of advertising across all media. Together with the Committees of Advertising Practice (CAP), who write the Advertising Codes, we work to make ads responsible.

We do this by taking action against misleading, harmful or offensive advertising and ensuring compliance across all sectors.

We believe responsible ads are good for people, society and advertisers. It is our ambition to make every UK ad a responsible ad.

## 2015 highlights

### ► ASA awareness campaign

*We launched our own ad campaign securing over £3.5 million in donated space and airtime. Our thanks to the ad industry for their ongoing support.*



### ► Moneysupermarket.com

*We did not uphold complaints about this ad featuring a man walking down a street and dancing whilst wearing denim shorts and high heeled shoes. While some viewers said they found the ad distasteful, we did not judge the ad to be offensive.*



## The balance is shifting

This annual report sets out our progress as we approach the mid-point of our five-year strategy, *Having more Impact: Being more Proactive*. In it, we report some early results as the balance of our work shifts towards more proactive and preventative interventions, alongside traditional complaints-handling, with a view to best ensuring that advertising in the UK is responsible.

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[www.asa.org.uk](http://www.asa.org.uk) [www.cap.org.uk](http://www.cap.org.uk)

## 2015 highlights

### ► Procter & Gamble

*This vlog attracted a complaint because the viewer felt it was not clear that it was sponsored by, and featured products of, Procter & Gamble. This complaint was upheld.*



### ► Michelin Tyres

*An ad compared Michelin's tyres with an unspecified 'budget' brand, concluding that premium tyres were safer. Michelin provided no evidence that the results were representative of all budget tyres. The comparison hadn't been substantiated and the complaint was upheld.*





A message from the  
ASA Chairman

“Our objectives remain simple: to ensure that marketers advertise responsibly, and that consumers have the information they need.”



Every week, we continue our work of considering complaints that have been made about ads, assessing them against the Advertising Codes, and ruling on whether they should appear again – or not. Whether it’s a man in hotpants and high heels pirouetting down the street, a charity that’s being forceful in its depiction of the misery it’s trying to address, or a scientific assessment of the relative suction power of vacuum cleaners, there is a lot for the ASA Council to analyse and consider; and we are, as always, helped in this task by our able and dedicated staff.

Over the past year, we have also been implementing our new strategy, of becoming more proactive in the way in which we approach whole sectors of advertising where there is consumer or public concern. Instead of simply responding to individual complaints, we have begun to take a much broader view of a range of ads for similar products and services, or of a similar nature. And we’ve tried to identify where there is real consumer detriment going on, and what can be done to put it right.

We’ve taken this approach to the issue of vloggers promoting a product they’ve been paid to mention, without making it clear that this is a piece of marketing. And our general guidance about the need for clarity on this has been widely welcomed by the vlogging community. We’ve addressed issues about up-front fees charged by landlords, which need to be clearly spelled out. We’ve ensured that travel agents are clear about the booking costs of the deals on offer. And we conducted research into consumers’ understanding about the pricing of broadband offers. We found much confusion about the actual amount they’d be obliged to pay and in 2016 we announced a tougher approach to ensure customers are not misled.

In all of this, our objectives remain simple: to ensure that marketers advertise responsibly, and that consumers have the information they need. Advertising is a great British industry. We want to help to keep it that way.

Rt Hon Lord Smith of Finsbury  
ASA Chairman

## 2015 highlights

### ► L’Oréal Paris

Complaints about L’Oréal’s Age Perfect moisturising cream ad, featuring Dame Helen Mirren, were not upheld, as we found L’Oréal had not misled consumers with the use of post-production techniques.



### ► Back Heathrow

The claim ‘Those around us are behind us’ in relation to Heathrow airport expansion was found to be misleading because an investigation of the polling methodology concluded that the claim couldn’t be substantiated.





A message from the  
CAP Chairman

“We seek to balance the protection of vulnerable audiences with the freedom of others to see and hear about things they might like.”



Payday loans, gambling, e-cigarettes, sugary foods. To some, these are products that answer perfectly legitimate popular tastes and needs. To others, they are products that threaten harm to adults and children. To CAP, they are sensitive advertising categories that demand our attention – where the responsibility of advertisers, agencies and media to exercise care is paramount. All warrant special provisions or guidance under the CAP and BCAP Codes, all have been under our scrutiny in the past year, and all will doubtless feature in headlines in the coming 12 months, too.

But the principles that we apply to such controversial categories are no different from those applicable to the thousands of products and services that are advertised to UK audiences. All are subject, whether they like it or not, to our Codes of responsible advertising, to the spotlight of critical publicity that the ASA can shine on them, and to the industry’s enforcement of its well-tried sanctions, backed in the rare cases of non-compliance by Trading Standards and Ofcom.

The CAP and BCAP Committees, usually working together in a pan-media approach, guide the creation and evolution of these high standards of advertising responsibility.

We seek to balance the protection of vulnerable audiences with the freedom of others to see and hear about things they might like; to balance the rights of advertisers to promote their products in a competitive market with the constraints on them that ensure fair competition and open, honest communication; and to balance the benefits that innovation in new services and new media channels can bring to consumers with the promise that they will not be misled, offended or exposed to harm.

That, on the whole, we succeed is evidenced by the contents of this report. That sometimes we struggle to find solutions that please everyone is inevitable. That we can hold our head up as a key part of a self-regulatory system that works is thanks to the commitment of our industry, the efforts of our members and the skill, talent and energy of our Executive team.

James Best  
CAP Chairman

## 2015 highlights

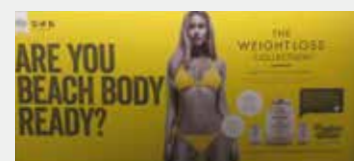
### ► Gambling ads in social media

*We ruled against Coral, Bet365 and Totesport on the use of images of under-25s on Twitter feeds, setting an important precedent for the application of the CAP Code to social media.*



### ► Protein World

*Before investigating complaints that a poster featuring a woman in a bikini was offensive, which we subsequently did not uphold, we told Protein World that, due to our concerns about a range of health and weight-loss claims, the ad could not appear again in its current form.*





