

ANNUAL COMPLAINTS REPORT



# **Contents**

A Message From Ad Standards President & CEO and Director of Standards (National)	1
Introduction	2
Overview	3
Complaints Redirected to Third Parties	4
Focus on Concerns Accepted for Review Under the Code	5
Most Common Media for Advertising Complaints	5
Top Industries Cited in Advertising Complaints	5
2024 Consumer Complaints – Findings	6
Ads Adjudicated By Standards Council	8
Concerns Raised in Complaints Accepted Under the Code	9
About Standards Council	10
Meet the Standards Council Chairs	10
How Consumer Complaints Are Handled	12
Advertising Disputes: An Effective Tool for the Industry to Resolve Disputes	13
About Ad Standards	14

# A Message From Ad Standards President & CEO and Director of Standards (National)

We are pleased to present this report, offering a comprehensive overview of Ad Standards' work to administer the *Canadian Code of Advertising Standards* (*Code*). We provide information about the complaints received in 2024, detailing the number and nature of complaints received and sharing insight into both how advertising is perceived by Canadians, and the issues that prompt them to raise concerns.

The year 2024 marked a significant step in transforming and modernizing our approach to complaint management under the *Code*. We invested in both human and technological resources to streamline intake processes, enhance staff training, and improve complaint classification. These efforts represent the beginning of ongoing initiatives to improve upon the timeliness of case management and ensure that our reporting remains relevant and valuable to the advertising industry.



Catherine Bate
President & CEO
Ad Standards



Yamina Bennacer
Director, Standards (National)
Ad Standards

### Introduction

As the national self-regulatory body for the advertising industry, Ad Standards is committed to building trust in advertising. We have been administering the *Canadian Code of Advertising Standards* (the *Code*) for over 60 years. The *Code* sets the criteria for truthful, fair and accurate advertising in Canada. To maintain and enhance trust in advertising, Ad Standards provides a mechanism for reviewing and resolving consumer complaints and competitive disputes about advertising content.

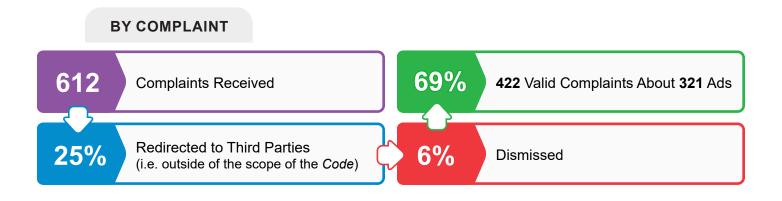
In January 2024, Ad Standards launched a new online complaint submission form that includes pre-screening questions. These questions are intended to clarify Ad Standards' mandate under the *Code*, and redirect complainants to the appropriate channel for concerns that cannot be accepted for review under the *Code*. Since the implementation of these pre-screening questions, we are pleased to see that the majority of complaints submitted fell within Ad Standards' mandate. We noticed a decrease in the total number of complaints received in 2024 compared to prior years and are carefully reviewing our IT systems and screening questions to ensure that all valid complaints are reaching us.

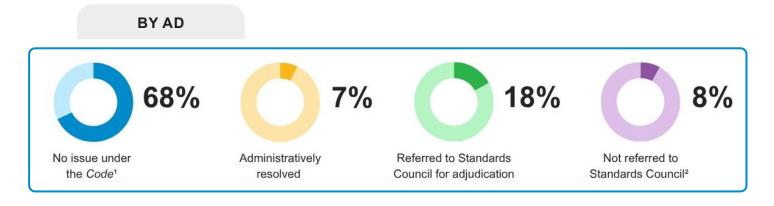
With the launch of our new intake and case management system, we were also able to reimagine the types of statistics that we track, and how we classify different types of media, ads and products or services. As such, this report provides a snapshot of 2024 and, in future years, with this new framework, we will be able to reinstitute the tracking of trends year over year.

## **Overview**

This report provides an overview of the complaints received by Ad Standards between **January 1, 2024**, and **December 31, 2024**.

#### At a Glance





<sup>&</sup>lt;sup>1</sup>As assessed by Ad Standards staff

Please refer to 2024 Consumer Complaints – Findings for additional details.

<sup>&</sup>lt;sup>2</sup>The ads not referred to Standards Council included complaints about unsafe or offensive depictions that were satisfied by the advertisers' responses, or cases missing material information in the complaint such that Standards Council could not adjudicate them.

