

Ad Complaints Report

2011

YEAR IN REVIEW

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The *2011 Complaints Report* contains statistical information about complaints submitted to ASC in 2011 for review under the *Canadian Code of Advertising Standards (Code)*. Case summaries about complaints upheld by the Councils from January 1, 2011 to December 31, 2011, are available on our web site at: adstandards.com.



Advertising Standards Canada
Les normes canadiennes de la publicité

At Advertising Standards Canada (ASC) we recognize that an effective consumer response mechanism is essential to building public confidence in advertising. Through ASC's *Consumer Complaint Procedure*, we accept and respond to consumers' complaints about advertising appearing in the Canadian media.

Reporting on complaints upheld by ASC's independent Standards Councils (Councils) is an important part of the process. The published case summaries provide invaluable learning for both the advertising industry and the public regarding how Councils interpret and apply the *Canadian Code of Advertising Standards (Code)*.

This *2011 Ad Complaints Report* provides an account of the number of consumer complaints received and investigated over the past year, information about the types of complaints upheld, and insights regarding consumer concerns in 2011.

2011 HIGHLIGHTS

- ASC received a total of 1,809 consumer complaints regarding 1,153 advertisements – the highest number in over a decade.
- Councils reviewed 177 complaints that raised issues under the *Canadian Code of Advertising Standards*.
- A total of 146 complaints about 83 advertisements were upheld by Councils.
- Consumers' complaints alleging inaccurate or misleading advertising represented 50 per cent of all complaints.
- Retail advertising garnered the highest number of complaints – 252.

UNDERSTANDING AD COMPLAINTS: A GUIDE TO ASC'S RESOURCES ONLINE

To read and learn about the *Canadian Code of Advertising Standards*, Interpretation Guidelines and the Consumer Complaints Process, visit: adstandards.com.

Online resources include:

- [Canadian Code of Advertising Standards](#)
- [Interpretation Guidelines](#)
- [ASC Advisories](#)
- [Ad Complaints Reports](#)
- [Consumer Complaints Online Submission Form](#)

OVERVIEW

In 2011, consumers submitted 1,809 complaints to ASC – a 51% increase over the number of complaints submitted in 2010. This dramatic increase is attributable to several high profile advertisements that generated numerous comments, complaints, and petitions through social media websites.

Of the total complaints received, 1,210 met the criteria for acceptance under the *Canadian Code of Advertising Standards (Code)*. The balance of 599 complaints could not be pursued because they did not fall within the *Code* acceptance criteria. These included: complaints in which no specific advertisement was identified; complaints about advertisements that were no longer current; complaints about political or election advertising; and complaints about advertisements that did not meet the *Code* definition of advertising.

TWO-YEAR COMPLAINTS SUMMARY

	2011	2010
Received by ASC	1,809 (1,153 ads)	1,200 (743 ads)
	↓	↓
Met <i>Code</i> acceptance criteria	1,210 (1,129 ads)	1,059 (642 ads)
	↓	↓
Raised potential <i>Code</i> issues and forwarded to Councils	177 (109 ads)	180 (122 ads)
	↓	↓
Complaints upheld by Councils	146 (83 ads)	84 (58 ads)

COMPLAINTS BY CODE CLAUSE

The *Code* sets the standards for acceptable advertising and provides the basis for the review and adjudication of consumer complaints about advertising. Of the 1,210 complaints that met the *Code* acceptance criteria, almost all involved concerns relating to the following *Code* clauses:

- Clause 1 (Accuracy and Clarity) and Clause 3 (Price Claims)
- Clause 10 (Safety)
- Clause 12 (Advertising to Children)
- Clause 14 (Unacceptable Depictions and Portrayals)

Complaints that raised issues under one or more *Code* clauses were forwarded to ASC's independent, volunteer Standards Councils (Councils) for adjudication. Throughout 2011, Councils reviewed 177 complaints and upheld 146 complaints about 83 advertisements

Clause 1 (Accuracy and Clarity) and Clause 3 (Price Claims)

In 2011, ASC reviewed 604 complaints alleging misleading or inaccurate advertising (Clauses 1 and 3). Following review, Councils upheld 98 complaints about 71 advertisements. These involved advertisements: for products that were unavailable during a promotional period; that omitted relevant information; that did not clearly state all pertinent details of an offer; or that contained unsubstantiated claims.

