

Public Review Consultation
Discussion Paper
October 2025

# **CONSULTATION**

## **Background**

The Australian Association of National Advertisers (AANA) is reviewing the AANA Code of Ethics, to ensure that it continues to provide a robust framework for advertising self-regulation in Australia.

Australia's world-class advertising self-regulatory system promotes responsible advertising, is responsive to emerging issues, protects consumers and provides a way for Australians to voice concerns. The system operates at no cost to government or the community. Australian advertisers help maintain the system by paying the self-regulation levy.

The objectives of the AANA Code of Ethics are to set standards to ensure that advertisements and other forms of marketing communications are legal, decent, honest and truthful and that they have been prepared with a sense of obligation to the consumer and society and a sense of fairness and responsibility to competitors. The AANA Code of Ethics is accompanied by Practice Notes to provide guidance to advertisers and complainants on the intent of the Code's clauses. The Practice Notes must be applied by the Ad Standards Community Panel in making its determinations.

The aim of the current review of the AANA Code of Ethics is to update and, where necessary, develop the Code and Practice Notes to ensure that it continues to meet community requirements and expectations. It is our intention that a revised AANA Code of Ethics will align with world's best practice standards.

The purpose of this discussion paper is to promote dialogue with all stakeholders and to stimulate informed input to the review. It is not intended to be prescriptive and any other matters raised will be given due consideration. Submissions received in response to this paper will assist the AANA in reviewing and updating the Code of Ethics and Practice Notes.

## **Consultation process**

The AANA Code of Ethics review consultation will be undertaken through:

- written submissions from any interested party;
- discussions between interested stakeholders and the AANA; and
- targeted research as appropriate.

The AANA invites submissions from all interested parties by **5pm on Friday 16 January 2025**. Written submissions or enquires on this discussion paper may be made as follows:

By email: aanasubmissions@aana.com.au

AANA requests that all submitters clearly identify:

- the name of the party making the submission; or
- the organisation or interest group represented by the submission; and
- contact details including telephone number and email address (if available).

# **AANA & SELF-REGULATION**

## **Background**

Advertising and marketing play an important national and global economic and social role, contributing approximately \$53 billion to the Australian economy (2.1% of GDP in 2022) and employing over 153,400 people in Australia<sup>1</sup>. Driving competition and innovation, advertising has the power to influence behaviour, improve market efficiency and deliver direct cost savings to consumers. Advertising funds news, media, sport, arts and public transport, with \$352 million of public infrastructure across Australian communities built and maintained by the advertising industry<sup>2</sup>.

Advertising and marketing methods are constantly evolving and take many forms, including out of home, TV, radio, podcast, social media, email, product placement, digital and paid search advertising and many more.

The AANA has been the leading marketing industry body in Australia for over 90 years. Our purpose is to shape the future of a trusted and sustainable marketing industry in Australia that drives business growth.

AANA's advertising self-regulatory system came into operation in 1997 following extensive consultation by AANA with consumers and consumer groups, advertisers, business and government representatives. The system serves to protect the interests and rights of consumers by helping to ensure advertising and marketing communication is conducted responsibly and meets community expectations.

The system, which has the support of all major media owners and their associations, includes both code making expertise and a complaints handling system administered by Ad Standards, providing independent determinations regarding breaches of the AANA Codes. The model ensures both complaints and decisions are dealt with transparently.

A key strength of the AANA self-regulatory system is the commitment to regular reviews and evolution of the codes to maintain universality (application to all media and all brands) and to address specific problem areas. AANA is committed to conducting a formal public review of each code every five years. The Code of Ethics was reviewed in 2019 and the current Code took effect in February 2021.

### **AANA** codes

The Code of Ethics provides the overarching set of principles to which advertising and marketing communication, across all channels, should comply. The Code of Ethics is widely regarded as the standard for ethical behaviour by advertisers and marketers as well as by advertising and marketing agencies. The vast majority of complaints dealt with by Ad Standards relate to elements of this over-

<sup>&</sup>lt;sup>1</sup> Advertising Pays: Second Edition - the economic, employment and business value of advertising, 2023 http://www.advertisingpays.com.au/

<sup>&</sup>lt;sup>2</sup> Advertising Pays: Second Edition - the economic, employment and business value of advertising, 2023 http://www.advertisingpays.com.au/

arching Code.

In addition to the Code of Ethics, the AANA currently administers four other codes:

- Food & Beverages Advertising Code
- Children's Advertising Code
- Environmental Claims Code
- Wagering Advertising Code

## **Definition of advertising**

All AANA codes have defined 'advertising' and 'medium' so as to be technology and platform neutral and apply to all consumer advertising and marketing communication, whether or not the brand owner is an AANA member.

In the AANA codes, Advertising means:

- a. any advertising, marketing communication or material which is published or broadcast using any Medium or any activity which is undertaken by, or on behalf of an advertiser or marketer,
  - over which the advertiser or marketer has a reasonable degree of control, and
  - that draws the attention of the public in a manner calculated to promote or oppose directly or indirectly a product, service, person, organisation or line of conduct,

## b. but does not include:

- labels or packaging for products
- corporate reports including corporate public affairs messages in press releases and other media statements, annual reports, statements on matters of public policy
- in the case of broadcast media, any material which promotes a program or programs to be broadcast on that same channel, station or network.

