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| <b>COMPLAINT NUMBER</b> | 17/254               |
| <b>COMPLAINANT</b>      | M Malone             |
| <b>ADVERTISER</b>       | Fairfax Media        |
| <b>ADVERTISEMENT</b>    | Fairfax Media, Print |
| <b>DATE OF MEETING</b>  | 17 August 2017       |
| <b>OUTCOME</b>          | Settled              |

**Advertisement:** The Dominion Post subscription advertisement, including a Rarotongan prize draw, quoted a price "From only \$46.10 per month, save 30% (Direct Debit Option)." The terms and conditions included the offer end date of 31<sup>st</sup> July 2017.

**The Chair ruled the complaint was Settled.**

**Complainant, M Malone, said:** The ad appeared in The Dominion Post newspaper Thursday July 20<sup>th</sup>. The ad offered new subscribers the chance to win a trip to Rarotonga if they purchased a new monthly subscription.

The offer ends July 31<sup>st</sup>. It offered new subscribers a monthly subscription of "from only \$46.10 per month - save 30%"

However, the ad does not say that this monthly subscription only lasts until August 1<sup>st</sup>. when it goes up to \$50.70 per month. Thus, if a person buys a new subscription at \$46.10 per month it is only going to last until August 1<sup>st</sup>., not even one month. This ad is very misleading. It gives the impression that a subscription of a reasonable length is available when it definitely is not. Anybody who buys this subscription expecting to pay \$46.10 per month is going to be asked to pay \$50.70 within days. If this happened to me I would feel as if I'd been conned, and I'm sure I'm not alone.

**The relevant provisions were Code of Ethics - Basic Principle 4, Rule 2.**

**The Chair** noted the Complainant's concern that the subscription offer was misleading because the offer closing date was only a day before the subscription price rise.

**The Advertiser – Fairfax Media said:**

This advertisement is a special only available to new subscribers to Fairfax publications. The special offered to new subscribers can differ from campaign to campaign, month to month, for instance gift with subscription, special pricing or chance to win.

In the advertisement that is in question all subscribers who took up the offer between 1 July and 31 July 2017 for a monthly subscription to the Dominion Post were eligible for the special pricing of \$46.10 per month – a saving of 30% at this time of the offer being in the market – and a chance to win a trip to Rarotonga.

M Malone is correct the monthly price point of our existing Dominion Post subscription is going to increase to \$50.70 on 1 August 2017. Fairfax has sent communications out to our existing subscribers to advise them of this increase.

New subscribers to the Dominion Post who signed up as part of this promotion are price protected from the increase that is happening on 1 August 2017. M Malone is incorrect in his

assumption that the price increase for existing subscribers at 1 July also applies to the new subscribers.

The reason the pricing is “from only” is because different delivery fees apply to different delivery areas and payment methods. It is not unusual to offer sale pricing. We do not accept that this advertisement is in breach of the Code of Ethics – Basic Principle 4, Rule 2.

For subscribers that sign up during the promotion period, if there is an increase to the promotional pricing at the end of the subscription period that they sign up for, Fairfax will notify the customer and they will have an opportunity to continue their subscription or unsubscribe at that point.

The Chair acknowledged the response received from the Advertiser clarifying that new subscribers would be protected from the 1 August 2017 price increase and would continue to pay the promoted subscription price of \$46.10 for the duration of their subscription period.

In light of this information, the Chair said it would serve no further purpose to place the matter before the Complaints Board and ruled that the matter was Settled.

**Chair’s Ruling:** Complaint **Settled**