

IAP DIGITAL CHART

Introduction

The Istituto dell'Autodisciplina Pubblicitaria [Italy's Advertising Self-Regulatory Institute] was founded in 1966. Its mission is, through its *Marketing Communications Self-Regulatory Code* [*Codice di Autodisciplina della Comunicazione Commerciale*, or C.A.] to protect consumers and businesses and ensure that marketing communications are increasingly "*honest, truthful and correct*" (article 1 of the C.A.).

Major advertising industry associations and entities representing around 80%-90% of traditional media investment belong to the Institute. The three main sectors represented through the Institute are: Firms that invest in marketing, Agencies that create advertising, and Media that distribute advertising. The *Review Board* is the Institute's body for protecting consumer interests: it is in charge of verifying the propriety of marketing. The Institute's *Jury* serves as its judicial body.

The hallmarks of the self-regulatory system are *speed* of intervention, expertise in identifying cases, and the *independence* of its judicial bodies. Where non-compliance with the Code is found to have occurred, the Self-Regulatory sanction is immediate withdrawal of the message. The *iap.it* website publishes all of the Jury's most recent findings, including the Review Board's final desist orders.

The Self-Regulatory Institute also intervenes preventatively through two key services: copy advice on Code compliance for messages yet to be distributed, and protecting the creativity of future campaigns from any imitations.

Digital Marketing Communications

In recent years, "online advertising" investment has seen huge growth. Digital marketing communications occur through a wide variety of formats: to name but a few, via displays, videos, social networks and search, accessed by users through a multiplicity of devices such as smartphones, tablets, PCs and Smart TVs. Owing to its characteristics and – in particular – its interactive nature, the internet is a complex form of communication: it makes it possible to share opinions and comments on a consumer-to-consumer as well as a consumer-to-company basis, with promotional profiles often existing alongside non-promotional content.

The use of digital instruments for marketing communications has also led to the emergence of new approaches and forms of expression, in what is an ongoing process of innovation.

As Italy has opened up to the online world, the Institute has for years been focusing on digital marketing communications and evaluating the propriety of these forms of communication through its Review Board and Jury. It has done so by taking into

consideration guidance from the Digital Marketing Communication Best Practice Recommendations, drafted by the 'European Advertising Standards Alliance – EASA, of which the IAP is a co-founder.

Drawing on another important EASA document – the “Best Practice Recommendation on Online Behavioural Advertising” – and the “Framework Interactive Advertising Bureau Europe”, since November 2015 the Institute has also been working on so-called “online behavioural advertising”.

OBA is a tool that uses a device’s navigation history to display advertising messages to the device user based on interests they have pursued via the web. The IAP Review Board consequently handles complaints about this kind of advertising, without prejudice to legal requirements, in order to guarantee transparency for consumers, choice about OBAs, as well as providing straightforward, easily accessible protection mechanisms should problems or disputes arise.

Extension of the Institute’s competencies in this area is another example of its wide-ranging protection of citizen/consumers with regard to advertising. The Institute works not only to ensure that advertising is neither misleading nor offensive, but that on the web it complies with specific standards of privacy.

The Objective of the Digital Chart

The Self-Regulatory Code is unanimously acknowledged as an expression of best practice for compliance during the production of correct advertising. It is the result of an evolutionary process that embraces the legal instruments adopted in the field; it relies on greater awareness among industry players, who are increasingly involved in the self-regulatory system, leveraging it to identify the relevant regulations while placing their faith in the self-regulatory referee to correctly apply them.

The latest forms of marketing communication implemented using digital technology justify further work on tools to ensure that the Self-Regulatory Code is appropriately applied. The objective of the Digital Chart is to conduct a survey of the most commonly-used forms of marketing communication online and in the digital world in general, and to establish criteria for the acknowledgement of marketing communications in compliance with article 7 of the Self-Regulatory Code. This is indeed a fundamental aspect for preserving the trust-based relationship that must always prevail between advertisers and Web users to ensure that communications are effective.

Endorsement

“Endorsement” refers to a form of accrediting a product or a brand undertaken by:

- Celebrities;

- People who have acquired public prominence and credibility for their competency in a given field (so-called “influencers” such as, by way of example, bloggers or vloggers);
- Ordinary users who express their opinion or judgement online (via what is known as user generated content); These yield benefits in terms of a product/brand’s visibility, credibility and reputation.