# Medium means:

Any medium whatsoever including without limitation cinema, internet, outdoor media, print, radio, telecommunications, television or other direct-to-consumer media including new and emerging technologies.

## Platform neutral, national approach

AANA codes do not make a distinction between traditional media advertising and digital advertising. The definition of "Advertising" in the codes ensures virtually all commercial communication directed at consumers is captured (including direct-to-consumer public relations material, online, social media and outdoor). This means that the standards specified in AANA codes apply equally across all media.

The platform neutral, national self-regulatory model allows complaints to be made without the consumer having to consider the medium or geographical location in which the relevant advertisement appeared. AANA codes will continue to evolve as new technology and means of communication evolve so that they remain relevant and universal.

The AANA codes apply equally to digital platforms and traditional media. Advertisements on online channels totalled 34.5% of all cases considered by the Ad Standards Community Panel in 2024<sup>3</sup>. The online channels include social media, TV on demand, apps, audio streaming and internet in general, and is the largest area of cases compared to other media and reflective of the growing advertiser spend with digital media channels.

The table below shows the number of cases considered by the Ad Standards Community Panel according to media type<sup>4</sup>.

CASES BY ADVERTISING MEDIUM (%)	2020	2021	2022	2023	2024
TV - Free-to-air	38.90%	36.24%	29.51%	27.93%	29.79%
Social media	15.93%	23.59%	23.61%	16.90%	19.17%
Store window*		-	-	3.45%	10.32%
TV - On demand	7.05%	8.43%	5.90%	12.07%	6.49%
Internet	5.48%	4.21%	10.07%	10.69%	6.19%
TV - Pay	5.22%	4.21%	3.47%	5.17%	5.01%
Radio	4.44%	2.81%	2.78%	3.79%	4.13%
Billboard	3.92%	2.81%	2.08%	4.48%	3.83%
Commercial vehicle		-	0.69%	0.34%	2.95%
Print	1.57%	0.84%	1.39%	1.72%	2.65%
Арр	3.13%	1.69%	1.04%	0.69%	1.47%
Cinema	0.26%	0.28%	1.04%	2.07%	1.47%
Poster	5.22%	3.37%	8.33%	3.45%	1.18%
Radio/audio streaming*	-	-	-	0.69%	1.18%
Email	1.57%	2.25%	2.08%	1.38%	0.88%
Outdoor	1.83%	0.84%	1.74%	2.07%	0.88%
Promotional material	1.31%	0.28%	2.08%	1.72%	0.88%
Transport	2.61%	2.25%	1.74%	1.03%	0.88%
Mail	0.26%	0.56%	1.04%	0.34%	0.59%
TV - Out of home	1.31%	5.34%	1.39%	-	-
TOTAL	100%	100%	100%	100%	100%

<sup>\*</sup> Category introduced in 2023

## Effective, transparent complaints system

Independent, unbiased decision-making is vital to ensuring public trust and confidence in the self-regulatory system.

Ad Standards was established by the AANA in 1998 to independently resolve complaints about advertising. The Ad Standards Community Panel, which adjudicates complaints, is made up of

<sup>&</sup>lt;sup>3</sup> Ad Standards, Review of Operations 2024, p 16.

<sup>&</sup>lt;sup>4</sup> Ad Standards, Review of Operations 2024, p 16.

members of the community who are not affiliated with the advertising industry. An overwhelming majority of Australian advertisers act responsibly and comply with Community Panel decisions. There is high awareness and compliance with the codes.

If an advertisement is found to breach any of the AANA codes, it must either be modified to become compliant or be removed. Ad Standards also publicises decisions in the media. Industry bodies and media owners help ensure compliance and support enforcement where required. The resulting commercial consequences of breaching AANA codes include the direct and indirect costs of withdrawing an advertisement and the reputational cost when a non-compliance decision is made public, including possible adverse media coverage.

# **CODE OF ETHICS**

## **Objectives**

The objectives of the Code of Ethics are to:

Ensure that advertisements and other forms of marketing communications are legal, honest, truthful and have been prepared with respect for human dignity, an obligation to avoid harm to the consumer and society and a sense of fairness and responsibility to competitors.

## Questions

- 1. Does the Code of Ethics continue to meet its stated objectives? If not, why not?
- 2. Do the current objectives need to be amended? If so, what are the objectives that the Code of Ethics should address?

#### **Structure**

The Code of Ethics is divided into two sections. The purpose of the two sections is to differentiate between the provisions which apply to complaints by competitors (Section 1) and complaints which are brought by consumers (Section 2).

## Section 1 - Competitor Complaints

Section 1 is intended to provide an alternative dispute resolution mechanism for complainants to resolve disputes with a competitor in an efficient and low-cost way without the need for recourse to the courts. This section reflects the consumer protection principles in the Australian Consumer Law (ACL) and provides a forum for competitors to resolve a complaint where one believes that the other has breached certain obligations imposed under Section 1.

Complaints under this section are considered by the Ad Standards Industry Jury - a variable panel of three lawyers who specialise in advertising law and/or competition and consumer law. The panel of lawyers are appointed on a case-by-case basis from a register of lawyers, having regard to availability and any conflicts of interest.

### Questions

3. AANA welcome feedback on Section 1, the Competitor Complaints process itself and suggestions for improvement.

# Section 2 - Consumer Complaints

Section 2 is the section for complaints under the Code by consumers and is aimed at ensuring advertising reflects prevailing community standards and includes rules around discrimination, sexual appeal, sex and nudity, language, violence, clearly distinguishing advertising and health and safety.

