

Introduction 2014 Highlights 2014 Year in Review The Consumer Complaint Procedure The Standards Councils To Submit a Consumer Complaint



## **Advertising Standards Canada**

Founded in 1957, ASC is the national independent advertising industry self-regulatory body committed to creating and maintaining public confidence in advertising. ASC members leading advertisers, advertising agencies, media organizations, and suppliers to the advertising industry — are committed to supporting responsible and effective advertising self-regulation. A not-for-profit organization, ASC administers the *Canadian Code of Advertising Standards*, the principal instrument of advertising self-regulation in Canada, and a national mechanism for accepting and responding to consumers' complaints about advertising.

## AN EFFECTIVE CONSUMER RESPONSE MECHANISM IS ESSENTIAL TO MAINTAINING 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 is an important part of the process. The Complaint 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*.

This 2014 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 2014.

For more information about complaints upheld by Councils from January 1, 2014 to December 31, 2014, see the Case Summaries published on our web site at: **adstandards.com/adcomplaintsreport**.

#### A Guide to ASC's Resources Online

To learn more visit: adstandards.com.

Online resources include:

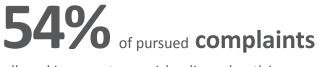
- Canadian Code of Advertising Standards
- Interpretation Guidelines
- ASC Advisories
- Ad Complaints Reporting (including Complaint Case Summaries)
- Consumer Complaint Submission Form

## **2014 Highlights**



817 complaints met the Code acceptance criteria





alleged inaccurate or misleading advertising

complaints received about retail advertising the highest by sector



80 complaints about 36 advertisements



upheld by Councils

## 96 complaints involving 64 advertisements administratively resolved by ASC



## **2014 Year in Review**

#### **Overview**

In 2014, consumers submitted 1,274 complaints to ASC. Of these, 1,149 were reviewed and concluded by the end of the year, with the balance carried over to 2015. 817 complaints met the criteria for acceptance under the *Canadian Code of Advertising Standards (Code)*. The remaining 332 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 foreign advertising or political or election advertising; and complaints about advertisements that did not meet the *Code* definition of advertising. During 2014, the independent Councils adjudicated 135 complaints about 62 advertisements. Of these, 80 complaints were upheld and 36 advertisements were found to contravene one or more *Code* clauses. Complaint Case Summaries can be found at: adstandards.com/adcomplaintsreport

96 complaints about 64 advertisements were Administratively Resolved by ASC staff.

COMPLAINTS SUMMARY	2014 COMPLAINTS	ADS/CASES
Received by ASC <sup>1</sup>	1,274	864
Met Code acceptance criteria and pursued	817	589
Administratively resolved by staff	96	64
Raised potential Code issues & forwarded to Councils	135	62
Upheld by Councils	80	36

<sup>1</sup> Of this total, 125 complaints were still in progress at year-end and are not included in pursued complaint statistics.



#### 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 817 complaints that met the *Code* acceptance criteria, almost all involved concerns relating to:

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

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

In 2014, ASC reviewed 444 complaints alleging misleading or inaccurate advertising (Clauses 1 and/or 3). Ultimately, Councils upheld 28 complaints about 24 advertisements. These involved advertisements that: omitted relevant information, did not clearly state all pertinent details of an offer, and contained unsubstantiated claims.

#### Administratively Resolved Complaints

ASC uses a streamlined procedure to handle simple, non-complicated complaints, such as price errors in retail advertising. Complaints that raise issues under Clause 1 (Accuracy and Clarity) and/or Clause 3 (Price Claims) are Administratively Resolved by ASC staff if the advertiser promptly withdraws the advertisement and takes corrective action after being notified of the complaint by ASC. Complaints handled in this manner are not forwarded to Councils for adjudication.

#### **Clause 2 (Disguised Advertising Techniques)**

In 2014, thirteen complaints were pursued under this clause, and four were upheld about four advertisements.

#### Clause 4 (Bait and Switch)

Five complaints were reviewed, and two were upheld about one advertisement.

#### **Clause 8 (Professional and Scientific Claims)**

Ten complaints were pursued, and one upheld about one advertisement.

#### Clause 10 (Safety)

A total of 36 complaints involved safety concerns, and one was upheld about one advertisement.