It should nevertheless be noted that not all content, either dedicated or content which mentions or expresses appreciation for brands, products or services, qualifies as a marketing communication. Inasmuch as they are a free expression of thought, spontaneous comments, opinions or preferences expressed by any individual are not subject to application of the Self-Regulatory Code.

Endorsements are used online in digital marketing communications in specific ways. For example:

- Messages posted by celebrities or influencers on their sites, social media profiles (e.g. Facebook, Twitter and Instagram) or on content sharing sites (e.g. YouTube, Vimeo or Snapchat);
- Content published by celebrities and/or influencers on third-party sites or platforms;
- User content via blogs or independent sites, including content that has nothing to do with the advertiser.

In all cases where an endorsement constitutes a form of marketing communication, it is subject to application of all Self-Regulatory Code provisions applicable to off-line marketing communications, in particular article 4 on “Testimonials”, and article 7 on the principle of transparency and recognizability.

Celebrities – Influencers – Bloggers

Having one’s brands, products or services endorsed by a well-known personality or talent from entertainment or sport (i.e. a celebrity) is a very effective tool for advertisers’ online promotion, given that the direct involvement of a well-known personality can elicit greater trust and appreciation among consumers.

The online world has also produced important new figures (so-called “influencers”) who are able to influence consumers in choosing a product and express opinions about a brand. These individuals have gained particular prestige or authority as a result of their experience and knowledge in a certain environment or sector; for example, well-known bloggers who have acquired a large number of online followers.

When comments or opinions expressed by a celebrity, influencer or blogger about a product or brand have the characteristics of a marketing communication, they are subject to Self-Regulatory Code application. By way of example, when the

celebrity/influencer/blogger enters into an agreement with an advertiser (or with a third-party representing an advertiser) to promote a product or a brand, this constitutes a marketing communication.

Should it not be clearly evident from the context, the promotional purpose of the comment or opinion that a celebrity/influencer/blogger has expressed must be disclosed to the user in an appropriate manner (article 7 of the Self-Regulatory Code). The Self-Regulatory Code does not dictate compulsory ways of signalling to users the promotional end-purpose of the content expressed. However, in order to make the promotional nature of content posted on social media and content sharing sites recognizable, celebrities/influencers/bloggers must at the top of their post state in a clearly distinguishable manner the words:

“Pubblicità/Advertising”, or “Promosso da ... brand/Promoted by...brand” or “Sponsorizzato da...brand/Sponsored by...brand” or “in collaborazione con ...brand” or “in partnership with the ...brand”;

And/or within the first three hashtags (#) use one of the following terms:

“#Pubblicità/#Advertising”, or

“#Sponsorizzato da ... brand/#Sponsored by the ... brand “ or

“#ad”unitamente a “#brand”

If, on the contrary, the relationship between the celebrity/influencer/blogger and the advertiser is limited to the advertiser occasionally sending their products free or in exchange for a modest sum, and the celebrity/influencer/blogger names these products, uses them or displays them in their posts, in such cases there is no need to add the notification above, but merely a clearly-legible disclaimer of the following kind: *“product sent by the ...brand”*.

Vloggers

Some of the most prominent figures online are vloggers, who have gained visibility and notoriety by making and starring in their own videos, which they share through content sharing sites, most notably YouTube. Their starring role in their videos makes their vlogs a model of communication equivalent to bloggers in their blogs.

Vlogs may cover specific themes (i.e., videogames, science, culture, cookery, etc.), which the vlogger always addresses in the first person; the vlogger may simply express their own opinions, or the vlog may purely be for entertainment purposes.

When the existence of a brand or product within a video made by a vlogger serves as a marketing communication, the provisions of the Self-Regulatory Code apply. By way of example, when an advertiser (or a third-party representing the advertiser) enters into

an agreement with a vlogger to promote a product or a brand, it constitutes a marketing communication.

Should it not be clearly evident from the context, the promotional nature of the vlog must be disclosed to the user in an appropriate manner (article 7 of the Self-Regulatory Code).

