

RESPONSIBLE ADVERTISING: A CASE STUDY OF COMPANY COMPLIANCE



FERRERO COMMITMENT N. 427: Responsible Advertising to Children & Media Literacy



TWO OBJECTIVES:

1. Contribute to changing the balance of food and beverage advertising on TV, print and internet addressed to children by not advertising any products primarily to children under 12 years in EU Member States, in application of the **“EU Pledge”** .
2. Help children to develop the ability to understand and critically interpret advertising, by supporting the **Media Smart** Programme in several EU Countries.

OBJECTIVE N. 1: Ferrero Commitments on advertising to children under the “EU Pledge”

UPDATED FERRERO COMMITMENTS

January 2015 ⁽¹⁾

- In line with the **EU PLEDGE “Enhanced 2012 commitments”**⁽²⁾, since 1st January 2013 the Ferrero Group does not advertise any of its products to media audiences with a minimum of **35%** of children under 12 years. On the internet, such commitments apply to third-party internet advertising, as well as to **company-owned websites**.
- Ferrero remains committed **not to advertise any of its products to children under 12 years in the 28 EU member states** (even after the entry into force on 1st January 2015 of the “*Common EU Pledge Nutrition Criteria*”)
- Ferrero is actively working to implement the **EU PLEDGE “Enhanced 2014 Commitments”**⁽³⁾ **by the end of 2016**. Such enhanced commitments will enlarge the application of the EU Pledge to radio, cinema, DVD/CD-ROM, direct marketing, product placement, interactive games, mobile and SMS marketing. In addition, where no reliable audience measurement data is available (e.g. digital advertising), the overall impression of the marketing communication will also be considered, so as to ensure that the communication is not designed to appeal primarily to children under 12.

(1) http://www.eu-pledge.eu/sites/eu-pledge.eu/files/pledges/EU_Pledge_Ferrero_Commitment.pdf

(2) <http://www.eu-pledge.eu/content/enhanced-2012-commitments>

(3) <http://www.eu-pledge.eu/content/enhanced-2014-commitments>

INTERNAL ACTIVITIES TO ENSURE COMPLIANCE (1)

- **2015** was the third year of the entry into force of the 2012 enhanced commitments including a stricter audience threshold and company owned websites.
- An **intense activity of coordination of the various company teams involved in the issue of responsible advertising (marketing/legal/media planning/business units)** was carried out, in order to continue to ensure the highest possible level of compliance.
- As part of the 2015 objectives, the company continued to work on the **implementation of parental control mechanisms**, in particular for the **Kinder Brand websites**.



