

Video-sharing platform guidance

Guidance for providers on advertising harms and measures

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Guidance on advertising harms and measures

- 1.1 In November 2020, changes to the Communications Act 2003 ("the Act") came into effect, which introduced regulatory requirements for UK-established video-sharing platforms ("VSPs"), and which gave Ofcom responsibility for enforcing these requirements. These changes transposed the 2018 revision to the Audiovisual Media Services Directive ("AVMSD"), via the Audiovisual Media Services Regulations 2020¹. The statutory framework for the regulation of VSPs is set out in Part 4B of the Act. In this document we refer to this statutory framework as "the VSP Framework".
- 1.2 Under the VSP Framework, VSP providers are required to take such of the measures listed in Schedule 15A of the Act as are appropriate to ensure the protection of minors from restricted material², and the protection of the general public from relevant harmful material³, in all videos, as well as advertising⁴, regardless of whether it is under the control of the VSP provider. Ofcom has published guidance on these general requirements and the related measures ("the Harms and Measures Guidance")⁵. Schedule 15A also includes additional measures that apply specifically to non-VSP-controlled advertising (i.e. advertising that is not marketed, sold or arranged by the VSP provider). Ofcom's guidance in relation to these measures is intended to operate within the overall framework for regulating VSPs set out in the Harms and Measures Guidance statement⁶. It is important that providers read the below proposals in conjunction with Ofcom's Harms and Measures

¹ <u>Audiovisual Media Services Regulations 2020</u>

² As set out in the Harms and Measures Guidance, restricted material refers to videos which have or would be likely to be given an R18 certificate, or which have been or would likely be refused a certificate. It also includes other material that might impair the physical, mental or moral development of under-18s.

³ As set out in the Harms and Measures Guidance, relevant harmful material refers to any material likely to incite violence or hatred against a group of persons or a member of a group of persons based on particular grounds. It also refers to material the inclusion of which would be a criminal offence under laws relating to terrorism; child sexual abuse material; and racism and xenophobia.

⁴ The Act refers to 'audio-visual commercial communications' ("AVCCs"). AVCCs are defined as follows: "Audiovisual commercial communication' means a set of moving or still images, or of legible text, or of a combination of those things (with or without sounds), which—(a) is designed to promote, directly or indirectly, the goods, services or image of a natural or legal person pursuing an economic activity, and (b) accompanies or is included in a video in return for payment, or for other valuable consideration, or for self-promotional purposes; and forms of audiovisual commercial communication include advertising, sponsorship, teleshopping and product placement.' For ease, 'adverts' and 'advertising' are used as a shorthand in this document.

⁵ Ofcom, Consultation – Guidance for video-sharing platform providers on measures to protect users from harmful material, March 2021; Ofcom, Video-sharing platform guidance: Guidance for providers on measures to protect users from harmful material – Statement, October 2021; Ofcom, Video-sharing platform guidance: Guidance for providers on measures to protect users from harmful material, October 2021.

⁶ Ofcom, <u>Video-sharing platform guidance</u>: <u>Guidance for providers on measures to protect users from harmful material – <u>Statement</u>, October 2021.</u>

Guidance⁷, as well as our guidance on control of advertising⁸, to ensure they have a full understanding of how the VSP Framework is applied in relation to advertising.

Terms and conditions relating to advertising requirements

Include terms and conditions to the effect that—

- (a) a person must not upload to the service a video containing advertising for a prohibited product,
- (b) a person must not upload to the service a video containing advertising for an alcoholic drink unless it meets the general advertising requirements and the requirements in relation to restricted products, and
- (c) a person must not upload to the service a video containing advertising for anything else unless it meets the general advertising requirements.
- 1.3 Ofcom considers this measure as fundamental to the VSP Framework, and we consider it is unlikely that effective protection of users can be achieved without having this measure in place and it being implemented effectively.
- 1.4 Terms and conditions in the context of VSP regulation may include community guidelines; community standards; terms of service; or any other phrases used to describe a set of rules or standards which govern the type of content permitted on a VSP.
- 1.5 We expect terms and conditions relating to advertising to be clear about the general advertising requirements and provisions on prohibited and restricted products (set out in the Communications Act 2003, Part 4B, S368Z, S368Z1(1)(c) and Schedule 15A), and for VSP providers to clearly communicate those terms to their users. We would encourage VSP providers to have a specific advertising-related section within their terms and conditions for these requirements, which should include a clear explanation of what material constitutes advertising and is therefore subject to the requirements.
- 1.6 We also encourage VSP providers to produce a user-friendly summary of the advertising requirements. Any such summary should use simple language, minimise jargon and avoid technical terms.
- 1.7 VSP providers should provide examples of what would and would not be permitted to comply with these advertising requirements.
- 1.8 The consequences of breaching terms and conditions also need to be clear to all users. In addition, VSP providers may wish to consider the role that peer-to-peer learning and advice can play potentially in increasing understanding of advertising rules among users ¹⁰.

