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# Social Media Law Blog

Highlighting Legal Issues Regarding Social Media

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## New York AG Addresses Cause Marketing on Social Media

By Rachel Tarko Hudson on November 28, 2012

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The New York Attorney General's Charities Bureau recently released "Five Best Practices for Transparent Cause Marketing" which contains general best practices for cause marketing campaigns, including campaigns conducted on social media. Cause marketing, also known as commercial coventures, is the practice by a for-profit company of donating a portion of the purchase price of an item or service to a charity. Cause marketing is becoming increasingly popular among companies looking to do good as well as to generate positive publicity for their brand. Many states regulate cause marketing, however, New York's Best Practices indicate that greater attention may begin to be focused on campaigns conducted using social media and other newer online platforms for giving.

According to the Best Practices, companies and charities' "should be no less vigilant" in their conducting of cause marketing campaigns using social media than they would be in more traditional product sales settings. Applying the general best practices to the social media setting, the Best Practices advise that:

- The terms of the campaign should be "clearly and prominently" disclosed as part of the online marketing
- Marketing should include:
  - the amount to be donated to charity per action
  - the name of the charity
  - the dates of the campaign
  - any minimum or maximum amount to be donated

Companies are also told to track donations in real-time for the duration of the campaign and make the progress of the campaign transparent to users. When the campaign ends or any maximum amount is reached, it should be discontinued or at least made clear to users that any subsequent actions will not result in a donation to the charity. Companies are also told, as part of the general Best Practices, to post and maintain on their website the amount of the donation made by the company as a result of the campaign.

The Best Practices focus on social media campaigns conducted on sites such as Facebook or Twitter where a donation will be made for every person who “likes” or “follows” a company. But the Best Practices should be considered in conducting other social media and online campaigns as they are a window into how at least one Attorney General will view these types of campaigns.

The bottom line is that marketers should keep in mind that an overarching theme in the Best Practices are that consumers should receive helpful and truthful information about cause marketing campaigns. Tell consumers what you are doing and what they are getting for their money or their “likes.”