

COMPLAINT NUMBER	16/422
COMPLAINANT	D Purdon
ADVERTISER	Financial Services Online
ADVERTISEMENT	Financial Services Online, website www.compare-life-insurance.co.nz
DATE OF MEETING	25 January 2017
OUTCOME	Not Upheld

SUMMARY

The Financial Services Online website advertisement stated on its opening screen: “Compare Life insurance is New Zealand’s premier online Life insurance comparison resource...providing you with access to the best Life insurance quote comparisons, choices and advice. Consumers were invited to click on the words “online Life insurance comparison quote request form” for “instant access to a comprehensive selection of New Zealand’s premier and most reputable life insurance specialists for the best life insurance quotes and financial information.” Forms included a request for contact details “in order to receive your personalised quotation/s. The last form included the words: “..I wish to be contacted by a licensed insurance professional...”

The Complainant's concern was that they had put a lot of personal detail into the website expecting a range of quotes but instead received a message to check their email which was not the verification link the Complainant expected but notification that a person from Apex Advice or Apex Group would be in contact.

The Complaints Board agreed that it was clearly stated from the first page of the advertisement that the service was one in which an expert would be in touch.

Accordingly, the Complaints Board ruled the complaint was Not Upheld.

[No further action required]

Please note this headnote does not form part of the Decision.

COMPLAINTS BOARD DECISION

The Chair directed the Complaints Board to consider the advertisement with reference to Basic Principle 4 and Rule 2 of the Code of Ethics and Principles 1 and 2 of the Code for Financial Advertising. This required the Complaints Board to consider whether the advertisement had been prepared with a high standard of social responsibility to consumers and to society, particularly as consumers often relied on such products and services for their financial security. The Complaints Board was also required to consider whether the advertisement contained any statement or visual presentation or created an overall impression which directly or by implication, omission, ambiguity or exaggerated claim was

misleading or deceptive, was likely to deceive or mislead the consumer, made false and misleading representation, abused the trust of the consumer or exploited their lack of experience or knowledge.

The Complaints Board ruled to Not Uphold the complaint

The Complaint

The Complaints Board first considered the Complainant's concerns. The Complainant said they had gone to the website for multiple quotes for life insurance and filled in a considerable amount of personal information. The Complainant said: "My expectation was, as the website led me to believe, that I would get a range of quotes. At the end of it instead of these quotes popping up on the website I got a message saying check your email. OK. Assume that will be a verification link. It was not. It was an email saying that a guy Kevin Hickland will be in contact from Apex Advice or Apex Group." The Complainant said if they had wanted someone to contact them they would have rung someone.

The Advertiser's Response

The Complaints Board then turned to the response from the Advertiser, Financial Services Online. The Advertiser believed there was no room for the Complainant to misunderstand that by submitting the online enquiry form on the website they would be contacted by someone in order to receive quote comparisons. The Advertiser said the website's home page clearly offered access to "life insurance specialists" who would provide comparison quotes, not direct access to the quotes and nowhere on the website was there an offer of quotes on the website itself. The Advertiser said the website was clear that all enquiries were referred to third parties who would contact the applicant and with whom the applicant would communicate directly. The Advertiser said the final page of the form included the words: "I wish to be contacted by a licensed insurance professional with comparative quotes sourced from a selection of New Zealand's leading and best known insurance specialists." The form could not be submitted before contact details and a suitable time for contact had been provided and this had been done by the Complainant. The Complainant had, shortly after submitting the enquiry, contacted Kevin Hickland and requested the removal of their personal details and this was done immediately.

The Complaints Board then considered a response from Apex Group which said Kevin Hickland was a Contract Adviser with Apex Advice Group Limited and not an employee of Apex Group. Apex Group said Kevin Hickland purchased "leads" from Financial Services Online, the owners of which Apex Advice group understood to be "owned and operated by Andrew Clark's family or Trading Trust out of Australia and with which Apex Advice Group Limited had no involvement.

The Complaint Board's Discussion

The Complaints Board noted the thorough response from the Advertiser and considered that consumers were repeatedly alerted throughout the advertisement that the end result of filling and submitting the forms would be personal contact from an expert.

The Complaints Board acknowledged that filling online forms would often result in an online response but it was made clear from the first page of this advertisement that the service was one in which an expert would be in touch.

Therefore, the Complaints Board was unanimous in its view the advertisement was not likely to mislead or deceive consumers and had been prepared with the requisite sense of social responsibility. The Complaints Board ruled the advertisement was not in breach of Principles 1 and 2 of the Code for Financial Advertising or Basic Principle 4 and Rule 2 of the Code of Ethics.

The Complaints Board ruled the Complaint was Not Upheld.