For the first time in ASC's history – more complaints were pursued under Clauses 1 and 3 (604) than under Clause 14 (553).

Clause 14 (Unacceptable Depictions and Portrayals)

In 2011, 553 of the pursued complaints related to Clause 14, and Councils upheld 43 complaints about 8 advertisements. The balance of the complaints reviewed under this clause involved matters of personal taste or preference and did not raise issues under any provisions of this clause.

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**Political and Election Advertising**

Advertising Canadians are entitled to expect that "political advertising" and "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 "political advertising" or "election advertising," which are excluded from the application of this *Code*.

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.

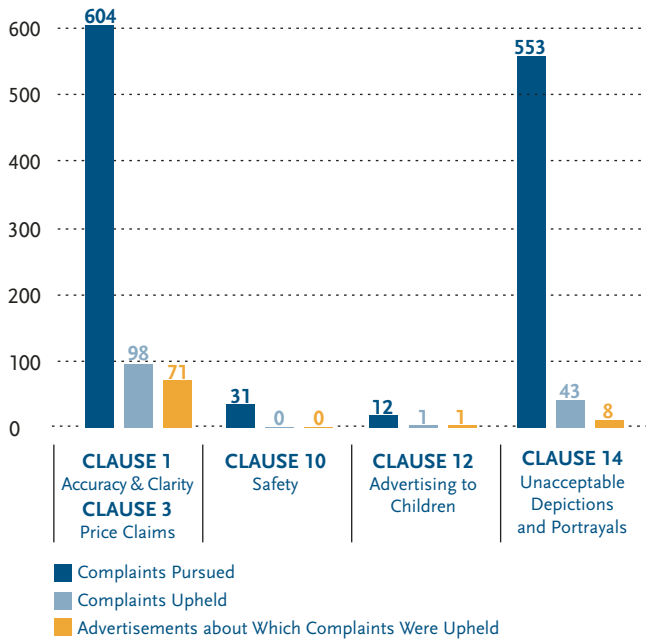
2011 YEAR IN REVIEW

Clause 10 (Safety)

A total of 31 complaints were pursued under Clause 10, but none were upheld by Councils.

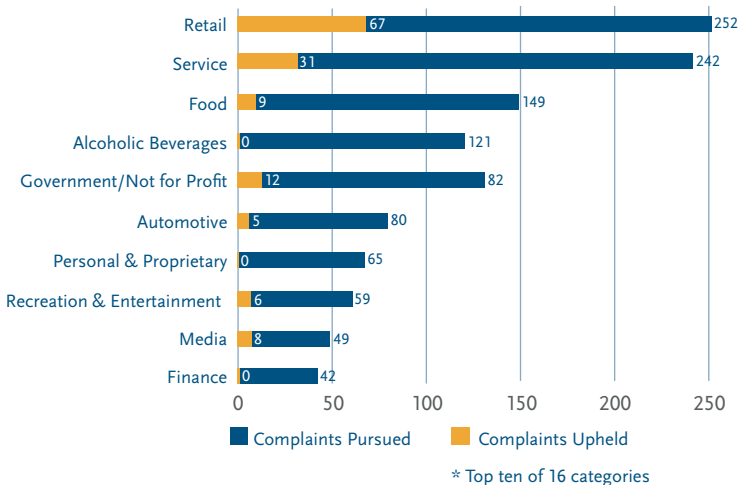
Clause 12 (Advertising to Children)

A total of 12 complaints were pursued under this clause, of which one was upheld.