Our performance in numbers

## Making ads responsible



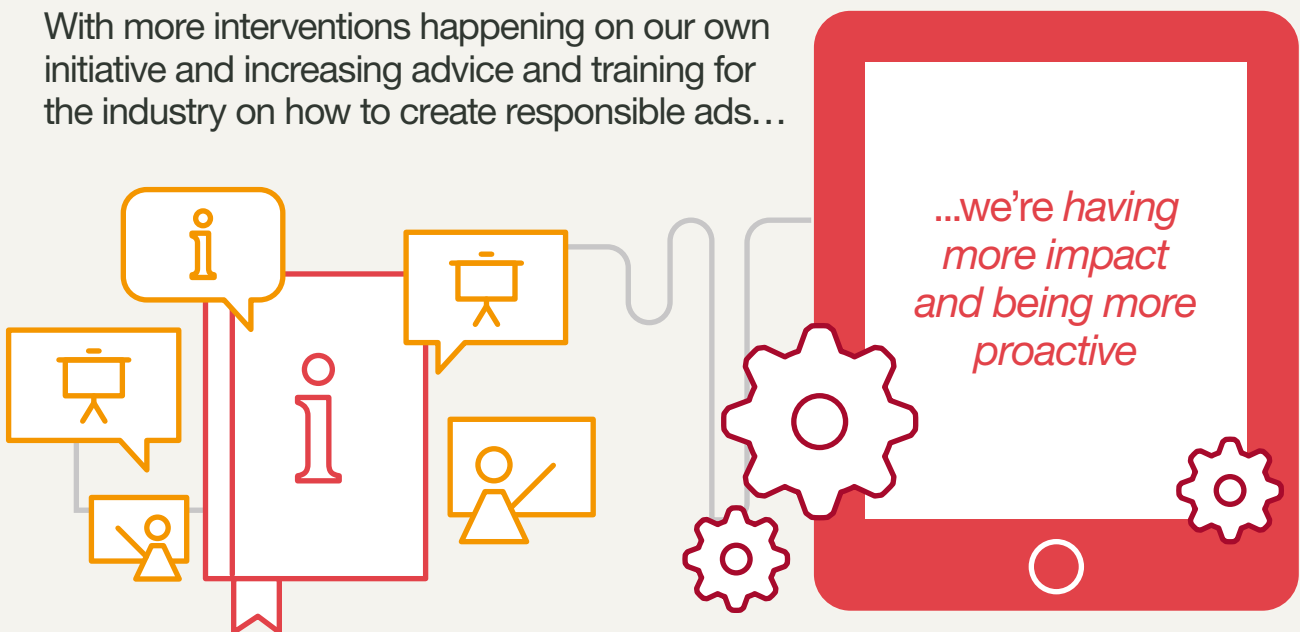
## Protecting consumers



## Supporting industry to get ads right



With more interventions happening on our own initiative and increasing advice and training for the industry on how to create responsible ads...





## The balance is shifting



The facts and figures in this report, including the KPIs on the opposite page, are testimony to the way our regulation is changing, with a rebalancing from reactive complaints casework to more proactive project-based work. In 2015, we resolved a record 5,425 compliance cases – where we tackle problem ads under our own initiative, up 239% on 2014. And when you include the ads we dealt with following complaints from the public, we brought about the amendment or withdrawal of 4,584 ads, up 32% on 2014 and another record.

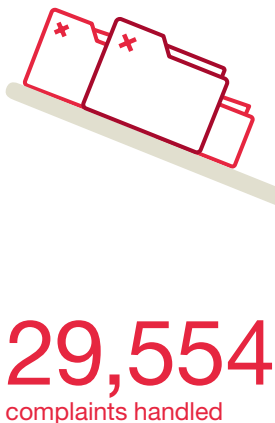
We've been doing that while also responding well to the challenges laid down in last year's report by Gillian Guy, Chief Executive of Citizens Advice, Andy Duncan, President of the Advertising Association and Ipsos MORI's Chief Executive, Ben Page. We're tackling broadband pricing, rightly picked

out by Gillian as a current worry (see page 10). We're responding to concerns about inconsistencies between TV and non-broadcast media when it comes to food ads being targeted at children, evidence for Andy of the ASA system keeping pace with change (see page 11). And with formal investigations dealt with faster, we continue to make strides to be quicker, whilst also striving to meet Ben's other challenges of being accessible and fair.

There's plenty more to do, but we're heading in the right direction and picking up pace.

Guy Parker  
Chief Executive

Decline in case work numbers, 7.9% lighter than in 2014



A record

**5,425**

compliance cases resolved,  
239% heavier than 2014

**↑ 4,584**

The proactive approach, backed with more compliance work, resulted in a record 4,584 ads being changed or withdrawn, up 32% on 2014





## Key Performance Indicators

	KPI	2015 Performance	Status
	<p><b>Productivity</b> Improve productivity as defined by cost per case, cost per ad amended or withdrawn and cost per piece of advice and training</p>	<ul style="list-style-type: none"> <li>• Met</li> </ul>	
	<p><b>Speed</b> Meet targets for complaint cases (80% within various working days, depending on case type) and Copy Advice cases (90% within 24 hours)</p>	<ul style="list-style-type: none"> <li>• Met for 11/12 case types (see page 19)</li> <li>• 95% of Copy Advice written enquiries closed within 24 hours</li> </ul>	
	<p><b>Satisfaction</b> Meet targets for complainant satisfaction with case handling (75%), advertiser satisfaction with case handling (80%) and Copy Advice satisfaction (90%)</p>	<ul style="list-style-type: none"> <li>• Complainant satisfaction 71%</li> <li>• Advertiser satisfaction 82%</li> <li>• Copy Advice satisfaction 92%</li> </ul>	
	<p><b>Support</b> Increase CAP advice and training Touchpoints to 240,000 (20% increase on 2014 target of 200,000)</p>	<ul style="list-style-type: none"> <li>• 250,342 Touchpoints achieved</li> </ul>	
	<p><b>Awareness</b> Use ad campaign to increase spontaneous awareness (21% in 2013)</p>	<ul style="list-style-type: none"> <li>• 17% spontaneous awareness</li> </ul>	
	<p><b>Financial</b> Stay within budget</p>	<ul style="list-style-type: none"> <li>• Met</li> </ul>	



Making every ad a responsible ad



Understanding

We'll be an authority on advertising and active on issues that cause societal concern. We'll be open to calls for regulatory change, acting purposefully and in a timely fashion, while being fair and balanced in our assessment of the evidence and arguments.



Support

We'll provide support to advertisers to help them create responsible ads. We'll increase, improve and better target our advice and training so every business has access to the information and support it needs.



Impact

We'll spend more time on matters that make the biggest difference. Focusing on our existing remit, we'll spend less time tackling ads that cause little detriment to consumers or the vulnerable. But where a complaint indicates that the rules have been broken, we will always do something.



Proactive

We'll be proactive and work with others. We'll use a wide range of information to identify and tackle problems to make sure ads are responsible, even if we haven't officially received a complaint.



Awareness

We'll increase awareness of the ASA and CAP. We will make sure that the public, civil society and the industry know who we are and what we can do, so they can engage with us when they need to, and have confidence in our work.

## 2015 Progress

- Published important rulings on gambling and e-cigarettes
- Published outcome of BCAP's review of the content of payday loan advertising, and introduced guidance on trivialisation of loans in ads
- Concluded CAP consultation process to adapt the Promotional Marketing rules to ensure consistency with the Consumer Protection Regulations (CPRs)
- Finalised review of scheduling of alcohol TV ads and issued guidance to broadcasters

- Overall, delivered 250,342 CAP advice and training Touchpoints, beating our target and achieving a 29% increase on 2014
- Launched two eLearning modules, one on alcohol advertising and the first of three modules on misleading advertising – plus a free introductory module on misleading advertising
- Produced comprehensive guidance for vloggers (see page 12)
- Online advice visits increased to 158,659, up 55% on 2014

- Our strategy had a direct impact on the balance of our work. Direct services cost share for high impact project work rose from 7% in 2014 to 15% in 2015, whilst complaints cost share fell from 66% to 58% over the same period
- Following publication of our Prioritisation Principles, we introduced a policy limiting the number of points of complaint
- Introduced a new approach for handling complaints that requires fewer resources
- Referrals to Trading Standards resulted in a number of successful outcomes (see page 14)

- Co-sponsored a major research project, working with Ofcom, into consumers' understanding of broadband pricing (see page 10)
- Completed project looking into misleading practices in rent-to-own companies, and continued projects in other areas such as online auction sites and travel packaging pricing

- Launched ASA ad campaign, securing over £3.5m of donated space including TV, VOD, out-of-home, press and cinema
- Opened ASA desk in Scotland to enhance relationships with Scottish politicians and opinion-formers
- Delivered new study on MP awareness in new Parliament and used the findings to shape our public affairs programme
- Began review of our websites to improve content and structure

## Looking ahead

- Develop full Understanding strategy in 2016
- Deliver research strategy from 2016
- Consult on the rules relating to HFSS food and drink ads in non-broadcast media

- Develop full Support strategy in 2016
- Launch the second and third eLearning modules on misleading advertising and subsequent module on Promotional Marketing in 2016
- Continue with improvements to the content of online advice, making material easier to digest
- Achieve 270,000 Touchpoints in 2016, an 8% increase on 2015

- Continue to focus resource on those areas where it will have most impact, including through applying our Prioritisation Principles
- Develop metrics for measuring the impact of, for example, project work

- Establish new approach to broadband pricing claims on basis of research findings
- Establish policy to reduce children's exposure to ads for age-restricted products in social media
- Develop regulatory policy on children's critical understanding of immersive online advertising
- Evaluate responses to CAP and BCAP's call for evidence on risk factors associated with gambling

- Continue to roll-out ad campaign during 2016, securing two new media channels, at least one of which will be online
- Continue to improve online content and implement new websites in 2016



## Key projects

As part of our strategy, we've been taking a more proactive and project-based approach to our work. Here we highlight some of the key projects of 2015.



