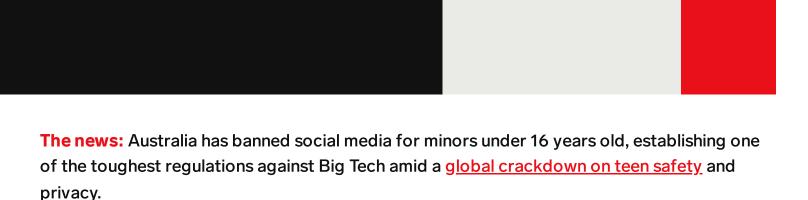


Australia's social media ban leaves questions unanswered

Article



The breakdown: The law requires platforms to take "reasonable steps" to block minors or face fines of up to \$45 million Australian dollars (\$32 million). However, what those steps

entail is unclear—a trial period for restrictive measures will start in January and take full effect later in 2025.

- Which platforms are subject to the ban remains somewhat uncertain: The Australian government named Instagram, Facebook, Snapchat, TikTok, and X as likely to be affected.
- There are three notable exceptions: Messaging platforms like WhatsApp, gaming platforms, and services with educational content including YouTube are exempt from the regulations.
- This isn't a blanket ban: Users 15 and under will still have access to platforms that allow them to see some content without creating an account.

What now? The law was touted by legislators as a global first-of-its-kind, but questions about enforcement linger.

- Europe's landmark Digital Services Act (DSA) defines platforms and search engines with over
 45 million users as very large online platforms (VLOP) subject to specific rules.
- Australia's law lacks such definitions, giving some platforms room to seek exceptions.
 LinkedIn argued that it should be exempt since its content isn't aimed at minors, and X owner
 Elon Musk called the law a "backdoor way to control access to the internet."

Our take: Forcing users 16 and younger off platforms and preventing them from creating accounts represents a significant loss of user data for sought-after demographics. A January Harvard University study found that social media companies generated \$11 billion in US advertising revenues from minors in 2023.

Marketers will have to adjust their strategies accordingly. Some may choose to target older consumers, while others could shift budgets away from social media toward channels like connected TVs, which offer access to young demographics with fewer restrictions.



Importance of Data Signals for Digital Advertisers in Australia, April 2024

% of respondents

	Critical	Very important
Geographic and location data	52%	37%
First-party data (e.g., CRM, product feeds)	47%	33%
Ad viewer behavior (e.g., ad interactions, time spent)	35%	49%
Demographics (e.g., age/sex)	33%	39%
Transaction/purchase history	32%	30%
Website behavior (e.g., browsing history, cart info)	27%	42%
Prior ad exposure (enables sequential messaging/site retargeting)	26%	41%
Contextual (page-level or video-level content)	26%	39%
Declared personally identifiable information (PII) from a first-party source (e.g., name, date of birth)	22%	36%
Device level data (e.g., device make/model, browser, operating system)	20%	17%
Psychographics	13%	32%
Real time data (e.g., sports scores, stock tickers, weather)	10%	21%
Note: n=130 Source: IAB Australia, "Data Advertising State of The Nation R	eport 2024," M	lay 15, 2024
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