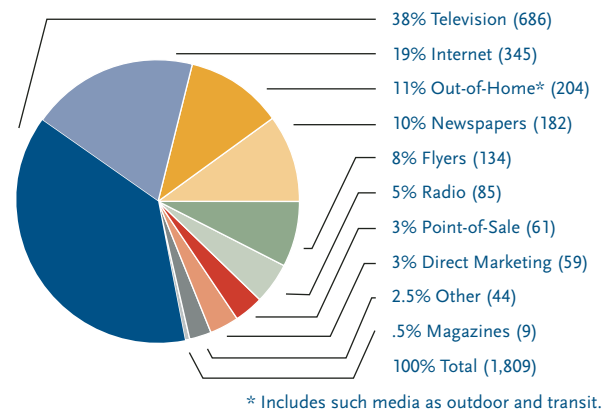
COMPLAINTS BY CATEGORY OF ADVERTISING*

Retail advertising generated 252 consumer complaints in 2011, more than any other category of advertising. The second highest number of complaints by category related to advertising in the Service category, which attracted 242 complaints. In third place, with 149 complaints, was advertising in the Food category, which includes manufacturers, retailers and restaurants.



COMPLAINTS BY MEDIA

Consistent with previous years, advertising on television, with 686 complaints, generated the highest number of complaints. Advertising on the Internet garnered the second highest number of complaints (345). Advertising displayed in the out-of-home media, including transit and billboard advertising, followed (204 complaints).



CONSUMER CONCERNS AND COMPLAINT TRENDS

For the first time ever, ASC received more complaints alleging inaccurate or misleading advertising than about advertising consumers found offensive or otherwise unacceptable. In the current economic climate, consumers are searching for value for their money, good deals, and low prices. When their retail experience does not meet their expectations based on the advertising they've seen or heard, consumers don't hesitate to let ASC know.

Many of the complaints received last year involved advertising for products at attractive sale prices that were not in stock when the consumer tried to purchase them; advertisements that contained inaccurate prices and discounts; and claims that were exaggerated and could not be substantiated by the advertiser.

Finally, in a year that saw a Canadian federal election and several provincial elections, ASC heard from many consumers concerned about election advertising they considered to be misleading or unfair. While ASC did not pursue these complaints since this category of advertising is excluded from the application of the Code, ASC has developed an [Advisory on Political and Election Advertising](#), to provide guidance to the political parties on the importance of ensuring their advertising is truthful, fair and accurate.

DAILY DEAL TYPE ADS – ARE THEY GOOD DEALS?

A growing trend in online advertising, which capitalizes on consumer demand for value and low prices, is the daily deal type advertisement. These time-limited advertisements promote discount coupons or vouchers for goods and services from local retailers and service providers.

With the increasing popularity of these often daily deals, ASC is hearing from consumers who question the accuracy of the claims made in certain advertisements. Some complainants allege not only are the savings claims exaggerated, but also that some of advertised deals do not even exist. In 2011, the Standards Council adjudicated complaints about several daily deal advertisements and found that the involved advertisements were misleading and contravened the *Code*.

Daily deal advertising can indeed provide good value to consumers, but only if the deals are genuine. The following example is provided as guidance for advertisers when considering such advertising.

An online advertisement for a deal site offers 80% off the prices of various services at a particular spa. The advertisement also contains claims reproduced from the spa's website promising one of its facial treatments "virtually eliminates wrinkles." Because consumers purchase the "deal" from the deal site, not the spa, for purposes of the *Code*, the deal site is considered to be the advertiser that is responsible and accountable for the accuracy of the claims made in its advertising. If ASC were to receive a complaint from a consumer alleging that the savings claim is exaggerated because the spa had a sale the week before on the same services, or that the performance claim is exaggerated, the deal site must be prepared to substantiate the claims as required under Clause 1 (Accuracy and Clarity) and/or Clause 3 (Price Claims) of the *Code*. It may not be sufficient to rely on assurances from the involved retailer or service provider that the advertised claims can be supported.

