

A vibrant, abstract graphic featuring a collage of stylized human faces in various colors (red, orange, yellow, green, blue) and dollar signs. The text 'SWEEPSIFY' is in the top left, and the main title is centered in large white font. At the bottom left, it says 'Sweepstakes & Contest Marketing Resources' and at the bottom right, 'sweepsify.com' is displayed in a blue box.

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How Do Sweepstakes Administrators Ensure Your Sweepstakes Promotion Is Legal?

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How Do Sweepstakes Administrators Ensure Your Sweepstakes Promotion Is Legal?

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A sweepstakes administrator helps ensure that your sweepstakes promotion is legal. But brands may want to do a little extra research before their sweepstakes goes live. At some point, you may realize that your company needs answers to legal matters that may not be directly related to [sweepstakes administration](#) but still can impact your online promotion.

Sweepstakes [legal compliance](#) concerns are numerous and brands may also want to seek the advice of a qualified sweepstakes attorney. Here is what you should know about how sweepstakes administrators ensure that your sweepstakes promotion is legal and when to consider finding a sweepstakes attorney or other qualified legal professional for a second opinion.

IN THIS ARTICLE:

- What questions should you ask a sweepstakes company?
- Is a sweepstakes administrator different than a sweepstakes attorney?
- Are all sweepstakes companies the same?

via [GIPHY](#)

Why Is It Hard to Ensure Legal Compliance for Online Promotions?

Online promotions that give away a prize to a winner of a sweepstakes or social media contest are becoming a proven marketing strategy for brands to promote their products and services. While

technology has made it easier for brands to reach their audiences, the lack of geographical boundaries, especially when it comes to social media contests, can make compliance with applicable laws and regulations complicated for brands.

Federal, state, and local laws contain provisions that determine how sweepstakes and social media contests should be advertised and operated. As a result, all sweepstakes are required to have [Official Rules](#) which serve as the contract terms between sweepstakes participants and the sweepstakes Sponsor(s).

Additional requirements, such as registration and bonding, may also apply to your online promotion depending on the jurisdiction. Furthermore, sweepstakes advertising materials must exclude specific language that suggest that a user has already been selected or won the prize being offered.

Sweepstakes promotions are also rife with privacy and data security concerns. Promotions that are targeted to children, involve email or utilize [SMS/mobile marketing](#) have additional [legal compliance](#) requirements, such as COPPA, anti-SPAM, “opt-in” and “opt-out” requirements, respectively.

Planning for sweepstakes legal compliance procedures can help brands to minimize the burden of creating legal sweepstakes and avoid potential consequences.

via [GIPHY](#)

Why Sweepstakes Legal Compliance Risk Is a Real Threat for Brands

Aside from regulatory penalties and brand reputation damage, there are additional reasons why you want to make sure that you avoid common sweepstakes [legal risks](#), which include:

Legal and Liability Concerns

Any failure to comply with all applicable sweepstakes laws or outright negligence could result in legal problems for your brand. Sweepstakes legal compliance helps you to avoid these legal issues that could ultimately result in the shutdown of your online promotion, and major legal fees.

Data Security

All sweepstakes collect [personally identifiable information \(PII\)](#) and it's up to your organization to ensure that your sweepstakes company is implementing the latest protections against data breaches and other risks that may impact your sweepstakes promotion and any collected data.

Business Reputation

A sweepstakes that gets shut down as a result of non-compliance can be a huge blow to your brand's reputation. Customers will no longer see your company as a trustworthy and will have doubts about doing business with your company. By working with a sweepstakes company that ensures that your online sweepstakes promotion is fully compliant, you'll be able to maintain the trust and loyalty of your customers.

Sweepstakes administrators do
legal compliance.



Find sweepstakes & contest company quotes here.

Does Your Sweepstakes Company Have In-House Counsel?

Brands always want to know if their sweepstakes company is “doing a good job” when it comes to sweepstakes legal compliance. However, if you knew what you should expect from a sweepstakes company when it comes to sweepstakes administration, you wouldn’t have to ask whether you need a sweepstakes lawyer in the first place.