#### Clause 11 (Superstitions and Fears)

Complaints very rarely involve this clause. However, in 2014, three complaints were submitted about two advertisements, and were upheld by Councils.

#### Clause 14 (Unacceptable Depictions and Portrayals)

Many complaints reviewed under Clause 14 involve subjective matters of personal taste or preference and do not ultimately raise issues under the *Code*.

Of the 355 complaints reviewed under Clause 14, Councils adjudicated and upheld 42 complaints about seven advertisements. These included advertisements that Councils found demeaned women and advertisements that offended standards of public decency. The balance did not meet the threshold to raise issues under this clause.

444

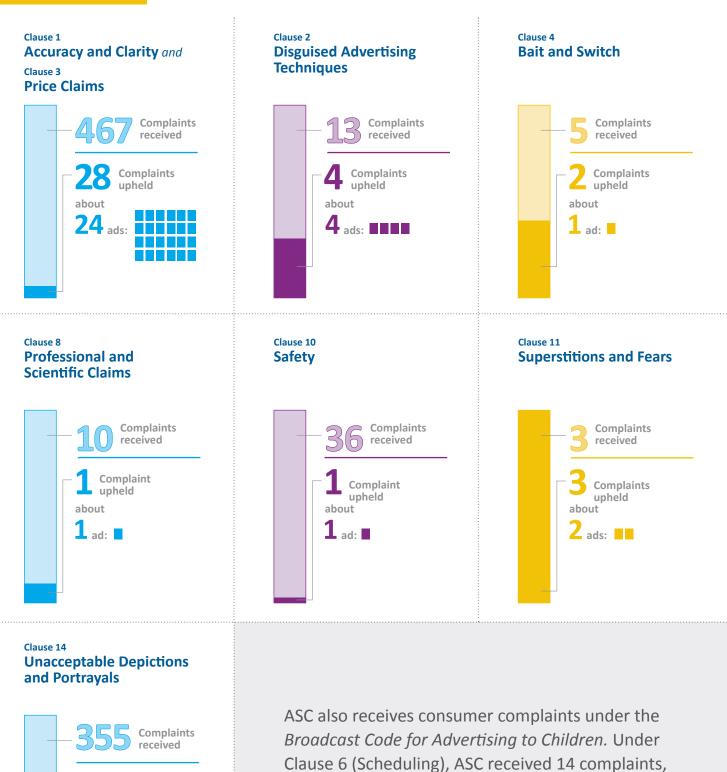
complaints reviewed alleging misleading or inaccurate advertising



Complaints upheld

ads:

about



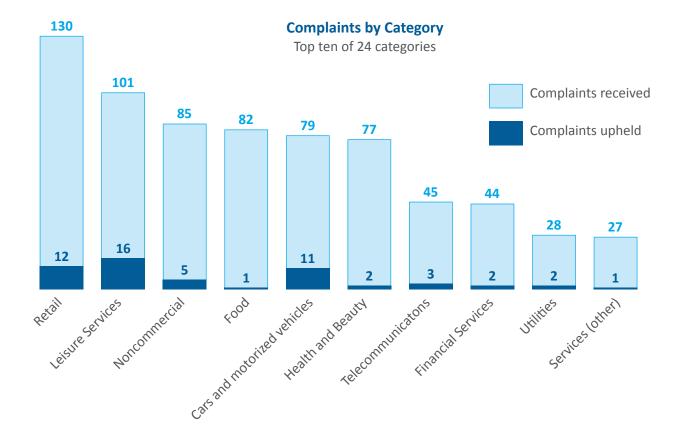
and two were upheld about two ads.

