AD COMPLAINTS REPORT









WHAT'S IN THIS REPORT

This report contains statistical information about consumer complaints submitted to Advertising Standards Canada in 2006 for review under the *Canadian Code of Advertising Standards (Code*). Case summaries about complaints upheld by the National and Regional Consumer Response Councils from January 1, 2006, to December 31, 2006, are available on ASC's website (www.adstandards.com). The *Code* and the *Consumer Complaint Procedure* can also be found on ASC's website.

CONSUMERS' COMPLAINTS RECEIVED IN 2006

- 1,040 complaints were received from consumers
- Of these, 95 complaints, involving 40 advertisements, were found by the Consumer Response Councils to contravene the Code
- Retail advertising garnered the highest number of complaints (137)

CONSUMER HOT BUTTONS FOR 2006

Top-of-mind consumer concerns, as reflected in complaints to ASC, involved:

- · advertisements complainants considered distasteful
- advertisements complainants found frightening and/or disturbing
- · advertisements complainants alleged were inaccurate or misleading
- depictions of driving in advertisements that complainants perceived to be overly aggressive and/or at excessively high speeds



YEAR IN REVIEW

In 2006, consumers submitted 1,040 complaints to ASC – an 18% decline from 2005, when 1,271 complaints were received. While this decline is notable, it is attributable to the fact that no single advertisement generated a large number of multiple complaints. In some years, one or two high-profile advertisements have generated well over 100 complaints.

Of the total number of complaints submitted last year, 696 complaints met the criteria for acceptance under the *Canadian Code of Advertising Standards (Code)*. The balance (344) could not be pursued because they did not fall within the *Code* acceptance criteria. These included complaints of a general nature that did not identify a specific advertisement, complaints about advertising that was not current, and complaints that did not meet the *Code* definition of advertising.

COMPLAINTS SUMMARY FOR 2006 AND 2005

	2006	2005
Complaints received by ASC	1,040 (723 ads)	1,271 (804 ads)
Complaints that met <i>Code</i> acceptance criteria	696 (448 ads)	874 (518 ads)
Complaints that raised potential <i>Code</i> issues and forwarded to Council	115 (57 ads)	91 (73 ads)
Complaints upheld by Council	95 (40 ads)	58 (52 ads)

CODE DEFINITION OF ADVERTISING

"Advertising" is defined as any message (the content of which is controlled directly or indirectly by the advertiser) expressed in any language and communicated in any medium (except those listed under Exclusions) to Canadians with the intent to influence their choice, opinion or behaviour.

EXCLUSIONS

Election Advertising

Canadians are entitled to expect that election advertising will respect the standards articulated in the *Code*. However, it is not intended that the *Code* govern or restrict the free expression of public opinion or ideas through election advertising, which is excluded from the application of this *Code*.

Excluded Media

The following are excluded from the definition of "medium" and the application of the *Code*:

- i) foreign media (namely media that originate outside Canada and contain the advertising in question) unless the advertiser is a Canadian person or entity; and
- ii) packaging, wrappers and labels.

COMPLAINTS BY CODE CLAUSE

Of the 696 complaints that were pursued, most involved concerns relating to three *Code* clauses:

- Clause 14 (Unacceptable Depictions and Portrayals),
- Clause 1 (Accuracy and Clarity), and
- Clause 10 (Safety).

Complaints that raised issues under one or more *Code* clauses were forwarded to ASC's independent, volunteer national and regional Consumer Response Councils (Councils) for adjudication. Councils upheld a total of 95 complaints about 40 advertisements.

Clause 14 (Unacceptable Depictions and Portrayals)

As in previous years, most of the complaints that were reviewed under Clause 14 (426) involved matters of personal taste or disapproval of specific advertisements. However, the majority of these complaints did not give rise to issues under any of the provisions of Clause 14.

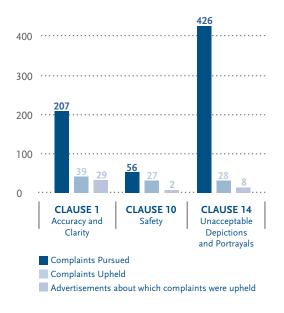
Complaints that did raise issues under this clause were adjudicated by Councils, which upheld 28 complaints about eight advertisements. These included advertisements that Councils found derogatory to women, encouraged violence, or condoned bullying.

Clause 1 (Accuracy and Clarity)

In 2006, 207 complaints involving allegations of misleading or inaccurate advertising were reviewed by ASC under Clause 1. Of these, Councils upheld 39 complaints about 29 advertisements. In fact, more advertisements were found to contravene this clause than any other *Code* clause. These included both advertising in traditional media, as well as online advertising that contained pricing errors, omitted relevant information, or did not clearly and understandably state all pertinent details.

Clause 10 (Safety)

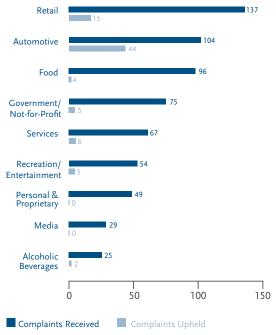
Finally, 56 complaints were filed with ASC expressing concerns about advertisements that complainants believed displayed a disregard for safety (Clause 10). Of those, Councils upheld 27 complaints about 2 advertisements.