CANADIAN PERSPECTIVES ON ADVERTISING – HIGHLIGHTS OF ASC'S 2011 CONSUMER RESEARCH

ASC regularly conducts research to gauge consumers' perspectives on advertising. Insights gained from this research helps ASC ensure that the standards articulated in the *Code* remain contemporary and relevant to Canadians. In 2011, ASC commissioned the Gandalf Group to undertake in-depth research with Canadians and Americans to understand their perspectives on advertising and advertising standards. Data was collected through two online surveys, one in Canada and one in the US. In Canada, the survey was conducted in English and French with 1,378 adult respondents, and was nationally proportionate based on region, age and gender. The US survey was conducted with a sample of 800 adults, nationally proportionate based on region, age and gender.

The research provided some interesting insights. Most Canadians believe that advertising provides them with value (79%), and the majority believe that most advertising is acceptable. In terms of acceptability, truth and accuracy are most important to Canadians, and 89% of Canadians are willing to vote with their wallets if their expectations about truth and accuracy in advertising are not met.

Canadians were more likely than Americans to say that advertising shapes society (52% vs.36%), while Americans perceived that advertising mirrors society. This view that Canadians hold regarding the impact that advertising can have on society influences their position on the importance of standards in advertising. In fact, significantly more Canadians than Americans believe it is important to have rules and regulations that advertisers must follow (86% vs. 64%).

Finally, when it comes to political advertising Canadians do not find that it meets their standards for truth and accuracy compared to commercial advertising. Only 30% of Canadians reported that political advertising is very or somewhat truthful.

Additional insights and details of ASC's research can be found at: <http://adstandards.com/en/MediaAndEvents/ASC2011ConsumerResearch.aspx>

The *Canadian Code of Advertising Standards (Code)* is the principal instrument of advertising self-regulation. It sets the standards for advertising that is truthful, fair and accurate. First published in 1963, the *Code* was developed as a collaborative effort among major advertisers and the media that together recognized the power of advertising to influence consumer choice. To harness the influential force of advertising in an ethical and responsible manner, the *Code* was created by the industry to set the standards for acceptable advertising in Canada.

Following its introduction, the *Code* has been regularly updated to ensure it remains relevant and current, and in 2000, Interpretation Guidelines were introduced

to facilitate industry and public understanding of the interpretation and application of clauses of the *Code* as new consumer issues arise and societal expectations change. There are currently four Interpretation Guidelines.

Guideline #1	Alleged Infractions of Clauses 10 or 14: Elements of Humour and Fantasy (2003)
Guideline #2	Advertising to Children (2004, 2006, 2007)
Guideline #3	Environmental Claims (2008)
Guideline #4	Alleged Infractions of Clauses 10 or 14: Motor Vehicle Advertising (2009)

THE CONSUMER COMPLAINT PROCEDURE

Established by the Canadian advertising industry over 40 years ago, the *Consumer Complaint Procedure* provides Canadian consumers with a mechanism to submit written complaints about advertising currently running in Canadian media.

Complaints received are evaluated under the provisions of the *Canadian Code of Advertising Standards*.

Complaints that raise a potential issue under the *Code* are reviewed and evaluated by independent, volunteer bodies – the Standards Council and le Conseil des normes. There are six key steps in the review process following complaint receipt.

1. ASC reviews the advertisement against the clauses of the *Code*.
2. If a potential issue is identified under a clause of the *Code* (other than Clauses 10 or 14) the advertiser is asked to respond to ASC regarding the merits of the complaint. *

3. ASC reviews the advertisers' response. If a *Code* issue remains, the complaint is forwarded to one of the Standards Councils for adjudication.
4. If a Council determines that an advertisement violates one or more *Code* clauses, the advertiser is asked to amend or withdraw the advertisement.
5. An appeal process is provided in the *Code* for advertisers or consumers who wish to appeal a Council decision.
6. Upheld complaints are reported in ASC's online *Ad Complaints Reports*.

