

# **Internet & Mobile Marketing Association Of the Philippines**

## **CODE OF ETHICS** Final Version for Ratification

The vision of the Internet and Mobile Marketing Association of the Philippines (IMMAP) is to become the premier marketing association for organizations that utilize the internet and mobile as part of their entire business model, recognized and given importance by the industry and marketing practitioners as a vital organization that will provide the marketing industry relevant information and tools related to the web and mobile.

### **Mission**

The mission of IMMAP is to spearhead the use of the internet and mobile to become recognized marketing mediums in the industry by:

1. Establishing a code of ethics and set of standards for the execution of internet and mobile marketing in the country
2. Providing the latest research and studies on the effectiveness of internet and mobile as marketing tools
3. Conduct presentations to advertising and marketing professionals regarding the power brought about by digital and interactive media
4. Develop camaraderie and share best practices among professionals in the digital and interactive industry
5. Create a monitoring and audit standard for market ranking and performance to allow better decision making for advertising and marketing professionals.
6. Growing the industry through the creation and management of global opportunities for members, and making the Philippines a global player in providing digital marketing services.

### **Objectives**

The IMMAP's code of ethics and set of standards was drafted to provide and maintain high standards for all online and mobile advertisements. It aims to upgrade the practice of online and mobile advertising as a new medium of advertisements. Finally, the code of ethics shall strengthen the effectiveness of the industry's self-regulation.

### **Definition of Terms:**

1. Short Messaging Service (SMS): A service for sending messages to mobile phones that use Global System for Mobile Communications in text format.
2. Multimedia Messaging Service (MMS): Allows users to send and receive messages containing images, videos, audio and text.
3. Broadcast Messaging Service: Allows one to send the same SMS/MMS messages to a large number of mobile phones.

4. Commercial advertisements: Advertisements for the purpose of soliciting business regardless of revenue generated.
5. Promotional advertisements: Advertisements designed to increase visibility or sale of a merchandise or product.
6. Opt-in: The subscriber has requested to be included on the specific list to receive direct marketing through electronic media such as SMS, MMS, e-mail, or website advertisements.
7. Opt-out: Unsubscribing from future unsolicited commercial and promotional advertisements, surveys and other Broadcast/ Push messages.
8. Push Messages: Information transmitted to the mobile phone, either subscribed or unsolicited messages without a user request and are initiated by the server of the content provider.
9. Spam Messages: Unsolicited and unwanted commercial and promotional advertisements and surveys.

## Code of Ethics for an Online and Mobile Advertisement Material

### A. Misleading Advertisements

1. The Consumer Act of the Philippines (R.A. No. 7394) and its implementing rules, Department Administrative Order No. 2, Series of 1993, regulate, among others, advertising and sales promotions of consumer products. The Consumer Act prohibits *false, deceptive, or misleading advertisements*. *Comparative advertising* is also regulated in the Philippines.
2. The IMMAP's standards prohibits "unfair or deceptive acts or practices" on all Internet advertising, marketing, and sales. A representation, omission, or practice is *deceptive* if it is likely to:
  - mislead consumers (relevant information is left out or if the claim implies something untrue) and
  - affect consumers' behavior or decisions about the product or service.

An act or practice is *unfair* if it causes, or is likely to cause danger in one's health, safety, or performance.

3. Claims of product and service properties or characteristics should be clearly presented and should not, in the guise of creativity, be confusingly or misleadingly distorted or exaggerated in the light of the product's or service's market.
4. Advertisements should not substantially or materially have the same distinguishing features unique to other advertisements, regardless of product or service category, including general layout, copy, slogan, visual presentation, music, or sound effects.
5. An advertisement should avoid any possible confusion as to the identity of the advertiser or the source or identity of a product or service.
6. Advertisements incorporating a test or demonstration of a product or service property or characteristics must clearly, fairly, factually and accurately present the test or demonstration confirming the claimed product or service property or characteristic. Any test or demonstration may be used only if it directly proves the claimed product or service property or characteristics.
7. Price and purchase terms, when used, should be clear and complete. When parts or accessories that the consumer might reasonably suppose to be part of the original sale are available only at an extra cost or for further consideration, such should be clearly indicated.