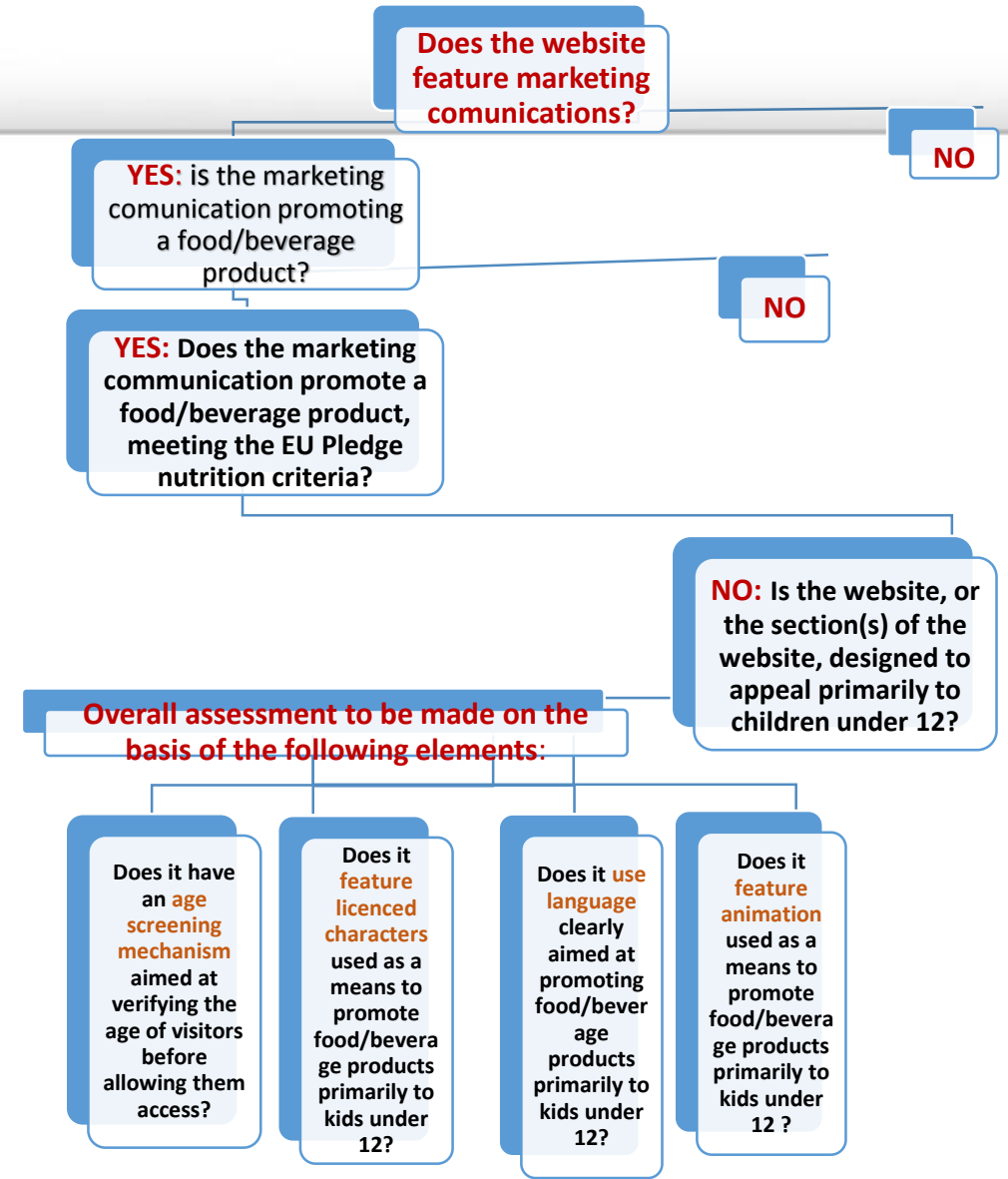
INTERNAL ACTIVITIES TO ENSURE COMPLIANCE (2)

- **Internal Guidelines on Responsible Advertising** and the **“Marketing to Children Road Test”** were presented and discussed internally in an *ad hoc* meeting on 28 September 2015, with 37 participants representing the following functions: Area Country Managers, Country Marketing Managers and Institutional Affairs and PR Managers. Between September and November 2015 follow-up internal meetings took place in UK, Germany and Russia.
- The **“Marketing to Children Road Test”** was developed with the support of the **World Federation of Advertisers**. This test is intended to **help Ferrero marketers and their teams to familiarize with the concept of responsible advertising through real life examples**. It is divided into different sections (online marketing, toys marketing, food marketing) where concrete ads are presented, accompanied by questions and answers (general, as well as company-specific) and explanations for each case. The tool is used internally by marketers to help ensure a high degree of compliance with the EU Pledge commitments.