Complaints under Section 2 are considered by the Ad Standards Community Panel which is made up of people from a broad range of age groups and backgrounds and is gender balanced. The makeup of the Community Panel seeks to be representative of the diversity of Australian society.

Section 2 Consumer Complaints Process<sup>5</sup>:

<b>1</b> Complaint lodged	Complaints are lodged via the Ad Standards website.  It only takes one complaint to raise a case.	
<b>2</b> Complaint assessed	Initial assessment by Ad Standards.  If the ad raises an issue under any of the advertising codes, a case will be raised.	
<b>3</b> Advertiser notified	The advertiser is provided with the complaint.	
<b>4</b> Advertiser responds	The advertiser provides a written response to the complaint.	
<b>5</b> Community Panel decision	The Community Panel assesses the ad, and considers the complaint, advertiser response, advertising codes and community standards.	
<b>6</b> Decision published	The advertiser and complainant are notified of the decision. The case report is published on the Ad Standards website.	
Independent Review	Ad Standards offers an independent review process which provides complainants and advertisers with an option to challenge decisions made by the Community Panel. There are specific grounds that need to be met to request an independent review.	

7

<sup>&</sup>lt;sup>5</sup> Ad Standards, *Review of Operations 2024*, p 12

If the Community Panel finds an advertisement to be in breach of Section 2 of the Code, it must either be modified to become compliant or be removed. If a complainant or advertiser seeks an independent review of the determination, the Independent Reviewer's role is to assess the validity of the process followed by the Community Panel, or to assess any new material provided by parties to the case. The Independent Reviewer does not provide a further merit-based review of a case.

#### **Practice Notes**

The AANA has developed and published Practice Notes to assist advertisers and the Community Panel in the interpretation of specific provisions of the Code of Ethics. The Code of Ethics Practice Notes are applied by the Ad Standards Community Panel in making its determinations. In the event of any ambiguity, the provisions of the Code prevail.

## Questions

3. The AANA welcomes feedback on the use of Practice Notes, the amount of guidance currently provided to support understanding of the Code of Ethics and whether additional guidance is required. If additional guidance is needed, please specify the area or areas requiring further guidance (e.g. violence, nudity, health and safety).

## **Evolution**

The AANA Code of Ethics continues to evolve to reflect changes to community expectations and standards. AANA undertakes public consultation, research, monitors international developments and also seeks feedback from the Ad Standards Community Panel to explore and better understand changes in community standards. The last public review of the Code of Ethics was undertaken in 2019 and the following changes were made to the Code of Ethics and Practice Notes as a result:

- The objectives of the Code were amended to include "an obligation to avoid harm".
- 2.7 Distinguishable advertising the words "relevant audience" were removed, making the rule stricter to reflect concerns raised regarding influencer advertising and whether such advertising was obvious.
- 2.1 Discrimination & vilification the definition of sexual orientation was amended to mean "a person's sexual orientation towards:
  - persons of the same sex;
  - persons of a different sex; or
  - persons of the same sex and persons of a different sex"
- 2.1 Discrimination & vilification extensive guidance was added to the Practice Note to avoid depictions of negative gender stereotypes.
- 2.3 Violence new guidance was added to the Practice Notes around depictions of violence when visible to a broad audience which includes children to reflect concerns around advertising for violent movies, tv shows or video games.
- 2.4 Sex, Sexuality or nudity new guidance was added to the Practice Notes effectively banning
  overtly sexual depictions where the depiction is not relevant to the product and overtly sexual
  images in outdoor advertising or shop front windows. A non-binding guideline providing clarity
  and image examples of what would or wouldn't amount to overtly sexual imagery in
  advertising was also issued to assist understanding within the advertising industry.

- 2.5 Language the detailed list of acceptable words was removed from the Practice Notes and replaced with more general guidance about acceptable language.
- 2.6 Health & Safety Additional guidance was added to the Practice Notes effectively banning the portrayal or depiction of dangerous uses of quad bikes, children riding on tractors or other unsafe practices involving farming machinery.
- 2.7 Distinguishable advertising the Practice Notes were amended to impose a positive obligation on influencers to disclose the relationship with an advertiser in a way that is clear, obvious and upfront to the audience and expressed in a way that is easily understood (e.g. #ad, Advert, Advertising, Branded Content, Paid Partnership, Paid Promotion).

## Questions

- 4. AANA welcomes feedback on the impact of the changes made in the last Code of Ethics review.
- 5. Are there other sources of information that would shed light on changing Australian community standards and expectations of advertising?

# **Community Perceptions Research**

In September 2024, Ad Standards released research offering community sentiment insights relevant to the Code of Ethics review:

- 3 in 4 Australians agree that advertising should reflect community standards.
- 9 in 10 Australians agree that Ad Standards' role in handling complaints is important.
- Those aware of Ad Standards are significantly more likely to trust advertising.
- Misleading or deceptive advertising is one of the biggest community concerns.
- Australians appreciate creativity, memorability, and humour in advertising but can be distrustful when ads fail to meet community standards.
- Context, creativity, and humour can shape how Australians perceive the use of violence or offensive language in advertising.
- Most Australians believe that certain words are never acceptable in advertising, even when censored or bleeped.
- Ads that rely on offensive language purely for shock value are often considered lazy and uninspired.
- While the line for language is relatively clear, tolerance for violence is more subjective. Normalising violence, being insensitive to social issues, or deliberately upsetting audiences is generally not accepted.

