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# REGULATING ONLINE ADVERTISING IN THE INTERNET AGE: A STUDY OF ADVERTISING PRACTITIONERS COUNCIL OF NIGERIA (APCON)

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#### **ABSTRACT**

Online advertisements regulation has become one of the challenges the advertising industry in Nigeria is faced. The emergence of the internet has turned the world into a global village where advertisers can reach the target audience with various sales messages using different online platforms. Thus the easily assessable nature of online platforms has left humanity at the mercy of advertisers who disseminate harmful messages without regulation or vetting from the appropriate agencies. Therefore, this paper made emphasis how the regulation of online advertisements is limited to APCON members. This means non-members are not to be forced into APCON regulations. This shows the extent to which APCON is misunderstood. The regulatory agency's situation is not healthy for humanity as it will expose people to harmful online advertisement messages. This paper recommended among others that relevant regulation should be evolved to guide online advertising practice and to support the existing legal framework. It also recommended that APCON and other stakeholders should support online media literacy campaigns to equip online users against offensive and deceptive advertising. This is important to address the obvious misconceptions about online advertisements and the rights and responsibilities of the players in the digital advertising industry in Nigeria. A consumers awareness campaign should be put in place to encourage consumers to make complaints to the appropriate authority whenever their rights are trampled upon through advertising practice.

**KEYWORDS: Online Advertising, APCON, Regulating, Internet, Advertising agencies** 

#### Introduction

Advertising is the dissemination of information about goods or services by a specific sponsor with the goal of persuading a target audience to purchase. It is also a form of public promotion of goods, services, or ideas. The purpose of advertising is to capture the attention of the intended audience. Advertising, according to Bovee (1992, p.54) and Akpan (2020, p.23), is a non-personal communication of information that is usually paid for and usually persuasive in nature about a product, service, or idea through various media.

According to Weigold and Arens (2018, p.33), advertising is defined as a structured and composed non-personal communication of information about products (goods, services, and ideas by identified sponsors through various media that is usually paid for and usually persuasive in nature. The American Marketing Association (AMA), Chicago defines advertising as "any paid form of non-personal presentation of ideas, goods, and services by an identified sponsor." Similarly, Fadipe (2012, p.19) proposed that advertising is intended to manipulate its audience by forcing itself upon them, leaving little room for response on the receiver's end.

According to Anyacho (2017,p.19), advertising is a group of activities aimed at and inducing the dissemination of information in any paid non-personal form concerning an idea, product, or service in order to compel action in accordance with the intent of an identifiable sponsor. According to Ibrahim (2010, p.23), advertising is any form of paid non-personal presentation of ideas, goods, or services with the intent of inducing people to buy. According to Ibrahim (2000), advertising encompasses all activities associated with presenting to a group a non-personal, oral or visual, openly sponsored message that is disseminated through one or more media and is paid for by an identified sponsor. According to Ibrahim (2010,p.24), advertising is a powerful component of the promotion mix because it is a means of spreading information about the characteristics of the product to prospective customers in order to sell the product or increase the sale volume.

Advertorial content is delivered to internet / online users via the web, email, ad-supported software, and internet-enabled smartphones via online advertising. This type of advertisement is distinct from offline advertisements in that its reach is not constrained by space or time. Anyone with Internet access anywhere in the world can be a recipient. In addition to its broad reach, online advertising is becoming more important to business owners and service providers around the world than offline advertising. It is less expensive, more cost-effective, provides

measurability (the ability of an advertiser to store empirical data about the reach and impact of a campaign), and has unrivalled penetration speeds.

As a result of the Internet's rapid growth and incredible flow of information, the advertising industry has been transformed. Nowadays, it is difficult to browse the internet without encountering online advertising. It is frequently seen on websites in the form of visual display ads (including pop-ups and pop-downs) and text ads on search engines. Without a doubt, online advertising has surpassed traditional forms of advertising such as newspapers, television, and radio. According to Ogbede (2012, p.38), one of the most significant challenges confronting the advertising industry and society in the digital age is the regulation of online advertising. Because of the growing number of Internet users, online advertising is becoming more appealing to advertisers and online publishers, making it an unavoidable way to spread the sales message for a wide range of products and ideas. According to Nwosu (2020,p.17), people are spending an increasing amount of time online, with 3 billion internet users, 2 billion active social media users, and over 1.6 billion mobile social media accounts. According to this study, people today spend an average of two hours per day on the mobile web, accounting for one-third of their online time, with millennial or generation Y (born in the 1980s and 1990s) and digital media users in developing countries driving the mobile revolution.

