



Submission to Joint Select Committee on Cyber-Safety

28 June 2010

## 1. Introduction

The Australian Direct Marketing Association (ADMA) welcomes the opportunity to provide comment to the Joint Select Committee on Cyber-Safety.

With the rise and rise of the digital economy organisations, many of which are marketing organisations, have an increasing reliance on the internet and citizen's participation in the digital economy and the digital community.

Individual's participation in the digital economy is very much correlated to the level of confidence and competence an individual has in terms of being able to transact safely and securely in an online environment.

Unfortunately however problems that occur in the offline community are also carried over, and sometimes exacerbated, in the online community. Indeed the online environment can create new opportunities to create harm for those who are so minded to do so.

In light of this environment, it is vitally important that the growth of the digital economy is accompanied by active steps to promote cyber-safety and security to ensure that individuals are aware of, and implement appropriate cyber-safety practices.

The ADMA submission focuses on the following key areas:

- a) Existing ADMA initiatives to promote member and consumer awareness about the issues of cyber-safety and cyber-security
- b) New initiatives that ADMA has planned to continually improve our work in this vitally important area.

## 2. About the Australian Direct Marketing Association

ADMA is the peak industry body of the Australian direct marketing industry.

ADMA was formed in 1966 and has during its 44 years of operation been involved in the formulation of law relevant to the direct marketing industry. Predominantly our focus has been the *Privacy Act 1988*, the *Spam Act 2003*, the *Trade Practices Act 1974* and the *Do Not Call Register Act 2006*.

Direct marketing includes any marketing communication whose objective is to actively solicit and produce a tangible and measurable response. Direct marketing includes any marketing that is directed to an individual at a distance and includes marketing via:

- a) mail
- b) email
- c) telephone call
- d) SMS or MMS
- e) The Internet (including over mobiles)
- f) Social Media Networks

ADMA's primary objective is to help companies achieve better marketing results through the enlightened use of direct marketing.

Consistent with this objective, ADMA has been involved in co-regulatory and self-regulatory solutions over many years.

ADMA operates a Direct Marketing Code of Practice which is a self regulatory code. Compliance with the Direct Marketing Code of Practice is a pre-requisite of our membership. The Direct Marketing Code of Practice is overseen by an independent Code Authority which administers consumer complaints.

In addition ADMA also produces best practice guidelines for our members in fulfillment of our primary objective.

ADMA has over 500 member organisations including major financial institutions, telecommunications companies, energy providers, travel service companies, major charities, statutory corporations, educational institutions and specialist suppliers of direct marketing services.

Almost every Australian company and not-for-profit organisation directly markets to its current and potential customers as a normal and legitimate part of its business activities and the ability to continue to conduct this activity underpins a good proportion of Australia's economic activity.

### 3 Promotion of Cyber-safety and Cyber-Security

A number of ADMA members interact with children in the online environment. Examples of this include relationships with sports clubs or dedicated websites for preschoolers. Therefore it is extremely important that ADMA provides guidance to our members in relation to minimum acceptable practice and best practice when interacting with minors. In recognition of this ADMA has a number of platforms that are designed to provide guidance to the marketing organisations about appropriate conduct when interacting with minors.

In addition to the role that ADMA plays in setting best practice and minimum practices for our members we also provide consumer education resources through our website. These resources include a prominently displayed section on 'Children and the Internet and Cybersafety'. This section provides information for children, teenagers, parents and small and medium businesses on cyber-safety. This section includes references to the resources provided by Stay Smart Online.

#### 3.1 Education of ADMA members in relation to Cyber-safety Issues

The ADMA Direct Marketing Code of Practice (the ADMA Code) includes specific provisions that address marketing to minors. As noted in the previous section the ADMA Code is a self-regulatory code, and compliance with the code is mandatory for members.

The ADMA Code specifies:

- 50 *Members must have appropriate procedures in place to limit the sale of restricted goods or services to minors.*
- 51 *Where appropriate, a notice informing minors that parental consent is required should be given at the point at which personal information is collected. This should be clear, prominent and in a language which a minor can easily understand. It should include an explanation of the purposes for which data is collected (i.e. marketing purposes) and how consent may be given.*

In addition to these provisions, the ADMA Code also includes provisions with respect to the content of commercial communications designed to ensure marketing approaches do not exploit minors' credulity, loyalty and vulnerability or lack of experience. Further the provisions of the ADMA Code prohibit marketing that projects images of minors in hazardous situations.

