



## Participation and Compliance on the Rise for the AdChoices Program

**TORONTO, February 8, 2017** - Advertising Standards Canada (ASC) today released its second compliance report under the *ASC AdChoices Accountability Program*. The annual report highlights the progress made by companies committed to the Digital Advertising Alliance of Canada (DAAC) *Self-Regulatory Principles for Online Behavioural Advertising* (DAAC Principles).

The [ASC AdChoices Accountability Program: 2016 Compliance Report](#) documents growth in both DAAC program participation and in participant compliance with the DAAC Principles. The DAAC Principles call for participants to notify consumers about online interest-based advertising (IBA) and provide consumers with the ability to opt out of this type of advertising. ASC's primary focus is to help ensure participants are providing consumers with transparency and control mechanisms for IBA.

### Key Findings

- **Participation in the DAAC program increased from 65 to 79 companies.** Participants include leading ad networks, ad exchanges, and other advertising technology companies, as well as major publishers and advertisers.
- **The rate of compliance by DAAC program participants increased in 2016.** In 69% (51 of 74) of reviews, ASC found that participants had compliant transparency and consumer control mechanisms in place, up from 20% (10 of 50) at the time of ASC's initial review in 2015.
- **DAAC opt-out tool effectively removes IBA.** ASC tested the DAAC opt-out tool for IBA ([youradchoices.ca/choices](http://youradchoices.ca/choices)) and found that after selecting to opt out of all listed companies in the tool, IBA advertising ceased to be displayed on 20 top websites visited by consumers.
- **DAAC participants are better at providing consumers with transparency and control tools than are non-participating companies.** In a comparative analysis between DAAC program participants and a sample of 30 highly-visited websites operated by non-participating companies, ASC found that DAAC participants do a better job than the non-participants at providing consumers with transparency and control mechanisms for IBA. The non-participating companies do not typically provide consumers with a real-time notice that IBA activity is occurring, and if they do, it is often not sufficiently visible. Further, participants provide opt-out mechanisms more frequently than do the non-participating companies in the sample. Specifically:
  - 95% of participants provide a mechanism that allows consumers to opt out of collection or use of data for IBA purposes compared to 69% of the non-participating companies.
  - 90% of participants provide real-time notice that IBA is occurring, compared to 31% of the non-participating companies.
  - 87% of participants provide IBA disclosures compared to 77% of the non-participating companies.
- **AdChoices icon used by participants.** 67% of participants have adopted the AdChoices icon and accompanying "AdChoices" text to inform consumers of IBA activity, thus building awareness of this important communication tool.

Upon completion of a review, ASC provides participants with detailed findings identifying areas requiring corrective action. "ASC's recommendations were very well received in 2016," said Jani Yates, President and CEO,

Advertising Standards Canada. “Participants continue to invest the significant resources that successful implementation requires. We thank them for their cooperation, commitment, and enthusiasm for achieving the DAAC program requirements.”

As part of its compliance mandate, ASC also accepts and adjudicates consumer complaints about IBA. In 2016, ASC received 283 consumer complaints for review under its IBA Compliance Procedure. In total, 24 complaints (or 8%) were determined to raise potential IBA concerns. These involved allegations that an IBA opt-out mechanism did not work. In most cases, consumers mistakenly believed that opting out would completely eliminate advertising rather than eliminate interest-based advertising. “The DAAC has implemented a consumer education initiative that informs the public about the scope of the program. This important initiative will help consumers understand what they can expect to see when they choose to opt out ,” said Yates.

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#### **The ASC AdChoices Accountability Program**

ASC, 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. ASC ‘s 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 ASC’s AdChoices Accountability Program can be found online at [adstandards.com/AdChoices](http://adstandards.com/AdChoices)

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