### Ensuring clearer pricing for consumers in broadband advertising



Jane Eldridge  
Head of Casework

Broadband is now an essential utility that powers peoples' work and home lives. Almost eight in ten households have fixed broadband access at home. And internet users aged 16 and above spent over 20.5 hours online each week in 2014.

Providers of broadband services compete feverishly for customers resulting in an array of deals, promotions and offers. But does the way the information is presented in ads make clear how much we're paying?

Our unease with the clarity of ads resonated with intelligence we'd received from other sources. To address these concerns, we undertook joint research with Ofcom to examine whether broadband providers' current approaches to pricing are undermining consumers' understanding of what they'll be paying.

When we tested ads, we found 81% of participants in our research were unable to calculate the total cost of a broadband contract. Moreover, 74% of the sample felt information about one-off and ongoing costs after the introductory period was unclear.

Consequently, we intend to bring about change in the way that broadband prices are advertised. After working with the industry on what that change might look like, we will, later in 2016, expect broadband providers to simplify the presentation of price information to make all elements of a customer's financial commitment clear.

If consumers expect to be misled or confused by ads, trust and confidence in advertising is eroded. Our work in this area is designed to help promote trust between consumers and the broadband industry through clear and effective guidance on making ads clear.



only **34%**  
of the total sample  
recalled pricing  
information

"It feels like they hide the costs in amongst all this other blurb, to put you off reading it."

Research participant aged 24-34, Glasgow



## Contributing to the fight against obesity

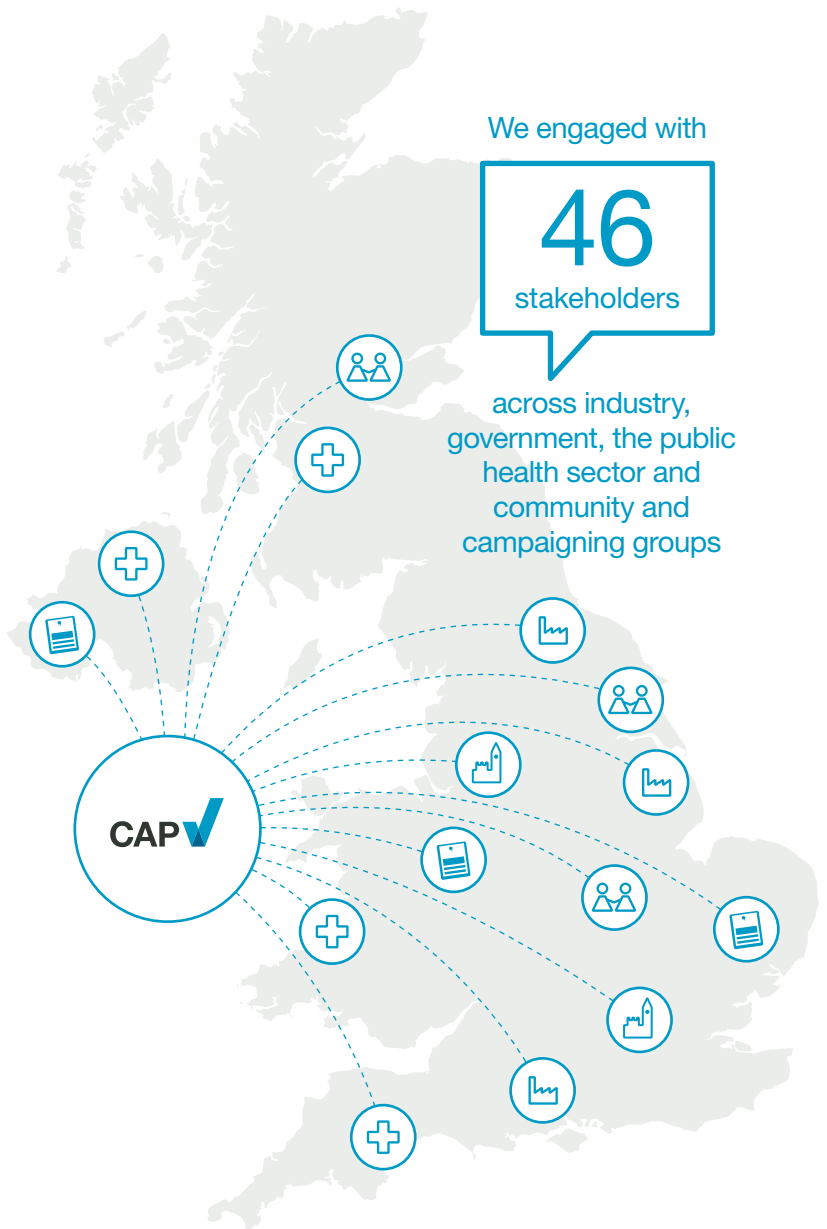


Malcolm Phillips  
Regulatory Policy Manager

We recognise growing concern over childhood obesity in the UK. In September 2015, we took the decision to launch a public consultation on whether to introduce rules on the targeting of ads for food and soft drinks high in fat, salt or sugar (HFSS) at children in non-broadcast media. There are already strict content rules around all food and drink ads, but to restrict the placement of HFSS food and drink ads in non-broadcast media (press, online, cinema, direct mail and outdoor advertising) would be a significant and wide-ranging change.

We decided to consult because children's media habits, as well as non-broadcast advertising techniques, have changed considerably since the rules were last reviewed. Furthermore, we recognised the need to explore how advertising regulation can contribute to the wider effort to tackle the UK's obesity problem by bringing about a change in the nature and balance of food advertising targeted at children.

We began by embarking on the largest pre-consultation exercise we've undertaken since our Code Review in 2009. We engaged with more than 40 stakeholders across industry, government, the public health community and campaigning groups in order to build as rich a picture as possible of the range of perspectives on this issue. During 2016, we will formally consult with all stakeholders to consider further restrictions on the advertising to children of HFSS products.





## Key projects



# Helping vloggers and brands to make their ads clear



Celia Warrick  
Investigations Executive

As new ways of advertising products and services emerge, we're working to identify and tackle any risks for consumers.

Complaints were being made by the public about vlogging content not being clearly identifiable as advertising. Enquiries received by our Copy Advice service have suggested that most vloggers were not aware of, or at least not clear about, their obligations under the advertising rules. Many vloggers wanted more practical examples of how the rules might apply.

In response, CAP produced comprehensive guidance to help content creators and brands navigate the rules and understand how to make clear when content is, in fact, advertising. The guidance outlined a series of scenarios where the CAP Code applied and set out how vloggers could best stick to the rules.