Other reasons for the growth of online advertising were cited by Alvin, Silk, Lisa, Klein, and Berndt (2018, p.33). This includes innovative technologies that make advertising more appealing to advertisers, such as lower prices, streaming video, and full motion graphics. According to Alvin, Silk, Lisa, Klein, and Berndt (2018,p.32), people spend more time online and less time watching television, advertisers follow their audience, spend more time advertising online, and advertisers have some online technology that is more effective than traditional banner ads. Some of these techniques have been found to be annoying, but they generate more clicks

and traffic. Flexible, functional, structural, dynamic, innovative advertising methods and affordable 24/7 advertising solutions are available to a wide range of viewers through online advertising.

This explains the continued rise in global digital advertising spending. According to Nnaae (2018,p.10), online advertising differs from other forms of media in that it allows consumers to interact with advertisements, gather more information about their products, and even shop online right away. The audience is precisely targeted, and the message is delivered based on the user's interests and preferences. Advertisers can gauge their response to an advertisement by tracking the number of clicks or purchases. Online advertising allows you to launch a campaign, update it, or cancel it at any time. The progress of the campaign can be easily tracked online.

Despite these advantages, online advertising has numerous obstacles that necessitate regulatory oversight. Nigeria currently has no explicit rules or regulations controlling digital advertising, with the exception of basic laws that regulate communications and commercial practices. This appears to be an urgently needed void in order to protect the profession and society. For online consumers, the unpleasant and obtrusive nature of online advertising can be a source of rage. Some content is deemed obscene, illegal, indecent, or deceptive in some way. Obviously, this poses a threat to the profession's growth. Pop-ups, pop-unders, and banner adverts, according to Mohammed (2019, p.18), are omnipresent, unpleasant, and difficult to get rid of by online users, which can drive them away. Advertisement blockers are used by some users as a workaround. In the form of spam or email advertisements, these adverts are distributed in massive quantities. They are commonly used to market low-cost loans, weight-loss programs, Viagra and other medications, computer cartridges, breast and penis enlargement products.

pornography, and sexual encounters. These publications could be accessed by children, particularly through free online resources.

In light of this, the goal of this research is to see if existing Nigerian advertising restrictions are sufficient to ensure online consumer safety. This research will also look into whether relevant agencies have enacted any legislation to control internet advertising, as well as how the existing regulatory environment influences occupational growth due to the role that some actors in the advertising business play today. Because of the unique nature of internet advertising, it is able to analyse the aforementioned risks and offer relevant recommendations as needed.

# **Types of Online Advertisements**

Choi &Rifon (2012, p.45-53), while stressing on online advertising, classify online advertising into the following;

- a. Floating adverts: According to Choi & Rifon, a floating ad is a sort of internet advertisement that appears uninvited, overlaid over a user-requested website, and then fades or becomes unnoticeable after a set amount of time (specifically 5-30 seconds). The most basic floating advertising, according to the authors, display over the web page, either full screen or in a smaller rectangular window, and may or may not provide an escape mechanism, such as close buttons. More advanced versions, according to Choi and Rifon, can be any shape or size and contain noises, animation, and interactive elements.
- b. **Expanding adverts:** When a person clicks on one of these adverts, it expands.

  According to Choi &Rifon, the advertising do not enlarge simply by hovering over

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hyperlinks, as some other advertisers do, but they can take a long time to download,

which can negatively impair the visitor's experience on that page.

c. Wallpaper adverts: Choi & Rifon observed that this is an advert which changes the

background of the page being viewed.

d. Trick Banner: According to Choi & Rifon, a banner advertisement is a sort of web

advertising that tries to deceive consumers into clicking by simulating an operating

system message.

**d. Pop-up ad:** Choi & Rifon, observe that pop-up ad is a new window which opens in front

of the current one, displaying an advertisement, or entire webpage.

e. **Pop-under:** According to Choi &Rifon, the op-under is similar to a pop-up, except that

the window is loaded or sent under the current window, preventing the user from seeing it

until one or more active windows are closed.

**Advertising Regulatory Agencies in Nigeria** 

The advertising regulations in Nigeria are made up of legislative laws. This legal

regulation is a statutory legislation with legal force. In national courts, the provisions can be

enforced. The Advertising Practitioners Council of Nigeria Act, for example, was created

specifically to regulate Nigerian advertising practices. The Consumer Protection Council Act, the

Food and Drug Administration, the Trade Mistakes (Other Crimes) Act, and the State Agency of

the Food and Drug Administration are among the other pieces of legislation. Copyright laws,

defamation laws, and privacy laws are examples of information distribution laws.

Similarly, Some of the advertising regulating agencies include; Advertising Practitioners'

Council of Nigeria (APCON) which is the apex regulatory body regulating advertising, National

Broadcasting Commission (NBC), The Association of Advertising Agencies of Nigeria (AAAN),

Advertising Association of Nigeria (ADVAN), Media Independent Practitioners Association of Nigeria (MIPAN), Newspaper Proprietors Association of Nigeria (NPAN), Outdoor Advertising Association of Nigeria (OAAN), Broadcasting Organisation of Nigeria (BON) and in Lagos state there is the Lagos State Signage and Advertisement Agency (LASAA). These agencies all have various functions which they are to carry out, for example, one of the functions of the Advertising Practitioners Council of Nigeria (APCON) is to regulate and control advertising, subject to the approval of the Minister of Health, where the advertisement relates to food, cosmetic, beverages and drugs.