⁷ Ofcom, <u>Video-sharing platform guidance</u>: <u>Guidance for providers on measures to protect users from harmful material</u>, October 2021.

⁸ Ofcom, Guidance for providers on control of advertising, December 2021.

⁹ These requirements are set out on p.7 of this statement.

¹⁰ Yonder, <u>User experience of potential online harms within video-sharing platforms: a report for Ofcom</u>, March 2021.

Transparency of advertising

1.9 Under the VSP Framework advertising must be transparent to users of the service. This principle applies to all VSP advertising, regardless of whether it is marketed, sold or arranged by the provider of the service ¹¹. The relevant requirements and appropriate measures to ensure transparency, and the guidance relating to these measures, are outlined below.

Functionality for users to declare advertising

Provide functionality for a person uploading a video to the service to declare whether, as far as they know or can reasonably be expected to know, the video contains advertising.

- 1.10 This measure relates to VSP providers putting in place a functionality for users who upload user-generated videos to declare whether or not those videos contain advertising. Such a functionality should be easy to use, accessible for all users, and suitable for all devices which may be used to upload videos to the platform.
- 1.11 To ensure that users engage with this functionality, we encourage providers to include it as a mandatory step in the video upload process. For example, users could be prevented from completing the video upload process until they have confirmed whether or not the video contains advertising.
- 1.12 An example of best practice would be for this functionality to also enable users to provide additional information about the advertising contained within the video, such as the third party with which the person uploading the content has partnered and the product or service being advertised. On some platforms, this functionality could enable the person uploading the content to "tag" the relevant third parties in the video.

Terms and conditions about declaring advertising

Include terms and conditions to the effect that a person uploading a video must use the functionality to make such a declaration.

- 1.13 Where a VSP provider has taken the measure of providing a functionality to declare the presence of advertising, we expect the provider to communicate this requirement (i.e. to make use of the functionality to declare advertising) to users clearly within the terms and conditions. We would encourage VSP providers to include this requirement in a specific advertising-related section within the terms and conditions.
- 1.14 VSP providers should ensure clarity and understanding among users about how to declare advertising on their platform. ¹² As with all terms and conditions, these terms and conditions must be robustly and consistently enforced to ensure effective implementation.

¹¹ Communications Act 2003, Part 4B, Section 368Z1(6) and Schedule 15A(5).

¹² Ofcom/Yonder, User experience of potential online harms within video-sharing platforms: a report for Yonder, March 2021.

- 1.15 Communicating the presence of advertising to users
- 1.16 The legislation requires that, where a VSP provider is aware that a video contains advertising (i.e. the provider knows that content uploaded to the service contains advertising or the person who uploaded the content has told the VSP provider that this is the case), the VSP provider must clearly inform its users about the presence of the advertising ¹³.
- 1.17 We recommend that, once advertising has been declared using the above functionality, VSP providers use an automated system to communicate its presence to users. Providers must also communicate the presence of any other advertising which they know about, and it is for the provider to determine whether this is done through an automatic or manual process.
- 1.18 We encourage VSP providers to communicate the presence of advertising in a consistent way across their platform, such as through the use of a singular predetermined word or phrase. For example, the ASA already encourages the use of a clear and prominent identifier, such as "#ad", to communicate to audiences the presence of advertising in social media posts 14. VSP providers may wish to adopt a similar approach to inform users about the presence of the advertising across their platforms.
- 1.19 We expect information about the presence of advertising to be displayed prominently to users. We also expect such communication to take place as early as possible in a user's exposure to the advertising. Depending on the nature of the platform, this may be before the user views the content or at the point at which the user views the content. Regardless, users should not need to click on, or otherwise engage with, the content to be informed that it is advertising.
- 1.20 In line with the example of best practice outlined above, where the person who uploaded the content has provided additional information about the advertising, such as the third-party with which they have partnered or the product or service being advertised, we would expect this information to also be clearly communicated to users.

¹³ Communications Act 2003, Part 4B, S368Z1(6).

¹⁴ See: https://www.asa.org.uk/advice-online/recognising-ads-social-media.html