## **Complaint volumes**

Although Ad Standards handles complaints in relation to a number of codes, in 2024 approximately 84 per cent of all complaints considered by the Ad Standards Community Panel related to issues covered by the Code of Ethics. The number of complaints coming under the umbrella of the Code of Ethics demonstrates the important role the Code of Ethics plays in providing an effective national standard for advertising that applies to all platforms.

According to the Ad Standards *Review of Operations 2024*, the proportion of complaints coming under the various Codes and provisions handled by Ad Standards were as follows:

ISSUES ATTRACTING COMPLAINT (%)	2020	2021	2022	2023	2024
AANA Section 2.4 - Sex, sexuality and nudity	32.29%	21.31%	29.85%	41.53%	30.2%
AANA Section 2.3 - Violence	10.29%	11.34%	17.16%	17.05%	15.4%
AANA Section 2.6 - Health and safety	7.96%	16.50%	12.08%	9.93%	15.0%
AANA Section 2.1 - Discrimination or vilification	15.43%	10.22%	14.08%	9.69%	12.1%
AANA Advertising to Children Code	0.45%	1.42%	0.42%	0.71%	7.7%
AANA Section 2.2 - Exploitative or degrading	18.29%	3.34%	4.05%	3.32%	4.3%
AANA Section 2.7 - Distinguishable advertising	0.45%	2.68%	8.34%	2.61%	3.8%
AANA Section 2.5 - Language	5.59%	9.77%	5.80%	4.94%	3.8%
Other**	4.43%	15.54%	1.45%	5.18%	3.7%
AANA Food and Beverages Code	2.33%	2.18%	2.36%	1.62%	2.1%
AANA Environmental Claims Code	0.45%	1.37%	2.30%	1.58%	1.0%
AANA Wagering Code	0.45%	1.01%	0.91%	0.44%	0.5%
FCAI Code	0.89%	3.19%	1.21%	1.38%	0.4%
TOTAL	100%	100%	100%	100%	100%

<sup>\*\*</sup>Complaints that don't raise issues under the codes but have for another reason been linked to a case.

# **Consultation on existing provisions**

# **Section 1 – Competitor Complaints**

The provisions in section 1 of the Code of Ethics reflect the consumer protection principles in the Australian Consumer Law and stipulate that:

Section 1.1: Advertising or Marketing Communication shall comply with Commonwealth law and the law of the relevant State or Territory.

Section 1.2: Advertising or Marketing Communication shall not be misleading or deceptive or be likely to mislead or deceive.

Section 1.3 Advertising or Marketing Communication shall not contain a misrepresentation, which is likely to cause damage to the business or goodwill of a competitor.

Section 1.4: Advertising or Marketing Communication shall not exploit community concerns in relation to protecting the environment by presenting or portraying distinctions in products or services advertised in a misleading way or in a way which implies a benefit to the environment which the product or services do not have.

Section 1.5: Advertising or Marketing Communication shall not make claims about the Australian origin or content of products advertised in a manner which is misleading.

Complaints that have been upheld by the Industry Jury under Section 1 include:

- A prize promotion for a nappy product which was found to be misleading as to the eligibility and chances of winning the prize in breach of sections 1.1 and 1. Read the full case report here.
- Advertising for a brand of disposable coffee cup products which was found to be misleading as to the environmental benefits of the product in breach of sections 1.1, 1.2 and 1.4. Read the full case report <a href="here">here</a>.

## Question

6. Are any changes required to Section 1 of the Code of Ethics? If yes, please give reasons.

## **Section 2 – Consumer Complaints**

## Section 2.1 - Discrimination and vilification

Advertising shall not portray people or depict material in a way which discriminates against or vilifies a person or section of the community on account of race, ethnicity, nationality, gender, age, sexual orientation, religion, disability, mental illness or political belief.

The Practice Note for Section 2.1 can be found <a href="here">here</a>.

According to Ad Standards, community concern about discrimination and vilification was the fourth most complained about issue in 2024 at 12.1 per cent, up from 9.6 per cent in 2023<sup>6</sup>.

Examples of ads found in breach of Section 2.1 of the Code of Ethics:

Summary	Case examples
Depicting elderly people being treated less favourably or being shown as foolish in a ridiculing or mocking way.	StrangeLove - 2025 Hayeswinckle - 2023 Simply Helping - 2023 SA Tourism Commission – 2019 LTD Rentals – 2020
Referencing a negative gender stereotype, such as women talking too much or being less capable then men, does amount to material which discriminates against and/or vilifies people on the basis of gender.	Pacific Marine - 2025  ME Bank - 2024  Aveling Homes – 2022  The BOSS Shop – 2022  Wicked Campers – 2021
Showing a lack of concern or seriousness for a debilitating condition in a manner that treats sufferers less favourably will constitute discrimination.	Our Cow - <u>2024</u> Foxtel - <u>2023</u> 4WD SupaCentre – <u>2022</u>

<sup>&</sup>lt;sup>6</sup> Ad Standards, Review of Operations 2024, p 13

-

	Nimble – <u>2022</u> Lotterywest – <u>2020</u>
Using humorous or mocking references to how another culture is different, such as their names sounding different, is likely to be seen as inciting ridicule of that culture and be found to breach the Code.	Panel House - <u>2025</u> Sportsbet – <u>2021</u>

## Question

- 7. Are any changes required to Section 2.1 of the Code of Ethics? If yes, please give reasons.
- 8. Are any changes required to the Practice Notes for section 2.1? If yes, please give reasons.

