ASA system submission to the Children's Code Strategy Call for Evidence

1. Background and introduction

- **1.1.** This submission is provided by the Advertising Standards Authority (ASA), the Committee of Advertising Practice (CAP) and the Broadcast Committee of Advertising Practice (BCAP) the 'ASA system.'
- 1.2. The ASA is the UK's independent advertising regulator. We have been administering the non-broadcast Advertising Code (written and maintained by CAP) for over 60 years and the Broadcast Advertising Code (written and maintained by BCAP) for 19, with our remit further extended in 2011 to include companies' advertising claims on their own websites and in social media spaces under their control.
- 1.3. We are the UK's independent frontline regulator of ads by legitimate businesses and other organisations in all media, including online. Our work includes undertaking proactive projects and acting on complaints to tackle misleading, harmful or offensive advertisements. We are committed to evidence-based regulation, and we continually review new evidence to ensure the rules and our application of them remain fit-for-purpose.
- 1.4. As the UK's frontline advertising regulator, the ASA brings together different statutory, co-regulatory and self-regulatory enforcement mechanisms so they appear seamless to people and businesses. Our system involves the active participation of a range of legal backstops in the consumer protection landscape. We work closely with a network of partners including the Information Commissioner's Office, Ofcom, Trading Standards, the Gambling Commission, the Medicines and Healthcare products Regulatory Agency, the Financial Conduct Authority and the Competition and Markets Authority.
- **1.5.** We call our model of partnering with businesses and other regulators 'collective ad regulation.' The ASA's independence and the buy-in and support we receive through collective ad regulation delivers faster, more flexible, more joined-up and proportionate regulation.
- 1.6. The UK Advertising Codes include rules reflecting specific legal provisions and rules developed through separate regulatory process, which in combination ensure ads don't mislead, harm, or seriously offend their audience. The inclusion of the rules in the UK Advertising Codes has enormous benefits for responsible businesses and for consumers, who benefit from the protection the rules afford.
- 1.7. The ASA system is providing this written submission in response to the ICO's Call for Evidence on the Children's Code Strategy. We are not responding to a specific section or set of questions to the Call for Evidence but hope that our comments provide a helpful insight into our role and remit in the context of prohibiting ads for inappropriate or irresponsible ads from being targeted at children online.

1.8. The ASA system believes that it is a legitimate regulatory objective to seek to reduce children's exposure to age-restricted ads generally and therefore we want to see advertisers use available tools to more effectively target their ads away from children, even where the vast majority of an audience is over 18. Our response will focus on the ASA system's role and remit in relation to this regulatory objective.

2. Consultation Response (Part 1)

- 2.1. The ASA system places huge value on putting the protection of children at the heart of our regulation. We have strict rules dedicated to protecting young and vulnerable people from potential ad related harms. This includes specific rules for age-restricted ads such those for as alcohol, gambling and e-cigarettes. And it's a driving factor in why we invest in technology to enhance our effectiveness in tackling the minority of ads that fall below the strict standards we set.
- **2.2.** The ASA has worked, and continues to work, effectively with social media platforms and other online ad intermediaries, developing compliance procedures and partnerships with the larger platforms and intermediaries; ensuring as far as is possible that where an advertiser is unwilling or unable to comply, we have referral processes and mechanisms in place to have problem ads removed.
- 2.3. In October 2022, CAP introduced updated guidance for age-restricted ads strengthening even further the requirements for what advertisers need to do to ensure ads are not targeted at under-18s. They must use all the targeting tools available to them on a social media platform or in open programmatic display to reduce the risk of inadvertently targeting their ads at under-18s, including those falsely registered or incorrectly inferred to be 18 or older. This includes both ad targeting tools provided directly by the platform (based on their platform users' interests and browsing behaviour), and tools that restrict under-18s' access to marketers' own social media content.
- **2.4.** However, it is important to note that our rules are not designed to prohibit children from ever seeing or hearing age restricted ads. We believe such a restriction would entail a level of media restriction out of proportion with the evidence of potential harms arising from advertising of these products, limiting unduly advertisers' ability to impart information and adult audiences ability' to receive ads for products that may be of interest to them.

3. Consultation Response (Part 2)

3.1. Over the past few years, we have been carrying out a series of monitoring sweeps of children's online media and websites disproportionately popular with children to identify at scale and speed where ads for age-restricted products are appearing and taking action where they are misdirected at or otherwise irresponsibly served to children. These are world leading regulatory initiatives.

3.2. This work is ongoing. Currently, we have a groundbreaking project underway aimed at better understanding where responsibility lies (in the ad supply <u>pathway</u>) for inappropriately targeted and irresponsible ads that appear online; using technology to monitor for ads for age-restricted products, including gambling and alcohol, on sites of particular interest to under-18s.

3.3. Avatar Monitoring

- Our Avatar Monitoring Project uses technology, which simulates children's online profiles in order to ascertain what adverts they are seeing, to assess the distribution of age-restricted products in websites and YouTube channels.
- In one such sweep, we collected data on the 10,754 times that gambling ads were served to the child avatars (ad impressions) across 24 children's websites and 20 open-access children's YouTube channels.*
- In total we <u>found</u> that:
 - Gambling ads were served to the child avatars on 11 of the children's websites monitored.
 - ➤ 23 individual gambling ads were seen by the child avatars on those 11 children's websites a combined total of 151 times 1.40% of the total ad impressions.
 - ➤ One gambling operator (Vikings Video Slot) was responsible for 10 ads and 122 of the ad impressions (81% of the 151).
 - ➤ No gambling ads were served on any of the open-access YouTube channels included in the research.
- We also use Avatars to assess <u>other</u> age restricted ads such as HFSS and alcohol.
- We instructed the companies to take immediate action to review their online ads, ensure they are not served to web users aged below 18 years of age through the selection of media or context in which they appear and to put in place measures to ensure this does not happen again.

3.4. 100 Children Report

- In a pioneering piece of work in 2022, working with a third party provider to safeguard participants privacy, we directly monitored children's use of their mobile phones to gain insights into their online browsing habits and, by extension, the ads that they are exposed to.
- It is a data rich report, which contributes significantly to societal interest in the prevalence and consequences of children being registered on social media with false dates of birth.
- Our research findings suggest that:
 - Over 3.6 million accounts owned by young people are likely to be misreporting their age when they sign up
 - ➤ 1.6 million of these accounts are likely to be falsely age-registered as 18 or older.

^{*}These high figures clearly do not reflect real-world exposure levels to advertising, but the data does give us a good basis for assessing whether age-restricted ads are being targeted away from children.

- ➤ Through these accounts (see preceding bullet point), children were exposed to almost two-thirds more age-restricted ads than children registered with a child's age (17 or younger).
- Our study found that of the 11,424 occasions when an online ad was served to the personal devices of our children's panel, 435 (3.8% of the total) related to an alcohol, gambling or other age-restricted ad.

3.5. CCTV Style Monitoring

- For twelve months we proactively monitored 49 websites and 12 YouTube channels (7 for six months and a further five in the second half of the year) with a disproportionately high child/under 18 audience and tackled instances where, in breach of the rules, age-restricted ads were appearing
- We identified 101 advertisers whose ads breached our targeting rules.
- We contacted the advertisers to ensure their ads were removed and that they reviewed and, as necessary, amended their online targeting processes to ensure their ads would not be published again on these or other children's sites.
- Of the 101 advertisers, the vast majority (90%) were not found to have breached the rules again in subsequent monitoring periods.

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