



**Asia-Pacific
Economic Cooperation**

2014/SOM3/CTI/WKSP/006

Setting and Maintaining Advertising Standards – The ICC Code and Best Practice in Adapting It to Local Economies

Submitted by: Advertising Standards Canada



**APEC Advertising Standards Forum and
Mentoring Workshop
Beijing, China
8-9 August 2014**

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APEC Advertising Standards and Mentoring Workshop

Setting and Maintaining Advertising Standards – the ICC Code and Best Practice in Adapting it to Local Economies

August 8, 2014
Beijing, China

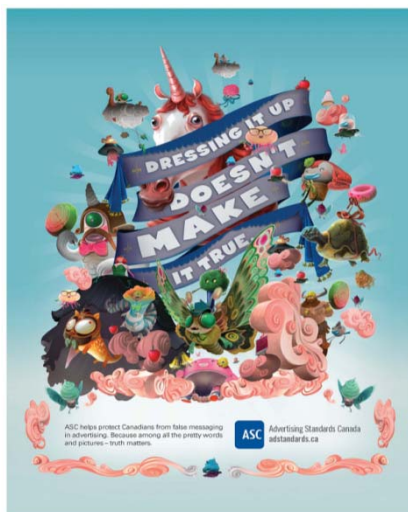
**Linda J Nagel, President and Chief Executive Officer
Advertising Standards Canada**



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**Truth in
Advertising
Matters**



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ASC Overview

- National not-for-profit industry body committed to fostering community confidence in advertising
- Created by the advertising industry in 1957
- Founded on the belief that advertising self-regulation can provide optimal benefit to the public, to government, and to industry
- Member (advertisers, agencies, media, suppliers)



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WHY HAVE A CODE?

ASC 2013 Research Findings

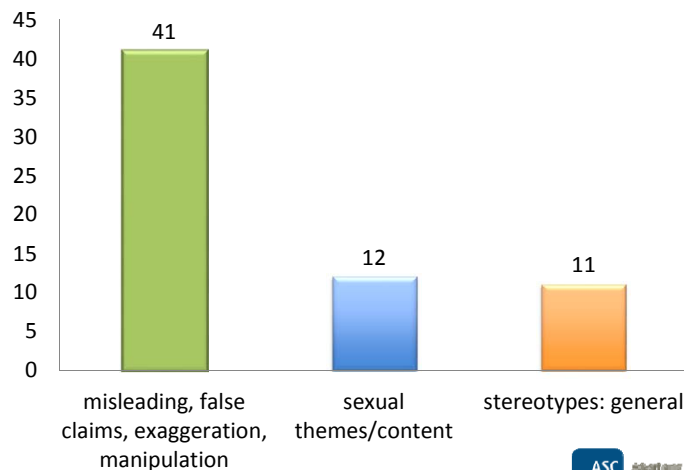
2013 Consumer Perspectives On Advertising



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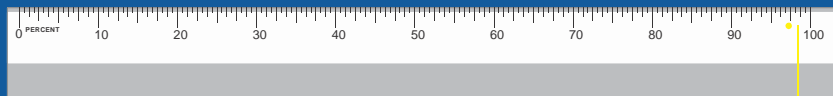
Top three mentions - What offends/bothers you in an ad?



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IMPORTANCE OF RULES AND REGULATIONS

■ IMPORTANT



97%

RULES, REGULATIONS, STANDARDS ALL VERY IMPORTANT TO CANADIANS



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Why have a Code?

- Builds and maintains public trust
- Communicates marketer commitment and responsibility
- Provides transparent and fair standards

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Why the Consolidated ICC Code?

It is the Gold Standard!

- Respected globally and covers all forms of marketing and advertising communication
- Regularly updated to reflect best practice with input from leading experts and practitioners around the world
- Promotes harmonised standards on a global basis



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Why the Consolidated ICC Code?

It is the perfect starting point for code development!

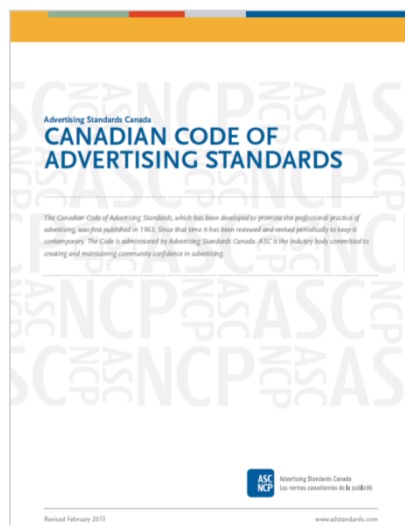
- Provides guidance for code development and updating
- Should be reviewed to ensure it suits your respective situation
- Easily adaptable to meet needs of individual economies



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Canadian Code of Advertising Standards



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Canadian Code of Advertising Standards

- First published in 1963
- Sets criteria for acceptable advertising
- Consistency with ICC Code, but in Canadian context
- Broad definition of advertising – covers all media – both current and emergent
- Reviewed and updated regularly
- Widely promoted
- Complements Canadian legislation/regulation



Definition of “Advertising”

“Any message (the content of which is controlled directly or indirectly by the advertiser) expressed in any language and communicated in any medium to Canadians with the intent to influence their choice, opinion or behaviour.”