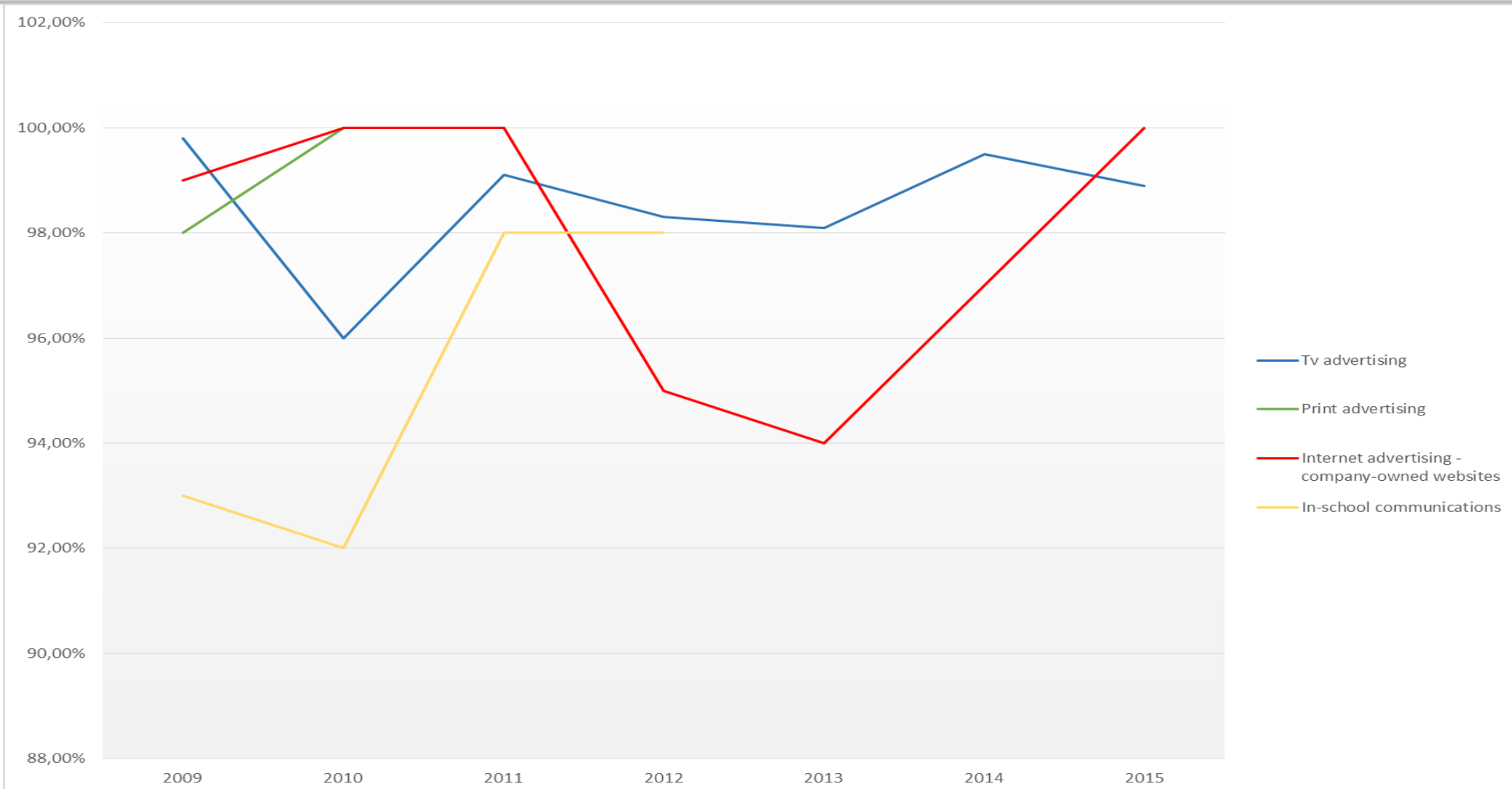


Excerpt from the «Ferrero Internal Guidelines on Responsible Advertising»

- How can company-owned website be considered as “EU PLEDGE COMPLIANT”?
- The principle is simple: **FOOD PRODUCT COMMUNICATIONS CANNOT BE ADDRESSED PRIMARILY TO KIDS UNDER 12!**
- IT IS AN OVERALL EVALUATION: ALL the elements (i.e. the overall “creative execution”) need to be taken into account collectively in order to assess the compliance of the website with the EU Pledge



RESULTS ACHIEVED: THE FERRERO EU PLEDGE COMPLIANCE TREND



HOW HAS FERRERO'S TV ADVERTISING EVOLVED?

A CONCRETE EXAMPLE



1992



2013

HOW HAS FERRERO'S DIGITAL ADVERTISING EVOLVED?

A CONCRETE EXAMPLE

In 2013, the Spanish “Magic Kinder” website was flagged by the EASA monitoring as “*primarily appealing to children under 12*”. The necessary changes were, therefore, introduced.



2013



2016

DISFRUTA DE UNA EXPERIENCIA DIGITAL ÚNICA PARA TODA TU FAMILIA

Un sitio lleno de contenidos y seguro pensado para la generación de la pantalla táctil y adecuado para satisfacer las necesidades de los padres. Esta es nuestra forma de apoyar a padres e hijos, haciendo que cada pequeño momento del día resulte especial.

OBJECTIVE N. 2: SUPPORTING THE MEDIASMART PROGRAMME IN THE EU

- In order to help children to develop the ability to understand and critically interpret advertising, since 2007 Ferrero, together with other partners, supports the **Media Smart Programme** in several EU countries.
- Media Smart Programme gives primary school children the tools to help them interpret, understand and use to their benefit the information provided in adverts. This media literacy programme teaches children to question their sources of information and helps them think about the influences on their every day choices as young consumers.
- Although also supported by industry, the Programme is completely free from any form of branding.
- Between 2007 and 2015, Ferrero supported Media Smart with a total amount of around **640K Euros** in the following **8 countries: UK, Germany, Hungary, The Netherlands, Sweden, Poland, France and Belgium**.



Thank you!