## **B. Advertising Directed to Children:**

1. Sellers should take special care not to misrepresent a product or its performance when advertising to children.
2. Commercial websites directed to children under 13 years old or general audience sites that have actual knowledge that they are collecting information from a child must obtain parental permission before collecting such information.
3. Advertising is not permitted for the promotion of child pornography, any sexually suggestive content involving children, or other non-consensual material.
4. Prohibited content also includes ads promoting teen pornography or other pornography that describes models who might be underage
5. Advertisements directed primarily at the children should not exploit their natural credulity.
6. Advertisements and promotional activities for proprietary drugs, medicines, devices and treatments should not be directed to children.
7. Advertisements should not allow children taking drugs and medicines without the supervision of a responsible adult.
8. Advertisements should not encourage reckless, improper or antisocial behavior and should not show children in activities that would normally not be allowed by responsible adults for reasons of safety or propriety.
9. Advertisements meant for children should not contain indelicate references to infirmities or scenes depicting physical and mental cruelty. In general, advertisements for children should not show irresponsible, violent or reprehensible acts/practices in a manner that may lead children to interpret or adopt them as normal or acceptable social behavior.

## **C. Discriminating Advertisements**

1. Advertisements and associated websites should not promote violence or derogate a protected group. A protected group is distinguished by their: race or ethnic origin, color, national origin, religion, disability, sex, age, veteran status, sexual orientation/gender identity.
2. Ad text assailing any organization or person (public, private, or protected) is not permitted.

## **D. Advertisements with Sexual/Violent/Illegal Content**

1. Drugs: Advertising is not permitted for the promotion of illicit drugs and drug paraphernalia including the misuse or abuse of lawfully-acquired drugs and medicines.
2. Drug test: Advertising is not permitted for the promotion of products intended to help individuals pass drug tests such as drug cleansing shakes and urine test additives.
3. Advertisements should not depict dangerous practices or encourage disregard for safety, unless adequately qualified or balanced with a positive presentation or a clear warning within the advertisements.
4. Advertisements should not exploit or tend to promote physical, verbal or psychological violence or the use of deadly weapons (other than for lawful purposes) whether achieved through real or fictional characters or situations.
5. Advertisements should not emphasize or dramatize ailments, distress or morbid situations or use such situations in an offensive manner. Neither should advertisements demean or ridicule persons suffering from physical or mental afflictions or deformities.
6. Prostitution: Advertising is not permitted for the promotion of prostitution.
7. Profanity, obscenity and vulgarity, or presentations, which are offensive to contemporary standards of decency or morals, shall not be allowed, even when understood only by a part of the audience.
8. Indecent exposure of the human body shall not be allowed. Some exposure of the human body may be allowed in advertisements when in good taste and relevant to the product or service being advertised, the situation being portrayed or the audience being addressed.

#### **E. Advertisements of Fake Products:**

1. Fake documents: Advertising is not permitted for the promotion of fake documents such as fake IDs, passports, social security cards, immigration papers, diplomas, and noble titles.
2. Counterfeit designer goods: Advertising is not permitted for products that are replicas, or imitations, of designer goods.

#### **F. Political Advertisements:**

1. Hate/anti concepts: We do not allow ads that advocate discrimination or hatred against any individual, group or organization.
2. Advertisements should always be readily perceptible as commercial announcements and should not create any misimpression that they are news or editorial items or public service announcements. Applicable guidelines of the relevant media industry should also be observed