*For complaints involving Clauses 10 (Safety) or 14 (Unacceptable Depictions or Portrayals), the advertiser is asked to respond directly to the complainant. If the complainant is not satisfied with the advertiser's response, the complainant can request a review by the Standards Council.

ASC's independent, volunteer Standards Councils (Councils) play a vital role in ensuring objective and fair complaint adjudication. While ASC administers the process by which consumers submit their written complaints about advertisements, those complaints that raise potential issues under the *Code* are reviewed and adjudicated by Councils. The Councils include senior industry and public representatives from across Canada, who are committed to help ensure that Canadian advertising is truthful, fair and accurate.

STANDARDS COUNCIL

Rafe Engle (Chair), R.S. Engle Professional Corporation
 Roberta Albert*
 John Azevedo, Nintendo of Canada Ltd.
 Peggy Barnwell*
 Denise Barrett*
 Tim Bowen, consultant
 Renee Bozowsky*
 Alexis Cameron, The Vancouver Sun/The Province
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 Joan Cohen*
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 Stephen Lawson, Hudson's Bay Company
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 Jayne Payette, Nestlé Canada Inc.
 Andeen Pitt, Wasserman & Partners Advertising
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 Adam Seely, Pattison Outdoor Advertising
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 Pat Sullivan*
 Teresa Tsuji, Rogers Healthcare Group
 Dr. Gerry Wright, Johnson & Johnson Inc.
 Robert Wyckham*
 Ted Ykema, Pfizer Consumer Healthcare

LE CONSEIL DES NORMES

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 Philippe Comeau, LG2
 Luc-André Cormier, V Interactions Inc.
 Sylvain Desrochers*
 Denis Dompierre*
 Christiane Dubé, La Presse
 Sylvie Gaudreau†, V Interactions Inc.
 Paul Hétu†, Association canadienne des annonceurs Inc.
 Diane Lapointe, Gaz Métro
 Hélène Leduc†, Canadian Broadcasting Corporation
 Brigitte Lefebvre*
 Lucienne Lemire*
 Marie-Luce Ouellet†, AAPQ
 Alykhanhthi Lynhiavu*
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 Jayne O'Brien, The Reader's Digest Association (Canada) Ltd.
 Gilber Paquette, Hebdo Québec
 Veronica Piacek, Pfizer Canada Inc.
 Lise Plante, Conseil québécois du commerce de détail
 Roselyne René de Cotret†, Canadian Broadcasting Corporation
 Carole Thibault, Danone Inc.
 Joëlle Turgeon, Canadian Broadcasting Corporation

†Alternate

*Public Representative

HOW TO SUBMIT A CONSUMER COMPLAINT

If you have a concern about an ad you see or hear currently running in Canadian media, you can submit a complaint to ASC. We encourage you to submit complaints through our online complaint submission form, available at: adstandards.com.

Be sure to provide the following information in your submission:

- Your name, complete mailing address, and email address.
- Explain the reason or basis for the complaint and, if known, the provision(s) of the *Code* that may apply.
- Identify the product or service being advertised, including the name of the advertiser.
- Identify the medium in which the advertisement appears.
- For **Print Advertisements**: identify the name and date of the publication(s) in which you saw the advertisement(s) and include a copy of the advertisement(s) if you can.
- For **Out-of-home Advertisements**, such as outdoor, transit or similar advertisements: identify the date on and exact location at which you saw the advertisement. If you can, send a photo.
- For **Broadcast Advertisements**: identify the station, time and date on/at which you saw/heard the commercial and provide a brief description of the commercial.
- For **Cinema Advertisements**: identify the title of the movie, the date of viewing, and the name and location of the movie theatre at which you saw the advertisement and provide a brief description of the advertisement.
- For **Internet Advertisements**: identify the date of viewing, website, and include a print-out of the advertisement and other applicable web page.

To submit your complaint, complete the online form at: adstandards.com, or send your written complaint by fax to (416) 961-7904 or by mail to:

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The *2011 Ad Complaints Report* is published by Advertising Standards Canada, the national industry body committed to fostering community confidence in advertising.

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