Native and Social Media Advertising: Mobile Devices

Advertising and Promotion Conference

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Federal Trade Commission



FTC Disclaimer

 My comments reflect my own views and do not necessarily reflect the views of the Commission or any individual Commissioner.

Native Advertising

"The Commission will find an advertisement deceptive if the ad misleads consumers as to its nature or source, including that a party other than the sponsoring advertiser is its source. Misleading representations of this kind are likely to affect consumers' decisions or conduct regarding the advertised product or the advertisement, including causing consumers to give greater credence to advertising claims or to interact with advertising content with which they otherwise would not have interacted."

- Unless it is apparent from the context, a disclosure is required
 - Use clear and unambiguous language.
 - Place disclosures as close to the native ads as possible.
 - Use a font and color that's easy to read.
 - Use a shade that standouts against the background.
 - Video ads insure that disclosure is on the screen long enough to be noticed, read, and understood.
 - Audio disclosures read at a cadence that's easy for consumers to follow and in words consumers can understand.

- Place disclosures on the main page of a publisher site where consumers will notice them and easily identify the content to which the disclosure applies.
- Place disclosures in front of or above the headline of the native ad.
- If a native ad's focal point is an image or graphic, ad disclosure might need to appear directly on the focal point itself.

- Ad, Advertisement, Paid Advertisement,
 Sponsored Advertising Content
- Others are possible but don't be ambiguous

- A single disclosure that relates to more than one native ad should be accompanied by visual cues that make it clear the disclosure applies to each ad in the grouping.
- Disclosures should remain when native ads are republished by others.

Lord & Taylor



CSGO Lotto

Allegations:

- Owners endorsed online gaming service CSGO
 Lotto without disclosing they owned company
- Paid other well-known influencers thousands of dollars to promote the site on YouTube, Twitch, Twitter, and Facebook, without requiring them to disclose the payments in their social media posts

- First case against individual influencers
- YouTube videos: "HOW TO WIN \$13,000 IN 5
 MINUTES (CS-GO Betting)" and "\$24,000 COIN
 FLIP (HUGE CSGO BETTING!) + Giveaway."
- 5.7 million views
- Influencers paid \$2,500 \$55,000
- Prohibited from saying anything negative

Influencer Letters

- 90 "education letters" sent to brands and influencers in April
- 21 follow-up warning letters have been sent
- Clearly and conspicuously disclose material connections
- Tagging a brand is an endorsement of the brand
- Requested response by September 30, 2017





giulianarancic

Follow

9,729 likes

Tw

giulianarancic Can you spot my latest obsession? (Hint: it's on my heel but you can barely see it!!!) Love high heels. Hate Blisters. Not leaving the house without #CompeedUS in my bag this summer. Check it out @Walgreens #musthave #partner #gsobsessions .