In the first week of publication, the guidance gathered over 4,000 views on the CAP website, making it our most read piece of guidance during 2015. CAP also participated in Twitter Q&A sessions to engage with those seeking support. To help further we packaged up the key elements of the guidance in a YouTube video.

We feel confident our guidance improved awareness and understanding of the advertising rules within the vlogging community, and we'll continue to do all we can to help vloggers create responsible ads.



▲ Scenes from an animated video we produced to provide clearer guidance for vloggers. Since its release on YouTube, the video has been viewed over 1,500 times.



## Helping osteopaths market their services responsibly



Nick Hudson  
Operations Manager – Compliance

Our work with osteopaths illustrated our proactive approach to regulation, specifically through targeting information and education at an entire sector in an effort to improve compliance with the Advertising Codes. The vast majority of advertisers stick to the rules, and we understand that, of those who do sometimes get it wrong, most do not do so deliberately, but often through a lack of understanding of how and when the rules apply to them.

In the latter half of 2015, we were approached by the General Osteopathic Council (GOsC) – the UK’s regulator for osteopaths – about complaints they had received concerning the advertising used by some of their members.

Following discussion about the kinds of claims that could legitimately be made within the Advertising Codes, we agreed to work together to raise awareness of the rules – particularly among osteopaths who promote their services online.

Rather than addressing problems through our complaints-handling process, we sent a joint letter to all of the UK’s 4,660 registered osteopaths, providing them with clear and detailed guidance on how to ensure their advertising complies with the rules. Our aim was to help advertisers get their ads right through persuasion and education, rather than a formal investigation and possible sanctions. This is an approach we’ll seek to use elsewhere in the future.



We provided all registered osteopaths with clear, detailed guidance to ensure their claims were in line with the advertising rules





## Key projects



# Working with Trading Standards to bring persistent offenders in line



**Nausheen Haque**  
Compliance Executive

The vast majority of advertisers respond co-operatively to our rulings because they recognise they have a direct stake in ensuring their ads are responsible and treat consumers fairly.

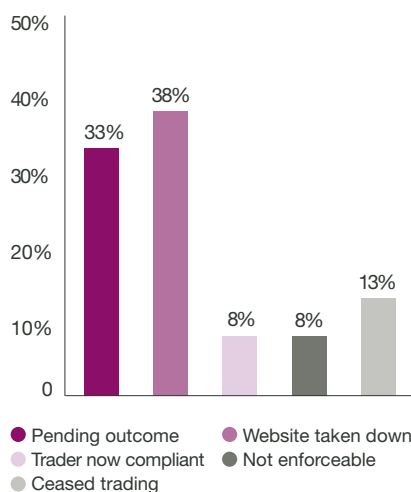
On the rare occasions when an advertiser is unwilling or unable to work with us the ASA can use a range of sanctions, including publishing the business' name on the non-compliant advertisers section of our website, and removing its sponsored search ads. In those even rarer cases when the advertiser still refuses to come into compliance, we can refer the matter to Trading Standards.

Once a referral has been made, officials investigate the advertiser's claims for potential breaches of the law. A range of enforcement powers are available to Trading Standards, the most powerful being criminal prosecution and the confiscation of financial assets.

During 2015, our compliance work with Trading Standards had a marked impact: 38% of referred advertisers had their websites taken down, 13% ceased trading altogether, and 8% amended their advertising to comply with the rules.

Education has also been a priority. In partnership with Trading Standards, we produced an information leaflet to make non-compliant advertisers aware of the consequences they may face if they continue to disregard the Advertising Codes. We will continue with this important work during 2016.

## Trading Standards referral outcomes



*In 2015, 38% of advertisers who continued to break the rules had their website taken down.*





## Protecting children online



**Miles Lockwood**  
Director of Complaints and Investigations

Protecting children from misleading, harmful or offensive ads lies at the heart of what we do.

Children are spending ever more time online and on mobile devices, engaged in immersive experiences such as playing games. Research from our regulatory partner Ofcom showed that in 2015, 96% of 12-15 year-olds had access to the internet, and this age group spent more time online than watching TV.

As advertisers make use of new technologies to promote their products and services, it's important that they stay on the right side of the rules, especially when they're engaging with children.

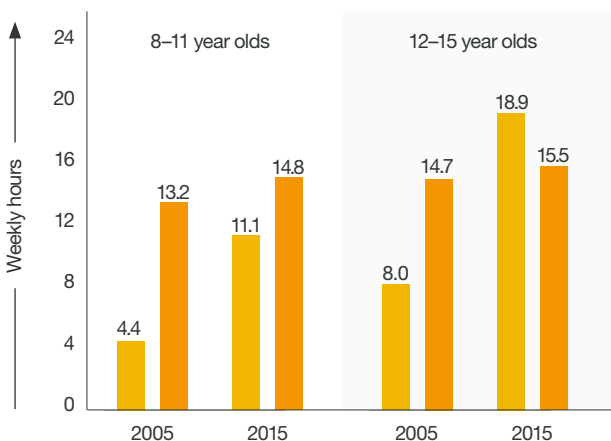
We will be decisive when they cross that line. In 2015, we considered complaints from the Competition and Markets Authority (CMA) about online games. We took swift action and found two advertisers (Mind Candy t/a Moshi Monsters and 55 Pixels Ltd t/a Bin Weevils) in breach of the rules because their games wrongly and unfairly pressurised children into making in-game purchases.

Our action is a timely reminder to advertisers who engage children that strict rules designed to protect them extend equally to online as well as offline media.

*Mind Candy t/a Moshi Monsters and 55 Pixels Ltd t/a Bin Weevils unfairly pressurised children into making in-game purchases.*

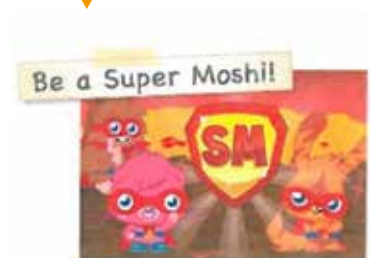
### Ofcom research into children's viewing habits

- Internet
- TV



Access to the internet

<b>2005</b>	
8-11	61%
12-15	67%
<b>2015</b>	
8-11	91%
12-15	96%



Source: Children and Parents: Media Use and Attitudes Report; Ofcom, November 2015



## Complaints and cases in context

Each year, the UK public see many millions of advertisements, promotions and direct marketing communications. The vast majority are responsible.

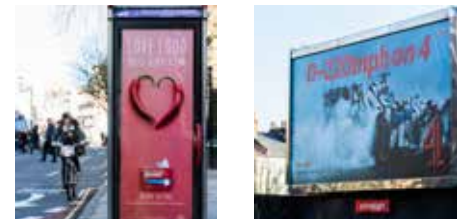



With 11,611 complaints about 3,920 TV ads, television has reclaimed its place as the most complained about medium...



...But examining the number of cases shows the Internet remains firmly in the lead with 8,633.


Our job is to make sure we tackle the minority that are not. And that means making them legal, decent, honest and truthful.





Leisure (films, DVDs, computer games, gambling) continues to be the most complained about sector, but Retail overtook it on a case basis.





17% of the public said they had seen problem advertising in 2015, down from 22% in 2013.





## Resolving complaints and cases

In 2015 we resolved 7.9% fewer cases and 19.1% fewer complaints than in 2014. Our strategy of spending more time on matters that make the biggest difference contributed to the decline, along with other factors such as:

- Better filtering at the complaint registration stage
- People using social media to challenge advertisers directly instead of complaining to the ASA
- The impact of our inter-party Resolution Process for competitor cases
- Some changes to our remit

The decline freed up resources so we could deal with the regulatory projects detailed on pages 10-15.

