

<b>COMPLAINT NUMBER</b>	20/431
<b>ADVERTISER</b>	Milford Asset Management Limited
<b>ADVERTISEMENT</b>	Milford Asset Management Radio
<b>DATE OF MEETING</b>	21 September 2020
<b>OUTCOME</b>	No Grounds to Proceed

**Advertisement:** The Milford Asset Management radio advertisement which followed on after a news segment was read out by radio host Heather Du Plessis-Allan. She said "So, most of us are in Kiwisaver right, well, Consumer New Zealand recently did their annual Kiwisaver survey and Milford was rated the people's choice... Why not join the thousands of other happy clients who have switched their Kiwisaver account over to Milford. It's easy to switch. Find out more at [milfordasset.com/kiwisaver](http://milfordasset.com/kiwisaver)".

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

**Complaint:** The advertisement in question can be found at 1m:36s in the attached recording. The Ad itself is an example of one of many similar ads that I have heard on ZB and it reflects a wider industry trend where advertisers are getting complacent with the line between adverts and show time.

In this example, the ZB host reads the advert with a persuasive tone in the same style as the rest of the show. This is especially bad because the show is a news show, so what is presented as news and what is presented as advertisements should be separate. Vulnerable groups of society will not be able to distinguish this piece of advertising from the rest of the show.

In 'Principle 2' under 'Rule 2a' guidelines state that an advertisement ...' must be obvious to, and well understood by the audience that they are engaging with an advertisement regardless of the form of advertisement tasks of the platform where it appears.' This is a radio show with a high number of elderly listeners who are often considered vulnerable to advertisements.

**The relevant provisions were Advertising Standards Code - Principle 2, Rule 2(a); Code for Financial Advertising - Guideline 1 (a), Principle 1;**

#### **ADVERTISING STANDARDS CODE**

**Principle 2: Truthful Presentation:** Advertisements must be truthful, balanced and not misleading.

**Rule 2(a) Identification:** Advertisements must be identified as such.

#### **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.

**Guideline 1 (a) Clarity:** Advertisements shall be set out in a way that allows them to be readily understood by the audience being addressed. All relevant information should be disclosed.

**The Chair** noted the Complainant's concerns the presentation of the advertisement did not make it sufficiently clear that it was an advertisement.

The Chair referred to a precedent decision, 14/595 regarding a radio advertisement for KPMG, which was also ruled No Grounds to Proceed. The following is an excerpt from that decision:

... the Chairman said the presenter was clearly promoting the services of KPMG where he stated: "they're specialists, and can offer independent advice ...they offer a wonderful service" followed by the Advertiser's website information... The Chairman acknowledged that announcer's tone did not necessarily indicate they were presenting the details of a paid for advertisement. However, she said the Advertiser's contact details and information about the services would indicate to listeners the pieces were paid presentations.

The Chair said this precedent applied to the complaint currently before her. The presenter was clearly promoting the services of Milford Asset Management by quoting from a recent survey and then asking listeners to switch their Kiwisaver account over to Milford. The call to action and the reference to the Milford website would indicate to listeners it was a paid presentation.

The Chair said the advertisement was not in breach of Principle 2 or Rule 2(a) of the Advertising Standards Code or Principle 1 or Guideline 1(a) of the Code for Financial Advertising.

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

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

#### **APPEAL INFORMATION**

According to the procedures of the Advertising Standards Complaints Board, all decisions are able to be appealed by any party to the complaint. Information on our Appeal process is on our website [www.asa.co.nz](http://www.asa.co.nz). Appeals must be made in writing via email or letter within 14 calendar days of receipt of this decision.