view all 133 comments

teresakiryakoza @chanel509

melis_henry @jen_mir not sure how it works

brig_mo @marykate_no_ashley_

rosellaloduca @akrzezewski heeeee giultyyyy

kat_hamilton @laneborgida

4vrmygrlz I need this à

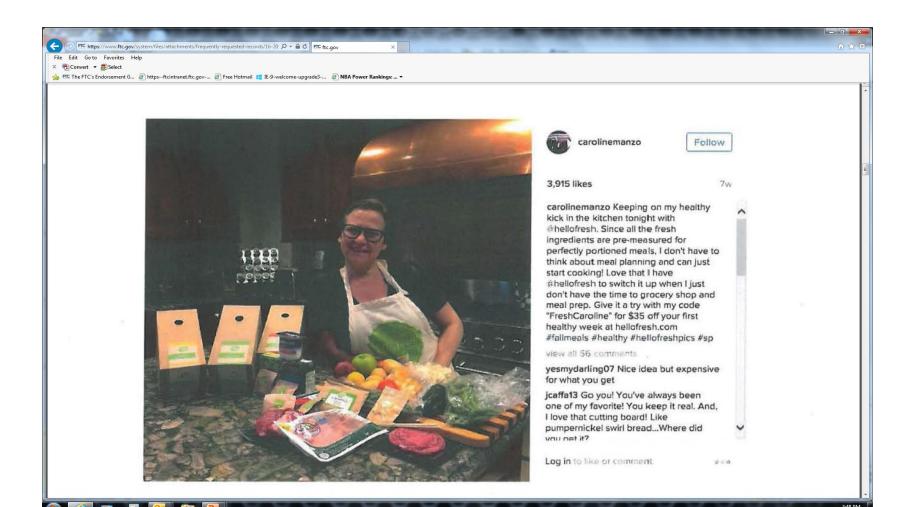
mapy0110 Me too ! 3 3 3

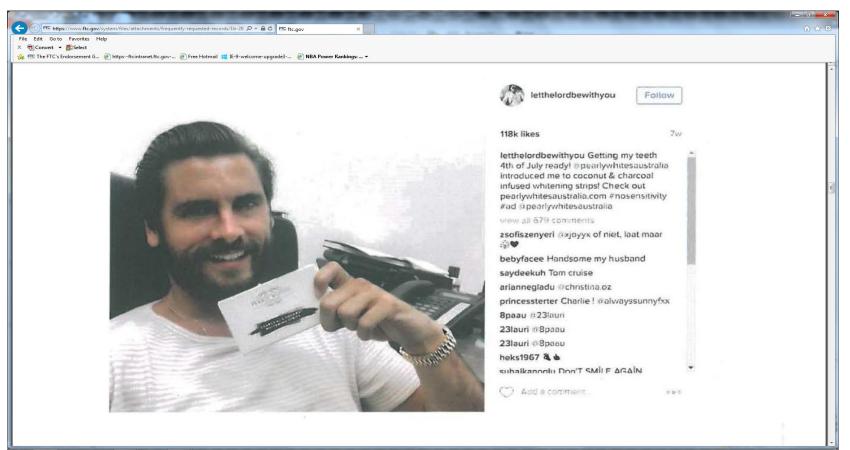
tammycruz47 Cute shoes



Add a comment...

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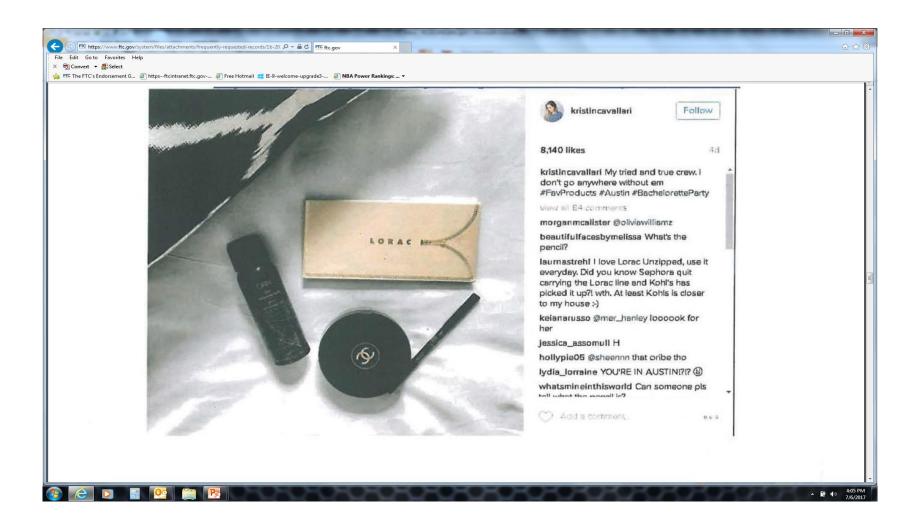