### Complaints and cases resolved

	Non-broadcast		Broadcast		Overall totals	
	Complaints	Cases	Complaints	Cases	Complaints	Cases
Outside remit	1,650	1,491	515	344	2,138	1,809
No additional investigation	7,880	7,101	7,047	3,475	14,639	10,341
No additional investigation after council decision	836	156	3,966	166	4,740	289
<b>Total not investigated</b>	<b>10,366</b>	<b>8,748</b>	<b>11,528</b>	<b>3,985</b>	<b>21,517</b>	<b>12,439</b>
Informal investigation	3,156	2,778	506	145	3,629	2,895
Formal investigation	1,352	534	465	112	1,784	617
Of which:						
Upheld	584	326	201	53	767	364
Not upheld	643	86	250	46	880	120
Withdrawn	125	122	14	13	137	133
<b>Total investigated</b>	<b>4,508</b>	<b>3,312</b>	<b>971</b>	<b>257</b>	<b>5,413</b>	<b>3,512</b>
<b>Totals</b>	<b>14,874</b>	<b>12,060</b>	<b>12,499</b>	<b>4,242</b>	<b>26,930</b>	<b>15,951</b>

N.B. Both non-broadcast and broadcast figures include multimedia figures which appear only once in the 'overall totals' column.

Complaints figures in this table are lower than our overall complaints figure because 'big group complaints' are processed differently, meaning they don't have a formal outcome that fulfils the criteria of this table, even though the issues are addressed.

### Our action on misleading, harmful or offensive ads

There are three types of action we can take as a result of an investigation:

#### No additional investigation

We may decide there is no problem under the Advertising Codes and take no further action. In other cases, we are unable to investigate because the complaint or the advertising material falls outside of our remit.

#### Informal resolution

We will, where it is appropriate, resolve issues informally. For example where a minor or clear cut breach of the Advertising Codes has been made, we might issue advice on how to comply with the Codes or seek an assurance that an advertiser will change or withdraw their ad straight away.

#### Formal investigation

If the ad raises concerns under the Advertising Codes, we can conduct a thorough investigation in which all sides are given the opportunity to comment. Advertisers will be asked to provide their rationale or relevant evidence to support their advertising approach and the claims they have made. Final rulings are made by the ASA Council and are published on our website in full each week.

A record

↑ **5,425**

compliance cases, up 239% on 2014

↑ **4,584**

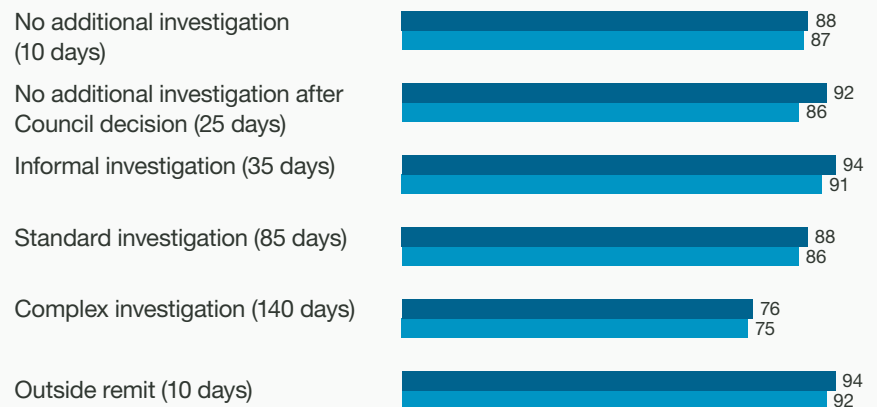
ads amended or withdrawn, up 32% on 2014

## Turnaround performance

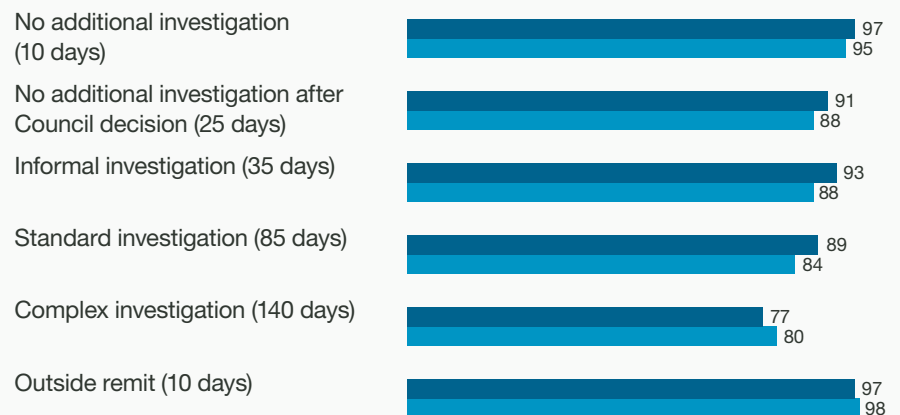
% on target for different case types (target=80%)

### Non-broadcast

● 2014 (%) ● 2015 (%)

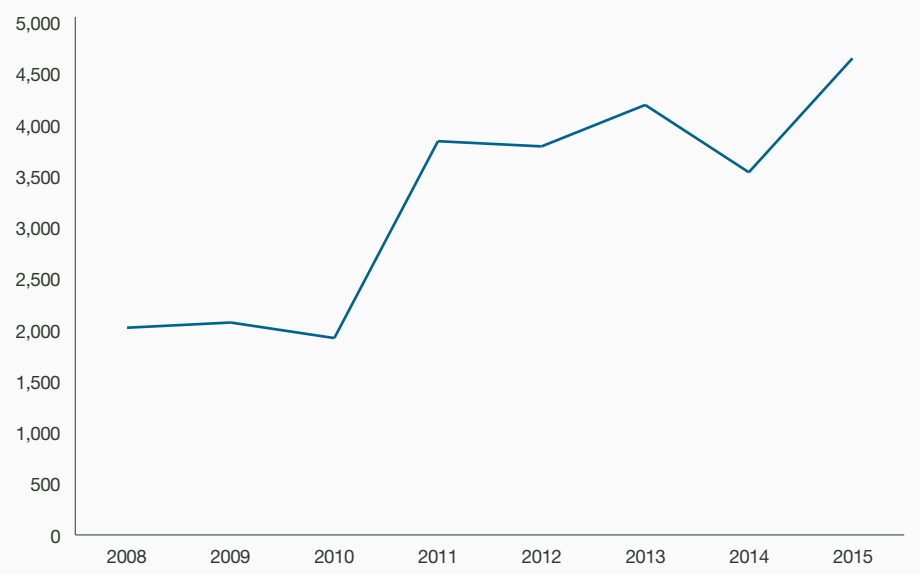


### Broadcast



A fresh approach to Compliance work started to pay dividends in 2015. We put into practice our Prioritisation Principles, which helped us tailor our work according to the impact on consumers. This allowed us to undertake targeted monitoring and enforcement work, including work with mobile app platforms, health therapy providers and with large online retailers (also see Osteopaths, page 13).