Appropriate arrangements must be made to users to signal the promotional nature of the content expressed:

- **Collaboration with the brand:** Inclusion of an appropriate disclaimer in the opening or final frame of the vlog (i.e.: *“the brand presents...”* or *“in collaboration with the ...brand”*), or the vlogger makes a verbal statement within the vlog in cases where the vlogger produces a vlog whose form and content is consistent with their own communicational style (title, subject, tone, etc.) but which focuses on the advertiser’s brand or product;
- **Product placement:** Inclusion of an appropriate disclaimer in the opening and closing frames of the vlog, or on-screen during the promotional shots, or through statements made by the vlogger within the vlog should the vlogger name, use or frame the advertiser’s brand or product within the vlog, or if a portion of the vlog is dedicated exclusively to their promotion;
- **Vlogger products:** Inclusion of a verbal statement within the vlog, or an appropriate disclaimer in the credits at the start of the vlog, or on-screen during the promotional screenshots if the vlogger is promoting their own products or brands within the vlog;
- **Free or modest value provision:** Inclusion of a verbal disclaimer during the introduction, for example: *“This product was sent to me by the ...brand”*) and/or a clearly-legible disclaimer, such as: *“Product sent by the ...brand”* should the vlogger occasionally receive the advertiser’s products free of charge or for a modest amount, and they name, use or frame them during their own videos.

User Generated Content

The sharing of information online and convergence between devices has generated a new form of communication: every user today can make and publish content – user generated content – and share it via blogs and pages on social media (such as Facebook, Twitter and Instagram,) or via user content sharing sites like YouTube and Vimeo, blogs or third-party sites.

User generated content (all content, text messages, comments, photographs and videos) which exclusively represents an expression of thought, spontaneous opinion or user preference does not constitute a marketing communication and therefore falls outside the scope of the Self-Regulatory Code. When such content is oriented towards promoting a brand or a product based on an agreement with the advertiser or with a third-party representing the advertiser, it does qualify as of a marketing nature, and is therefore subject to application of the Self-Regulatory Code. In such cases, the promotional end-purpose of the comment or opinion expressed by the user must be

disclosed to users via appropriate means (article 7 of the Self-Regulatory Code), such as, for example, those illustrated on previous pages.

Native Advertising

Native advertising is deployed with the objective of framing the advertising message within a given context, using content that takes on the appearance of original (“native”) content on the hosting platform in order to capture the audience’s interest. It is a form of marketing communication that seeks to establish engagement with users within a less “intrusive” perspective.

Editorial content and advertising content cross-pollinate to reproduce the same user experience in form and content within the reference framework. The key restriction on this form of communication is that such “cross-pollination” must always be appropriately flagged.

The most common and widely-used of the many types of native advertising online are currently: in-feed units, paid search units, and recommendation widgets.

Each type of content disseminated via native advertising is subject to the provisions of the Self-Regulatory Code and, in particular, to article 7.

If the native advertising is endorsed by a third-party (celebrities, influencers or users), it is necessary to consult the guidelines for endorsements.

The Self-Regulatory Code does not dictate compulsory ways of signalling to users the promotional end-purpose of the content being conveyed.

Nevertheless, in order to comply with article 7, it is necessary to make arrangements to ensure that the promotional nature of the content is recognizable, as illustrated in the pages below.

In-Feed Units

In-feed units are among the most commonly-used forms of native advertising. Text or audio/video content is created specifically for a given medium (for example, an editorial site, social network or content sharing site), reproducing their technical and graphical format and/or editorial style with the goal of promoting a brand or product through less-intrusive marketing communications, thereby increasing the percentage of clicks and interactions on the in-feed units.

Promotional content from in-feed units can be made by the publisher independently, or agreed and provided by the advertiser; what’s important is that its positioning is guaranteed to the advertiser (for example, on the site’s homepage, or in a themed section) based on an agreement between the parties.

In-feed content must be accompanied by wording appropriate to disclosing its promotional nature; it must be added in an appropriate position and be of an

appropriate size. For example: “Pubblicità/Advertising”, “Promosso da ...brand/Promoted by the ...brand”, “Sponsorizzato da ...brand/Sponsored by the ...brand/”, “Contenuto Sponsorizzato/Sponsored Content”, “Post sponsorizzato/Sponsored Post”, or “Presentato da ... brand/Presented by the ...brand”, further combined with specific graphic arrangements (for example, the addition of frames and/or shading and/or text highlighting).

Paid Search Units

“Paid search” refers to a marketing technique in which, in exchange for a payment to a search engine or platform, advertisers are guaranteed that their brand or product is positioned among the “sponsored” results, that is to say, among the first results that the user sees, in a privileged position compared with the brands and products of other non-advertising parties.