The goal of advertising rules is to preserve high standards of conduct and consumer confidence. Ibrahim (2014, p.11) argues that advertising regulation should be based on a sense of social duty to consumers and society as a whole, as well as specific ethical principles that are decent, honest, and sincere. The APCON code and the NBC code are two other agencies that oversee the Nigerian advertising business. They do not have legal power, but if strictly followed and enforced, they can have a significant and good impact on the advertising industry. Effective advertising regulation will almost certainly benefit consumers, the advertising industry, and society as a whole. It will aid in the control of the advertising industry's ever-increasing number of quacks. This ensures effective consumer protection and higher-quality advertising for the general public.

Again, according to Ibrahim (2014, p.12), advertising legislation is geared at sufficiently protecting consumers, and advertising tactics are sensitive and socially responsible. The Advertising Practice Code, according to Ibrahim (2014, p.12), relates to both practices and deliverables of practice, attempting a holistic approach. Advertising; content issues such as words, visuals, and nonverbal communication are only a few examples. From the foregoing, it can be concluded that Nigeria has a sound regulatory framework for offline advertising, but it

has serious challenges in enforcing it, such as a lack of willingness to do so (Ibrahim 2014,p.11). Also, as Adomi (2016,p.27) correctly points out, most customers are unwilling or unable to pursue a lawsuit or even file a formal complaint against deceptive or harmful advertising, even if they have been harmed. According to Adomi (2016,p.27), the judicial system isn't helping things because justice isn't delivered swiftly or is sometimes too expensive for consumers. As a result, the subject of advertising regulatory enforcement deserves further investigation.

# The Concept of regulating online Advertisements

Previous scholars such as Ogbede (2012,p.17), Nwosu (2020,p.8), and Nnaae (2012,p.23) have noted the lack of particular rules on online advertising in Nigeria. According to these studies, countries with inadequate regulatory frameworks are vulnerable to harmful and uncontrolled advertising to citizens. Because internet advertising is subject to applicable jurisdiction norms, more structured and implemented regulatory restrictions create more beneficial effects. According to Ogbede (2012,p.17), Internet rules are surprisingly lax, bordering on lawlessness. Similarly, Nwosu (2020, p.8) characterizes online advertising as the "wild west," lacking the same levels of protection as other forms of media. Advertisers can target not only children, but also teens and adults, by using the Internet to advertise age-restricted products. This is also true in Nigeria, where Ijedi, the acting registrar of the APCON, revealed in Akingbolu (2019,p.15) that numerous unregulated messages from bloggers and influencers have spread to products in order to deceive consumers and regulators. According to Ijedi, the advertising industry requires suitable regulation in order to push new technology developments. Nwosu (2020, p.9) also stated that online ads accounted for 88 percent of the ads that were updated or removed throughout the course of work. In addition, Nwosu (2020,p.10) offered some guidelines for online advertising. the authour also proposed certain guidelines for online advertising: Online advertising must be legal, neat, honest and true.

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> Online advertising should not include content that is offensive due to race, religion,

gender, sexual orientation, or disability.

➤ Online advertising should be created with a sense of social responsibility to consumers.

➤ Online advertising should not be misleading.

Advertisers need to make sure that all advertising messages are correct and demonstrable.

➤ Proof of eligibility must be provided for all online advertising.

> Online advertisers need to respect the principles of fair trading that are generally accepted

in the business world.

➤ Online advertising must comply with the ad code without damaging the credibility of the

ad.

Redefining online advertising in the digital age

In the digital age, it is critical to define what advertising is and is not for effective regulation. The

Internet's arrival paved the way for a plethora of new ways to reach individuals with various

sales messages across various platforms. It has given media content creators new opportunities

and altered how media consumers access, utilize, and interact with media (Adebayo 2013, p.10).

Today's audience can and does develop and spread sales communications, rather than being a

passive recipient of media messages. Because of the unique nature of internet advertising, the

roles of advertising agencies, media, and advertisers in the digital age must be clearly defined in

order to be regulated effectively. Today, commercial messages that are detrimental to viewers

are given straight to viewers without the involvement of law enforcement. People who wish to

market their ideas and products at the expense of potential clients are at the mercy of society.

Various social media sites are being used to propagate harmful commercial pitches.