### Ads amended or withdrawn





## Trends in complaints and cases

## Media



17%

decrease in television cases



121%

increase in in-game advertising cases (see p.15)



41%

increase in outdoor advertising complaints



153%

increase in public transport complaints, primarily due to those concerning Protein World

	2015		2014	
	Complaints	Cases	Complaints	Cases
Television	11,611 (-3%)	3,920 (-17%)	11,926	4,700
Internet	9,582 (-29%)	8,633 (-15%)	13,477	10,202
Outdoor	1,305 (+41%)	644 (+20%)	927	536
Email	959 (+9%)	870 (+5%)	881	832
National press	943 (-15%)	663 (-12%)	1,108	755
Transport	697 (+153%)	186 (-1%)	276	188
Radio	636 (-14%)	435 (-14%)	742	506
Point of sale	482 (+22%)	439 (+17%)	394	376
Regional press	480 (-14%)	363 (-16%)	559	430
Brochure	363 (+24%)	309 (+12%)	293	275
Magazine	345 (-13%)	287 (-20%)	396	358
Direct mail	326 (-7%)	304 (-8%)	351	329
Other*	250 (-8%)	236 (-4%)	273	246
Leaflet	223 (-27%)	213 (-26%)	304	288
Video-on-demand (VOD)	219 (+11%)	128 (-2%)	197	131
Text Message	140 (-40%)	132 (-39%)	233	216
Packaging	121 (+14%)	111 (+11%)	106	100
Cinema	114 (-53%)	69 (-28%)	243	96
Circular	112 (+2%)	106 (+8%)	110	98
Insert	111 (+66%)	77 (+26%)	67	61
In-game advertising	102 (+143%)	93 (+121%)	42	42
Press (general)	89 (-27%)	72 (-25%)	122	96
Catalogue	86 (-7%)	82 (+4%)	92	79
Mobile	58 (-24%)	55 (-18%)	76	67
Mailing	46 (-43%)	44 (-42%)	81	76
Ambient	18 (-36%)	16 (-38%)	28	26
Directory	15 (-6%)	15 (-6%)	16	16
Voicemail	4 (-20%)	4 (-20%)	5	5
Fax	2 (-60%)	2 (-50%)	5	4

\* Includes general advertising and out of remit complaints.



# 77%

increase in complaints about the holidays and travel sector, driven by the controversial Booking.com ads



# 78%

increase in complaints about the financial sector, driven by the Moneysupermarket ad



# 35%

decrease in cases involving the business sector



# 36%

decrease in cases involving the alcohol sector

## Sector

	2015		2014	
	Complaints	Cases	Complaints	Cases
Leisure	3,932 (-18%)	2,530 (-11%)	4,820	2,844
Retail	3,763 (-6%)	2,656 (+11%)	4,014	2,385
Financial	3,745 (+78%)	1,125 (-14%)	2,106	1,302
Holidays and travel	2,605 (+77%)	1,291 (+11%)	1,470	1,158
Health and beauty	2,583 (+0.7%)	1,637 (-13%)	2,566	1,872
Food and drink	1,912 (-5%)	935 (-3%)	2,013	967
Non-commercial	1,752 (-29%)	799 (-14%)	2,466	933
Computers and telecommunications	1,644 (+5%)	1,244 (-0.6%)	1,565	1,251
Business	1,493 (-56%)	1,279 (-35%)	3,361	1,975
Motoring	633 (-24%)	402 (+8%)	836	371
Household	527 (-34%)	458 (-20%)	803	573
Property	509 (+10%)	484 (+12%)	461	432
Publishing	427 (-72%)	302 (-20%)	1,509	377
Utilities	262 (+22%)	183 (+5%)	214	175
Unknown*	163 (+14%)	161 (+15%)	143	140
Clothing	132 (-38%)	86 (-31%)	214	125
Education	125 (-22%)	121 (-19%)	160	149
Alcohol	118 (-37%)	90 (-36%)	187	140
Employment	99 (+30%)	86 (+18%)	76	73
Industrial and engineering	43 (+65%)	41 (+78%)	26	23
Agricultural	19 (-21%)	14 (-42%)	24	24
Electrical appliances	19 (-21%)	17 (-26%)	24	23
Tobacco	10 (-60%)	10 (-9%)	25	11

\* Includes complaints about advertising in general.

## Issue

Complaints and cases resolved by issue (2014 change in brackets)

	2015				2014			
	Non-broadcast Complaints	Non-broadcast Cases	Broadcast Complaints	Broadcast Cases	Non-broadcast Complaints	Non-broadcast Cases	Broadcast Complaints	Broadcast Cases
Misleading	11,247 (-12%)	10,030 (-4%)	3,552 (-4%)	2,069 (-19%)	12,719	10,467	3,690	2,543
Offensive	2,339 (-27%)	966 (-11%)	6,898 (+0.2%)	1,488 (-17%)	3,199	1,089	6,882	1,792
Harm	922 (+8%)	572 (-12%)	1,859 (-24%)	736 (-13%)	856	652	2,435	847



ASA Council

The ASA Council is the independent jury that decides whether ads have breached the Advertising Codes.

- Non-broadcast Council
- Broadcast Council





Independently chaired by Lord Smith of Finsbury, the Council is made up of two panels – broadcast and non-broadcast – with almost all members sitting on both.

Two-thirds of the Council members on each panel are independent of the advertising and media industries and the remaining members have a professional background in the advertising or media sectors. Collectively, they offer

a wide range of skills and experiences, representing perspectives across society, including young people, families, charities and consumer groups.

The Chairman and the Council members are also Company Directors of the ASA, and therefore have oversight of the administration of the organisation as a whole. Other responsibilities of the Council members include serving on one

of the Council's sub-committees, for example Risk and Audit, Appointments and Remuneration or Performance Review, and attending meetings of CAP's advisory panels.

In 2015, we said goodbye to Ruth Sawtell and Anthony Earle Wilkes who both came to the end of their terms of office, but were delighted to welcome in their place Wesley Henderson and Suzanne McCarthy.

**1. Rt Hon Lord Smith of Finsbury**

**ASA Chairman**

Former Culture Secretary  
PPL Board member  
Chairman of The Art Fund  
Master of Pembroke  
College, Cambridge



**2. Kate Bee**

**Non-broadcast and Broadcast Council**

**Independent member**  
Broadcast journalist, BBC



**3. Shireen Peermohamed**

**Non-broadcast and Broadcast Council**

**Independent member**  
Partner, Harbottle & Lewis LLP



**4. Sam Younger**

**Non-broadcast and Broadcast Council**

**Independent member**  
Public Interest Council Observer,  
Chartered Institute of Taxation  
Vice Chair, Voluntary Service Overseas  
Chair, VSO UK Board



**5. Alan Bookbinder**

**Non-broadcast and Broadcast Council**

**Independent member**  
Director, Sainsbury Family Charitable Trusts



**6. Rachel Childs\***

**Non-broadcast and Broadcast Council**

**Independent member**  
Home Education English Lead for The  
Reintegration Service in West Berkshire  
Former Junior School Headteacher



**7. Sir Martin Narey**

**Non-broadcast and Broadcast Council**

**Independent member**  
Consultant, DfE on Children's Social Care  
Chair, Adoption Leadership Board  
Non-executive Member,  
Ministry of Justice Board  
Chair, Portman Group



**8. Suzanne McCarthy**

**Non-broadcast and Broadcast Council**

**Independent member**  
Chair, Depaul UK  
Independent Chair, Standards Committee  
of the Institute of Fundraising



**9. Wesley Henderson**

**Non-broadcast and Broadcast Council**

**Independent member**  
Independent Assessor, Commissioner for  
Public Appointments for Northern Ireland  
Past Director, Consumer Council for  
Northern Ireland



**10. John Mayhead CBE**

**Non-broadcast and Broadcast Council**

**Advertising industry background member**  
Former Marketing Director and  
Chairman, Care Marketing Society



**11. Roisin Donnelly**

**Non-broadcast and Broadcast Council**

**Advertising industry background member**  
Brand Director, Procter & Gamble  
(UK & Ireland)  
Fellow and Past President,  
Marketing Society  
Chairman, Cosmetic Executive Women



