

# ANA Ethics Compliance Report

Reporting Period: August 2018 – December 2019

Questions? Contact:

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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

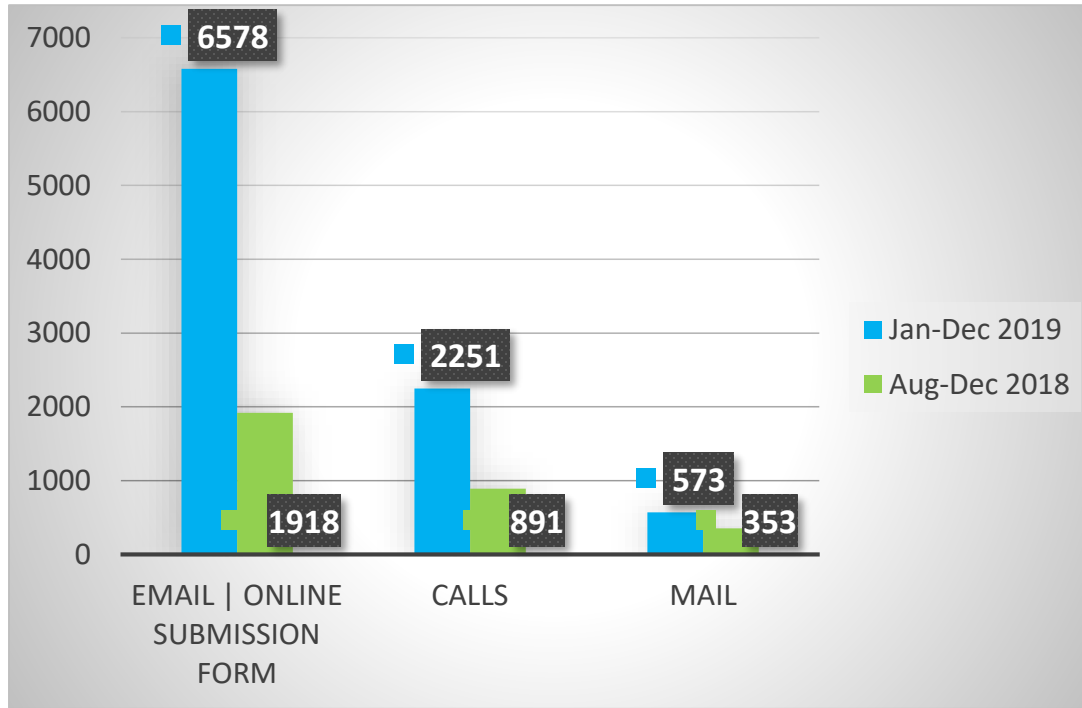
- **Consumers Tools:**
  - **DMACHoice:** mail suppression service to help reduce overall volume of promotional prospect mail.
  - **DDNC (Deceased Do Not Contact):** mail suppression services to place deceased family members.
  - **DNCC (Do Not Contact Caregiver):** mail suppression service for caretakers 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**
  - 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

