



The Advertising Association

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The Review of Directive 1999/94/EC “relating to the availability of consumer information on fuel economy and CO₂ emissions in respect of the marketing of new passenger cars”

Comments by The Advertising Association

1. *About the Advertising Association*

- 1.1 The Advertising Association is a federation of 30 trade bodies and organisations representing the advertising and promotional marketing industries including advertisers, agencies, media and support services. It is the only body that speaks for all sides of an industry that was worth over £19 billion in 2007. More information about the Advertising Association and its members can be found at: <http://www.adassoc.org.uk/>

2. *Views in summary*

- 2.1 Policies to raise public awareness about climate change and address environmental objectives are important, but must be workable and effective.
- 2.2 Mandatory information messages in advertising are not an effective way to raise consumer awareness. From the perspective of the advertiser, they decrease advertising effectiveness and so increase the cost of advertising to reach the number of people required. There could be damaging repercussions for the media in turn, if, as a result, manufacturers shift their marketing budgets to other media or forms of promotion. Losses in advertising revenue directly impact on budgets for editorial and programming.
- 2.3 Consequently, we believe the approach taken in the existing Directive is not desirable because it does not work. We understand that the European Commission has just opened investigative procedures into the approach adopted by seven Member States towards enforcing the Directive. But even more importantly, before reviewing the Directive, robust quantitative and qualitative research should be commissioned, as part of the impact assessment, to measure the efficacy of the current requirements in terms of consumer attitudes and awareness in the Member States.
- 2.4 As there is to date no evidence to demonstrate that information requirements in advertising add any value to the policy objectives of raising consumer awareness, including around environmental issues, we believe the starting point should be to remove existing information requirements in print and outdoor car advertising, and not to extend them to other media, such as radio, TV and digital media, which by their nature are inappropriate for conveying significant amounts of information additional to the advertising message.

- 2.5 We would support the provision of good information at point-of-sale or on websites, and it might be useful for advertising to be used to drive consumers to that information – be it in brochures, online or at point-of-sale.
- 2.6 As a second stage, the Commission could explore alternative and more creative ways to increase consumer awareness about environmentally-friendly options when buying a new car, perhaps using as a model the UK Department for Transport's *Act on CO₂* campaign, as well as encouraging car manufacturers to promote such information in consumer-friendly ways on their websites.
- 2.7 The next sections of this submission contain:
- a summary of recent research studies that demonstrate why the inclusion of mandatory information in advertisements is unlikely to provide any consumer benefit (Section 3); and,
 - a summary of the legal framework and self-regulatory controls in the UK (Section 4).

3. **Consumer information in advertising – does it work?**

The public's perception of advertising in today's society – report on the findings from a research study

Conducted by: The Thinking Shop

Commissioned by: The Advertising Standards Authority

Published: February 2002

Relevant finding: Consumers tend to regard the inclusion of mandatory statements in advertisements as there to protect the advertiser rather than being of benefit to themselves.

Download from:

http://www.asa.org.uk/NR/rdonlyres/A351FFA3-22D2-4A03-942E-F653A700B6EC/0/ASA_Public_Perception_of_Advertising_Feb_2002.pdf

Radio Commercials and Wealth Warnings

Conducted by: Navigator

Commissioned by: Radio Advertising Bureau

Published: February 2004

Relevant finding: Consumers use advertising to make them aware of the different products available rather than as a useful way to find out detailed information about them. Supplier literature is regarded as the most appropriate means for delivering such information. There is cynicism amongst consumers about the role and usefulness of warnings in advertising and recognition that radio would be most detrimentally affected by their inclusion.

Download from:

[n/a – already provided to the European Commission](#)

Effects of advertising in respect of compensation claims for personal injury

Conducted by: Millward Brown

Commissioned by: Department for Constitutional Affairs

Published: March 2006

Relevant finding: Relying strongly on either text onscreen or a voiceover to convey a message can prove ineffective (unless the voiceover or text is clearly reinforcing the visuals appearing on screen at the time).

Download from:

<http://www.cap.org.uk/NR/ronlyres/DC59B829-D6DC-4585-81C7-8A6D7BC5494F/0/ClaimsadvertisingreportFINAL080506.pdf>

Consumer Purchasing Outcomes Survey

Conducted by: BMRB and The Henley Centre

Commissioned by: Financial Services Authority

Published: September 2006

Relevant finding: Advertisements were not deemed to be a useful source of detailed information for house-buyers in their decision-making processes for purchasing mortgage products, despite the data they are required by the regulator to incorporate. (Information provided by financial advisers was considered to be the most useful source of data upon which decisions were made, followed by leaflets and brochures supplied by the financial services companies offering the products.) This finding would appear to underline the fact that advertising by its very nature is aimed at raising awareness of products, rather than acting as a source of detailed information that consumers utilise when making purchasing decisions.

Download from:

http://www.fsa.gov.uk/pubs/other/mortgage_review_outcomes.pdf

Licensing Conditions and Codes of Practice Focus Group Research

Conducted by: Corr Willbourn Research & Development, November 2006

Commissioned by: Gambling Commission

Published: November 2006

Relevant finding: Consumers tend to regard the inclusion of mandatory statements in advertisements as there to protect the advertiser rather than being of benefit to themselves.

Download from:

<http://www.gamblingcommission.gov.uk/UploadDocs/publications/Document/Focus%20group%20results.pdf>

Although not advertising-specific, the following report may also be of interest:

Warning: Too much information can harm

Conducted and commissioned by: Department for Business, Enterprise & Regulatory Reform and National Consumer Council

Published: November 2007

Relevant finding: Many pieces of information were simply not having the impact on consumer behaviour they set out to achieve, whilst placing an undue administrative burden on businesses to ensure compliance.

Download from:

http://www.ncc.org.uk/nccpdf/poldocs/BRE-NCC_warning_too_much_information.pdf

4. UK Legal Framework, and Advertising Self-Regulatory Controls

- 4.1 The rules on the inclusion of mandatory information in advertising contained within the current version of the Labelling Directive are enforced through the implementing legislation in the UK by the relevant statutory authority - the Vehicle Certification Agency (VCA).
- 4.2 Environmental advertising claims are addressed in European law by the Audiovisual Media Services Directive, and misleading advertising claims are addressed by the Unfair Commercial Practices Directive.
- 4.3 Advertising self-regulatory Codes of Practice already exist at national level and are applied in the UK by the Advertising Standards Authority (ASA).
- 4.4 The ASA has been active in ensuring that these are fully enforced as regards environmental claims. An overview of recent adjudications by the ASA in this field can be found at the following location:
http://www.asa.org.uk/asa/focus/background_briefings/Environmental+Claims.htm
- 4.5 In order to help advertisers ensure that they do not breach the Codes, online advice about making environmental claims both generally and in respect of cars specifically is available on the ASA website as follows:

Environmental claims: General

http://www.cap.org.uk/cap/advice_online/advice_online_database/Show+Entry.htm?advice_online_id=470

Environmental claims: Motoring

http://www.cap.org.uk/cap/advice_online/advice_online_database/Show+Entry.htm?advice_online_id=473

August 2008