# **Complaints Redirected to Third Parties**

In 2024, **25%** of complaints received by Ad Standards were redirected to other Canadian entities, whether governmental agencies, non-governmental bodies, or the advertiser directly, for redress. While it is always our goal to resolve the complaints received directly, certain complaints fall outside of the scope of the *Code* or are more effectively addressed by the applicable third party, including:

- Complaints about marketing of potentially unauthorized health products, or vaping products, which
  are referred to Health Canada;
- The use of celebrities and/or athletes in gaming ads, which are currently redirected to the Alcohol and Gaming Commission of Ontario (AGCO);
- The content of broadcast programming which are redirected to the Canadian Broadcast Standards Council (CBSC);
- Consumers seeking refunds, or who sought other resolutions of disputes with businesses over their products, services, or business practices.

It is common during an election year, whether federal or provincial, to receive complaints about political or election advertising. In 2024, **3.5**% of the complaints received by Ad Standards objected to political or election advertising, which are excluded from the scope of the *Code*.

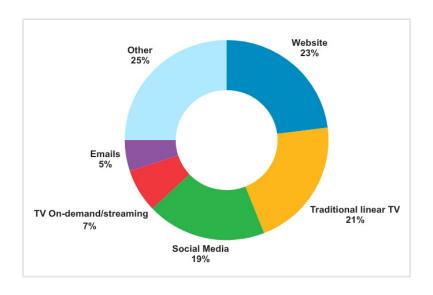
#### Did You Know?

Ad Standards does not accept complaints about political advertisements or election advertisements under the *Code*. However, we do encourage political advertisers to follow the *Code* and ensure truthful, fair and accurate ad messaging.

For more information, please read Ad Standards <u>Advisory to the Public: Political and Elections Advertising.</u>

# Focus on Concerns Accepted for Review Under the Code

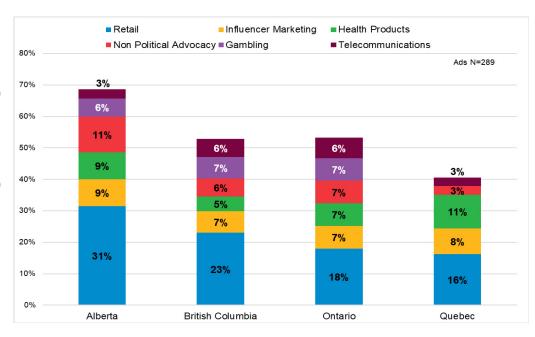
# **Most Common Media for Advertising Complaints**



Not surprisingly, we have seen a shift over time in the types of carrying media on which the majority of ad complaints we review appear, with an increase of complaints about ads seen online and a decrease of complaints seen in some traditional media (especially radio, out-of-home, and print).

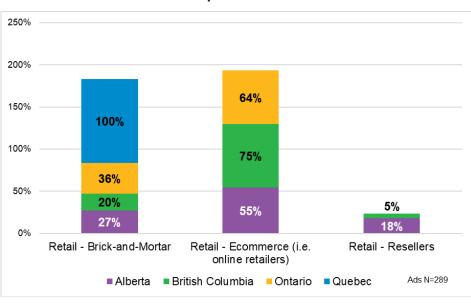
# **Top Industries Cited in Advertising Complaints**

- 1. Retail (21%)
- Influencer Marketing (7%)
   Advocacy (7%)
   Health Products (7%)
- 3. Gambling (6%)
  Telecommunications (6%)



91% of complaints accepted under the Code were submitted by residents from the four provinces that host over 85% of the Canadian population (Alberta, British Columbia, Ontario and Quebec).

In the retail category, complainants from Alberta, British Columbia and Ontario were mostly concerned about ads seen on retailers' online platforms, whereas complainants from Quebec were solely concerned about ads seen on premise at physical retail locations.



#### Retail Ad Complaints - A Closer Look

91% of complaints accepted under the Code were submitted by residents from the four provinces that host over 85% of the Canadian population (Alberta. British Columbia, Ontario and Quebec).

# 2024 Consumer Complaints – Findings

Out of the 612 complaints received in 2024, 69% involving 321 ads were deemed to be valid complaints to be reviewed and assessed by staff under the application of the Code. Please refer to Complaints Redirected to Third Parties for additional details about the complaints that could not be pursued by Ad Standards.

Out of these 321 ads:

67% were assessed by staff not to raise potential issues under the provisions of the Code.

In their assessment, analysts consider the concerns of the individual who raised the complaint, and any additional information submitted by the advertisers in support of its advertising claims. Ad Standards investigated and responded to the complaints about these 215 ads, explaining the reasons why they did not present an issue under the Code.

33% were deemed to raise potential issues under one or more provisions of the Code, of which 7% were resolved administratively by Ad Standards based on the advertisers' corrective actions.

