

29 August 2016

For immediate release

ASAS Issues Guidelines for Interactive Marketing Communication & Social Media

Guidelines to set the standards on advertising and marketing communication that appear on interactive and social media have been issued by the Advertising Standards Authority of Singapore (ASAS), an advisory council to the Consumers Association of Singapore (CASE).

The guidelines will:

- Set the standards of ethical conduct that are to be adopted by all marketers;
- Establish the levels of disclosure that are required of sponsored messages that appear on social media;
- Prohibit false reviews and engagement; and
- Dictate the clarity of the purchase process in e-commerce

The guidelines were developed in consultation with social media agencies, public agencies, multinational companies and members of the public. They are to be read with the rest of the Singapore Code of Advertising Practice (SCAP), to which they will be added.

The enhanced guidelines will take effect immediately. Marketers and media owners will be given until 29 September 2016 to adhere to the guidelines, a grace period of one month.

Feedback received by ASAS

Consumers in Singapore are spending more time on the Internet, social media and their mobile phones. Businesses have naturally followed suit; many place advertisements on their websites, social media channels and electronic direct mailers (EDMs) to reach potential customers. Some have also turned to popular internet celebrities for reviews and endorsements of their products or services.

As a result of lower barriers to entry, as well as an eagerness for market share in a crowded online marketplace, not all marketing communication has been placed with a view toward responsible advertising to consumers. The widespread and growing use of online marketing communication was reflected in the feedback that ASAS received. ASAS received feedback on 91 occasions in 2015 about advertisements that were seen on the Internet and personal mobile devices, compared to 45 in 2014.

According to the feedback received, some consumers were misled by discounts and rates that were not as attractive as advertised, false depictions of products in pictures or questionable claims about product efficacy. Such mischief has the potential to undermine consumers' perceptions of marketing communication in the digital sphere as a whole.

Guidelines on Interactive Marketing Communication and Social Media

The guidelines inform the industry of ASAS's expectations of how their digital and social media marketing communication should be designed and managed.

Amongst others, the guidelines set the following requirements for marketers:

- Disclosures of commercial relationships and disclaimers should be made prominent, easy to understand and appropriate for the form that the communication takes;
- Paid reviews, testimonials and endorsements have to be clearly indicated;
- Reviews that are disguised as being from impartial sources are not permitted; and
- The use of services and methods that fraudulently boost user engagement is prohibited.

These guidelines would enable consumers to make more well-informed choices about the products and services that they view on digital and social media.

ASAS will also be holding a seminar on Friday 7 October 2016 at the YMCA of Singapore. The seminar will run from 10am to 1pm and will discuss the guidelines and other issues in social media marketing. Interested parties may write to the Secretariat at asas@case.org.sg with their name, organisation and contact details using the subject header '[Registration] ASAS Social Media Seminar'. Registration is on a first-come, first-served basis. Admission is free.

Sanctions

Marketers who fail to comply with the guidelines will be instructed to amend their marketing communication, failing which to withdraw them altogether, to avoid misleading consumers.

Marketers who do not comply with the guidelines risk the withholding of advertising space or time by media owners, as well as the withdrawal of trading privileges from advertising agencies. In the case of bloggers, they risk the withholding of monies by their agencies. In extreme cases, there is the additional sanction of adverse publicity through the publication of details of the outcome of ASAS' investigation. Under certain circumstances, CASE may also take further action under the Consumer Protection (Fair Trading) Act.

The full guidelines are listed in Annex A, while guidance notes on the acceptable forms that disclosures may take for various types of social media are found in Annex B.

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The Consumers Association of Singapore (CASE)

The Consumers Association of Singapore (CASE) is a non-profit, non-governmental organisation that is committed to protecting consumers' interest through information, education and promoting an environment of fair and ethical trade practices. One of their key achievements is in lobbying for Consumer Protection (Fair Trading) Act (CPFTA), which came into effect on March 1, 2004.

The Advertising Standards Authority of Singapore (ASAS):

The Advertising Standards Authority of Singapore (ASAS) is an Advisory Council to the Consumers Association of Singapore (CASE). It was set up in 1976 to promote ethical advertising in Singapore and is the self-regulatory body of the advertising industry. The ASAS Council comprises representatives from advertisers, advertising agencies, government agencies, media owners and other supporting organisations. CASE provides secretarial support for ASAS.