DESCRIPTION OF THE ADVERTISEMENT

The Financial Services Online website advertisement was illustrated with images of three green and one red apple and stated on its opening screen: “Compare Life insurance is New Zealand's premier online Life insurance comparison resource...providing you with access to the best Life insurance quote comparisons, choices and advice. All it takes is a few minutes to submit our quick online Life insurance comparison quote request form and we'll give you instant access to a comprehensive selection of New Zealand's premier and most reputable Life insurance specialists for the best Life insurance quotes and financial information.”

Viewers were able to click on the words “online Life insurance comparison quote request form” to access forms requiring personal details. The “Final step” page acknowledged that “The information collected should now be sufficient to provide you with your quote comparisons in most instances” and included a request for contact details “in order to receive your personalised quotation/s.” To continue, viewers needed to tick on a declaration that said: “I confirm that I am a New Zealand citizen and/or a permanent resident of New Zealand this is a genuine enquiry the information provided by me is complete and accurate and I wish to be contacted by a licensed insurance professional with comparative quotes sourced from a selection of New Zealand's leading and best known insurance specialists.” The website included a privacy policy statement.

COMPLAINT FROM D PURDON

I went to this site to multiple quotes for life insurance. I filled in lots of personal information into the website. My expectation was, as the website led me to believe, that I would get a range of quotes. At the end of it instead of these quotes popping up on the website I got a message saying check your email. OK. Assume that will be a verification link. It was not. It was an email saying that a guy Kevin Hickland will be in contact from Apex Advice or Apex Group. If I had wanted someone to contact me I would have rung someone myself. This is false advertising and should be withdrawn.

CODE OF ETHICS

Basic Principle 4: All advertisements should be prepared with a due sense of social responsibility to consumers and to society.

Rule 2 Truthful Presentation: Advertisements should not contain any statement or visual presentation or create an overall impression which directly or by implication, omission, ambiguity or exaggerated claim is misleading or deceptive, is likely to deceive or mislead the consumer, makes false and misleading representation, abuses the trust of the consumer or exploits his/her lack of experience or knowledge. (Obvious hyperbole, identifiable as such, is not considered to be misleading).

CODE FOR FINANCIAL ADVERTISING

Principle 1: Financial advertisements should observe a high standard of social responsibility particularly as consumers often rely on such products and services for their financial security.

Principle 2: Advertisements should strictly observe the basic tenets of truth and clarity. Advertisements should not or should not be likely to mislead, deceive or confuse consumers, abuse their trust, exploit their lack of knowledge or without justifiable reason, play on fear. This includes by implication, omission, ambiguity, exaggerated claim or hyperbole.

RESPONSE FROM ADVERTISER FINANCIAL SERVICES ONLINE:

In my view, there is no room for misunderstanding by D Purdon that, by submitting the online enquiry form on our website, D Purdon would be contacted by someone in order to receive quote comparisons.

As requested, I have made some comments below to support this view and I have included additional documentation (attached) in support of these comments.

1. in the paragraph from our website home page that you have highlighted, we are clearly offering access to “life insurance specialists” who will provide comparison quotes, we are not offering direct access to the quotes. The statement is neither false nor in any way misleading.
2. nowhere on the website is there any offer that we will provide quotes on the website itself.
3. both the “About Us” and “Privacy” pages of the website also make it very clear as to the service we offer - including the fact that we refer all enquiries to third parties.
4. in the footer of EVERY page of the website it states clearly that we refer all enquiries to third parties with whom the applicant will communicate directly
5. on the first 5 pages of the 6-page enquiry form it states, immediately adjacent to the [continue] button, that the applicant will be contacted
6. on the final page of the form there is a declaration that the applicant is required to acknowledge (the form cannot be submitted without this acknowledgement) that says

...

*I confirm that I am an New Zealand citizen and/or a permanent resident of New Zealand, this is a genuine insurance enquiry, the information provided by me is complete and accurate and **I wish to be contacted by a licensed insurance professional** with comparative quotes sourced from a selection of New Zealand's leading and best known insurance specialists.*

7. on that same final page, where we request contact details, the applicant is also required to provide a best time to be contacted. D Purdon responded to this question - the form cannot be submitted without it.

There is NO WAY that D Purdon or anyone else could reasonably misunderstand this.

It should be noted that, shortly after submitting the enquiry, D Purdon made contact with Mr Kevin Hickland requesting that all of the complainants personal be removed from our system. We complied with this request immediately we received notification and I understand that this was communicated to D Purdon by Mr Hickland.

RESPONSE FROM APEX GROUP

Kevin Hickland is a Contract Adviser with Apex Advice Group Limited and not an employee of ours.

Kevin purchases leads from Financial Services Online (FSO) which I understand is owned and operated by Andrew Clark's family or Trading Trust out of Australia. Apex Advice Group Limited has no involvement with this what so ever.

I understand you have also written to Andrew Clark who owns the website and would appreciate if you could advise your position on the future of Kevin purchasing leads and whether you see the current methodology as breaching the Advertising Standards Code, so we are in a position to advise Kevin to stop until the site is compliant.