ANA Ethics Compliance Report
Reporting Period: August 2018 – December 2019

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Self-Regulation: Advancing Consumer Trust & Educating Members

OBJECTIVES
- Assist and resolve consumer marketing concerns and inquiries.
- Educate companies on how to strengthen and protect their brand by employing best marketing practices:
  - Staff complaint review and handling process.
  - ANA Ethics Committee peer-review and casework process.
  - Use of Ethical Guidelines & Principles, applicable global, federal and state laws and regulations.
  - Work with state/federal/self-regulatory partners to refer bad actors if no corrective steps occur.

SOLUTIONS
- Consumers Tools:
  - DMAChoice: mail suppression service to help reduce overall volume of promotional prospect mail.
  - DDNC (Deceased Do Not Contact): mail suppression services to place deceased family members.
  - DNCC (Do Not Contact Caregiver): mail suppression service for caretakers to place elderly or special needs family members.
  - DAA (Digital Advertising Alliance): provides a tool to assist consumers in opting-out of online ads displayed based on browsing history.
- Business Resources:
  - Guidelines for Ethical Business Practice, Data Standards and Principles
  - Marketing Compliance Resources
  - Public Report of Non-Compliance
  - Privacy Shield
Compliance: Key Findings

• **ANA Accountability Department processed:**
  – Over 12,500 inquiries during reporting period.
  – Top consumer concerns: honoring consumers’ marketing preferences in direct mail and online advertising.
    • Consumers continue to seek more control in the amount and types of promotional mail and online display ads they receive.
  – Majority of consumers contact ANA through email.
  – Key take-aways for businesses, provide consumers with:
    • Clear, honest terms and conditions for your advertising practices, and
    • Choice in what types of marketing messages they receive and honor those choices.
    • **Key tip:** Privacy protection is vital. Make sure your privacy policy contains a clear point of contact for consumers to express their marketing preferences.
How Are Consumers Contacting ANA?

- **2018 Reporting Period**
  - Over 3,100 consumer inquiries
  - Over 60% consumers, reach ANA via email and one third by telephone.
  - Elderly, special needs, disadvantaged prefer more in-depth instruction.

- **2019 Reporting Period**
  - 9,400 consumer inquiries
  - 74% consumers contact ANA through email or online submission forms.
CONSUMER INQUIRIES
- MARKETING ISSUES

Reporting Periods Covered:
August 2018 – December 2018
January 2019 – December 2019
• Consumers are most interested in tools to better manage the promotional mail offers they receive.

• ANA offers preference services to assist consumers for mail, email and calls.
  - DMAChoice is the most requested tool – to help consumers have more control over the promotional prospect mail offers they receive.
  - Additional tools offered: caretakers and deceased family members.

Jan – Dec 2019 Reporting Period
Aug – Dec 2018 Reporting Period
The majority of consumer inquiries ANA receives involve the direct mail channel:

- Name/address removal from general mailing lists
- Company-specific mailings
- Pre-screened offers
- Misdirected mail
- Deceptive offers
- Sweepstake mailings
- Resident mail

*Online ad inquiries – captured in this chart are via the general ethics channel. More robust reporting is through separate IBA complaint process at end of report.*
Direct Mail Inquiries

August 2018 – December 2019

Jan – Dec 2019 Reporting Period
Aug – Dec 2018 Reporting Period
Digital Advertising:
Behavioral Data and Other Digital Consumer Concerns

Reporting Periods Covered:
August 2018 – December 2018
January 2019 – December 2019
Historical Data 2011-2019

Consumer Online Ad Inquiries Received by ANA Accountability

- 2019: 2,817
- 2018: 598
- 2017: 284
- 2016: 491
- 2015: 544
- 2014: 539
- 2012-2013: 300
- 2011: 75

IBA Inquiries
Self-Regulation: Advancing Consumer Trust & Educating Members

- Developed new Interest-based advertising (IBA) complaint process – simplifying form increased number of inquiries.
- Processing IBA casework (Ethics Committee Peer Review)
- Resolving consumer issues specific to interest-based advertising matters, educating on solutions and the DAA’s choice mechanism
- Working with state/federal/self-regulatory partners to target/refer bad actors if no corrective steps occur.
  - DAA Principles application in light of GDPR & CCPA
- Data 2.0 Certification (includes DAA Principles as part of education program)
Consumers Online Ad Experience: Devices They are Using to View Ads

- 247 online ad inquiries (Aug-Dec 2018)
- 2,817 online ad inquiries (2019)
  - Majority of consumers concerned about online ads displayed on their smartphones, smaller display area.
  - Spike in inquiries about online ads displayed on all devices.

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<thead>
<tr>
<th></th>
<th>Jan-Dec 2019</th>
<th>Aug-Dec 2018</th>
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</thead>
<tbody>
<tr>
<td>Smartphone</td>
<td>1,739</td>
<td>162</td>
</tr>
<tr>
<td>Computer</td>
<td>283</td>
<td>32</td>
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<tr>
<td>Multiple Devices</td>
<td>674</td>
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<tr>
<td>Didn't Identify</td>
<td>20</td>
<td>20</td>
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<tr>
<td>Laptop</td>
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<td>15</td>
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<tr>
<td>Tablet</td>
<td>29</td>
<td>9</td>
</tr>
</tbody>
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Online Ad Concerns – Reported by Consumers

Multiple Issues: 1225
Not Relevant: 128
Opt-out issues: 643
No Ads: 171
Offended by: 94
Hacking/Security: 110
Pop-ups: 256
Blocks Content: 18
Political: 205
Autoplays: 9
Misc: 4