Exceptions:

- political and election advertising
- advertising in foreign media
- packaging, wrappers, labels

ASC Code (1963)

Canadian Code of Advertising Standards

Code sets and maintains standards of:

- Honesty
- Truth
- Accuracy
- Fairness
- Propriety

ICC Code (1937)


Advertising and Marketing Communication Practice Consolidated ICC Code

Marketing communications should be:

- Legal
- Decent
- Honest
- Truthful

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ASC Code	ICC Code
<p>Clause 1 - Accuracy and Clarity Clause 4 - Bait and Switch</p>	<p>Article 3 - Honesty Article 5 - Truthfulness Article 6 - Use of technical/scientific data and terminology Article 8 - Substantiation Article 20 - Transparency on cost of communication Article 21 - Unsolicited products and undisclosed costs</p>
<p>Clause 2 - Disguised Advertising Techniques</p>	<p>Article 9 - Identification Article 10 - Identity</p>



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ASC Code	ICC Code
<p>Clause 3 - Price Claims</p>	<p>Article 7 - Use of “free” and “guarantee”</p>
<p>Clause 5 - Guarantees</p>	<p>Article 7 - Use of “free” and “guarantee”</p>
<p>Clause 6 - Comparative Advertising</p>	<p>Article 11 - Comparisons</p>


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ASC Code	ICC Code
Clause 7 - Testimonials	Article 13 - Testimonials
Clause 8 - Professional or Scientific Claims	Article 6 - Use of technical/scientific data and terminology
Clause 9 - Imitation	Article 14 - Portrayal or imitation of persons and references to personal property Article 15 - Exploitation of goodwill Article 16 - Imitation


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ASC Code	ICC Code
Clause 10 - Safety	Article 17 - Safety and health
Clause 11 - Superstition and Fears	Article 4 - Social responsibility
Clause 12 - Advertising to Children Clause 13 - Advertising to Minors	Article 18 - Children and young people
Clause 14 - Unacceptable Depictions and Portrayals	Article 2 - Decency Article 4 - Social responsibility Article 12 - Denigration


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Approach to Developing a Code

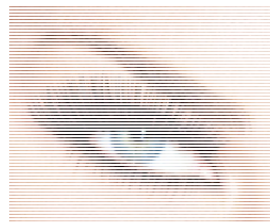
- Convene right group of industry stakeholders to get buy-in
- Strike Code committee
- Review ICC Code (use what you can, modify as needed)
- Finalise Code draft
- Seek broad consultation
 - Meetings with appropriate government officials
 - Dialogue with other key stakeholders
- Make revisions as needed and ensure support from all sectors of industry – advertisers, agencies, media
- Publish and publicize Code

Case Examples

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Cosmetic advertisements – 7 separate cases



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Cosmetic advertisements – 7 separate cases

Description of Ads:

Ads implied that the models' very long eyelashes resulted from using the advertised products

Complaints (7):

Depicted results could not have been achieved unless false lashes or lash inserts were used in addition to the product.

Reviewed under:

Clauses 1(a) and (d).

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Clause 1: Accuracy and Clarity

(a) Ads must not make inaccurate or misleading claims about a product/service; general impression conveyed by an ad is important in assessing truthfulness of a message

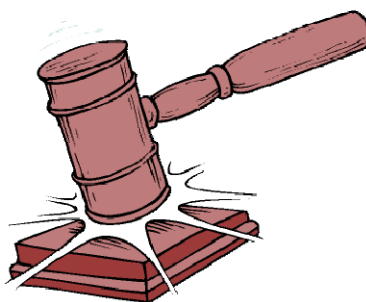
(d) Disclaimers cannot contradict the main message and must be clearly visible/audible



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Standards Council Decision



Upheld Infractions: Clauses 1(a) and (d).



Spa

**“It actually
reverses the
aging process”**

24 KARAT GOLD FACIAL



Spa

Complaint:

Ad contained an unsupportable claim

Reviewed under:

Clause 1 (Accuracy and Clarity)

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Clause 1: Accuracy and Clarity

(a) Ads must not make inaccurate or misleading claims about a product/service; general impression conveyed by an ad is important in assessing truthfulness of a message

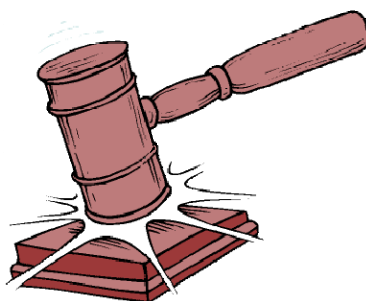
(e) All claims must be supportable



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Standards Council Decision



Upheld Infractions: Clauses 1(a) and (e).



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Consumer Complaint Trends

Concerns: Misleading

- Price guarantees not honoured
- Exaggerated savings claims
- Unavailability of advertised products
- Allegedly false claims for natural health products/ treatments

Concerns: Unacceptable Depictions

- Inappropriate content
- Demeaning, stereotyping based on sex, religion, identifiable groups
- Bullying



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Summary

- A code of standards for advertising is essential
- The Consolidated ICC Code is the gold standard & perfect starting point
- Advertising codes must apply to all media
- Consultation is essential to ensure buy-in from all stakeholders



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