Paid search units usually have the same graphic and text format – albeit in different colours – as the other results displayed when performing a search on a search engine and/or platform.

Paid search units are a form of marketing communication; their nature must be disclosed to users by taking appropriate measures pursuant to the Self-Regulatory Code.

Steps to be taken to make the promotional nature of paid search unit content recognizable include: “shading” techniques (adding a shadow and/or highlighting the text), along with wording that explicitly and unambiguously informs users that the content is of a promotional nature (such as: “Pubblicità/Advertising”), in a size that makes it visible and evident, located close to the results of the sponsored search, and in a position visible to the user.

Recommendation Widgets

This is a form of native advertising in which the promotion of a brand or a product (responding to preferences expressed by a user) is distributed via a widget (an element, kind of graphic interface or similar) following an agreement with the advertiser. Generally, recommendation widgets are integrated into the main publishing structure of the website. Pursuant to online practice, they are generally preceded by wording that indicates that the content has been chosen and recommended, for example through the use of wording such as “Potrebbe piacerti anche... You may also like...”, “Potrebbe interessarti anche...” You may also be interested in...”, “Altro dalla Rete... More from the Web...”, “Potresti esserti perso...” “You may have missed...”, or “Altro raccomandato per te... Also recommended for you...”.

Steps to take to make the promotional purpose of content distributed in the form of recommendation widgets clearly recognizable include:

- An indication that the box contains sponsored content;
- An indication of the Advertiser's name or logo alongside the content, and/or an indication that the content is sponsored;
- If the content has been developed by a "technology provider" (an Intermediary party or the party that developed the Widget), as well as the above-mentioned notices, an indication of who it is being provided by (for example, "*A cura di ... accompagnato dal nome del fornitore di tecnologia... By... accompanied by the name of the technology provider*", or "*Contenuto offerto da ... accompagnato dal nome del fornitore di tecnologia... Content offered by... accompanied by the name of the technology provider*");
- Identification of the content as advertising through the addition of: "*Pubblicità/Advertising*", or "*Promosso da ...brand/Promoted by the ...brand*", or "*Sponsorizzato da ... brand/Sponsored by the ...brand*".

Social Networks and Content Sharing

Social networks are places where, after setting up their personal profiles, members of a given community share text and multimedia elements (i.e., photographs, music and videos). The main social networks are: Facebook, Twitter, Instagram, YouTube, LinkedIn, Google+, Flickr, Pinterest, Foursquare, Tumblr, etc., etc.

Massive take-up of social networks and content sharing sites has generated an exponential growth in the number of advertisers who use these platforms to reach an audience of potential consumers, either directly via their own personal profiles or through official pages or channels that they run directly.

As with all marketing messages, advertising content channelled via social networks and content sharing sites must comply with the regulations laid down in the Self-Regulatory Code.

For direct live streaming video posted via social networks such as Facebook or Instagram, in which the content is wholly or partially of a promotional nature (for example, in which products or brands are named, used or framed), users must be made aware of this fact through special disclaimers posted in the opening and closing frames of the video, or in statements made by the person starring in the video. If the products represented are provided by the advertiser, the person in the video must mention this fact, for example by specifying: "*This product was sent to me by the ...brand*".

Please consult the following items to find out more about specific forms of marketing communication:

Endorsements (influencers, vloggers, and user generated content);

Native advertising (in-feed units, paid search units, recommendation widgets and promoted listings).

In-App Advertising

In-App advertising is a form of marketing communication in which the advertising message is embedded in an App. Following an agreement between the app developer and the advertiser (or a party operating on the advertiser's behalf), the developer adds code into the app that makes it possible to send advertising content to the user's device when the app is used by that user.

The most commonly and widely-used types of in-app advertising are: *Banner Ads*, *Interstitial/Fullscreen Ads* and *Advanced Overlay Ads* (when the advertising content – static or interactive – is inserted into the App, generally during a break or a pause in the content, for example, at the end of a videogame level or when the game is paused), *Notification Ads* (the content is delivered to the app user in the device Status Bar), and *Capture Form Ads* (through which users are, for example, requested to provide their own email address for the advertiser's use).

All app-distributed content that is of a marketing communications nature is subject to the provisions of the Self-Regulatory Code.

