# ADVERTISING UPDATE – OCTOBER – DECEMBER 2017


## Programmatic ad spend to continue rising

According to a new report by eMarketer, the UK's programmatic ad spend will surpass £3bn in 2017, up 23.5% from the previous year. It now represents 79% of all UK digital display ad spend and this is expected to rise to 84.5% by 2019. This is predominantly driven by mobile devices, representing 78% of the total spend in 2017 and set to hit 86.5% by 2019. Despite the impressive figures, not everyone is convinced as the rise of programmatic has been linked to brand safety issues at the likes of YouTube. Programmatic shows no signs of slowing down any time soon though, with UK spend set to hit £4.52bn in 2019, representing an increase of more than double since 2015.

## A first for Snapchat

Two Snapchat posts by Marnie Simpson have been deemed to breach the CAP code in a decision that is the first of its kind to involve Snapchat. The ASA ruled that, in both instances, the posts were not clearly identified as commercial adverts and therefore Marnie Simpson's followers could not be expected to know that they were paid for advertisements. Both posts breached the rules against hidden advertising on social media and the two companies involved agreed to include the hashtag '#ad' alongside any adverts they produce on the platform in the future.

## Twitter to launch Advertising Transparency Centre

As the heat intensifies on the transparency of digital advertising, Twitter has announced plans to roll out an "*Advertising Transparency Centre*". This will allow anyone to see all of the ads currently running on the platform. Following in the footsteps of Facebook and Google's YouTube, Twitter has also agreed to have the independent Media Rating Council audit its ad measurements so that brands are fully aware of what they are buying.

## Twitter bans Russian media companies

Twitter has announced a ban on two state-run Russian media companies, Sputnik and Russia Today, after finding that both had used the platform to influence the US election on the Russian government's behalf by spreading propaganda. The decision has been taken after the US intelligence community concluded that both companies had attempted to interfere with the election. This follows a growing trend of social media platforms taking action against organisations that seek to use the platforms for illegal or immoral gains.

## The gamblification of sport

The ASA's new chairman, Lord David Currie has spoken out about the "*sheer volume*" of gambling adverts seen on TV that "*upsets people*" and suggests that the legislation to legalise gambling adverts on TV some 10 years ago had "*unforeseen consequences*", adding "*it can be associated with all aspects of sport*". The government is expected to imminently publish its review of the industry with the link between gambling adverts and problem gamblers one of the areas for discussion.

## Brand sponsorship success

In combination with *'Differentology'*, *'Consumer Insight'* has released its findings into sponsorship studies based on Channel 4 TV shows. The results showed that brand sponsorship is an accepted part of a TV experience for 79% of the UK audience. As it is deemed a more expensive form of advertising, 91% of consumers perceived sponsoring brands to be more premium and therefore more trustworthy. Further, 54% said they were more likely to buy a sponsor's product. These findings indicate that brand sponsorship is an effective platform for advertising.

## The ASA puts the breaks on broadband speed ads

Broadband firms will no longer be able to advertise their internet services based on the optimum speed customers could receive. This follows research undertaken by the ASA which concluded that consumers were confused by headline broadband speeds that they would never actually get in their own homes. Only 10% of customers actually receive the optimum speed and CAP, having been passed the ASA's concerns, have insisted that broadband firms now use the average speed as opposed to 'up to' speeds.

## Internet adspend will continue to soar

Zenith Media (Zenith) has recently announced its advertising spend forecasts, which predicts a rise in global internet advertising's ad spend. Zenith have predicted that UK internet adspend will capture 60% of the market in 2017 and that the value will rise from $203bn in 2017 to $225bn in 2020. With the UK far outstripping the global average for internet advertising, Zenith predict that the internet will account for 94% of the growth in adspend between 2017 and 2020.

## CMA cracks down on secondary ticketing websites

The CMA has vowed to crack down on secondary ticketing websites with the suspicion that a number of them are breaking the law protecting consumers by not providing customers with full information about an event. Having completed a thorough investigation, the CMA will be raising concerns with a number of websites and requiring them to take action, where necessary. The chief executive of CMA, Andrea Coscelli, stated that customers have the right to know if there is a risk that they might be turned away at the door, who they are buying from and where they will be sitting. The CMA plans to work closely with the ASA and national Trading Standards to ensure compliance.

## Advocacy marketing

Advocacy marketing is the idea of getting existing customers to talk about a company and its products and several start-ups believe it is the future of online advertising. Whilst this is nothing new, Zyper is one such company that is attempting to scale the premise and it does so by identifying a company's top advocates on social media and then inviting them to join advocacy marketing campaigns that sees user-generated advert content posted in return for various rewards. Zyper are hoping that this will create a shift away from influencer marketing as customers can identify more with an advocate than they can with an influencer. Dubbed "*ad words with people*", it remains to be seen how successful this form of advertising will be going forward.

## Gender stereotyping in advertising to get a shake up

Following a review by the ASA, a new rule will be introduced to the CAP code to help advertisers "*know where to draw the line*". A consultation on the rule to ban harmful stereotyping in advertising will begin in spring next year. The ASA's review found that some advertising could reinforce harmful stereotypes, which could restrict the choices, aspirations and opportunities of children, young people and adults. The new rule will not ban all stereotyping but will focus on more problematic depictions.

## Paddington swears his innocence

The ASA has cleared the Marks and Spencer's Christmas TV advert of any wrongdoing after several viewers claimed to have heard a swear word in the advert. The ASA acknowledged that a particular phrase may have been misinterpreted, but as the advert did not actually contain a swear word, no rules were broken.

## ASA bans misleading retirement TV advert

Age Partnership has seen its advert for an equity release scheme banned for being misleading. The advert included the dialogue "*we used some money to pay off our mortgage*". The ASA deemed this to lack clarity as viewers would not appreciate from this phrase that a mortgage had to be paid off before the equity release could be taken up. Further, the advert did not clearly communicate relevant information and detail about certain elements of a lifetime mortgage, specifically how and when it was likely to be repaid, and whether or not the scheme could be taken up by those with outstanding payments on their mortgage.

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