# **Section 2.2 – Exploitative or degrading**

Advertising shall not employ sexual appeal:

- (a) where images of Minors, or people who appear to be Minors, are used; or
- (b) in a manner which is exploitative or degrading of any individual or group of people.

The Practice Note for Section 2.2 can be found <a href="here">here</a>.

According to Ad Standards, community concern about exploitative and degrading advertising was the sixth most complained about issue in 2024 at 4.3 per cent, up slightly from 3.3 per cent in 2023<sup>7</sup>.

Examples of ads found in breach of Section 2.2 of the Code of Ethics:

Summary	Case examples
Sexualised depictions of minors.	Shein - <u>2022</u> ContextLogic – <u>2021</u> Fachat – <u>2020</u>
Portraying women as commodities or objects to possess is seen to be exploitative.	a3games - 2025 A1 Mobile Safety Certificates - 2024 Honey Birdette - 2024 Pickle my Chili - 2024 Honey Birdette - 2022 Honey Birdette - 2022 South East Auto Sales - 2021

## Question

9. Are any changes required to Section 2.2 of the Code of Ethics? If yes, please give reasons.

<sup>&</sup>lt;sup>7</sup> Ad Standards, Review of Operations 2024, p 13

# 10. Are any changes required to the Practice Notes for section 2.2? If yes, please give reasons.

## **Section 2.3 - Violence**

Advertising shall not present or portray violence unless it is justifiable in the context of the product or service advertised.

The Practice Note for Section 2.3 can be found here.

According to Ad Standards data, violence was the second highest issue of community concern overall in 2024, at 15.4 per cent (down from 17 per cent in 2023)<sup>8</sup>.

Examples of ads found in breach of Section 2.3 of the Code of Ethics:

Summary	Case examples
Community awareness ads where the depiction of violence is not justifiable or related to what is being advertised	Cancer Council Victoria – 2022, 2022
Any malicious threat of violence towards a partner, even in a fantasy situation, is unacceptable.	FunPunch - <u>2025</u> MILKRUN Delivery - <u>2025</u> Microfun - <u>2024</u> Betta Games – <u>2021</u>
Ads which show weapons used in a threatening or violent manner when not related to the product being promoted.	Grog - 2025 Hayeswinckle - 2023 Club-Mate Australia - 2021
Depiction or suggestion of animal cruelty.	Special Gamez – <u>2022</u> Metroll Darwin - <u>2024</u>
Any depictions or threat of violence towards a person will be seen as bullying, especially if the person on the receiving end of the actions reacts in a hurt or negative manner.	AHM Health Insurance – 2020, 2020
The suggestion of children being the target of sexual assault or predatory behaviour will breach this Section of the Code.	Grill'd – <u>2021</u>
Depicting a person with the intent to physically harm another person where a high degree of malice is present, even if no actual violence depicted.	App Quantum – <u>2021</u> Rollic Games – <u>2021</u> Gem Puzzle Dom – <u>2020</u> , <u>2020</u> , <u>2020</u>
The depiction of violence in a way that is not relevant to the product/service being advertised.	Budget Direct - 2024 Actor Pharmaceuticals Pty Ltd - 2023 Brickworks Building Products – 2022, 2022

<sup>&</sup>lt;sup>8</sup> Ad Standards, *Review of Operations 2018*, p 24.

	iSelect Pty Ltd – <u>2022</u> Raiz Invest Ltd – <u>2022</u> Kayo Sports – <u>2020</u> , <u>2020</u>
Ads for entertainment products where violence may be justifiable, but is likely to cause undue alarm or distress to members of the community.	Sony Pictures Releasing - 2025 Universal Pictures - 2025 The Walt Disney Company - 2023

# Community perceptions on violence in advertising

The depiction of violence in advertising is a complex area that can be challenging to navigate. With perceptions of violence shaped by individual interpretation and a spectrum of subjectivity, what one person views as a compelling narrative may be seen by another as gratuitous or offensive.

Ad Standards recently completed a study on community perceptions of violence in advertising, and the findings highlight how complex this issue is. The research found that determining what counts as acceptable violence isn't straight-forward. Australian audiences don't judge violence in ads solely based on its literal depiction; they also consider other key factors such as context, messaging, and how the violence is portrayed.

For example, road safety ads often contain strong depictions of violence but they're generally more accepted due to their crucial community safety message. Meanwhile, slapstick or comedic violence is usually seen as harmless – unless it feels gratuitous or purposeless, in which case it attracted more criticism. This indicates that the tone and purpose of an ad plays a significant role in shaping its reception. It's not just about what's shown, but how and why it's shown that matters to the community.

However, the research found that there is a decent percentage of people who find any depiction of violence in ads unacceptable and unnecessary. This comes from community concerns about the desensitisation and glorification of violence in media. Additionally, the study revealed that tolerance for violence in ads varies across demographics. Men and people under 35 tend to be generally more accepting of violence in ads, while women, and people aged over 50 were less likely to find violence acceptable. The research indicates that, while using violence can certainly grab attention, advertisers must ensure that the use of violence feels justified and purposeful for a successful campaign.

