

MEDIA RELEASE

Ad Standards Releases *AdChoices* Accountability Program: 2017 Compliance Report

TORONTO, March 7, 2018 – Ad Standards today released its annual compliance report under the AdChoices Accountability Program. The report highlights progress made by companies committed to the Digital Advertising Alliance of Canada (DAAC) Self-Regulatory Principles for Online Behavioural Advertising (DAAC Principles). The DAAC Principles call for participating companies (Participants) to notify consumers about online interest-based advertising (IBA) and provide consumers with the ability to opt out of this type of advertising. Ad Standards' primary focus is to help ensure Participants are providing consumers with transparency and control mechanisms for IBA.

The *AdChoices Accountability Program: 2017 Compliance Report* details DAAC Program growth, notably the increasing rates of compliance with the DAAC AdChoices Program (Program) requirements by the overwhelming majority of Participants and the expansion of the Accountability Program to include monitoring Participants for compliance with the *DAAC Application of the Self-Regulatory Principles to the Mobile Environment*, beginning in 2018.

Report Highlights

- **At year-end, 83 companies had committed to the Program.** Participants include leading ad networks, ad exchanges, and other advertising technology companies, as well as major publishers and brand advertisers. This report includes findings related to the 76 companies reviewed to date.
- **72 of 76 Participants either provide or are in the process of providing consumers with the notice and choice mechanism mandated by the Program on their websites.** The notice and choice mechanism ensures consumers have knowledge of, and control over, interest-based advertising (IBA) on Participant websites.
- Ad Standards tested the consumer experience with IBA on 30 websites popular with Canadians.
 - **The AdChoices icon appeared on all interest-based advertisements found on the sampled websites.**
 - **When the DAAC opt-out tool (youradchoices.ca/choices) was used, no interest-based advertising was found on any of the 30 websites tested.**

- **Participant websites provided consumers with notice about interest-based advertising and the ability to opt out of receiving interest-based advertising far more frequently than did a sample of 30 popular English and French websites owned by non-participating companies.** Notably, no company in the sample of non-participating companies provided a prominent notice before or at the time of data collection or use for interest-based advertising purposes.

“Ad Standards recognizes that achieving compliance is not without its challenges, and we acknowledge the significant efforts expended by Participants to achieve success in providing consumers with transparency and control mechanisms for online interest-based advertising,” said Peter White, Senior Vice President, Ad Standards & Director, AdChoices Accountability Program. “However, we have also identified a small number of companies that have not yet met their Program obligations and have not committed to corrective action. With the Program achieving maturation, we are redoubling our efforts to ensure that only compliant companies maintain the privilege of Program participation.”

As part of its compliance mandate, Ad Standards also accepts and adjudicates consumer complaints about IBA. In 2017, Ad Standards received 271 consumer complaints for review under the IBA Accountability and Complaint Procedure. In total, 13 complaints (or 5%) were determined to raise potential IBA concerns. Most of these involved allegations that an IBA opt-out did not work. In five of these cases, Ad Standards found the opt-out tool was generally working, but there were some temporary problems. In these cases, Ad Standards reported the malfunctions to the DAAC, which has a mechanism to resolve opt-out malfunctions. In the other eight complaints, Ad Standards assisted the complainants with opt-outs on specific websites or with how to opt out of IBA entirely. “The DAAC’s continuing consumer education initiative informs the public about the scope of the program. This important initiative helps consumers understand what they can expect when they choose to opt out,” said Jani Yates, President and CEO, Ad Standards.

The AdChoices Accountability Program

Ad Standards, the national, independent, not-for-profit advertising self-regulatory body, is responsible for managing and operating accountability for the Digital Advertising Alliance of Canada (DAAC) AdChoices Program. Ad Standards' compliance efforts help to ensure that participating companies achieve the requirements set out in the DAAC Self-Regulatory Principles for Online Behavioural Advertising. Details about Ad Standards' AdChoices Accountability Program can be found online at adstandards.ca/AdChoices

About Ad Standards

Ad Standards is the national, independent, not-for-profit advertising self-regulatory body. We are committed to fostering community confidence in advertising and to ensuring the integrity and viability of advertising in Canada through responsible industry self-regulation. Ad Standards administers the *Canadian Code of Advertising Standards*, the principal instrument of advertising self-regulation in Canada, and a national mechanism for accepting and responding to consumers' complaints about advertising. Ad Standards Clearance Services reviews creative and offers consultative services in five categories, to help ensure advertising complies with relevant regulations.

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