#### **G. Advertisements with Professional Data References/Testimonials**

1. Advertisements using the results of a bona fide research, surveys, or test relating to a product should not be so prepared or disseminated as to be misleading or inaccurate in any manner, including by creating or claiming any implication beyond that clearly established by the research, survey, or test.
2. No “No. 1” claim with respect to any product or service shall be allowed unless it is clearly delineated and qualified as to render the claim objectively verifiable. The claim should, in any case, be substantiated.
3. Testimonial claims should be genuine and truthful and should be categorically stated as the personal experience or opinion of the endorser and should be clearly presented as part of a testimonial statement.
4. All quotations from or references to laboratory data, statistics and scientific terms used should be presented fairly and in their correct context and should in any case not be presented as to create an impression other than that originally intended by the source.
5. “Before” and “After” situations must reflect truthful and factual comparisons. Comparisons of the “antecedent” situation with the “subsequent” situation must not be exaggerated or misleading.

#### **H. Advertisements with Non-Prescription Drugs, Devices, and Treatments**

1. No pharmaceutical product may be advertised unless it has been duly registered with the BFAD.
2. Advertisements for non-prescription drugs, devices, and treatments should not describe or dramatize distress (e.g., death or serious illness) in a morbid manner.
3. Advertisements of all non-prescription drugs should carry the advice, “*If symptoms persist, consult your physician.*”
4. In advertising medical products, claims that a product will effect a cure and the use of such words as “*safe*”, “*without risk*”, “*harmless*”, “*instant*”, “*effective*” or terms of similar import shall not be permitted, unless based on or within the context of and consistent with the indications and labeling of said products as approved by the BFAD.
5. Non-prescription drugs devices treatments may not be directly or indirectly advertised as the answer to conditions of premature aging or loss of virility, unless officially so allowed in writing by the BFAD.
6. Advertisements should not offer any product or treatment for slimming/ weight reduction or figure control if independent medical opinion considers the use of the product or treatment can be harmful.

7. The word “tonic” when used in advertisements shall state clearly the specific purpose for which the tonic is to be used or taken and shall not claim nor imply treatment or results related to sexual potency, inadequacy or the aging process.
8. Unlicensed medical practitioners shall not be allowed to advertise their services.
9. Advertisements by a medical practitioner shall be subject to the Code of Ethics and applicable laws and rules of his profession.

#### **I. Advertisements with Promotions**

1. Advertisements for propriety drugs, devices, and treatment offering prizes, promotions, competitions and additional rewards or benefits other than those which can be reasonably expected from the product’s use, or otherwise involving any promotion may be permitted only with the express written approval of the BFAD.
2. A propriety drug, device or medicine may not be used as a promotional item for any product or services without the express written approval of the BFAD.
3. The word “win” and/or words of similar meaning may not be used without qualification or as a categorical claim to imply a certainty of winning unless justified by the mechanics of the promotion.
4. Specific prizes, which can be won by a single individual, must be made clear and the total value of the prizes may be used only if plainly described as the aggregate value of several prizes.
5. Advertisements of raffles, contests, or competitions, which offer prizes should state all, the material conditions for participation. However, if no details or conditions are announced, the advertisement should also state how and where the purchaser may obtain full details of the rules, e.g., “*See posters and print ads for details.*”
6. Advertisements of contests or competitions must conform to the regulations of the appropriate government agency.

#### **J. Advertisements for Alcoholic Beverages/Cigarettes**

1. Advertisements should not state that smoking and/or drinking is essential to social success or acceptance, that drinking is a genuine symbol of masculinity or that refraining from drinking is a sign of weakness.
2. Advertisements for alcoholic beverages/ cigarettes/tobaccos should not depict the act of drinking/ smoking, explicitly or implicitly.
3. Advertisements should not feature or promote excessive drinking or smoking.