Jan-Dec 2019 vs. Aug - Dec 2018
New IBA Intake Process

IBA inquiries captured through *new* ANA intake process: Sept – Dec 2019

- Streamlined intake fields.
- Received 2,021 inquiries through new ANA intake process.
- More consumers self-identified involving multiple-devices than under previous complaint form: 1,225.
- Included consumer’s country of origin –
  - *755 identified USA* (approx. 37% of total inquiries received)
  - *450 identified India*
  - Other inquiries from: Australia, Bangladesh, Argentina, Botswana, Brazil, Cambodia, Canada, Pakistan, Philippines, South Africa, Tanzania, Thailand, UAE and UK.
  - Remaining from countries all over the world.
Digital Ad Reporting: 2018 vs. 2019

• Same types of evergreen issues being reported by consumers.
• Due to ease and simplification of newly implemented ANA IBA form – more inquiries processed.
• **247 online ad inquiries (Aug-Dec 2018)**
• **2,817 inquiries:**
  – Jan-Aug 2019: 796 inquiries *(former intake process)*
  – Sept-Dec 2019: 2,021 inquiries *(new intake process)*
Evergreen Consumer Issues

- Problems with, or in need of education on how to opt out
- IBAs temporarily unavailable or system-wide failure
- No pop-up ads or any ads, especially on cell phones
- Ads blocking content
- Hacking/ID theft issues
- Ads interfering with online games/content/news/movies
- Offended by content of ads: sexual in nature or orientation; wrong gender; health
- Not relevant
- Uptick in inquiries/complaints about political ads – probably heating up since we’re in an election year. It seems to be regarding – content or placement of ads – not in reference to the new transparency/disclosure requirements.
CASE WORK: CITED FOR NON-COMPLIANCE WITH ETHICAL BUSINESS PRACTICES
FAILURE TO CORRECT PRACTICES

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<th>Online Ad Compliance Issues</th>
<th>Direct Mail Compliance Issues</th>
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<tr>
<td>OilandEnergyInvestor.com</td>
<td>Vacation Consulting Services</td>
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<tr>
<td>Slim Tea</td>
<td>Team One Chrysler</td>
</tr>
<tr>
<td>Banyan Hills Publishing</td>
<td>CDJR</td>
</tr>
<tr>
<td>Netgear</td>
<td>JFQ Lending</td>
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Online Ad Issues

- **OilandEnergyInvestor.com** (online ad served on Money Map Press company site) | Maryland
  - **Issue:** Potentially deceptive online ad seeking investors for a new universal fuel Oro Blanco,” or “OBL.
  - **Violation:** Honesty and Clarity of Offer; Accuracy and Consistency; Actual Conditions; and Testimonials and Endorsements. [September 2018]

- **Delighted Slim Tea** | California
  - **Issue:** Potentially deceptive online celebrity advertising.
  - **Violation:** Honesty and Clarity of Offer; Accuracy and Consistency; Actual Conditions; and Testimonials and Endorsements; Decency; Photographs and Artwork; Accessibility. [September 2018]

- **Banyan Hill Publishing** | Delray Beach, FL
  - **Issue:** Referring consumers to “DMA” for removal of Banyan Hills Publishing online ads; privacy policy is not IBA compliant – not providing enhanced notice and choice regarding IBA and potential issues with CAN-SPAM compliance.
  - **Violation:** #1 Data Definition (IBA, Transparency & Choice), #3 Transparency (Point of contact for consumers), #4 Choice (providing means and honoring consumer choice in timely manner), #14 Compliance with laws (potential violation of CAN-SPAM) [December 2019]

- **Netgear** | San Jose, CA
  - **Issue:** Inadequate enhanced notice and choice for compliance with Interest-Based Advertising.
  - **Violation:** Part I. Data: #1 Data Definition (IBA, Transparency & Choice), #4 Choice (providing means and honoring consumer choice in timely manner) Part II. Marketing: #14 Compliance with Regulations (DAA Principles), Consumer Control – Third Party Choice for Behavioral Advertising [July 2019]
Direct Mail Compliance Issues

- **Vacation Consulting Services** | Springfield, MO  
  **Issue:** Disclaimers/conditions not clear on mailing and issues with delivery of prizes offered  
  **Violation:** Honesty and Clarity of Offer; Accuracy and Consistency; Clarity of Representations; Disclosure of Sponsor and Intent [September 2018]

- **Team One Chrysler Dodge Jeep Ram of Gadsden** | Alabama  
  **Issue:** Name removal process doesn’t follow industry standards  
  **Violation:** Accessibility; Honoring Consumer Choice [September 2018]

- **CDJR** | New Orleans, LA  
  **Issue:** Disclaimers/conditions not clear on dealership mailing and issues with delivery of prizes offered; offer was allegedly sent after expiration of prize promotion  
  **Violation:** Chances of Winning; Prizes; Disclosure of Rules [September 2018]

- **JFQ Lending** | Scottsdale, NY  
  **Issue:** Promotional offer’s copy is potentially deceptive; giving false sense of urgency; appearance of coming from the government – no response from organization  
  **Violation:** #1 Honesty & Clarity, #3, Clarity of Representations, #8 Disclosure of Sponsor & Intent, #10 Solicitation in Guise of Invoice/Government Notification [December 2019]
ANA Accountability Resources

GUIDELINES
• Guidelines for Ethical Best Practice
• Data Standards 2.0
• Public Report of Non-Compliance

INDUSTRY COMPLIANCE RESOURCES
• Ethics and Compliance Resources
• ANA Privacy Shield Dispute Resolution Services

CONSUMER COMPLIANCE RESOURCES
• Consumer Help
• Choice – consumer mail management service
• Digital Advertising Alliance (DAA) online interest-based ad choice tool
• Privacy Shield Dispute Resolution Services for Consumers

TO FILE A COMPLAINT: direct mail, email, calls, or online ads

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