Under the **Consumer Complaint Procedure**, Ad Standards has the ability to resolve complaints at staff level, without a formal adjudication by Standards Council, about ads that were acknowledged by advertisers as being erroneous under Clause 1 (Accuracy and Clarity) and Clause 3 (Price Claims). The procedure for administratively resolved complaints requires the advertiser to permanently withdraw the erroneous ad and publish a correction notice (if applicable). Please refer to **How Consumer Complaints Are Handled** for additional details about the administratively resolved complaints procedure involving Clauses 1 and 3.

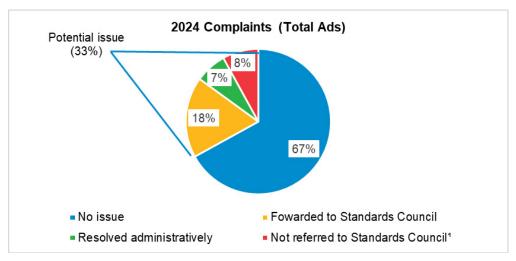
- 8% were not referred to Standards Council for one of two reasons:
  - The complaint was raised under one
    of the subjective clauses Clause 10
    (Safety) or Clause 14 (Unacceptable
    Depictions and Portrayals) and
    after receiving the advertiser's
    response, the consumer did not
    wish for Ad Standards to pursue the
    complaint further;
  - The complaint failed to include material information Standards Council would require to adjudicate the case.
- 18% (54 ads) were referred to Standards Council for adjudication.

#### Did You Know?

Under the Consumer Complaints Procedure, when a case is considered under Clause 10 (Safety) or Clause 14 (Unacceptable Depictions and Portrayals), the advertiser's response is forwarded verbatim to the complainant(s).

The case is adjudicated by Standards Council only if the complainant advises Ad Standards that the advertiser did not appropriately address their concerns or that they remain dissatisfied with the response received.

Please refer to <u>How Consumer Complaints</u>
<u>Are Handled</u> for additional details about complaints involving Clauses 10 and 14.



Ads N=321

<sup>1</sup>The ads not referred to Standards Council included unsafe or offensive concerns that were satisfied by the advertisers' responses, and cases missing material information preventing Standards Council from being able to adjudicate them fairly.

## Ads Adjudicated By Standards Council

All complaints directed to Ad Standards are initially evaluated by Ad Standards staff. Complaints that raise a potential issue under the provisions of the *Code* are referred to the independent Standards Council for adjudication. Standards Council's decisions are passed by majority vote.

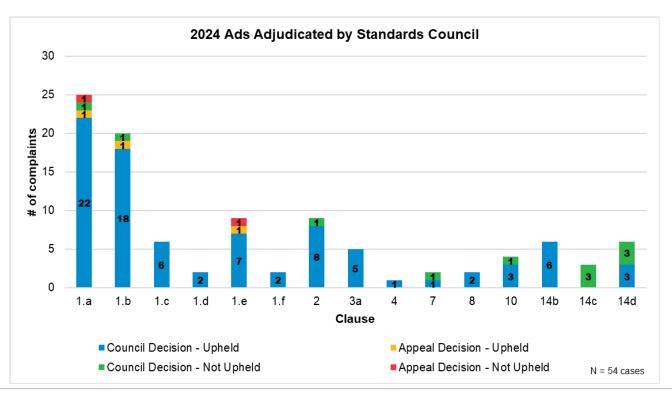
Out of the 54 ads referred to Standards Council for a formal adjudication, a total of 46 ads, out of which two were adjudicated by an Appeal Panel, were found to contravene one or more provisions of the *Code*. Eight ads were found to be compliant with the *Code*.

Of the non-compliant advertisements:

- **35**% were about promotional offers that included inaccurate, deceptive claims or omitted material information, contributing to misleading representations;
- **28%** were related to omission or lack of disclosure from influencers and partnered brands engaged in influencer marketing;
- **22**% were adjudicated under the misleading provisions of the *Code* and included mostly unsubstantiated performance claims or unsupported professional/scientific claims.

Of all the ads reviewed by Standards Council, 19% required an adjudication under the subjective clauses due to an express request from the complainant who remained dissatisfied with the advertiser's response or due to failure from the advertiser to respond to the complaint. Standards Council found non-compliance in 11% of the cases involving the safety or offensive clauses. These ads were found to be unsafe, to offend the standards of public decency and/or exhibit obvious indifference to unlawful behaviour.

To learn more about these non-compliant ads, read the Council Decisions.