**12. Hamish Pringle FIPA**

**Non-broadcast and Broadcast Council**

**Advertising agency background member**  
Non-executive Director, 23red



**13. David Hepworth**

**Non-broadcast Council**

**Non-broadcast media industry**

**background member**

Writer and broadcaster  
Director, Mixmag Media Ltd



**14. Ray Gallagher**

**Broadcast Council**

**Broadcast media industry**

**background member**

Senior Policy Adviser to the Secretary  
of State for Culture, Media and Sport  
Former Specialist Adviser to the House  
of Commons Culture, Media and Sport  
Select Committee

*Council members are appointed for a maximum of two three-year terms and receive an honorarium of up to £17,500 p.a. A Register of Members' Interests may be requested from the Company Secretary.*

*\* The Senior Independent member sits in place of the Chairman when the Chairman is unable to attend the meeting or has a declared interest in the case being discussed.*



## The Committee of Advertising Practice (CAP) and the Broadcast Committee of Advertising Practice (BCAP) are responsible for writing and updating the UK Advertising Codes.

Chaired by James Best, the Committees are made up of representatives of advertisers, agencies, media owners and other industry groups, all of which are committed to upholding the highest standards in non-broadcast and broadcast advertising.

### Committee of Advertising Practice

Advertising Association  
Atvod Industry Forum  
Cinema Advertising Association  
Direct Marketing Association  
Direct Selling Association  
Incorporated Society of British Advertisers  
Institute of Practitioners in Advertising  
Institute of Promotional Marketing  
Internet Advertising Bureau  
Mobile Broadband Group  
Mobile Marketing Association  
News Media Association  
Outsmart Out of Home  
Professional Publishers Association  
Proprietary Association of Great Britain  
Royal Mail  
Scottish Newspaper Society  
Clearcast  
Radiocentre

### Broadcast Committee of Advertising Practice

Advertising Association  
British Sky Broadcasting Ltd  
Channel 4 Television Corporation  
Channel 5 Broadcasting Ltd  
Commercial Broadcasters Association (CoBA)  
Direct Marketing Association  
Electronic Retailing Association UK  
Incorporated Society of British Advertisers  
Institute of Practitioners in Advertising  
ITV plc  
Clearcast  
Radiocentre  
S4C

*N.B. Clearcast, Radiocentre and S4C have observer status on the Committees.*



## Our role is to provide advice from the consumer perspective to the Broadcast Committee of Advertising Practice (BCAP).



Although our work is largely behind the scenes, we play an important part in ensuring that the development of the Broadcast Advertising Code and associated guidance takes full account of consumer concerns.

During 2015 these included payday loan advertising, amid worries about scheduling particularly at times when large numbers of children and young people are watching. We strongly encouraged BCAP to carry out a public consultation on this issue, and gave detailed input to the drafting of the document that was published. We also advised BCAP on possible changes to the rules covering weight loss ads, and the criteria that these would need to meet to be acceptable – pressing in particular for a provision that weight loss programmes should last for at least three months to qualify, and that there should be a requirement not to imply that the weight loss shown in testimonials was normal.

Other issues on our agenda relate to changes in the legal and technical environment. Some important issues arose for the distance selling rules, in the light of the new Consumer Contract Regulations. These changes involved the

removal of some provisions of the rules that relate to fulfilment of orders rather than advertising as such. We advised on how to maximise the clarity of the new arrangements, on public messaging and on the need to signpost complainants to Trading Standards where appropriate. We also gave strong support to BCAP's proposals to raise awareness of new approaches to the measurement of sound levels in ads, to ensure that they are not unreasonably obtrusive compared with adjacent programmes.

At the end of the year, we said goodbye to four long-standing members, John Bradford, Colin Cameron, Michaela Jordan and Angela McNab, and welcomed Adair Richards, Jo Swinson and Robin Foster in their stead. My special thanks to our leavers, and to the Executive for their excellent support.

**Stephen Locke**  
AAC Chairman

**Members:**  
Robin Foster  
Alison Goodman  
Adair Richards  
Ruth Sawtell  
Jo Swinson  
Claire Whyley



## Industry representation

The advertising industry's commitment to advertising self-regulation is central to the system. Its ongoing contribution to various panels in addition to the CAP Committees helps the system to run smoothly.

The General Media Panel (GMP), the Promotional Marketing and Direct Response Panel, and the Online Publications Media Panel bring together advertisers, creatives, media planners and publishers who volunteer their time to give peer advice on marketing communications. The Panels also provide a forum for information exchange between the industry and the ASA and CAP Executive.

### General Media Panel

This was another busy year for the GMP with a wide range of issues and cases being considered by the Panel. Alongside the traditional questions on hot topics such as gambling, alcohol and e-cigarettes, there were a number of questions about marketing online, particularly about whether advertisers' claims fell within the remit of the CAP Code and whether ads online were recognisable as paid-for advertising. The Panel also provided an industry view on vlogging to help guide the CAP Copy Advice team in writing the guidance they created for vloggers and bloggers. At the end of the year we recruited a number of new members with a digital background who will begin work on the Panel in 2016.

### 2015 Members

Tess Alps  
Sarah Bennison  
Jenny Biggam  
Martin Brooks  
Shahriar Coupal (Secretary)  
Matthew Dearden  
Tim Duffy (Chair)  
Tim Evans  
Peter Gatward  
Steve Goodman  
David Hollis (Assistant Secretary)  
David Lloyd  
John Mayhead, CBE (ASA Council)  
Sheila Mitchell  
Mike Moran  
Sue Oake  
Simon Rhodes  
Charlie Snow

“The GMP plays a valuable role in ensuring the views of the advertising industry are provided to the ASA and CAP. Panel members ensured new and emerging advertising techniques, particularly in the digital world, were fully understood. In 2016, I'll be encouraging members to identify the difficult or contentious areas that they would like the Panel to debate when providing guidance to the ASA and CAP.”

Tim Duffy, Chair  
General Media Panel

“The Panel provides valuable practitioners’ perspective and industry insight from senior professionals to make sure that the ASA and CAP are right up to date and that insight is fed into all aspects of the regulator’s work in this dynamic and innovative sector. This is vitally important in order to ensure that everyone can have confidence in the ads they see and hear.”

Catherine Shuttleworth, Chair  
Promotional Marketing and Direct  
Response Panel

#### **Promotional Marketing and Direct Response Panel**

In 2015, the Promotional Marketing and Direct Response Panel considered a wide variety of issues and cases, including providing key advice on a proposal to change all references to Sales Promotions in the Code to Promotional Marketing. 2015 also saw a change of guard with the appointment of a new Chair, Catherine Shuttleworth who succeeded Philip Circus after his retirement.

#### **Members**

Peter Batchelor  
Mark Challinor  
Shahriar Coupal (Secretary)  
Mark Dugdale  
Michael Halstead  
Nick Hudson (Assistant Secretary)  
Hina Parmar  
Janine Paterson  
Hamish Pringle (ASA Council)  
Jo Prowse  
Catherine Shuttleworth (Chair)

#### **Online Publications Media Panel**

The Online Publications Media Panel was established at the instigation of the Advertising Association Council, and with the endorsement of CAP, to advise CAP on the proper distinction between editorial and advertising in online publications, in the event of any confusion.

To date, the Panel has not been required to meet.