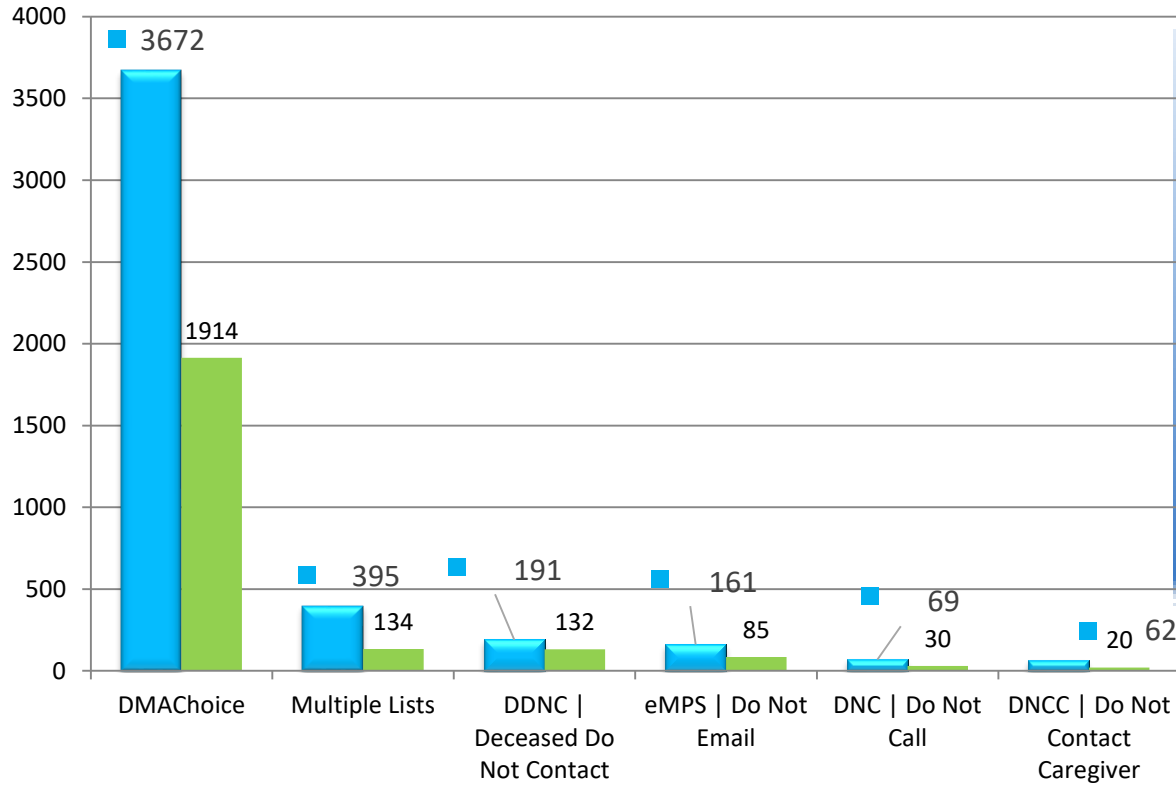
**Reporting Periods Covered:**

August 2018 – December 2018

January 2019 – December 2019



# Preference Services: Consumer Inquiries

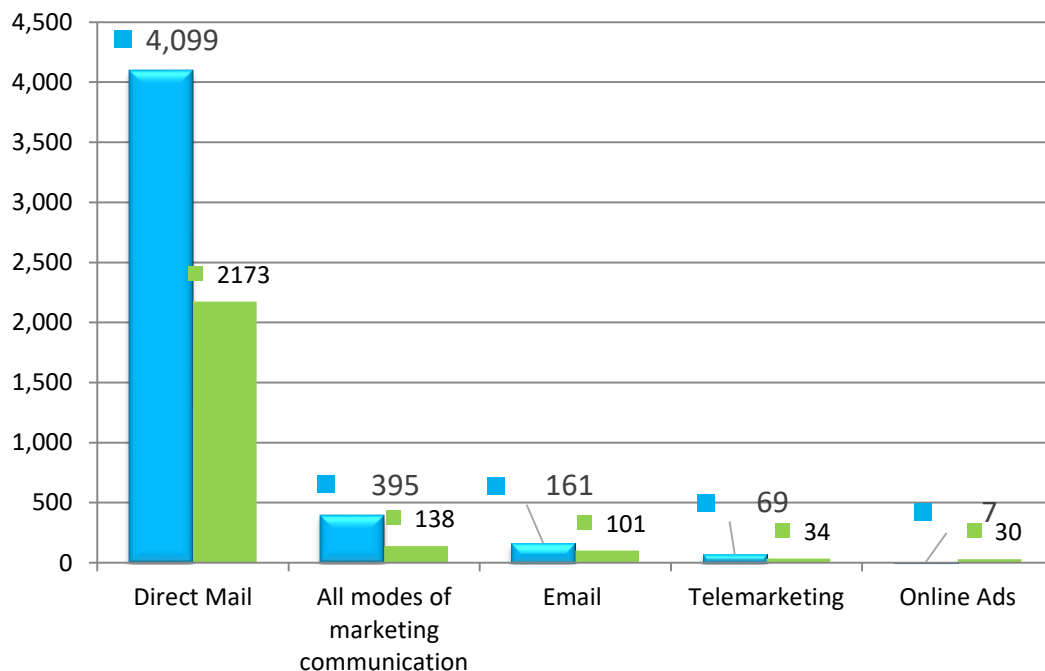


- Consumers are most interested in tools to better manage the **promotional mail** offers they receive.
- ANA offers preference services to assist consumers for mail, email and calls.
  - DMAChoice is the most requested tool – to help consumers have more control over the promotional prospect mail offers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