To find out more about current community perceptions of violence in advertising, read the full research report <u>here</u>.

## Question

- 11. Are any changes required to Section 2.3 of the Code of Ethics? If yes, please give reasons.
- 12. Are any changes required to the Practice Notes for section 2.3? If yes, please give reasons.
- 13. In particular, should the audience likely to view the advertisement be a consideration under Section 2.3?
- 14. In particular, should relevance to product be a consideration under Section 2.3?

# 15. In particular, should greater guidance be provided on what constitutes violence? If so, should the community perceptions research be used as the basis for that guidance?

# Section 2.4 - Sex, sexuality and nudity

Advertising shall treat sex, sexuality and nudity with sensitivity to the relevant audience.

The Practice Note for Section 2.4 can be found <a href="here">here</a>.

Sex, sexuality and nudity in advertising is the biggest source of complaints to Ad Standards, representing 30.2 per cent of total complaints in 2024 (down from 41.53 per cent in 2023<sup>9</sup>.).

Examples of ads found in breach of Section 2.4 of the Code of Ethics:

Summary	Case examples
The use of overtly sexual imagery to promote unrelated products.	Orchard Piper - 2024 Stocks Down Under - 2024 Novo Shoes Group - 2023 With Jean - 2021 Suit Supply - 2021
Ads for lingerie that are overly sexualised and not appropriate for a broad audience.	Bendon Ltd – <u>2022</u> , <u>2022</u> Shein – <u>2022</u> Honey Birdette – <u>2025</u> , <u>2024</u>
Ads which are able to be viewed by children where sex, sexuality and nudity is not treated with sensitivity, regardless of humour used.	Southern Cross Austereo - <u>2024</u> Falcon St - <u>2023</u> Wicked Campers – <u>2021</u>
Explicit nudity in a medium which is likely to be seen by children.	Kittens - 2025 Gotham City - 2024 Honey Birdette - 2024 Reform Society - 2024  Sydney Forklift Trucks - 2021 One Night Woman - 2020
Highly explicit or sexual content even in a medium that is restricted to older audiences.	Autumn Studios Limited - 2024 Temu - 2024 Darra Tyres - 2020 ContextLogic - 2020 WWWave Corporation - 2020
Sexualisation of minors or models who could be easily perceived as a minor.	Wheels and Dollbaby - <u>2024</u> Shein – <u>2022</u> Grill'd – <u>2021</u>

<sup>&</sup>lt;sup>9</sup> Ad Standards, *Review of Operations 2024*, p 13.

ContextLogic – <u>2021</u> Fachat – <u>2020</u>

## Question

- 16. Are any changes required to Section 2.4 of the Code of Ethics? If yes, please give reasons.
- 17. Are any changes required to the Practice Notes for section 2.4? If yes, please give reasons.

# **Section 2.5 - Language**

Advertising shall only use language which is appropriate in the circumstances (including appropriate for the relevant audience and medium). Strong or obscene language shall be avoided.

The Practice Note for Section 2.5 can be found <u>here</u>.

Complaints about language in advertising represent only 3.8 per cent of total complaints to Ad Standards (down from 4.9 percent in 2023).

Examples of ads found in breach of Section 2.5 of the Code of Ethics:

Summary	Case examples
The word 'fuck' expressed in full.	The Walt Disney Company (Australia) - 2024 MILKRUN AU Pty Ltd – 2022 Honey Birdette – 2021 Amazon Prime Video – 2020 VentralP – 2020 Universal Pictures – 2019, 2019
The 'c word' expressed in full.	Clutch Co - <u>2023</u> Wicked Campers – <u>2019</u> , <u>2019</u> , <u>2019</u>
Where sound effects have been used to cover someone using an obscene term, if they do not sufficiently cover the word and the term is likely to be considered as inappropriate by most members of the community.	Precision Suspension & Automotive - 2025 Athena - 2023 Construct Personnel - 2024 Warner Music Aust Pty Ltd - 2023 Alice Mechanical Solutions - 2020

## Community perceptions of language in advertising

The community perceptions research commissioned by Ad Standards in September 2024 explored perceptions of language in advertising. The study found that Australians' perceptions on language in advertising vary based on age and cultural background. However, one thing remains consistent – there's a figurative line that most agree should not be crossed. Regardless of someone's personal use or tolerance of strong language in their daily lives, the community expects higher standards of language used in advertising.

This demonstrates people's strong sense of social responsibility when it comes to language in advertising. For instance, many agree that they don't want children exposed to strong or offensive language because they don't want it normalised. Ads send cultural cues, signal social norms, and reflect broader values, trends, and issues. When language crosses the line, it risks challenging societal values. Straying too far can lead to negative reactions and harm brand perception.

The study examined which swear words people generally find acceptable or unacceptable in advertising. The least offensive was "bugger," with only 13% of respondents considering it too strong for ads, while the most offensive was the "C-word," with 74% deeming it unacceptable. The study also found that different demographics respond to language in varied ways. Younger audiences are typically more tolerant of strong language in advertising, while older generations or those from more traditional backgrounds tend to prefer a more conservative approach. This presents an opportunity, but also a challenge, for advertisers seeking to connect with diverse audiences. The key lies in understanding and respecting these differences to ensure your campaign resonates with its target demographic, while not offending others in the process.