#### **Complaints by Category of Advertising**

Consistent with previous years, retail advertising generated more complaints than any other category of advertising (130). This was followed by complaints about advertising in the Leisure Services category, which attracted 101 complaints. This category includes entertainment services, bars and restaurants, travel and accommodation services. Third, with 85 complaints, was advertising in the Non-commercial category, which includes advertising by governments, charities, advocacy groups, and other not-for-profit organizations.



complaints about advertising in the Leisure Services category





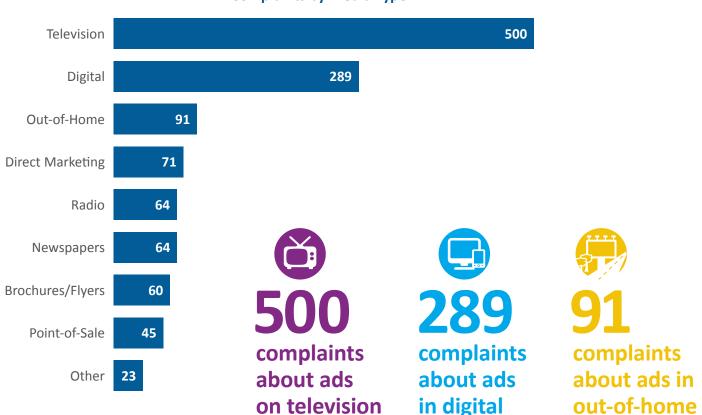
#### **Complaints by Media**

Due to its broad reach, advertising on television, with 500 complaints, garnered the highest number of complaints of any medium. Digital advertising generated the second highest number of complaints (289). Complaints regarding advertising in this category primarily related to advertising on advertiser owned websites. Advertising in the out-of-home medium, which includes billboards and transit advertisements, followed with 91 complaints.

#### **Consumer Concerns and Complaint Trends**

ASC regularly commissions research to examine consumer perspectives and attitudes towards advertising they see, hear and read. ASC's latest national research, 2014 Consumer Perspectives on Advertising, revealed that misleading advertising was the top concern of Canadians who had recently seen or heard an advertisement they found unacceptable. Concern about sexist portrayals was the second cited concern by those who reported recently seeing or hearing an unacceptable advertisement.

These insights are confirmed in the complaints submitted to ASC during 2014. As in the previous three years, more complaints were submitted by consumers about allegedly misleading advertising (444), than allegedly offensive advertising (355).



#### **Complaints by Media Type**

#### **View from Quebec**

There are some distinct themes in the complaints ASC receives from Quebec consumers.

#### The image of women in advertising

While Quebec consumers generally express less concern about advertising that uses sexual themes or partial nudity than Canadians in other provinces, ASC's Montreal office typically receives more complaints about advertising that complainants believe is sexist, than does ASC's Toronto office. In fact, 61% of the total number of complaints received from Quebec consumers last year involved Code Clause 14 (Unacceptable Depictions and Portrayal), while 23% involved alleged misleading advertising issues under Clause 1 (Accuracy and Clarity). Misleading and inaccurate advertising are more of a concern to complainants outside of Quebec. Sixty percent of complaints from outside of Quebec involved Clause 1 (Accuracy and Clarity), while 33% involved concerns under Clause 14 (Unacceptable Depictions and Portrayals).

#### Let's not forget men

A concern that is also raised by Quebec complainants is about the image of men in advertising. ASC's Montreal office regularly receives complaints about advertisements that allegedly question the competency of men engaging in everyday tasks. These include advertisements that depict men as incompetent around the house or overwhelmed with caring for children when the mother is away. As with complaints about the depiction of women, many of these complaints are from men's advocacy organizations in Quebec.

#### Sing in French please!

A unique concern to Quebec is the use of songs with English lyrics in French language television commercials. In 2014, at least three national advertisers included songs with English lyrics in their French commercials. This generated numerous complaints to ASC by Quebec consumers who expressed their dismay over this practice. These complaints did not give rise to a *Code* concern.

### WHAT'S IN A NAME? BLURRING THE LINES BETWEEN EDITORIAL CONTENT AND ADVERTISING

"Sponsored content", "partner stories", "special feature". We see terms such as these being used more and more to identify content in print and digital media. But do consumers really understand whether what they are seeing is advertising or editorial?

Consumer confusion on this subject can be seen in consumer complaints to ASC. Thirteen complaints were submitted in 2014 about advertising consumers believed was not clearly identified as such. Four complaints were upheld by the Standards Council, which found four advertisements to contravene Clause 2 of the *Code*.

ASC's latest research, **2014** Consumer Perspectives on Advertising, shed light on this topic.

"Two key questions were asked in order to measure understanding of advertorial content: Whether or not people thought the use of certain terms signified advertising or editorial content, and how bothered they would be to learn that a word or phrase is used to describe advertising — not editorial content. Their responses strongly indicated a desire for more clarity around what is editorial and what is advertising.