#### **Members**

Lord Black of Brentwood, Executive Director, Telegraph Media Group  
Sir Chris Powell, Chairman, Advertising Standards Board of Finance



## An independent review of the rulings of the ASA Council enables consumers and advertisers to question whether those decisions are fair and reasonable.



Below I describe two cases from 2015, one in which I invited the Council to reconsider its ruling, and one in which I did not.

The first reflects one of the ASA's published values, that of not being afraid to admit being wrong. It concerned a press ad by the Israel Government Tourist Office (IGTO) about visiting Israel, and in particular Jerusalem. The complaint was that the map of Israel in the ad did not make clear the status of the West Bank and the Council had concluded that the average consumer reading the ad would not necessarily be aware that the status of the territory was disputed and considered that the impact that had on travellers would have an effect on consumers' decisions whether or not to consider visiting Israel.

On being asked to review this decision I noted that the Council had taken a different view in a separate recent case of an ad for Medical Aid for Palestinians, where it had said it understood that the status of the territories of the West Bank and Gaza was the subject of much dispute and it considered that the average reader was likely to be aware that was the

case. The Council did not have that case before it when it took the decision on the IGTO ad. I presented the Council with an analysis of all its previous relevant decisions and of the average consumer test it should apply in the context of the particular ad. The Council agreed to reverse its previous upheld ruling.

The second was a very interesting, and indeed arresting, TV ad for the Honda brand which the Council had concluded breached the BCAP Code motoring rules because of the speed of the action in the ad when speed claims must not be the main selling message of an ad. The advertiser put forward a very good defence of their intentions, and it was clearly an arguable decision, but the Council's decision was not unreasonable and therefore I could not find it substantially flawed. The Council had been fair and balanced in line with its published strategy.

**Sir Hayden Phillips, GCB DL**  
Independent Reviewer of the Rulings  
of the ASA Council

“During 2015 I reviewed 45 cases compared with 73 (not 75 as previously reported) in 2014 which was then the highest ever. The average turnaround for cases which I did not refer to back to the ASA Council in 2015 was 27 days.”

#### Review cases 2014 – 2015

<b>Non-broadcast</b>	<b>2015</b>	<b>2014</b>
Total cases received	<b>33</b>	54*
of which:		
Ineligible/withdrawn	<b>7</b>	7
In progress	<b>2</b>	0
Not referred to Council	<b>14</b>	30
Referred to Council	<b>10</b>	17
of which:		
Unchanged	<b>0</b>	0
Decision reversed	<b>1</b>	8 (1 only in part)
Wording changed	<b>3</b>	9
Re-opened investigation	<b>6 ongoing</b>	Results now above
In progress	<b>0</b>	0

\* Two cases miscounted.

<b>Broadcast</b>	<b>2015</b>	<b>2014</b>
Total cases received	<b>12</b>	19
of which:		
Ineligible/withdrawn	<b>2</b>	1
In progress	<b>0</b>	0
Not referred to Council	<b>8</b>	12
Referred to Council	<b>2</b>	6
of which:		
Unchanged	<b>0</b>	0
Decision reversed	<b>1</b>	2
Wording changed	<b>1</b>	4
Re-opened investigation	<b>0</b>	Results now above
In progress	<b>0</b>	0



We are funded by advertisers through arm's length levy arrangements that guarantee the ASA's independence. Collected by the Advertising Standards Board of Finance (Asbof) and the Broadcast Advertising Standards Board of Finance (Basbof), the 0.1% levy on the cost of buying advertising space and the 0.2% levy of the Royal Mail's Mailsort and Advertising Mail contracts ensure the ASA is adequately funded without revealing to us which companies are contributing. We also receive a small income from charging for some seminars, premium industry advice services and from the European interactive Digital Advertising Alliance for regulating Online Behavioural Advertising.

#### **Year to 31 December 2015**

Audited income and expenditure figures for the combined non-broadcast and broadcast activity in 2015 (see table) are the total of the amounts recorded in the Audited Report and Financial Statements of our two operating companies, namely The Advertising Standards Authority Limited (ASA), and The Advertising Standards Authority (Broadcast) Limited (ASA(B)).

#### **Income for the year**

Compared with 2014, total income received from Asbof and Basbof decreased by £316,000 (4%) to £7,887,000. Other income decreased by £72,000 (41%) whilst we also received a one off net refund of a surplus of £107,000 arising on the wind up of our defined benefit pension scheme. Interest received increased by £5,000 (71%) to £12,000.

#### **Expenditure for the year**

Compared with 2014, total expenditure decreased by £110,000 or 1% to £7,973,000. This total expenditure was also less than the original budget for the year by £634,000 or 7%.

#### **Profit for the year**

The combined profit before tax of both non-broadcast and broadcast activity was £137,000. After tax the combined profit was £132,000.

The Audited Report and Financial Statements for ASA and ASA(B) reflect a split of costs, determined by Asbof/Basbof, to reflect the workload between non-broadcast and broadcast activities, of 63% and 37% respectively, and applying them to the non-specific costs – overheads, general office costs and the like. Specifically identifiable costs were allocated in full to the relevant function.



**Non Broadcast and Broadcast combined**  
for the year ended 31 December 2015

	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>
<b>Income</b>		
Funding received from:		
The Advertising Standards Board of Finance Limited (Asbof)	<b>4,967</b>	5,098
The Broadcast Advertising Standards Board of Finance Ltd (Basbof)	<b>2,920</b>	3,105
<b>Total Income</b>	<b>7,887</b>	8,203
<b>Expenditure</b>		
Salaries and direct staff costs	<b>5,127</b>	5,122
Other staff costs	<b>215</b>	303
Accommodation costs	<b>1,333</b>	1,227
Travel, subsistence and entertaining	<b>29</b>	33
Consultancy and professional fees	<b>416</b>	451
CRM Project costs	<b>34</b>	33
Depreciation	<b>89</b>	113
Telephone, postage, printing, stationery and other general expenses	<b>399</b>	416
Advertising and promotion	<b>331</b>	385
<b>Total Expenditure</b>	<b>7,973</b>	8,083
Operating (loss)/profit	<b>(86)</b>	120
Interest Receivable	<b>12</b>	7
Other income (i.e. seminars)	<b>104</b>	176
Net refund of surplus on wind up of pension scheme	<b>107</b>	–
<b>Profit on ordinary activities before tax</b>	<b>137</b>	303



Find out  
more online

You can read our full Annual Report online at [www.asa.org.uk](http://www.asa.org.uk) or [www.cap.org.uk](http://www.cap.org.uk). It contains the following additional information:

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#### Advertising Advisory Committee report

The Advertising Advisory Committee (AAC) gives independent advice to BCAP on potential changes to the UK Code of Broadcast Advertising and the development of associated guidance. Stephen Locke, AAC Chairman, reports on 2015 activity.



#### Independent Reviewer's report

Our Independent Review process enables us to make sure our processes are fair to both complainants and advertisers. The Independent Reviewer of ASA Adjudications, Sir Hayden Phillips GCB DL, reports on his work over the year.



#### Industry representation

The advertising industry's continued commitment to self-regulation is central to the success of the system. Here we list the members of the industry panels that advise the ASA and CAP, and highlight some of the advice they provided during 2015.



#### Financial report

Find out more about how we are funded and our expenditure.



[www.asa.org.uk](http://www.asa.org.uk) [www.cap.org.uk](http://www.cap.org.uk)



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Textphone 020 7242 8159  
Email [enquiries@asa.org.uk](mailto:enquiries@asa.org.uk)  
[www.asa.org.uk](http://www.asa.org.uk)  
[@ASA\\_UK](#)



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[@CAP\\_UK](#)