# Concerns Raised in Complaints Accepted Under the Code

The majority of complaints accepted for review under the *Code* related to ads alleged to be misleading under Clause 1 (Accuracy and Clarity), offensive under Clause 14 (Unacceptable Depictions or Portrayals) or deceptive in their pricing or discounts under Clause 3 (Price Claims).

Clause	Description	% of Ads*
1(a)	Accuracy and Clarity - Inaccurate / Deceptive / Misleading Representation	46%
1(b)	Accuracy and Clarity - Omission	20%
14(d)	Unacceptable Depictions and Portrayals - Offend the Standards of Public Decency	20%
3(a)	Price Claims - Deceptive Price Claims or Discounts	11%
1(c)	Accuracy and Clarity - Unclear	9%

<sup>\*</sup> An ad could raise concerns under one or more clauses of the Code.

Ads N=321

Complainants Concerns	% of Ads
Offensive	25%
Promotional Offer	22%
Influencer	12%
Deceptive Price Claims or Discounts	11%
Accuracy and Clarity - Competent & Reliable Evidence	9%

Offensive
Feminine Hygiene Products
Graphic Description
Language
Nudity & Sexual Content
Religion
Stereotypes

Promotional Offer
Deceptive BOGO Offer
Deceptive Loan Terms
Misrepresentation of T&Cs
Offer/Item Not Available
Picture of Excluded Item
Unavailable Feature/Accessory
Item Received Not As Advertised

### **About Standards Council**

The Standards Council plays a vital role in ensuring objective and fair complaint adjudication. First, Ad Standards' staff administer the process for receiving and processing consumer complaints about advertisements. Complaints raising potential issues under the Code that cannot be resolved by staff are then referred to Standards Council for review and adjudication. Each Standards Council meeting includes senior industry and public representatives from across Canada, who volunteer their time to help ensure that Canadian advertising is truthful, fair and accurate.

The members of Standards Council are posted on Ad Standards' website.

#### Meet the Standards Council Chairs

The Standards Council operates under the direction of two chairs; one based in Toronto and the other in Quebec.

#### **National Standards Council Chair**

Mike Darley was appointed Chair of the National Standards Council in 2019 after having served over the prior fifteen years as both an industry and public representative. As an active volunteer with Ad Standards, Mike also sits on the Children's Advertising Clearance Committee as a public representative.

Mike has extensive experience in advertising and worked for over 20 years in senior roles in advertising standards at the Canadian Broadcasting Corporation (CBC).



Mike Darley Chair. National Standards Council

"Serving as Chair during the past six years has been a deeply rewarding experience. I believe that interpreting and applying the Canadian Code of Advertising Standards is about consistency, trust, transparency, protecting the public interest, and helping to further the education of the advertising community. I am proud to contribute to an organization that values integrity and thoughtful dialogue. Working alongside dedicated volunteers and industry leaders continues to inspire me."

#### Quebec Standards Council Chair

In 2024, Marie-Josée Beauchamp was appointed Chair of the Standards Council for Quebec after serving as a public representative since 2021.

Marie-Josée has held key account management roles with various media companies and advertising agencies. As an active volunteer with Ad Standards, she has also been a member of the Ad Standards Scholarship Selection Committee for the past two years.



Marie-Josée Beauchamp Chair, Standards Council for Quebec

"When I first joined the Ad Standards Council in 2021, fresh out of the pandemic, I needed a sense of connection and purpose... I got to meet a team of people who, like me. value creativity, communication, and collaboration; work that makes a difference fostering positive change and growth, encouraging public opinion and trust in our Canadian advertisements. That's important, and why it is such an honour for me to serve as Council Chair."

Marie-Josée succeeds Raymonde Lavoie, who chaired the Standards Council in Quebec from 2001 to 2024.

# Thank you, Raymonde Lavoie!

As President of DesArts Communication, Raymonde brought decades of experience in advertising to her role as Chair of Standards Council for Quebec, having held leadership positions with leading agencies such as J. Walter Thompson, Ogilvy & Mather and Cundari.

In addition to her generous support of Ad Standards as Chair of the Quebec Standards Council for more than 20 years, Raymonde continues to volunteer to support organizations that perform meaningful work in Canada. She is currently a board member for Drug Free Kids Canada. Reflecting on her time in her role as Chair, Raymonde shared:

"I am in awe of the Council members who have all my admiration: their preparation, participation, strategic input, knowledge of the Code and generosity."

We are deeply grateful for Raymonde's years of service and her dedication to the important work of Ad Standards and advertising self-regulation.

# **How Consumer Complaints Are Handled**

Established by the Canadian advertising industry over 60 years ago, the Consumer Complaint Procedure enables consumers to submit written complaints about advertisements in Canada they consider unacceptable.