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The first thing that you’ll want to check for is whether your sweepstakes company has in-house counsel. Sweepstakes companies that offer sweepstakes administration services may have in-house counsel to perform a variety of legal services for sweepstakes, including but not limited to:

- [Official rules](#) drafting and review
- Compliance
- Document review services
- Registration and bonding
- Alcoholic Beverage Control board approval
- In-store retail advertising approval

In-house sweepstakes attorneys are familiar with all aspects of sweepstakes law. Therefore, a sweepstakes company that has in-house counsel can provide advice that will ensure that your sweepstakes is legal.

via [GIPHY](#)

Here are a few ways to research whether your sweepstakes company can ensure your promotion is legit:

Search for Sweepstakes Attorneys in Google / Search Engines

Obtain the name of the sweepstakes attorney from your sweepstakes administrator and look them up in Google. You should be able to find testimonials, publications, accolades and other information associated with the sweepstakes attorney.

A legit sweepstakes attorney should have their own website apart from any information provided by the sweepstakes company. At the very least, a licensed attorney will appear on the state bar's association website. You can look them up using a state bar number or by first and last name.

Some states also make reports of lawyer grievances public, especially if it resulted in disciplinary action being taken out against the lawyer.

Check a Sweepstakes Attorney's Reputation via Third-Party Attorney Rating Groups

While a state bar association can only provide some information on an attorney's career performance, third-party attorney rating groups can help you determine if the attorney is a good one. Rating services typically have patented selection processes that allow you to determine if you can trust legal advice provided by a sweepstakes company's in-house attorney.

via [GIPHY](#)

What to Expect From a Sweepstakes Administrator

A sweepstakes administrator is not a sweepstakes lawyer and working with a sweepstakes company does not establish an attorney-client relationship. Generally, you can expect a sweepstakes administrator to do the following:

- Follow best practices for drafting sweepstakes Official Rules
- Tell you what they think might happen if you have a question about your sweepstakes
- Provide you with all of the details regarding the necessary steps for sweepstakes legal compliance
- Give you general information about sweepstakes law and how it applies to your promotion

You should remember that while a sweepstakes administrator may be well-versed in many aspects of the law regarding sweepstakes promotions, they are just as capable of making mistakes as any other lay person. Meaning there is no guarantee that the legality of your Official Rules can't be called into question

in court. If a sweepstakes administrator makes a mistake or error, you will not have a claim for legal malpractice. This is why it's always a good idea to get a second opinion from a sweepstakes attorney if you think you need one.

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How to Find the Right Sweepstakes Company for Your Promotion

Finding the right sweepstakes company is the key to ensuring legal compliance and the success of your promotion. You want a sweepstakes company with qualified sweepstakes lawyers and sweepstakes administrators who:

- Are experienced in your type of promotion
- Know federal, state, and local laws
- Understand your promotion and your sweepstakes campaign goals
- Meet filing deadlines, file the right paperwork properly
- Return calls and messages within a reasonable timeframe
- Will seek out additional legal counsel as needed

As always, remember that your brand is ultimate in charge of legal compliance. Ensuring that your sweepstakes isn't an [illegal lottery](#) and that your sweepstakes promotion doesn't create liability issues for your company ultimately falls on you. If you have any concerns about sweepstakes legal compliance, seek out the proper legal representation.

via [GIPHY](#)

Find a Second Opinion

Given the complexity of sweepstakes promotions, there is no doubt that sometimes you may not feel that your sweepstakes administrator or sweepstakes company has adequately addressed all of your legal concerns regarding your sweepstakes promotion. A preferable alternative is to get a second opinion of another sweepstakes lawyer or legal professional. Additionally, seeking out legal counsel allows you to compare the perspective of your sweepstakes administrator with that of a qualified sweepstakes attorney.

When seeking the advice of a promotional marketing attorney, tax attorney, gaming attorney, business attorney or other qualified and experienced online promotions attorney, make sure to provide them with a copy of your sweepstakes Official Rules and your sweepstakes marketing plan.

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