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Industry Self-Regulation In The Age Of Online Influencers

by [David Ridley](#)

Ensuring the UK self-care industry can continue to self-regulate effectively in the age of digital media advertising is a key part of PAGB's "Strategy to 2025," according to the association's CEO John Smith.

Digitalization is transforming the way that consumers find out about and purchase their healthcare products, which is in turn driving change within the global consumer healthcare industry.

Speaking at a recent conference, Association of the European Self-Care Industry's (AESGP's) director general, Jūratė Švarcaite, noted that digitalization was the main disruptor of the European self-care industry, bringing with it concerns about the quality of information consumers were finding on the internet and the effect this was having on their ability to self-care responsibly. (Also see "[Dr Google Not Good Enough, European Self-Care Industry Must Step Up](#)" - HBW Insight, 14 Oct, 2019.)

The UK's Advertising Standards Authority has upheld complaints against consumer healthcare firms for the use of "influencers" in social media advertising, for example. (Also see "[Sanofi Warned Over Use Of Social Media Influencer For UK Ad Campaign](#)" - HBW Insight, 9 Jul, 2019.)

In this context, UK self-care industry association, PAGB, is looking at how best to manage the challenge of digital on behalf of its members, as part of its new "Strategy to 2025". (Also see "[Switching, Brexit and Digital – Three Priorities For The UK Self-Care Industry](#)" - HBW Insight, 5 Nov, 2019.)

PAGB is launching five new working groups on digitalization, the association's chief executive officer, John Smith, reveals in this second installment of an exclusive three-part interview with *HBW Insight*.



PAGB CEO JOHN SMITH

One area strongly associated with the work of PAGB – industry self-regulation with regards to the advertising and marketing of consumer healthcare products – is facing a particular challenge from digital, Smith notes.

Developing effective new guidance and pragmatic yet effective processes in collaboration with the UK's Medicines and Healthcare products Regulatory Agency (MHRA) will be key to building trust between consumers and industry in the age of social media, he suggests.

Q How is PAGB dealing with the challenge of digitalization?

A We've got to start thinking about how we work within this digital world because we want to be a trade association that's fit for the future. We want to be able to say, in 2025, that we are as relevant as when we started 100 years ago. What we have put together is really in its infancy at the moment. We've created five working groups to investigate where we want to drive the digital agenda going forward.

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The five key areas are: e-commerce, advertising and social media; digital self-care, patient information; and mobile apps. We want to get experts and the right people from our member companies involved so we can draw up a plan for what we want to achieve by 2025. We're looking to complement the expertise we already have in PAGB. So, for example with e-commerce, we would like to get people from Amazon, Google or Walgreens Boots Alliance to come and work with us. The MHRA has also shown a keen interest in working with us on digital.

Q Self-regulation in terms of advertising and marketing is a crucial role for

PAGB. How difficult is it to maintain this function in the digital age, with more and more of this activity happening online?

A At the moment we are just about managing, but it's just not possible to continue to look at every single personalized online advertisement. That's not good use of industry's money. We've got to find a way to self-regulate that is efficient and effective. We want to make sure people increasingly turn to self-care and we obviously want to continue as an industry to self-regulate. How do we make sure that this is done in the right way? If we don't get this right, we are going to be struggling to keep up with the increasing volume of online advertising in two to three years' time.

Q There was recently a survey that showed a decline in consumer trust as a result of digitalization, but when it came to companies, trust was still relatively high. (Also see "[How Industry Can Build Trust To Win In A Post-Truth World](#)" - HBW Insight, 17 Jun, 2019.) How can PAGB help maintain or increase consumer trust in the UK self-care industry?

A I think you're right, we've got to find a way of maintaining and increasing trust in our member companies. We've got to find a system of self-regulation that works, with advertising codes that we can still stand behind and say that advertising is fact-based, truthful and not misleading. If you are a member of PAGB you are already demonstrating you are a reputable company. I'm also interested in how these questions apply to e-commerce. How can we trust products purchased online that are perhaps imported from a country with different medicines and food supplement regulations?

Q What about the increasingly powerful role of social media in consumer healthcare marketing, particularly influencers? How is PAGB dealing with this?

A PAGB has a seat on the Committee of Advertising Practice and we work with the ASA, which often sends its staff to our advertising workshops. We want to be the leading light in working with them to develop standards in this area in the right direction.

Again, it's also about us having the best people working for PAGB. Our Advertising Services Manager, Laura Kelly, previously worked at the ASA. Having ASA come to us to be trained on our codes is very positive for me as it shows that there is a commitment to work together.

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We are the experts when it comes to OTC medicines, medical devices and food supplements, that's why working with the regulators, with MHRA and ASA, on our new digital workstream is so important. We are defining the parameters that the industry is going to operate in, so we need to find a way forward that is as pragmatic and sensible as possible.