While a majority of respondents believed "sponsored content", "advertorial content" and "branded content" are advertising ... Canadians were divided about whether supplements, items in their social media newsfeeds, online features described as "Trending around the web", information supplements, Internet search results, and special features were advertising or editorial."

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#### **Clause 2: Disguised Advertising Techniques**

Two case summaries are provided to illustrate that in order to avoid blurring the lines between editorial and advertising content, it is important to use a title that makes it clear that the content is in fact sponsored by an advertiser. As well, care must be taken with layout and format so that the commercial nature of the feature is made clear to consumers. No advertisement shall be presented in a format or style that conceals its commercial intent.

#### **Clause 2: Disguised Advertising Techniques**

#### Advertiser:

Advocacy Organization Industry: Not-for-profit Region: British Columbia Media: Newspaper Complaint(s): 1 Description: A page in a newspaper consisted of an "article" on a controversial public issue. At the bottom of the page was a separate advertisement by an advocacy organization.
Complaint: The complainant alleged that the newspaper "article" was, in reality, advertising and should have been identified as advertising.
Decision: In fact, the article was developed by the newspaper in collaboration with the sponsor that had editorial control over the content of the article. Because the sponsor's identity was not made clear in the set-up, presentation or content of the "article", Council found that it was presented in a format and style that concealed its commercial intent.
Appeal Decision: Following an appeal by the advertiser, the Appeal Panel confirmed the original Council decision.

Advertiser: Media Company Industry: Media Region: Quebec Media: Newspaper Complaint(s): 1 **Description:** An article on the subject of health was identified as a 'specialized publication'. The article mentioned the name of a specific consumer product. Immediately below the article was a full-page advertisement for the same product mentioned in the article. **Complaint:** The complainant alleged that the article was disguised advertising.

**Decision:** To Council, the term used to identify the article did not convey to the reader that it was advertising sponsored by a commercial brand. Council found that the general impression conveyed by the article was that it was informational, not commercial in nature, and that the article was written by an independent health specialist. Because it was not made clear that the content of the article was actually sponsored by an advertiser, Council found that the advertisement was presented in a format and style that concealed its commercial intent. **Infraction:** Clause 2.

## **The Consumer Complaint Procedure**

Established by the Canadian advertising industry over 50 years ago, the Consumer Complaint Procedure provides Canadian consumers with a mechanism to submit written complaints about advertising currently running in Canadian media.

**Complaint Receipt** Each written consumer complaint is reviewed by ASC against the Canadian Code of Advertising Standards. **Preliminary Review** ASC conducts a preliminary evaluation of the complaint. If the complaint does not raise an issue under the Code, ASC sends a letter of explanation. **How Complaints are Handled** If the complaint raises an issue under the Code, the advertiser is requested to provide its comments on the complainant's concerns. If a Code issue remains, the complaint is forwarded to Council for adjudication. **Council Review and Decision** 

Complaints forwarded to Council are carefully reviewed under the Code. If Council determines that the advertisement contravenes one or more clauses of the *Code*, Council will uphold the complaint. The advertiser is asked to withdraw or amend the advertising.

# **APPEAL**

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#### **Appealing a Council Decision**

If the consumer or advertiser disagrees with Council's decision, the consumer or advertiser can request an appeal.



## The Standards Councils

## To Submit a Consumer Complaint

#### **The Standards Councils**

ASC's independent, volunteer Standards 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.

The complete list of Council representatives is available online at **adstandards.com/councils**.

#### 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. Complaints must be received in writing.

To submit your complaint, follow one of these steps:



#### Online

Complete the online submission form and submit at: adstandards.com/complaints.



Mail

Send your complaint to:

Advertising Standards Canada 175 Bloor St. East South Tower, Suite 1801 Toronto, ON, M4W 3R8



#### **Contact Information**

#### **Advertising Standards Canada**

175 Bloor Street East South Tower, Suite 1801 Toronto, Ontario, M4W 3R8

Email: info@adstandards.com Web: adstandards.com Fax: 416 961-7904 2015 Peel Street Suite 915 Montreal, Quebec, H3A 1T8

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