Jan – Dec 2019 Reporting Period  
Aug – Dec 2018 Reporting Period



# By Marketing Channel: Consumer Inquiries



Jan – Dec 2019 Reporting Period

Aug – Dec 2018 Reporting Period

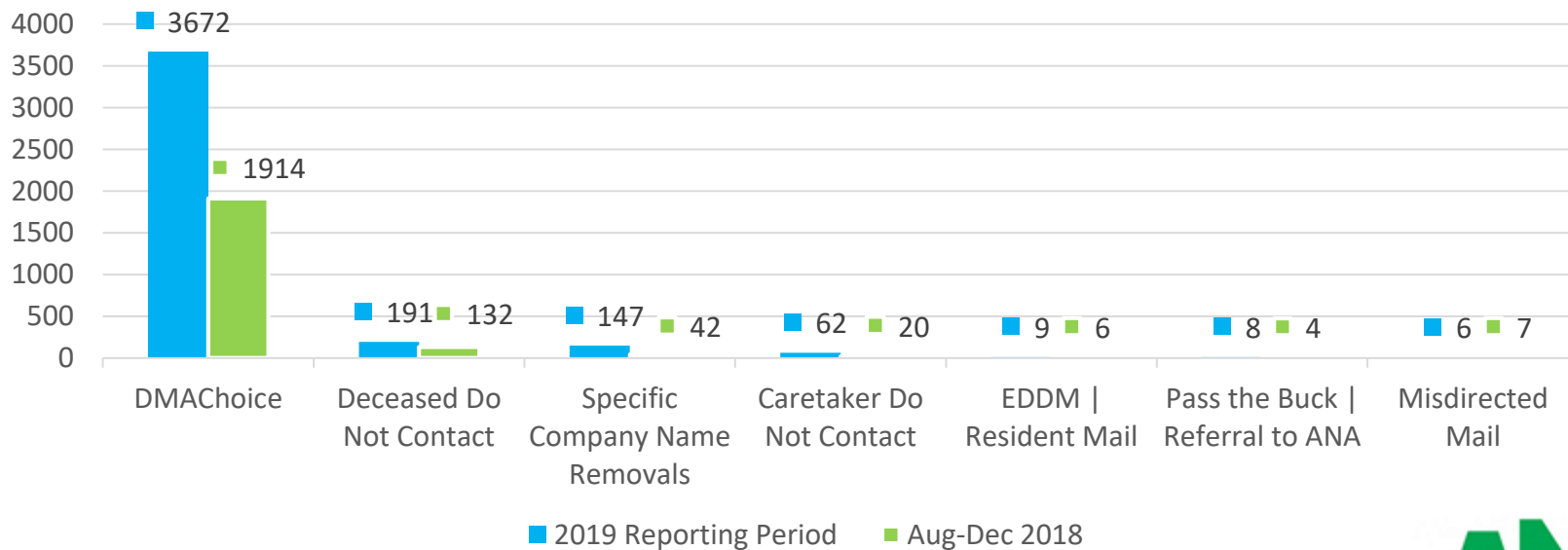
- The majority of consumer inquiries ANA receives involve the direct mail channel:
  - Name/address removal from general mailing lists
  - Company-specific mailings
  - Pre-screened offers
  - Misdirected mail
  - Deceptive offers
  - Sweepstake mailings
  - Resident mail

