

FAQs

Advertising in social media: questions and answers

This overview explains the German advertising rules and offers tips how to handle them.



Your feedback is welcome:
info@die-medienanstalten.de

References to products in online videos:

„Can I do that? How can I do it?“

If you get actively involved in a social network and upload your own content, you become part of the general public. If you create something that attracts interest, touches or delights users, or if you know how to generate more attention or resort to professional help for it, the click rates will go up.

By presenting yourself in an open and honest way, you will generate trust, and the people that are attracted to the content you create will become interested in your views, opinions and evaluations.

Your activities could also come to the attention of companies which might want you to advertise their products as you fit their idea of someone suited to present their brand - you act as their "brand ambassador".

Rising click rates and growing trust in you mean that you have some responsibility in relation to your audience, and it therefore matters greatly that you act in a transparent, honest and genuine way.

If you want to promote a product you like, that's perfectly OK. If someone in the ad industry thinks that you are so important that he sends you a product free, or even pays you for presenting it - absolutely fine! But if you do, don't forget your responsibility: Be transparent, tell your followers that you promote the product and don't lie to them about it - otherwise you could put your credibility at risk.

This approach is not just in your own interest; it also reflects the German law (the Interstate Broadcasting Treaty):

„Advertising shall be clearly recognisable as such and shall be adequately separate from the other parts of the offers provided by optical or acoustic means or by a spatial separation" (Sections 58 (3) and 7 (3) of the Interstate Broadcasting Treaty).

If it is not absolutely clear that what you are looking at is advertising, or if the advertising is not clearly separate from the other content, then it needs to be identified as advertising.

The following FAQs contain tips which explain the **minimum** legal requirements for informing your followers - you are, of course, free to do more and explain everything in as much detail as you like.



Example 1

You buy the product

You buy the product or products you would like to present in your videos yourself - you therefore decide yourself which products you buy, show and what you say about them.

The key point in this example is that you act autonomously: You pay for the products you buy with your own money, and your comments on them reflect our own opinion. In this case it can be assumed that no company would have a commercial interest in your video.

All the same: What you say about the products in your videos and your recommendations can have the same effect as an advertisement. It is worth remembering that,

especially when you consider that your target audience may be rather young. You have a model function which brings some responsibility with it - just like the people on YouTube who earn money by uploading their videos there.

In this example there is no need to identify the product presentation as advertising. But take care when you point out that you paid for the products yourself - someone might check that!

Example 2

The product is sent to you as a freebie

In this context, "product" can mean not just a lipstick, deodorant, shirt, trousers or even a mobile phone, but also things like flights, travels, overnight stays in a hotel etc.



If a company provides a product to you for free, this does not necessarily mean that it does not pursue some specific purpose by doing so. It may well assume that you will show the product in your video and thus bring it to the attention of your community. The company may then expect some trade-off from you in return for letting you have the product for free. For the company it would seem important that you help to make the product known - by advertising it. How you act in this case is up to you:

Option A: You devise your video in such a way that it focuses largely or exclusively on the product you present - your presentation centres on the product.



What you should look out for:

If you put the product in the focus of your presentation, this is advertising, and you need to make sure in the video that viewers can recognise it.

One way for doing this is using an insert "advertisement" whenever you present the product, or you include an insert "supported by (XYZ)" at the start of your video, and **in addition state at the start of the video** that the product was provided to you free of charge by the company. If your video focuses largely or exclusively on the product, you should use a permanent insert "infomercial" or "advertising video" throughout.



Option B: Your video mostly deals with editorial content, i.e. stories you tell which do, however, contain products that are clearly recognisable. In this scenario, the products do not determine the content of your video but are embedded in the storyline.

What you should look out for:

The deciding factor in this case is the **value of the product**. If the product is usually available for less than 1000 Euros, you do not have to do anything.

How do you calculate the value if you receive more than one free product? That depends on the price of each individual product; the prices are not added up. No rule without exception,

though: If you receive several products of the same brand, label or store, you add the values up.

If the **value exceeds 1000 Euros**, this form of promotion is called **product placement** and has to be identified under the law. As described in Example 2, you should inform your audience at the start of your video that you are cooperating with a company. To do so, you can either use an insert such as "product placement" or "supported by product placement" or an insert stating "supported by (name of the product)".

Example 3

You receive money or some other compensation for presenting a product in your video

For the company the important thing is that you help to get their product known - you advertise it and you receive money for doing so.



Again, you can choose from two options how you want to produce your video:

Option A: You devise your video in such a way that the presentation focuses mainly or only on the product.

What you should look out for:

If the product shown in your video is in the focus of individual camera shots, we speak of advertising. You should therefore make sure that this becomes clear in your video.

You can insert the word "advertising" every time the product is shown. As an alternative, you use the insert "supported by (product XYZ)" at the beginning of the video and also mention at the start that you are cooperating with a company for advertising purposes.

If your video deals mainly or only with the product, you should use a continuous insert "infomercial" or "**video advertisement**" throughout.

Option B: The focus of your video consists of editorial content, i.e. stories you tell which, however, also deal with products that can be clearly recognised.

In this scenario, the products do not determine the content of your video but are embedded in the storyline.

What you should look out for:

If the product does not present the focus point of your video, we speak of **product placement**; it has to be **identified**.

Here, too, you should inform your audience at the start of the video about the cooperation with the company; you can use the insert "product placement" or "supported by product placement" or "supported by (name of the product)".



Example 4

You set affiliate links

In the infobox - either by your own decision or in consultation with the company - you place affiliate links which guide users to pages where the product is directly available.



With the link, you advertise a specific product site. This is advertising, even if you eventually leave it to the viewers to decide where they buy the product.

What you should look out for:

An affiliate link is **always** classed as **advertising**; you therefore need to inform users accordingly. For doing so, you should incorporate a written reference very near the links in which you explain how an affiliate link works, and point out that you receive a share of the turnover generated if the user buys the product using the link in question.

Example 5

References to outfitters



In the infobox, you refer to the technical equipment you have used for producing your video.

If you name the camera, the editing software or other technical products, this is not considered advertising, but is part of the equipment you have used for

producing your video. The same applies if the equipment has been provided free of charge by the manufacturers.

Example 6

Raffle prices

In your video, you hold a raffle for a free price you have bought or which has been sent to you either free of charge or with some payment.



If you name the product and the company in question a **maximum two times**, and **show it briefly twice**, this is neither advertising nor product placement, even if you have received money by a company for doing so or if the company has given the price for the raffle to you as a gift.



Imprint

Direktorenkonferenz der
Landesmedienanstalten | DLM
die medienanstalten – ALM GbR
Gemeinsame Geschäftsstelle
Friedrichstraße 60, 10117 Berlin

Responsible
Siegfried Schneider
DLM Chairman
www.die-
medienanstalten.de

Your feedback is welcome:
info@die-medienanstalten.de

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