

6th June 2023

## Re: Compliance with Advertising Standards in the Promotion of Graduation Gowns

To whom it may concern,

We are writing this email as a courtesy to inform you of our intention to make a complaint to the Advertising Standards Agency and Trading Standards regarding the manner in which the vast majority of UK universities promote the sale of graduation gowns.

It has come to our attention that most universities are promoting an 'official', 'approved' or 'recommended' supplier of graduation gowns on their websites, social media pages and via email. Frequently these communications also link directly to the website of their chosen supplier.

Evidently this amounts to promotion of gown suppliers by universities to their students and, as a result, universities are acting as marketing affiliates of those suppliers. Universities and 'official suppliers' must therefore behave in a way that is compliant with the standards governing advertising and affiliate marketing in the UK (most notably the CAP Code and The Consumer Protection from Unfair Trading Regulations or 'CPRs').

One key component of both sets of standards is that any commercial relationship between the person/entity promoting the product, and the supplier of the product must be disclosed. The reason for this is explained on the UK Government website:

"Hidden ads are illegal and harmful as they can persuade people to buy things they might not usually buy if they'd known that the content was not a non-biased opinion, review or recommendation."

In our research, we have identified that universities are promoting gown suppliers on their websites, directly to students via email and on social media platforms without disclosing that they have a commercial relationship with that supplier. The Government website defines a 'commercial relationship' as one where some form of payment is made and 'payment' is then broadly defined as:

"Any form of incentive or reward – including money, commissions, discounts, leases or loans free of charge or in more favourable terms than those offered to the general public, gifts of any products – is payment."

In this specific context, universities are failing to disclose to consumers that the gown supplier they are promoting is providing the university with commission payments (usually based on the number of sales to students) and other free benefits such as free gown hire for university staff. This amounts to a breach of the Advertising Standards Agency CAP Code and CPR as any failure to disclose the commercial benefit / intent amounts to a misleading omission under section 6 of the CPRs.

## **Ensuring Compliance**

Universities are entirely within their rights to share details of an approved gown supplier and to highlight specific benefits to students in promotion of their chosen supplier. However, where any commercial relationship between the university and supplier exists, this must also be disclosed to students, so they are not given the impression that this is a non-biased recommendation on the part of the University.

The specifics of how this is made clear to consumers is a matter for your discretion however, to provide a more concrete example, the Office for Fair Trading, in an investigation against affiliate marketers More Niche Limited, required commitments that any communications would:

"...include a prominently displayed statement which would be unavoidable to the average consumer, that the promotion has been paid for or otherwise remunerated."

Hopefully this provides a helpful starting point. A number of other useful resources to help individuals and businesses remain compliant are available on the UK Government website, the website of the Advertising Standards Agency and from Trading Standards. If you would like specific links, please reach out vie return email and we would be happy to share those with you.

Best Wishes.

Oliver Adkins

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**Managing Director, Churchill Gowns**