



DD

**GLOBAL DAILY DEAL
ASSOCIATION**
CODE OF CONDUCT

MAY 2012

GLOBAL DAILY DEAL ASSOCIATION

CODE OF CONDUCT

CONTENTS

1. INTRODUCTION	2
2. WHY DO WE NEED A CODE?	3
3. DEFINITIONS	3
4. OBJECTIVE OF THE CODE	4
5. MARKETING CLAIMS	5
5.1 MISLEADING AND / OR DECEPTIVE CONDUCT.....	5
5.2 REFUNDS AND CREDITS	6
6. COMPLYING WITH THE SPAM ACT	7
6.1 CONSENT	7
7. PRIVACY	7
8. COMPLAINTS	8
9. ENFORCEMENT	9
9.1 COMPLAINTS RECEIVED BY THE GDDA	9
9.2 COMPLAINTS OUTSIDE THE SCOPE OF THE GDDA	9
9.3 POTENTIAL BREACH OF THE CODE BY A SIGNATORY	9
9.4 HEARING BEFORE THE AUTHORITY	10
9.5 SANCTIONS FOR BREACH	12
9.6 PUBLICATION OF ENFORCEMENT ACTION.....	13
10. REVIEW	13

GLOBAL DAILY DEAL ASSOCIATION

CODE OF CONDUCT

1. INTRODUCTION

The Global Daily Deal Association (GDDA) is the first trade organisation for the burgeoning daily deal industry. The GDDA will bring together the thousands of daily deal providers currently offering discounted goods and services to consumers across the globe.

The daily deal space has seen rapid growth in the industry's short existence. Since the industry began in 2009, over 8,000 businesses have opened in the daily deal space. Currently these companies are working as individuals in distinctly separate entities across the globe. These daily deal providers do not work together as an industry; there are no common practices; accreditation; or code of conduct – all elements crucial to the survival of the industry.

The association aims to provide one voice for the dynamic and currently disparate daily deal industry. The GDDA will bring together daily deal providers from across the world to collaborate on industry initiatives and standardise approaches to this new and developing sales channel.

One of the initiatives is the Code of Conduct.

2. WHY DO WE NEED A CODE?

The rapid growth of the daily deal industry has meant unreliable and fraudulent businesses have established themselves alongside the reputable Daily Deal Providers. These misleading businesses, and a lack of regulation and agreed practices, in the industry has seen an increase in consumer and Merchant dissatisfaction.

A code is necessary to:

- Improve consumer and Merchant perceptions of the sector
- Improve the overall reputation of the industry
- Improve competitiveness
- Standardise practices
- Regulate the industry
- Strengthen marketing support for members

3. DEFINITIONS

Phrase	Definition
GDDA	Global Daily Deal Association
Daily Deal Provider (DDP)	Businesses that promote daily deals and/or group buying Offers
Merchants	Businesses or vendors who advertise through daily deal providers and offer goods and services to a daily deal provider
Signatory	A daily deal provider that has signed and agreed to the GDDA Code of Conduct
Subscriber	Consumers that sign up with a daily deal provider to access offers and services
Offer	A good or service available for purchase by a Subscriber from a Daily Deal Provider

4. OBJECTIVE OF THE CODE

Companies who agree to the GDDA Code of Conduct will be involved in the continued development of the Code and will partner with the GDDA to shape the practices and future of the industry.

The Code of Conduct is administered by the Global Daily Deal Association and developed on a voluntary basis to:

- Ensure subscribers have access to product and service information in order to make informed choices
- Promote compliance within the industry with relevant laws
- Promote fair, honest and ethical best practice within the group buying industry
- Increased consumer confidence when engaging with Daily Deal, Deal and Group Buying Companies

The Code of Conduct outlines best practices that Daily Deal and Group Buying Providers should observe when engaged with any deal, Offer or coupon activity. Best practices include:

- Providing Merchants and Subscribers with enough information to fully understand an Offer before accepting
- Clear, accurate and honest communication with Merchants and Subscribers
- Ensuring appropriate policies and procedures are in place and accessible on the main website. This includes abiding by relevant spam, email and privacy laws
- Refraining from advertising prohibited items
- Ensuring all commercial electronic messages comply with relevant legislation
- An easy to understand refund policy
- Clear and effective procedures for handling complaints

5. MARKETING CLAIMS

5.1 MISLEADING AND / OR DECEPTIVE CONDUCT

5.1.1 The Daily Deal Provider should:

- Communicate the Offer clearly and comprehensively
- Not engage in false and misleading conduct
- Provide subscribers with accurate information about each Offer provided including:
 - a. the price of the goods or services
 - b. the description of the goods or services
 - c. the discount
- Include detailed terms and conditions alongside the Offer or via a link from the Offer (where more detailed terms and conditions exist)

5.1.2 Terms and Conditions for each Offer should include the following information:

- The period for which the Offer is available
- Any limitations or restrictions on the Offer
- Any date by which the subscriber has to book the Offer (especially if this differs from the Offer expiry date)

5.1.3 The DDP should verify with Merchants the accuracy of any claims about the benefits, value or characteristics of an Offer.