*\*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

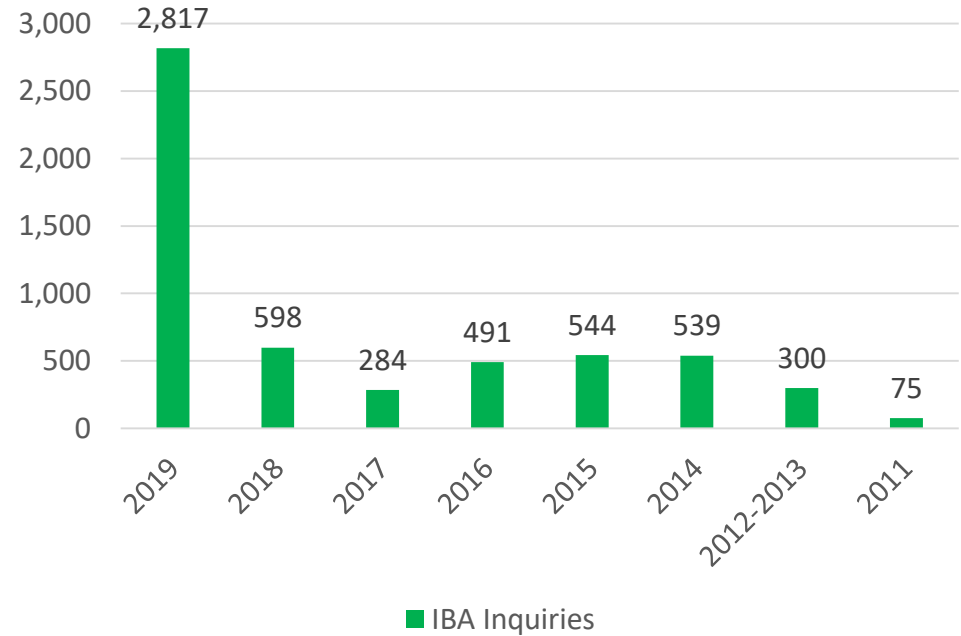
January 2019 – December 2019



# Historical Data 2011-2019



## Consumer Online Ad Inquiries Received by ANA Accountability



## 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

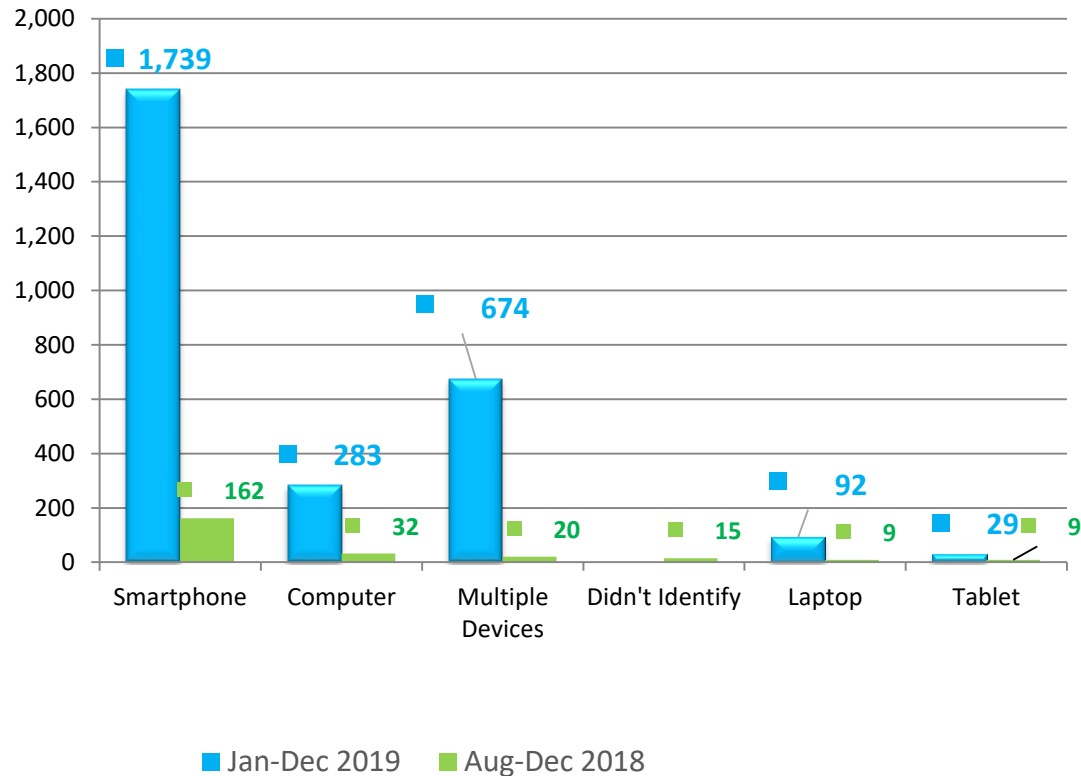
Working with state/federal/self-regulatory partners to target/refer bad actors if no corrective steps occur.