Specifically these provisions are:

- 52 *Commercial communications directed at minors should not exploit their credulity, loyalty, vulnerability or lack of experience and, in particular, minors should not:*
  - 52.1 *be made to feel inferior or unpopular for not buying the advertised product or not taking part in the particular activity;*
  - 52.2 *be made to feel they are lacking courage, duty or loyalty if they do not buy, or encourage others to buy a particular product or undertake a particular activity.*

- 53 *Commercial communications addressed to minors should not:*
- 53.1 *actively encourage them to coerce parents, teachers and others;*
  - 53.2 *exaggerate what is attainable by the ordinary minor using the product or service being advertised or promoted;*
  - 53.3 *exploit their susceptibility to charitable appeals and should explain the extent to which their participation will help with charity-linked promotions.*
- 54 *Commercial communications directed at minors should not project images of minors in hazardous situations, behaving dangerously or in close proximity to dangerous substances or equipment without direct adult supervision (for example, matches, petrol, fireworks, certain medicines and household substances, electrical appliances and machinery and agricultural equipment) and, in particular, must not encourage a minor to:*
- 54.1 *undertake any activity which is likely to result in their physical, mental or moral harm;*
  - 54.2 *enter a strange place or talk to strangers.*
- 55 *It should be made easy for minors to judge the size and performance characteristics of any product advertised and distinguish between real life situations and fantasy.*
- 56 *Where minors participate in promotions offering prizes which may raise issues between minor and parent such as, for example, holidays, pet animals, goods or cash, parental consent must be obtained prior to awarding the prize to the minor.*

In addition to the ADMA code, ADMA has also produced an e-commerce guideline. In these guidelines marketers are alerted to the need to support industry and other efforts to help educate parents about ways to protect their children's privacy online, including information informing them about software tools and parental supervision.

### **3.2 Online Privacy and Security**

In addition to the work that ADMA does in relation to the education of our members about the special considerations that apply to interacting with minors in online environments, ADMA also seeks to promote awareness of cyber-safety issues with consumers.

ADMA's website includes a prominently displayed section specifically on Children and the Internet and Cybersafety. This section addresses such issues as Children and the Internet as well information to consumers about the measures they should take to protect their personal information online. A copy of the information provided is included in Appendix A of this document.

### 3.3 Future Activities Planned by ADMA to promote Cyber-safety

In recognition that the tools needed to ensure online privacy are continually evolving and the efforts of all involved in this area will never reach an end point, ADMA plans to review and build upon its current initiatives.

In coming months we intend to:

- a) develop cyber-security toolkits and guides;
- b) review and revise the ADMA Code and the e-commerce guideline in relation to cyber-security and cyber-safety;
- c) provide free member briefings and events on cyber-security and cyber-safety issues.

ADMA also stands ready to engage in government initiatives on this important issue.

ADMA submits that the resources that are provided by government initiatives such as Stay Smart Online and CERT Australia will be vital to our future efforts and ADMA encourages Government's continued support for these initiatives.

In addition, ADMA fully supports the majority of the recommendations contained in the **Hackers, Fraudsters and Botnets: Tackling the Problem of Cyber Crime** report released by the House of Representatives Communications Committee. ADMA specifically supports the recommendation that a single office, an Office of Online Security, be established to provide industry, consumers and all relevant stakeholders with a single point of contact for this vitally important issue.

## 4 In Summary

ADMA believes that all elements of society, including industry, have a crucial role to play in ensuring the online safety of our more vulnerable members and taking an active role in promoting awareness across the community about the steps that need to be taken to ensure cyber-safety and security.

## Appendix A – ADMA Webpage on Children and the Internet and Cybersafety

### Children and the Internet and Cybersafety

The internet has increasingly become part of our daily life. It provides a way for us to connect and communicate with the outside world from within our own home.