COMPLAINTS BY CATEGORY OF ADVERTISING*

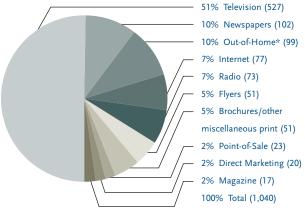
For the second year, retail advertising garnered the highest number of complaints (137). This was followed, for the first time, by the category of Automotive advertising with 104 complaints. This category includes advertising by both automobile manufacturers and dealers. In third place was food advertising (including advertising by food manufacturers, food retailers, and restaurants) with 96 complaints.



* Top 9 of 16 categories

COMPLAINTS BY MEDIA

Advertising on television attracted 527 complaints, followed by newspaper advertising with 102 complaints. In third place, with 99 complaints, was advertising in the out-of-home medium, e.g. billboard and transit advertising.



* Includes such media as outdoor and transit.

CONSUMER HOT BUTTONS

ASC regularly hears from consumers about advertising that they find personally distasteful or offensive. Most often these concerns relate to advertising involving adult themes and/or sexual innuendo. This was also the case in 2006.

In 2006, ASC also received complaints from consumers about advertising that they found frightening and/or disturbing. The complained-about advertisements, typically television commercials, used graphic images to capture viewers' attention. Some of these included advertising by organizations attempting to draw attention to, and educate the public about important societal issues. For the most part, these advertisements did not raise issues under the *Code*. As well, advertisers were generally careful to ensure that their television commercials were broadcast during adult viewing hours and programs.

In addition to the above, other frequently cited concerns in 2006 included concerns about advertising consumers believed was inaccurate or misleading, and concerns about depictions of driving that they perceived to be overly aggressive and/or at excessively high speeds.

ADVISORY RE AUTOMOBILE ADVERTISING

ASC is increasingly hearing from consumers who see automobile advertising they believe depicts unsafe driving and/or driving at excessive speeds.

In 2006, ASC received over one hundred consumer complaints on the subject of automobile advertising, many of which expressed concern about safety issues. Many complainants volunteered they felt compelled to express their concerns in light of the tragic consequences of street racing incidents frequently reported in the media. The complainants contended that drivers – particularly young drivers – could be tempted to drive in the same way and at the same excessive speeds they saw depicted in some of the television commercials. The common denominator among the complainants' allegations was that these were dangerously "unsafe" messages. Further, these "unsafe" messages were becoming more prevalent, even to the point of becoming standard in automobile advertising, a development the complainants found unacceptable.

When a complaint submitted to ASC raises a *Code* concern involving safety, the complaint is adjudicated by one of ASC's independent, volunteer Consumer Response Councils under Clause 10 (Safety) of the *Code*.

Clause 10 (Safety)

"Advertisements must not without reason, justifiable on educational or social grounds, display a disregard for safety by depicting situations that might reasonably be interpreted as encouraging unsafe or dangerous practices, or acts."

Summaries of upheld cases are reported in ASC's quarterly Ad Complaints Reports (available at www.adstandards.com).

Useful advice for automobile advertisers on how Council has interpreted and applied Clause 10 may be distilled from these summaries of upheld cases. Council acknowledges that automobile advertisers, wishing to favourably and successfully distinguish their product from their competitors', want to demonstrate the performance and

handling ability of their vehicles in a manner that appeals to their target market. Council suggests, however, that these demonstrations can be both memorable and compelling, while still complying with the *Code*.

When asked to determine whether a complained-about automobile advertisement contravenes Clause 10, Council will consider the following questions, among others:

- Does the depiction of the performance, power or acceleration of the vehicle convey the impression that it is acceptable to exceed speed limits?
- Does the depiction of a vehicle's handling ability involve potentially unsafe actions such as cutting in and out of traffic, excessively aggressive driving, or car chases in a residential setting?
- Does the depiction appear realistic or does it appear to be unreal, as in a fantasy-like scenario that is unlikely to be copied or emulated in real life?
- Would it be reasonable to interpret the depicted situation as condoning or encouraging unsafe driving practices? In addition to these questions, Council will also consider any disclaimer language used in the advertisement, such as "Professional Driver. Closed Course." Council has concluded in many previous decisions that such disclaimers will not likely be sufficient to change the general impression of a commercial that communicates to consumers: "You too can and should drive this way", (and will be able to if you buy the advertised vehicle!).

Attention must be also paid to Clause 1(d) (Accuracy and Clarity) of the *Code*, which provides that disclaimers can be used in advertising to clarify or provide additional information relating to the main message, but cannot contradict more prominent aspects of the message.

This advisory is the first that ASC has issued in recent years on the subject of automobile advertising in Canada. Rather than discourage creative advertising, the principal purpose of this advisory is to help and encourage advertisers to develop creative and effective automobile advertising that also complies with the *Code*.

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