**APCON** and online advertising regulating challenges

In 2019, the Nigerian Council of Advertising Practitioners (APCON) released a memo

threatening to not allow any advertising to be published on social media platforms. The note also

states that the Advertising Standards Panel (ASP) has discovered that certain brands are posting

communication materials in the digital space without fulfilling their required obligations. The memo states that all communication materials, regardless of medium, must be approved by APCON before they can be published. This memo reiterates that APCON regulates all ads posted on platforms, including YouTube, Facebook, Twitter, and all websites. APCON's deputy registrar, Ijedi Philomena Iyoha, informed TechCabal in 2019 that the organization is working on a framework to support the implementation of this policy.

However, current APCON policy penalizes advertising violators with a minimum fine of N500,000. Iyoha told TechCabal that the organization will extend this policy to violators of social media advertisements, but will also include a six-month jail sentence. APCON, established under a military regime in 1988, has the authority to regulate and control the practice of advertising in Nigeria "in all its aspects and ramifications." Meanwhile, the APCON ad vetting process is cumbersome and time-consuming. To begin, only certified advertising practitioners may apply to post advertisements. All applications must be submitted for consideration by APCON's Advertising Standards Panel. The cost of regular ad vetting is N25,000. This panel meets twice a month and can only expedite an application if the applicant agrees to bear full financial responsibility for such an emergency meeting. Accelerated vetting, on the other hand, costs between N150,000 and N280,000. On the internet, where platforms like Facebook and Google vet and approve ads in minutes, this process is difficult to follow. Instead of relying on Nigerian regulatory laws to moderate online advertisements, these platforms rely on selfregulation. Self-regulation should be used instead of relying on Nigerian regulatory laws to moderate online advertisements.

Akingbolu (2019, p.15) demonstrates that Nigeria currently lacks such a law governing online advertising. According to Akingbolu (2019, p.15), the APCON memo states that regulation should be limited to APCON members, implying that agencies are unwilling to

regulate online advertising. This means that even APCON members may be forced to resign if they decide that the freedom of APCON is more beneficial, even if it has a negative impact on society. Malicious advertisers, publishers, and website owners will put society at risk.

Again, millions of other online users are free to post whatever they want without fear of legal repercussions. There is no legal definition of an online advertiser or publisher in Nigeria today. It also does not define the responsibilities or essential relationships that must exist in the digital advertising industry between these parties in the event of defective advertising. For example, who will be held liable for defamatory advertisements? When is the advertiser or the publisher liable for defamatory advertising, or are both liable? When is the advertising agency in charge? These are some of the issues that must be addressed in the legal framework in order to effectively regulate online advertising.

According to Akingbolu (2019, p.14), APCON is widely misunderstood by most online advertisers and other users, who believe that no one has the authority to monitor what they do online. The majority of them are unaware of the regulatory agency's existence. According to Akingbolu (2019, p.14), APCON employees were attacked in their executive roles and their equipment was destroyed as a result of this misunderstanding. Akingbolu (2019, p.16) went on to say that there are several institutions that collect advertising revenue and perform similar functions to APCON. Advertisers are unhappy with the multiple payments. According to Akingbolu (2019, p.15), radio stations do not follow the law that requires a verification certificate before broadcasting an advertisement. Unlike the National Broadcasting Commission (NBC), APCON lacks the authority to impose harsh penalties on these stations. APCON is known as a toothless bulldog, according to Akingbolu (2019, p.16). Some advertisers complain that verifying APCON takes too much time and money.

## **CONCLUSION**

In a technologically innovative industry, the approach to regulation must be practical, versatile, and adaptable, as well as follow current market trends. APCON must recognize that online advertising connects the Nigerian business environment to the global market, encouraging trade, the exchange of ideas, and, most importantly, the influx of foreign capital, all of which contribute significantly to the overall economy. Following that, APCON must grasp a dynamic regulatory approach that can encourage rather than stifle economic advancement. The focus of APCON must always be on consumer protection, and the center of its approach must clearly be on ensuring the transparency of information collection and the preservation of consumers' and users' privacy, which will not be achieved by simply vetting advertorial content. Also, the regulation of online advertisement should not be constrained to APCON members. The inability of Nigeria to regulate online advertisements poses a challenge to the profession and society at large, as it will open the door to quackery and leave consumers vulnerable to harmful advertisements. Some advertisers and enforcement agencies are unclear about APCON's role in the advertising industry. As a result, regulating online advertising will benefit both society and the profession.

# Recommendations

- Awareness campaign should be put in place to encourage consumers to form complaints
  to the acceptable authority whenever their rights are trampled upon through advertising
  practice.
- Adequate regulation should be evolved to guide online advertising practice and to support the Prevailing legal framework.
- APCON must to promote itself for better understanding and acceptance by the society and enforcement agencies to enjoy the cooperation and support

- Publicity and warning notices should be issued against harmful online advertising..
- APCON and other stakeholders should support online media literacy campaign to equip online users against offensive and deceptive advertising

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