- 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



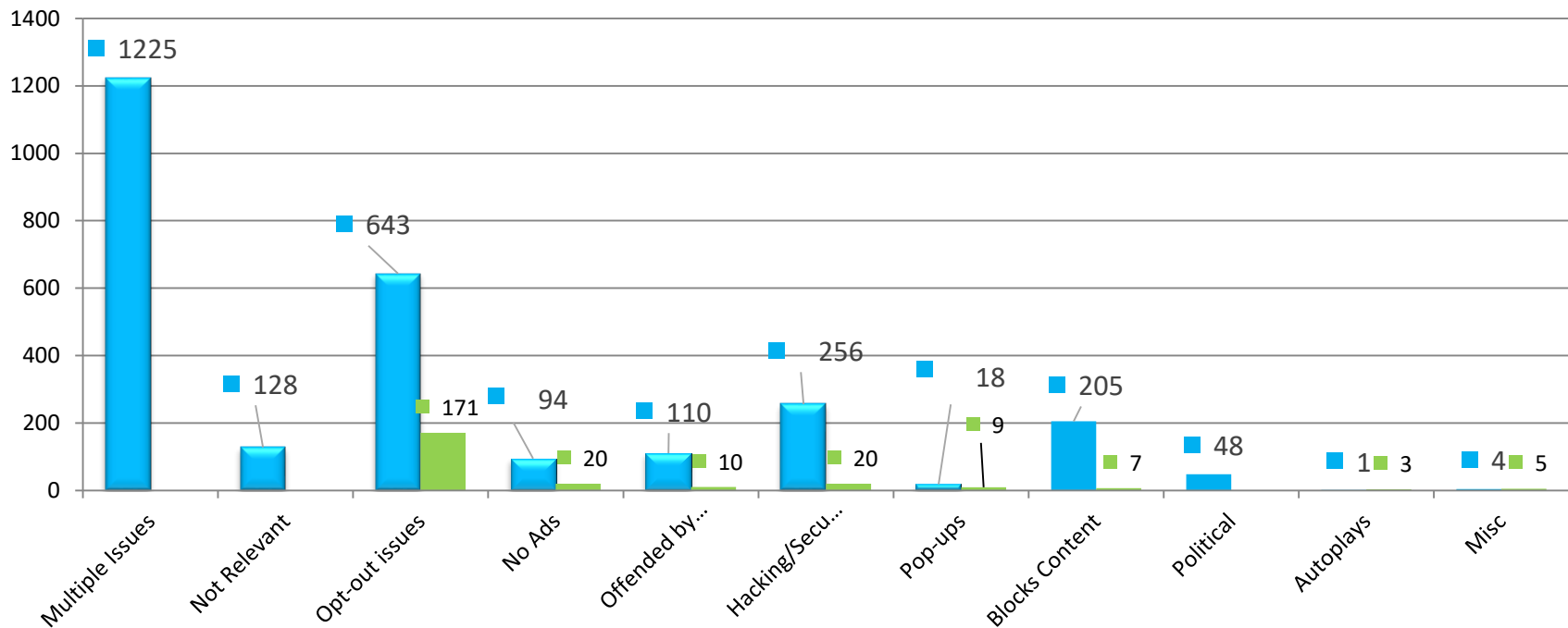
- 247 online ad inquiries (Aug-Dec 2018)
- 2,817 online ad inquiries (2019)
  - Majority of consumers concerned about online ads displayed on their **smartphones, smaller display area.**
  - Spike in inquiries about online ads displayed on **all devices.**