4. Advertisements should not claim that drinking or smoking brings about therapeutic, sedative, tranquilizing or stimulating effects or enhances sexual prowess or appeal.
5. Advertisements for local beverages/ cigarettes may not be aimed at or directed to minors as the target audience. Specifically models and talents who are minors and those who portray authority figures or roles meant to appeal specifically to minors (e.g., folk or comic book heroes, war/national heroes, law enforcers) may not appear in such advertisements.
6. Advertisements should not in any manner represent or imply that drinking and driving are safe compatible activities.
7. No advertisements on alcoholic beverages or cigarettes shall appear in any children's programs, or in children's magazines, or publications directed specifically to children and minors
8. Alcoholic beverage advertisements should carry the device "*DRINK MODERATELY*"
9. All cigarette advertisements should carry, at the end, the statement, "*GOVERNMENT WARNING: CIGARETTE SMOKING IS DANGEROUS TO YOUR HEALTH.*"

#### **K. Advertisements Using Philippine Standards and Symbols**

1. The Philippine National Flag or any of its earlier versions and the Seal of the Republic may be used as illustrative material only in sober and respectful advertising whose theme is patriotic or commemorative, or reflects the heritage and/or traditions of the Filipino people.
2. Historical/national events, national events, national heroes, and national shrines can be used in advertisements only if presented accurately and respectfully and used to promote positive values.
3. The representation of the Philippine Currency in advertisements shall be governed by the rules promulgated by the Bangko Sentral ng Pilipinas Circular No. 61 s. 1995).

#### **L. Advertisements for Financial Services**

1. Advertisements for financial services such as lending, investing, and other similar transactions should comply with applicable rules, regulations, and circulars of the Bangko Sentral ng Pilipinas and other appropriate government agencies.
2. Such advertisements should contain a sufficiently clear, concise and complete statement of all the material terms and conditions of the offered financial product, transaction or service in order that the consumer is fairly apprised of

the total consideration for and the essential nature of the product, transaction or service.

3. Where other specific details which could influence the consumer's decision are not stated, the advertisement should so indicate this and the manner in which complete information may be obtained. For this purpose, the advertisement may use a statement such as "For other important details and information, please contact or see \_\_\_\_\_."

#### **M. E-mails, Text Messages and Newsletters**

1. Marketing email, text messages and/or newsletter should only be sent to recipients who have provided their consent to receive such information (opt-in).
2. Subscribers may register by sending a text message, calling a voice response unit, registering on a website, or through some other legitimate paper-based method.
3. The subscriber must receive and/or be offered something of value to them in return for receiving the communication. Value may be delivered in the form of product and service enhancements, reminders, sweepstakes, contests, information, entertainment, discounts or location-based services
4. Email marketing messages/ newsletters and text messages should not be sent to recipients who have indicated that they do not wish to receive such.
5. Content Providers shall include valid addresses or numbers to which recipients can send requests to cease broadcast messages. They shall also provide command/message to opt-out.
6. An individual can request to be removed from the lists at any time. The process for opting out should be simple and straightforward, and organizations should confirm by email/text that the opt-out request has been or will be followed through without requiring further action by the consumer.
7. Every email or text marketing communication should clearly identify the sender of the message. The subject line and body text in the communication should accurately reflect the content, origin, and purpose of the communication.
8. Consumers must be allowed to choose and receive only the categories/keywords that they specifically requested before receiving email, text and newsletters.

#### **N. Superlative Claim**

1. Particular care must be exercised in the use of superlative claims. General superiority claims like 'the best,' and 'No.1' may not be used unless factually substantiated.

2. The substantiation claim shall cover at least the immediately preceding 12 month period and should be supported by data from independent sources. In the absence of data pertaining to the last 12month period, the substantiation may be based on the latest available reliable and bona fide figures.