The acceptability of swear words used in advertising were found as follows:



As society continues to evolve, so do perceptions of language. What's acceptable today might not be tomorrow, and vice versa. For advertisers, this means staying informed about societal shifts and regularly reviewing language choices. Read the full report <a href="here">here</a>.

## Question

- 18. Are any changes required to Section 2.5 of the Code of Ethics? If yes, please give reasons.
- 19. Are any changes required to the Practice Notes for section 2.5? If yes, please give reasons.

# **Section 2.6 - Health and safety**

Advertising shall not depict material contrary to Prevailing Community Standards on health and safety.

The Practice Note for Section 2.6 can be found <u>here</u>.

Health and safety in advertising was the third biggest issue attracting complaints to Ad Standards, representing 15 per cent of total complaints in 2024 (up from 9.9 percent in 2023).

Examples of ads found in breach of Section 2.6 of the Code of Ethics:

Summary	Case examples
An ad for a 'tanning accelerant' (not a sunscreen) that encouraged tanning when the UV is high was found to encourage harmful sun exposure, contrary to prevailing community standards on sun safety.	The Fox Tan - <u>2024</u>
The depiction of cartoon characters or real-life people consuming drugs.	Wicked Campers – <u>2020</u> , <u>2021</u>
The insinuation of consuming drugs.	Mr Nangs - <u>2025</u> Fortress Melbourne - <u>2023</u> Afends Clothing – <u>2022</u>
Showing cigarettes or smoking paraphernalia in a positive light.	CC Tobacconist - 2023 Espresso 600 - 2023 Cloud Chamber - 2023 Honey Birdette - 2022, 2022 Afends Clothing - 2020 Wicked Campers - 2020
Promoting or depicting unsafe or excessive drinking behaviours.	80Proof Australia Pty Ltd - <u>2023</u> NightPlan – <u>2021</u> Only Chug – <u>2021</u>
Promoting drinking in situations where it is unsafe or illegal.	Better Brewing Co – <u>2021</u>
The depiction of a young person being cyber bullied, when not relating to the product being advertised, and with no information on where to seek help.	Jalna Dairy Food – <u>2021</u>
Advertising which shows unsafe driving practices.	Itinerant Spirits - 2025 Skyscanner - 2025 Supercheap Auto - 2024 Hungry Jacks - 2023 Doordash - 2021 NT Tourism - 2021 National Australia Bank - 2020

The use of a mobile phone at a petrol bowser is considered unsafe.	OTR – <u>2022</u>
Portraying a person riding a bicycle without a bell or on the wrong side of a foot path/bridge contradicts prevailing community standards on bike riding health and safety.	Brisbane City Council – 2020, 2020, 2020
Misuse of machinery.	Lion-Beer, Spirits & Wine Pty Ltd - 2025 eBay Australia & New Zealand - 2024 Donohues - 2024 Repco – 2022 Woolworths Group – 2020, 2020
Ads which show unsafe practices with electricity.	Yum Restaurants International - 2023 Volitizer – 2022, 2022, 2022 Subway Franchisee Advertising Fund – 2022 WISR – 2021 SOJO – 2020, 2020
Advertising showing people riding bicycles in public without helmets.	Burzerk - <u>2025</u> Ausstech – <u>2023</u> ALDI Australia – <u>2019</u>
Showing people engaging in behaviour that would breach the law relating to health or safety.	NT Tourism – <u>2021</u> Crazy Domains – <u>2021</u>
Referencing suicide in a way which trivialises or normalises the serious issue, and referencing suicide without providing support services information.	Dolly's Dream - <u>2023</u> Mood Tea – <u>2021</u> Sonus Complete – <u>2020</u> Wicked Campers – <u>2019</u>
Advertising directed at young people that encourages sexting or unsafe cyber behaviour.	Match Masters - <u>2024</u> Fachat – <u>2020</u>
Using models who have been photoshopped or are of an unrealistic body shape that is unattainable through healthy practices.	Honey Birdette - 2024 Elie Saab - 2023 Bulgari – 2022 With Jean – 2021 Yves Saint Laurent – 2021

# Question

- 20. Are any changes required to Section 2.6 of the Code of Ethics? If yes, please give reasons.
- 21. In particular, should the audience likely to view the advertisement be a consideration under Section 2.6?
- 22. Are any changes required to the Practice Notes for section 2.6? If yes, please give reasons.

# 2.7 Clearly distinguishable advertising

Advertising shall be clearly distinguishable as such.

The Practice Note for Section 2.7 can be found <a href="here">here</a>.

This provision and the Practice Notes were strengthened in 2021 to include explicit guidance for influencers. Complaints under this provision accounted for 3.8 per cent of total complaints to Ad Standards in 2024 (up from 2.6% in 2023).

Examples of ads found in breach of Section 2.7 of the Code of Ethics:

disclose a commercial arrangement between O Ba	ertainment - <u>2025</u> ar & Dining - <u>2024</u> man y Gomez - 2024
Carre Pret: Ford Emm Shor Esmi Cole La M LSKE Para Glob Step Lour Luni Cygr	roten - 2024  tty Little Thing - 2024  d Motor Co of Aust Ltd - 2023  ma Mattresses - 2023  ma Joy - 2023  mi - 2022  es - 2022  Mer - 2022  D Pty Ltd - 2022  adise Resort - 2022  bal Ballooning Australia - 2022  ph Pase Planners - 2022  nge Underwear - 2022, 2022  iva Collection - 2022  nett - 2022  rmomix Australia - 2022, 2022

# Questions

- 23. Are any changes required to Section 2.7 of the Code of Ethics? If yes, please give reasons.
- 24. Are any changes required to the Industry Practice Notes for section 2.7? If yes, please give reasons.