5.1.4 The DDP should take care to not portray products as free when purchase of another product is required to secure the good or service. Terms such as 'complimentary' should be used instead.

5.2 REFUNDS AND CREDITS

5.2.1 The DDP should have a refund policy, which:

- Is clear, comprehensible and unambiguous
- Is prominently displayed on the provider's website
- Is easily accessible throughout the purchase process and can be found on the website's homepage

5.2.2 The refund policy should include an example of what would occur in the following situations:

- a. The Merchant goes into liquidation
- b. The Merchant fails to provide the goods or services
- c. The goods or services provided by the Merchant are not as advertised

6. COMPLYING WITH THE SPAM ACT

6.1 CONSENT

6.1.1 The Daily Deal Provider must only distribute emails that promote and advertise offers, goods and services to individuals who have given consent.

Consent exists when:

- a. Individuals have opted in to receive offers
- b. The individual has an existing business relationship or other relationship with the DDP
- c. The individual shares a promotional email to a friend, relative or family member.

6.1.2 Factual messages such as bills, service messages, or refunds can be sent by the DDP regardless of consent.

7. PRIVACY

7.1 The Daily Deal Provider should have a clear and easy to read Privacy Policy

7.2 The Privacy Policy should be prominently displayed on the DDP website/s

7.3 Privacy Policies should include information such as:

- The company's name
- How the DDP uses personal information
- The companies or types of companies the DDP discloses personal information to
- How individuals can request the information that a DDP hold about that individual
- What will happen if an individual doesn't provide their information and any laws that requires the Provider to collect information

7.4 The DDP should not use or disclose personal information to third parties except as outlined in their Privacy Policies

7.5 When an individual requests not to receive marketing communications the DDP must, as soon as possible, take action to ensure the individual isn't contacted for future marketing purposes

7.6 The DDP should keep personal information secure and have appropriate information and data security procedures in place

7.7 The DDP should allow individuals, whose information they hold, the ability to access and correct that information

8. COMPLAINTS

8.1 The Daily Deal Provider website should clearly display the contact details where Subscribers can lodge a complaint. This should include at least one of the following:

- a. Telephone number
- b. Email address
- c. Postal address
- d. Online chat

8.2 The DDP should acknowledge receipt of complaints promptly and have clear and effective procedures for handling complaints

9. ENFORCEMENT

Complaints in relation to the Code of Conduct will be administered by the Global Daily Deal Association.

9.1 COMPLAINTS RECEIVED BY THE GDDA

Any regulator, individual or consumer who considers that a Signatory has breached a provision of the Code of Conduct may lodge a complaint with the Global Daily Deal Association.

Complainants are encouraged to lodge complaints via the GDDA website or email support@gdda.co.uk

Complainants who do not wish to contact the GDDA online may send complaints by postal mail to 56 Wood Lane, W12 7SB London, UK

The complainant should set out the following details:

- a. His or her name and contact details
- b. The name and, if known, the contact details of the Daily Deal Provider
- c. A brief outline of the complaint including substantiation of the claim.

9.2 COMPLAINTS OUTSIDE THE SCOPE OF THIS CODE OR AGAINST ORGANISATIONS THAT ARE NOT SIGNATORIES

Complainants that lodge complaints that do not relate to the GDDA Code of Conduct or do not relate to a Signatory of the GDDA Code of Conduct will be referred to the appropriate regulatory or advisory body where available.

9.3 POTENTIAL BREACH OF THE CODE BY A SIGNATORY

A GDDA Code Authority Officer will assess each complaint and if it appears that the Signatory has breached the Code of Conduct the complaint will be sent to the Signatory. Signatories must respond to complaints within 15 days.

If a Signatory can provide clear evidence that they have not breached the Code of Conduct, or resolves the matter with the complainant, then the Code Authority Officer will advise the complainant that no breach has occurred and will close the complaint.