## **O. Miscellaneous**

1. *Educational Institutions:* Advertisements for educational, development or training institutions or enterprises should not exaggerate or mislead regarding the opportunities supposedly awaiting those who enroll in their courses.
2. *Articles that require assembling:* All products, which require assembling, should state this clearly and prominently in their advertisements.
3. *Charitable causes:* Advertisements involving charitable causes as beneficiaries should indicate the particular beneficiary.
4. *Corporate advertising:* Corporate advertising must be fair, truthful and accurate; it should not contain any exaggerations or sweeping generalizations that may mislead the public regarding the advertiser or the attributes of its products or services. Where the advertisements contain specific claims regarding the company or its product or services, such claims must be verifiable and subject to substantiation in the same manner as regular product or service advertisements.
5. *Exploiting unnatural phenomena:* Advertisements should not exploit public credulity related to superstition, fortune telling, dream interpretation, faith, healing, the occult, and other similar matters.
6. *Agrochemical and veterinary products:* The advertising of agrochemical and veterinary products, particularly fertilizers and pesticides, shall likewise be governed by and should comply with the specific advertising guidelines set out by the Food and Agriculture Organization (FAO) Code of Ethics as well as all rules and regulations issued by appropriate governmental agencies.
7. *Price Advertising:* Advertisements should not contain misleading, exaggerated, or fictitious price comparisons, discounts, or other claimed savings. All indicated prices and other economic terms should be complete and accurate and should not mislead the public by distortion, omission, or undue emphasis.
  - All price comparisons should conform to Rule IV (Price Advertising), Chapter VI, Title III of the Department of Trade and Industry's D.A.O. No. 2, s. 1993. (Refer to Appendix III).
  - Advertisements relating to a discount price shall not be allowed unless the discounted price is compared to the previous price and the discount price is maintained throughout the promotional period advertised.



- Advertisements for special sales should conform with applicable government regulations. In any case, such advertisements should contain no false or misleading price or savings claims and should specify which store, branch, department and lines of goods are covered by the sale.
- Advertisements for installment sales, lease-purchase and other similar transactions (including those where the consideration for the product or service is to be paid over a period of time) which makes any reference to prices or terms should likewise provide all pertinent information on terms of payment, additional charges, if any, and all other economic or financial features of the transaction so as to reflect the total cost/consideration for the goods or services being advertised

IMMAP also adheres to the following:

- Standards of Advertising of the AD Standard Council Inc.
- Code of Ethics of the Philippine Adboard
- Circulars issued by the National Telecommunication Commission
- Global Mobile Advertising Guidelines, as promulgated by the Mobile Marketing Association

Any violation to the above Code of Ethics must be brought to the attention of the IMMAP Ethics Committee.

## **Business Practice and Standards Guideline**

### **Fees**

1. IMMAP believes in market driven pricing. IMMAP members' rate cards are available to clients upon request.
2. Pricing/advertising rates will be uniform whether a client deals directly with the publisher or through third party agencies.
3. IMMAP member advertising agencies are entitled to commissions of up to 15%.
4. Publishers are entitled to charge for additional services rendered to clients.

### **Non-Payment to IMMAP Members**

5. IMMAP members whose services remain unpaid after reasonable time and follow ups (beyond 60 days) may inform the committee so that other members will be apprised of the situation. IMMAP members may collectively agree not to service a client if invoice remains unpaid.
6. IMMAP members may charge an additional 2% per month for late payment of invoices.

### **Ad Sizes and Naming Convention**

7. IMMAP shall follow the standards set by the Internet Advertising Bureau [http://www.iab.net/iab\\_products\\_and\\_industry\\_services/1421/1443/1452](http://www.iab.net/iab_products_and_industry_services/1421/1443/1452) for uniformity of ad sizes and naming conventions.

### **Database Building**

8. Subscribers must be informed that information they submit (name, address, phone number and other details) will be provided to the advertiser and used for other promotional purposes. With the consent of the subscriber, collected information will be the property of the advertiser who commissioned the database building activity.

## **2008 Ethics and Standards Committee Composition**

The following individuals will compose the Ethics and Standards Review and Resolution Committee for 2008:

1. Robert John Oh – Quantum X, Inc
2. Jojit Alcazar – Wolfac Mobile Inc.
3. Mel Jones – Smart Telecommunications
4. Clare Alvarez – Globe Telecom
5. Arthur Policarpio – Global Wireless Communications
6. Nix Nollado – Xurpas
7. Margarita Cruz – WSA
8. Jill Aquino – Yehey
9. Dara David – Click the City
10. Michael Palacios – Havoc
11. Chinky Llave – New Media Worldwide