It can be educational and entertaining and can simplify the daily organisation of our lives.

These benefits come with risks and challenges and it is important that you and your family are protected. Securing your computer, being aware of the hazards and practising safe online behaviour are ways you can minimise your exposure to online risks.

This webpage describes what Kids, Teenagers, Parents, Home Internet Users, Small and Medium Businesses need to do to stay safe online.

There is an abundance of tools and materials available about how to be cybersmart and there are specific age-specific materials for children of all age ranges to help them successfully navigate the Internet.

#### Key Tips for Kids

All kids who have access to the internet should spend time on the

- [Stay Smart Online](#) website
- make a [Budd:e](#)
- watch [Hector's World](#)

In addition there are some very important points that kids should know if they want to take advantage of great kid specific programs from Australian companies (examples of which include joining sport associations or interacting with websites that have been specifically developed for kids).

- Never give out our personal information without getting your mum, dad or guardian to say its ok
- Parents/kids should only give out children's personal information to trusted brands and websites that clearly specify the terms and conditions of the offer and provide clear information on the privacy policy of the firm.
- Don't give information out by following a link to a website of a brand that you recognise always find the website yourself.

#### Teenagers

Teenagers have slightly different cybersecurity needs to smaller children including:

- securing your mobile phone
- giving out information on social media sites
- cyber-bullying
- cyber-safety

The [Stay Smart Online](#) website includes a range of teenage specific resources including how to stay safe on social media networking sites as well as how to deal with cyber-bullying.

## Parents

Protecting your children from harm is just as important online as in the real world. As a parent or carer, you can play an important role in helping children have safe and positive experiences online.

Here are the top tips for parents keeping their children safe online.

- **Know what your children are doing online**—make sure they know how to stay safe and encourage them to tell you if they come across anything suspicious or if anybody says or does something that makes them feel uncomfortable or threatened.
- **Get to know the technologies your children are using.** This will help you understand the risks and to be able to talk to them about what they are doing online.
- **Discuss the risks with your children and agree on some rules for internet use.** Post them clearly near your computer.
- **Tell your children if they are uncomfortable talking to you they can contact the Cybersmart Online Helpline (Kids Helpline) [www.cybersmart.gov.au](http://www.cybersmart.gov.au)**
- **Place the computer in a family area of the home**—the family or living room, rather than a bedroom.
- **Install an internet content filter.** This can be used to restrict what content is viewed and downloaded or the times when they can use the internet.
- **Make sure your children know not to share personal information or photos.** This includes their full name, mailing address, telephone number, the name of their school, or any information that could allow someone to work out who they are and where they live unless you say its ok.
- **Report inappropriate, harmful or criminal activities that occur online or via a mobile device to [www.thinkuknow.org.au](http://www.thinkuknow.org.au)**
- **Report offensive content to the Australian Communications and Media Authority (ACMA).** You can do this by completing the relevant online form at [www.acma.gov.au/hotline](http://www.acma.gov.au/hotline) or by sending an email to [online@acma.gov.au](mailto:online@acma.gov.au) or phone 1800 880 176

## Home Internet Users

There are a number of elements of cyber-safety and security that home internet users need to take into consideration these include:

- securing your computer



- securing your children
- protecting yourself
- securing your mobile phone

The Stay Smart Online website includes information specifically designed for you click [here](#)

### **Small and Medium Business**

Not protecting your customer information could have an impact on the reputation of your business or the relationship you have with your customers.

Practising online security is particularly important for home-based businesses which often share their computer resources with family members.

To find out more click [here](#).

### **ADMA Members**

ADMA created e-commerce guidelines [link to the ecommerce guidelines] to assist ADMA members when developing online initiatives. This includes guidelines for when and how children's information should be collected online.

These guidelines are currently being reviewed to make sure they are up-to-date.

### **Complaints**

Consumers who believe have concerns about how marketing organisations are marketing online or collecting and using personal information online can contact ADMA by emailing [code@adma.com.au](mailto:code@adma.com.au) or writing to Director, Corporate and Regulatory Affairs, ADMA, GPO Box 3895 SYDNEY NSW 2001.