# Social Media Marketing Disclosure Guide





## The WOMMA Guide to Disclosure in Social Media Marketing

The WOMMA Ethics Code is the cornerstone for prudent practices in the WOM industry. In light of the December 2009 effective date of the Federal Trade Commission (FTC) Guides Concerning the Use of Endorsements and Testimonials in Advertising, WOMMA leadership responded to member demand for additional meaningful disclosures for social media marketing. This is a continuation of an effort started in 2008 when WOMMA began formalizing best practices by engaging industry leaders, members, non members, academics and consumers. The process included:

- Launching the inaugural Living Ethics process in November 2008 at the WOMMA Summit, leading to meaningful changes to the WOMMA Code in 2009;
- Convening an expert panel in September 2009 to address transparency and disclosure in social media;
- Creating the Living Ethics Blog to allow comments/questions concerning transparency and disclosure in social media;
- Incorporating feedback from the Living Ethics Blog to create the first draft of this WOMMA Guide to Disclosure:
- Presenting the preliminary Disclosure Guide at the 2009 WOMMA Summit and re-opening the Living Ethics Blog from November 18 thru January 4, 2010 to obtain public comments and:
- Formalizing final recommendations for industry use.

## Social Media and the Responsibilities of Advertisers, Marketers and Bloggers

With the rising popularity of social media websites from blogs to Twitter to Facebook, the issue of ethical word of mouth marketing has taken on new prominence. Many brands and agencies are designing word of mouth marketing programs to foster relationships with social media participants. (Those participants or speakers are referred to in this document as "bloggers.")

Consumers have a right to know the sponsor behind advertising messages that could influence their purchasing decisions, but key information is not always adequately disclosed in a social media context. Thus, for testimonials and endorsements delivered to consumers through social media - whether by consumers, experts, celebrities, or organizations - - the FTC requires advertisers and bloggers to disclose all "material connections." Such "material connections" may be defined as any connection between a blogger and an advertiser that could affect the credibility consumers give to that blogger's statements. Important examples of "material connections" include (a) consideration (benefits or incentives such as monetary compensation, loaner products, free services, in-kind gifts, special access privileges) provided by an advertiser to a blogger, or (b) a relationship between an advertiser and a blogger (such as an employment relationship).

## Scope and Purpose of the WOMMA Guide to Disclosure in Social Media Marketing

This document provides best practices in light of the FTC Guide that was released last year. It is not WOMMA's intent for this document to replace your company's legal advice or practices but rather to enhance it. As social media is ever-changing, the WOMMA Disclosure Guide will be a living document - continuing to be refined to reflect evolving industry best practices.

Key online platforms covered in this Guide include, but are not limited to blogs, microblogs (e.g., Twitter), online comments, social networks, video sharing websites, photo sharing websites, and podcasts.

#### **Clear and Prominent Disclosure**

No matter which platform is used, adequate disclosures must be clear and prominent. Language should be easily understood and unambiguous. Placement of the disclosure must be easily viewed and not hidden deep in the text or deep on the page. All disclosures should appear in a reasonable font size and color that is both readable and noticeable to consumers.

#### **Disclosure Best Practices**

As stated above, bloggers are required to disclose "material connections" to advertisers. Listed below is sample disclosure language, organized by the platform used. Alternative, but substantively comparable, language may also be used where appropriate.

| Persona | l and | <b>Ed</b> i | tor | a | B | log | ZS |
|---------|-------|-------------|-----|---|---|-----|----|
|---------|-------|-------------|-----|---|---|-----|----|

 I received product or sample **from** company name company name sent me product or sample

#### **Product Review Blogs**

I received \_\_\_\_product or sample \_\_\_\_from \_\_\_\_company name \_\_\_\_ to review company name \_\_ to review I was paid by

Additionally for product review blogs, WOMMA strongly recommends creating and prominently posting a "Disclosure and Relationships Statement" section on the blog fully disclosing how a review blogger works with companies in accepting and reviewing products, and listing any conflicts of interest that may affect the credibility of their reviews.

#### **Providing Comments in Online Discussions**

- I received \_\_\_\_ product or sample \_\_\_ from \_\_\_ company name I was paid by \_\_\_\_\_ company name
- I am an employee [or representative] of \_\_\_\_\_ company name

#### **Microblogs**

Include a hash tag notation, either:

- #spon (sponsored)
- #paid (paid)
- #samp (sample)

Additionally, WOMMA strongly recommends posting a link on your profile page directing people to a full "Disclosure and Relationships Statement." This statement, much like the one WOMMA recommends for review blogs, should state how you work with companies in accepting and reviewing products, and listing any conflicts of interest that may affect the credibility of your sponsored or paid reviews.

#### **Status Updates on Social Networks**

- product or sample \_\_\_\_ from \_\_\_\_company name I received
- I was paid by company name

If status updates are limited by character restrictions, the best practice disclosure requirement is to include a hash tag notation of either #spon, #paid or #samp. Additionally, WOMMA strongly recommends posting a full description or a link on your social network profile page directing people to a "Disclosure and Relationships Statement." Note that if an employee blogs about his or her company's products, citing the identity of the employer in the profile may not be a sufficient disclosure. Bloggers' disclosures should appear close to the endorsement or testimonial statement they are posting.

#### Video and Photo Sharing Websites

Include as part of the video/photo content and part of the written description:

- I received \_\_\_\_product or sample \_\_\_ from \_\_\_\_company name
- I was paid by \_\_\_\_\_ company name

Additionally, WOMMA strongly recommends posting a full description or a link on your video and/or photo sharing profile page directing people to a "Disclosure and Relationships Statement."

#### **Podcasts**

Include, as part of the audio content and part of the written description:

- I received \_\_\_\_product or sample \_\_\_\_ from \_\_\_\_ company name
- I was paid by \_\_\_\_\_ company name

Additionally, WOMMA strongly recommends posting a full description or a link directing people to a "Disclosure and Relationships Statement."