#### 1. Complaint Receipt

Each written consumer complaint is reviewed by Ad Standards under the Canadian Code of Advertising Standards (Code).

#### 2. Preliminary Review

Ad Standards conducts a preliminary evaluation of the complaint. If the complaint does not fall under the scope of the Code, or if, after review, the advertisement does not present an issue under the Code, Ad Standards sends a letter of explanation to the complainant(s). For complaints deemed potentially problematic under the Code by Ad Standards, advertisers are required to provide a written response addressing the concerns raised by the complainant(s).

#### 3. Next Steps Vary Based on Potential Identified Code Issues

Complaints that raise potential issues under the *Code* are handled in different ways depending upon the nature of the complaint.

#### Concerns About Unsafe (Clause 10) or Offensive (Clause 14) Representations

The advertiser's response is forwarded verbatim to the complainant. If, after receiving the advertiser's response, the complainant notifies Ad Standards that they remain dissatisfied, the case is forwarded to Standards Council for a formal adjudication.

## Administratively Resolved Complaints About Accuracy and Clarity (Clause 1) and **Price Claims (Clause 3)**

Ad Standards uses this mechanism as a streamlined procedure to resolve simple, uncomplicated cases that involve a contravention related to Clause 1 or Clause 3 without requiring Standards Council's adjudication provided the advertiser meets certain requirements.

#### Complaints Under All Other Code Clauses

The advertiser submits its response to Ad Standards to address the complainant's concerns. If Ad Standards determines there remains a potential issue under the Code, the case is forwarded to Standards Council for adjudication.

#### 4. Council Review and Decision

If Council determines, by majority vote, that the advertisement contravenes one or more clauses of the Code, the advertiser is asked to permanently withdraw the misleading or offensive ad. Ad Standards publicly publishes Council Decisions about ads found to contravene the Code.

#### 5. Appealing a Council Decision

If the advertiser disagrees with Standards Council's decision, the advertiser can request an appeal. If an appeal is granted the case is reviewed in its entirety by a new panel that did not participate in the original decision.

For a detailed explanation of the Consumer Complaint Procedure, please visit our main Complaints page.

# Advertising Disputes: An Effective Tool for the Industry to Resolve Disputes

Since 1976, at industry's request, Ad Standards has offered a confidential procedure designed to resolve disputes between advertisers. Based on the provisions of the *Code* and offered on a **fee basis**, the **Advertising Dispute Procedure** (the Procedure) provides industry with an effective and responsive mechanism by which disputes between advertisers about advertising can be handled outside of the judicial system. The Procedure has undergone periodic review and revisions — most recently in 2019 — to ensure the fairness and effectiveness of its application in a **quick**, **practical**, **confidential** and **cost-effective** manner. Additional **Procedural Notes** are published as needed to enhance industry's understanding of the Advertising Dispute Procedure.

#### The Ad Dispute Procedure: Quick, Practical, Confidential, Cost-effective



37 working days
Estimated
timeline for ad
dispute resolution



Chaired by a lawyer specialized in advertising and marketing law applicable to Canada



Includes 2 other experienced industry representatives



Decision drafted by Chair



Case summary published in an anonymous format

According to the Procedure, the summaries of the **Advertising Dispute Decisions** do not disclose the identity of the Advertisers unless an advertisement is found to be in violation of the *Code* and the Advertiser does not voluntarily amend or withdraw the advertisement in accordance with the decision of the Adverting Dispute Panel.

# Message From Ad Standards' Chief Legal Officer, Shelley Samel



**Shelley Samel** Chief Legal Officer Ad Standards

"The Advertising Dispute Procedure offers a professional, cost-effective, and timely way to address advertising concerns between advertisers. I've been consistently impressed by the quality of submissions and the thoughtful, balanced decisions rendered by our panels of experienced advertising lawyers and marketers. It is a process that truly reflects the integrity and high standards of the advertising industry."

## **About Ad Standards**

Ad Standards is the self-regulatory body for Canada's advertising industry. Through member support and cooperative industry initiatives, we build public confidence in advertising by helping ensure ads, in all media, are truthful, fair and accurate. We administer the Canadian Code of Advertising Standards, which sets criteria for acceptable advertising, and provides a mechanism for adjudicating and resolving consumer complaints and competitive disputes. We also review advertising creative and offer consultative services to help ensure compliance with relevant laws, regulatory guidelines and industry codes. Our collaborative relationships with Canadian regulators and global self-regulatory organizations provide a diversity of valuable insights, which inform our initiatives and goals.









© 2025 Advertising Standards Canada

This report is the property of Ad Standards and may not be reproduced, in whole, or in part, without prior permission from Ad Standards.