# Issues not covered by existing code

# Misleading and deceptive advertising

Misleading and deceptive advertising is covered in the AANA Environmental Claims Code, Food & Beverages Advertising Code, Children's Code and Section 1 (competitor complaints) and Section 2.7 (disclosure) of the Code of Ethics. However, there is no general rule on misleading and deceptive advertising in the Code of Ethics. This means that misleading and deceptive advertising that does not involve complaints by competitors, environmental claims, a children's product, a food/beverage product or influencer disclosure are deemed outside of the scope of the AANA codes.

In relation to the other AANA code provisions regarding misleading and deceptive advertising, AANA has endeavoured to align with the Australian Consumer Law. When applying these rules, the Ad Standards Community Panel looks to relevant ACCC guidance regarding misleading and deceptive conduct.

Of total complaints received by Ad Standards in 2024, 63 per cent were within the scope of the codes and 37% deemed outside of scope. The most common reason for a complaint being deemed outside of scope is because it raises concerns about misleading or deceptive advertising.

In 2024, 307 complaints related to misleading and deceptive ads but were outside the scope of the Code of Ethics or other AANA codes. The consumer perception research commissioned by Ad Standards in September 2024 found truth in advertising was a top concern of Australians<sup>10</sup>.

Including a general requirement that advertising not be misleading or deceptive would align with the Code of Ethics objectives that "advertisements and other forms of marketing communications are legal, <u>honest, truthful</u> and have been prepared with respect for human dignity, an obligation to avoid harm to the consumer and society and a sense of fairness and responsibility to competitors."

## Question

25. Should the Code of Ethics include a general rule against misleading and deceptive advertising that aligns with the Australian Consumer law?

# Illegal or anti-social behaviour

Ad Standards receives complaints about anti-social behaviour but unless that behaviour undermines community standards specifically in relation to violence or health and safety, the complaints must be dismissed as they are not covered by the current provisions of the Code of Ethics.

The International Chamber of Commerce (ICC) Advertising and Marketing Communications Code states in Article 2 that marketing communications should not "appear to condone or incite violent, unlawful, anti-social behaviour or animal abuse". Violence and animal abuse are already covered in the Code of Ethics violence rule and unlawful behaviour is banned under the Code of Ethics if it

<sup>&</sup>lt;sup>10</sup> Ad Standards Community Perceptions Report 2024, page 7.

undermines health or safety standards. However, ads which condone or encourage general unlawful or 'anti-social' behaviour are not captured by the current Code of Ethics.

The UK's ASA Code contains the rule that "marketing communications must contain nothing that is likely to condone or encourage violence or anti-social behaviour". Ads that trivialise sexual violence, urination in public places or unwise, excessive alcohol consumption have been found to breach this rule.

Under the AANA Code of Ethics, sexual violence would be captured by the violence rule and urination and alcohol consumption may be captured by the health and safety rule. One case involving anti-social behaviour that was upheld by the Community Panel related to an ad showing an implied drunk man with a group of friends publicly urinating on the wall of building. The Community Panel found the depiction in breach of the health and safety rule as it is unhygienic. Read the decision <a href="here">here</a>.

New Zealand's ASA Code contains the rule that "Advertisements must not, unless justifiable on educational or social grounds, contain anything that condones, or is likely to show, violent or antisocial behaviour or damage to property". In the last two years, New Zealand has only found one ad in breach of this rule. It was an ad for an internet provider encouraging people to engage in a denial-of-service attack (DDOS) against anyone not using the service.

## Question

26. Should the Code of Ethics include a rule against advertising that condones or encourages illegal or anti-social behaviour? If so, how should 'anti-social behaviour' be defined?

## Use of Artificial Intelligence (AI) in advertising

AANA is aware of the complex nature and the many issues that are relevant when it comes to the use of AI in advertising. There are currently law reform reviews underway both in Australia and overseas and some jurisdictions overseas have introduced laws that ban, restrict or require disclosure of certain uses of AI, including in advertising. Legal issues arising from the use of AI include privacy, data protection, copyright and intellectual property just to name a few.

If a general misleading and deceptive rule was introduced into the Code of Ethics, this would capture some issues that could arise from the use of AI where audiences are likely to be misled or deceived from that use.

## Question

27. Should the Code of Ethics include a specific rule or guidance dealing with AI in advertising? If so, why and what would the rule cover?

## Other topics

This Discussion Paper poses a range of questions in relation to the Code of Ethics. The issues and related questions raised are presented to facilitate discussion and are not intended to be exhaustive. Stakeholders and interested parties are invited to comment on any other matters they wish to raise.

# Questions

- 28. Are there any other issues, rules or standards that should be included in the Code of Ethics? If so, please give details.
- 29. Do you know of any other evidence-based research which could inform the evolution of the Code of Ethics? If so, please give details.
- 30. Do you have any additional suggestions or comments on the review of the Code of Ethics?