## Online Ad Concerns – Reported by Consumers

■ Jan-Dec 2019 ■ Aug - Dec 2018

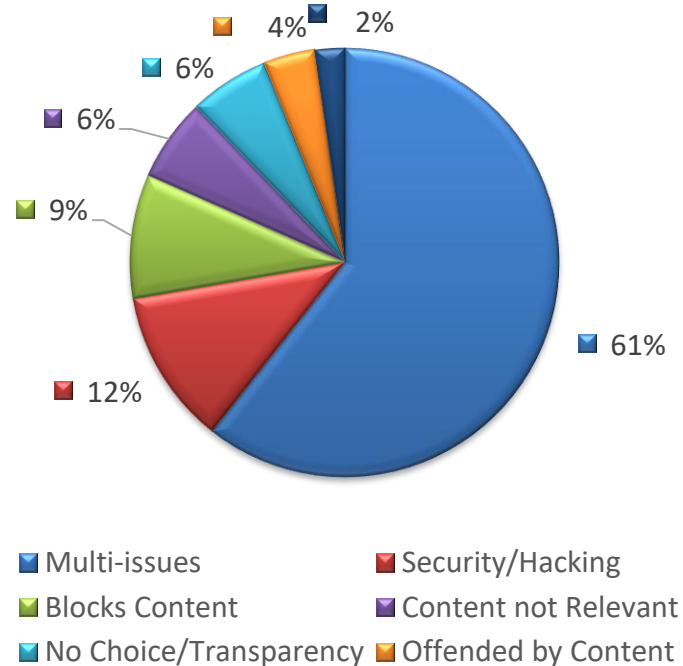




# New IBA Intake Process

## 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

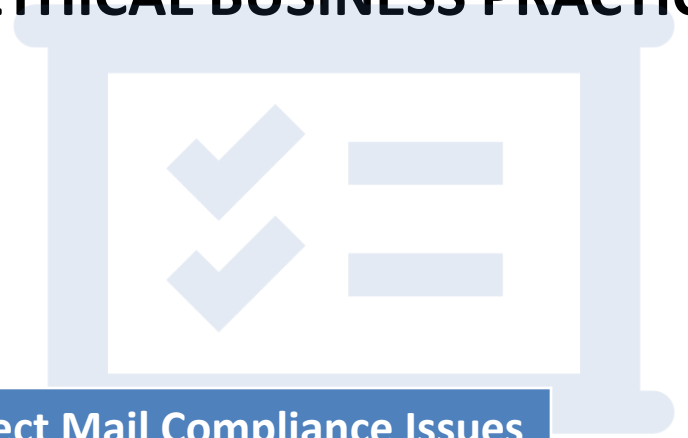
- Problems with, or in need of education on how to opt out
- IBAs temporarily unavailable or system-wide failure
- No pop-up ads or any ads, especially on cell phones
- Ads blocking content
- Hacking/ID theft issues
- Ads interfering with online games/content/news/movies
- Offended by content of ads: 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



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

# 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**

## CONTACT US:

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