

Electronic Retailing Self-Regulation Program

Lead Generation and Telemarketing Review: General Activity Report

The Electronic Retailing Self-Regulation Program (ERSP) expanded its purview to monitor and review the advertising and telemarketing practices of the coaching and mentoring and lead generation industry in 2012.

Case Reports

As part of its expanded monitoring review of the lead generation advertising practices for the coaching and mentoring industry, ERSP commenced ten (10) individual inquiries of non-participating companies regarding the truth and accuracy of core claims communicated in lead generation advertising. More detail regarding the results of the completed reviews can be found at www.asrcreviews.org.

Activity Report

As part of this expanded program, two companies, Prosper, Inc. and Professional Marketing International (PMI) ("Participants"), voluntarily submitted their advertising and current telemarketing scripts to ERSP for each coaching or mentoring program that they offer. In addition, Participants provided complete access to their call recording systems so that ERSP was able to randomly select and review a sample of telemarketing calls (i.e., calls whose primary purpose is to sell a coaching or mentoring program).

Similar to inquiries administered pursuant to the current ERSP Procedures for the direct response industry, ERSP evaluated the "primary" or "core" claims made in Participants' advertising materials, scripts, and telemarketing recordings, i.e., those representations which are deemed by ERSP to be the most significant and fundamental in the communication of material attributes or characteristics of their coaching or mentoring program. The "primary" or "core" claims in a script or telemarketing call for a coaching or mentoring program include (but are not limited to) claims relating to the objective benefits of the coaching or mentoring program (especially financial benefits) and the qualifications of coaches or mentors or the nature of the assistance.

The Participants communicated to ERSP that they are committed to ensuring that their advertising is truthful and accurate. Participants have expressed their support of industry self-regulation, and have taken ERSP's recommendations into consideration.

At the request of *Professional Marketing International (PMI)*, ERSP reviewed:

- fifteen (15) websites, which contained consumer testimonials and other advertising for PMI
- social media sites, including Twitter and YouTube
- five (5) telemarketing scripts
- telemarketing sales calls previously recorded by PMI

At the request of *Prosper, Inc.*, ERSP reviewed:

- two (2) websites, which contained consumer testimonials and other advertising for Prosper
- social media sites, including Facebook, Twitter and LinkedIn
- ten (10) telemarketing scripts
- telemarketing sales calls previously recorded by Prosper

About Advertising Industry Self-Regulation: The Advertising Self-Regulatory Council establishes the policies and procedures for advertising industry self-regulation, including the National Advertising Division (NAD), Children's Advertising Review Unit (CARU), National Advertising Review Board (NARB), Electronic Retailing Self-Regulation Program (ERSP) and Online Interest-Based Advertising Accountability Program (Accountability Program.) The self-regulatory system is administered by the Council of Better Business Bureaus.

Self-regulation is good for consumers. The self-regulatory system monitors the marketplace, holds advertisers responsible for their claims and practices and tracks emerging issues and trends. Self-regulation is good for advertisers. Rigorous review serves to encourage consumer trust; the self-regulatory system offers an expert, cost-efficient, meaningful alternative to litigation and provides a framework for the development of a self-regulatory to emerging issues.

To learn more about supporting advertising industry self-regulation, please visit us at: www.ascreviews.org.