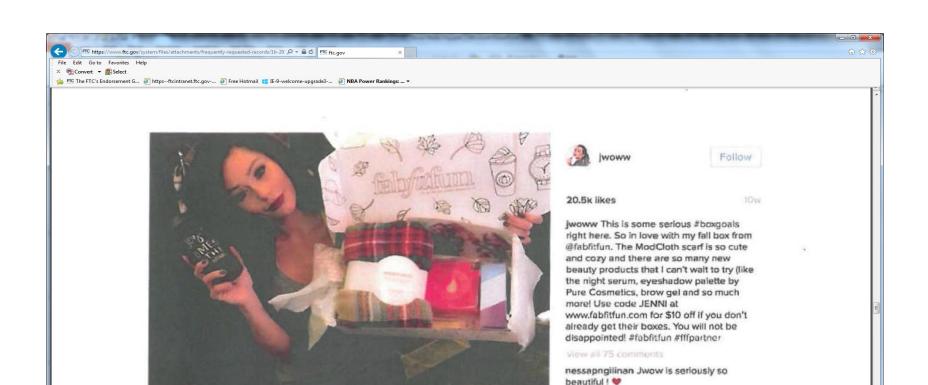






















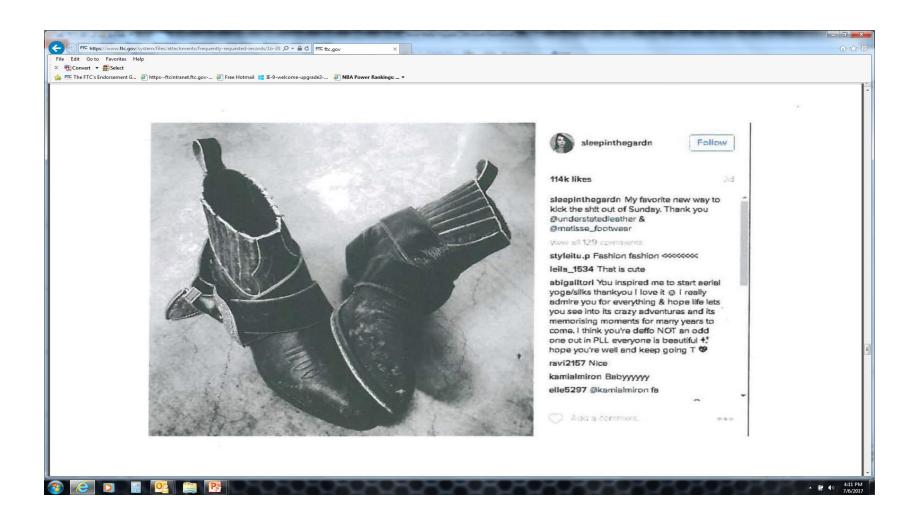


datawesometrio You're so beautiful **

Iesliewilliams2010 Love mine too! Wish we could hang out with our scarves on and sip

enchantedvoyages @jwoww what kind of

coffee from our new cups!!! *



The Do's and Don'ts for Social Media Influencers

FTC RECOMMENDATIONS

PRACTICES TO AVOID



Clearly **DISCLOSE**when you have a
financial or family
relationship with a
brand



DON'T ASSUME followers know about all your brand relationships



Ensure your sponsorship disclosure is HARD TO MISS



Don't assume disclosures **BUILT INTO** social media platforms are sufficient



Treat sponsored tags, including tags in pictures, LIKE ANY OTHER endorsement



Don't use AMBIGUOUS
DISCLOSURES like
"Thanks," #collab,
#sp, #spon,
or #ambassador



On image-only
platforms like Snapchat,
SUPERIMPOSE
DISCLOSURES over the
images



Don't rely on disclosures that people will see only if they CLICK "MORE"

Source: Federal Trade Commission

Revised Endorsement FAQs

- More than 20 additional questions and answers
- Tags in pictures, Instagram disclosures, Snapchat disclosures, obligations of foreign influencers, disclosure of free travel, whether a disclosure must be at the beginning of a post, and the adequacy of various disclosures like "#ambassador."

- Family relationships and free service and merchandise are material connections
- Tagging a brand in a photo is an endorsement
- Foreign endorsements
- Instagram (no more)
- When #ad isn't good enough
- #ambassador vs. XYZ-Ambassabor

- Platform disclosures
 - Responsibility of endorser and brand
 - Placement
 - How do consumers view the screen
 - Contrast with background

Contact Information

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