If a Signatory can provide clear evidence that they have not breached the Code of Conduct then they may respond with a clear outline of the steps taken to resolve the matter to the satisfaction of the complainant.

If the Signatory doesn't respond within 15 days or the matter cannot be resolved with the complainant then the Code Authority Officer will refer the matter to the Code Authority.

Upon reviewing the complaint, the Code Authority may:

- Direct the Code Authority Officer to investigate the complaint further and report the results of the investigation to the Code Authority
- Send notice to the Signatory to attend a hearing to address the alleged breach of the Code of Conduct

9.4 HEARING BEFORE THE AUTHORITY

9.4.1 The Signatory will be given access to any documents that relate to the case/s and may also provide written submissions to the Code Authority prior to the hearing.

9.4.2 At the Code Authority hearing the Signatory will be given a reasonable opportunity to present their case. The Signatory may make verbal submissions in relation to the allegations. The Signatory may appear in person or may be represented. The Code Authority may, at its discretion, invite a complainant to participate in the Code Authority's hearings through written and/or verbal submissions.

9.4.3 Within 14 days of the conclusion of the Code Authority hearing, the CEO of GDDA will send the Signatory a notice containing the decision of the Code Authority.

9.4.4 If the decision affirms the allegations, then the notice may also include any remedial action and/or sanctions the Code Authority considers appropriate. The Code Authority should advise the complainant in writing of their decision and reasoning.

9.4.5 From receipt of the decision, the Signatory will have 14 days, unless impractical, to take the necessary steps to comply with the decision.

9.4.6 If within 14 days the Signatory is unable to demonstrate compliance with the decision, the GDDA will call a special meeting to consider removing the Signatory status of the organisation to the Code of Conduct.

9.4.7 If the Code Authority records indicate that the Signatory has breached the Code on two or more occasions in the preceding 12 months then the status of Signatory can be revoked.

9.4.8 If the signatory withdraws from the Code:

- a. During the consideration of a complaint by the Code Authority; or
- b. Subsequent to a decision being reached by the Code Authority rendering sanctions unenforceable;

the Code Authority will forward the complaint, including relevant documentation, to the appropriate regulatory authority for further action where possible.

9.5 SANCTIONS FOR BREACH

9.5.1 Where the Code Authority finds that a Signatory has been in breach of the Code of Conduct it may impose such sanctions as it considers appropriate including, without limiting the generality of its powers to:

- a. Requiring a formal apology for breach
- b. Requiring corrective advertising or the withdrawal of offending advertisements or statements
- c. Requiring the correction or deletion of relevant records and personal information
- d. Recommending refund or replacement of goods or services where appropriate
- e. Requiring the Signatory to take specified remedial action to correct the breach and avoid re-occurrence
- f. Seeking a written undertaking from the Signatory that the breach will not be repeated
- g. Recommending the relevant supply chain or media channel used by the Signatory to communicate with its Subscribers cease to supply and cooperate with the Signatory in respect of future direct marketing activities planned by the Signatory until the breach is rectified

9.5.2 The CEO of the GDDA may impose the following sanctions:

- Order the payment of money, the transfer of property (including goods) or the delivery of goods
- Suspend or cancel Signatory status of the organisation
- Issue a formal written admonishment to the non-compliant Signatory, which may, where appropriate, be made public. This will include specifically informing other Signatories that action has been taken. The non-compliant Signatory will be given the opportunity to both see and comment on the statement prior to publication.

9.5.4 During suspension or after termination, the Signatory should take immediate steps to cease implying in any way that it is a Signatory to the GDDA Code of Conduct.

9.5.5 On suspension or termination, the CEO of the GDDA may notify any relevant industry body and/ or issue a public statement giving reasons for the suspension or expulsion.

9.6 PUBLICATION OF ENFORCEMENT ACTION

9.6.1 The GDDA will publish in its Annual Report:

- The number of the complaints received by the Code Authority during that year
- The number of breaches established by the Code Authority during that year
- An analysis of the enforcement action taken during that year
- A statistical analysis of complaints by company

10. REVIEW

10.1 The Code of Conduct will be reviewed every six months

10.2 Comments in relation to the Code and its operation can be directed to Code@gdda.co.uk at any time.

DD

GLOBAL DAILY DEAL ASSOCIATION

56 WOOD LANE

LONDON

W12 7SB

PHONE: 0208 743 8037

EMAIL: STAVROS@GDDA.CO.UK

WEB: [HTTP://GLOBALDAILYDEALASSOCIATION.COM](http://globaldailydealassociation.com)

GLOBAL  ASSOCIATION