

COMPLAINT NUMBER	17/448
COMPLAINANT	H Markland
ADVERTISER	Finance Now
ADVERTISEMENT	Finance Now, Television
DATE OF MEETING	18 December 2017
OUTCOME	No Grounds to Proceed

Advertisement: The television advertisement for Finance Now shows people dancing having received loans for cars, home improvement and debt consolidation. The voiceover says “Get that feeling with Finance Now. Money your way”

The Chair ruled there were no grounds for the complaint to proceed.

Complainant, H Markland, said: I believe that the advertisement for 'Finance Now' breaches the Advertising Standards Authority code for financial services as follows: It breaches Principle 1 ('Financial advertisements should observe a high standard of social responsibility...') as:

- a) Lending and household debt in NZ is continuing to increase, with associated social problems associated with indebtedness.
- b) The advertisement gives the impression that lending money will induce a state of euphoria or delirious happiness.
- c) The advertisement states that money loaned will be 'on your terms'. However, the company website (<http://www.financenow.co.nz/personal-finance/personal-loans>) severely limits choice for the loaner (e.g. interest rates for personal loans can only be between 12.95% and 29.95%).

As such, I believe that the advertisement does not adhere to the requirement for a 'high standard of social responsibility', and it portrays 'unrealistic or exaggerated financial expectations or outcomes'.

The relevant provisions were Code for Financial Advertising - Guideline 1 (b), Principle 1, Principle 2.

The Chair noted the Complainant's concern the advertisement is not socially responsible as it portrayed unrealistic financial expectations and showed people in a state of euphoria after borrowing money.

The advertisement featured people seeking loans for a range of purposes including car purchase, home improvement and debt consolidation, which are all common reasons to borrow money. The Chair said it was reasonable to expect the Advertiser to present its business in the best light possible. She said the people's reaction to successfully obtaining a loan by dancing was light-hearted and did not make the advertisement socially irresponsible.

Although the Chair acknowledged the Complainant's genuine concern about the lending and household debt issue in New Zealand, she said the Advertiser was entitled to promote

a legal product and had indicated the loans were subject to normal lending criteria, interest rates and fees.

The Chair said the advertisement did not meet the threshold to breach Principle 1, Principle 2 and Guideline 1 (b) of the Code for Financial Advertising.

Accordingly, the Chair said there were no grounds for the complaint to proceed.

Chair's Ruling: Complaint **No Grounds to Proceed**