The promotional nature of all or part of In-App advertising must be disclosed to users via appropriate methods pursuant to article 7 of the Self-Regulatory Code.

Within the App, users must consequently be informed through appropriate means that some supplementary functions have been sponsored by the advertiser.

Advergames

An advergame is a form of marketing communication that is embedded in an interactive electronic game developed especially for the promotion of a product or a brand. It is generally distributed via the advertiser's website or on its social network pages, or it may be downloaded as an app for cell phones and other mobile devices.

This type of marketing generates loyalty among users, who associate the brand with the fun of using the advergame and the values that it channels. This trust-based relationship may be undermined should the promotional nature of an advergame be unclear or not transparent, with users being led to believe that the interactive game was developed independently, and is not therefore associated with the promotion of a product or a brand.

Many types of advergame exist. The most widely distributed are:

- “Associative” advergimes, based on an association between a brand or the name of a product and an interactive game, in which neither the brand nor the product are shown, and do not form an integral part of the game;

- “Illustrative” advergaming, in which the brand or product becomes the main star of the game (for example, games in which it is necessary to find or “free” a product in order to get to the next level, overcoming a challenge or a game in which the objective is to find all the letters that spell out the brand name);
- “Demonstrative” advergaming, which have the highest level of integration, in which the interactivity and involvement between player and brand/product is total (for example, games in which it is possible to virtually test products).

All content distributed online with a marketing communication end-purpose is subject to the Self-Regulatory Code. When it comes to advergaming, attention must duly be paid to article 11 of the Self-Regulatory Code, on the protection of children, which among other things prohibits content that may damage or exploit their natural credulity or inexperience. If a game is associated with an event that includes prizes, article 21 of the Self-Regulatory Code, which places specific disclosure requirements on advertisers, also applies.

Should it not be clearly evident from the context, the promotional nature of the advergaming must be disclosed to users in an appropriate manner (article 7 of the Self-Regulatory Code).

The Self-Regulatory Code does not dictate compulsory ways of signalling to users the promotional end-purpose of the content being conveyed. However, in order to make the promotional nature of advergaming evident, specific phrases must be used, such as: *Promoted by/Promosso, Sponsored/Sponsorizzato da* (followed by the brand and the advertiser’s logo), displayed in a manner that makes them immediately evident to consumers.

Reference Texts

Association of National Advertisers (ANA)

- [Advertising is going Native \(2015\)](#)

Advertising Standards Authority (ASA) – UK

- [Advice: am Social Media \(2015\)](#)
- [Matters of Opinion \(2007\)](#)
- [ASA Hot Topic “Spotting Online Ads” \(2013\)](#)
- [Celebrities \(2013\)](#)
- [Contextually-targeted branded content \(2014\)](#)
- [New words on the blog \(2014\)](#)
- [Privacy: implied endorsement \(2013\)](#)
- [Recognising marketing communication: overview \(2014\)](#)
- [Testimonials end endorsements \(2015\)](#)

- [The facts about opinions in advertising \(2016\)](#)
- [Video blogs: scenarios \(2015\)](#)
- [What is native advertising? \(2013\)](#)

European Advertising Standard Alliance (EASA)

- [Digital Marketing Communication Best Practice Recommendation \(2015\)](#)

European Parliament Directorate-General for Internal Policies

- [Misleading advertising on the internet \(2010\)](#)

Federal Trade Commission (FTC)

- [“.com disclosure” How to make effective disclosures in Digital Advertising \(2013\)](#)
- [Guide Concerning the Use of Endorsements and Testimonials in Advertising \(2009\)](#)
- [Native advertising: a guide for business \(2015\)](#)
- [The FTC’s Endorsement Guide \(2015\)](#)
- [FTC Staff Reminds Influencers and Brands to Clearly Disclose Relationship \(2017\)](#)

Interactive Advertising Bureau (IAB)

- [Native advertising Playbook \(2013\)](#)

International Chamber of Commerce (ICC)

- [Advertising and Marketing Communication Practice – Consolidated ICC Code \(2011\)](#)

Internet Advertising Bureau (IAB) – UK

- [Content & Native Disclosure Guidance Phase 1 and Phase 2 \(2015\)](#)
- [IAB – ISBA Guidelines on Payment for Editorial Content to Promote Brands within Social Media \(2012\)](#)