

COMPLAINT NUMBER	20/541
ADVERTISER	The Warehouse Limited
ADVERTISEMENT	The Warehouse Limited Television, Out of Home and Digital Marketing
DATE OF MEETING	28 October 2020
OUTCOME	No Grounds to Proceed

Advertisement: The television, out of home and digital marketing advertisements for The Warehouse refer to The Warehouse’s sustainability policy. The voiceover for the television advertisement says: “Sustainable, at The Warehouse it means a lot of things, it means ethically sourcing our products, it means stocking products that are easier on the planet – we’ve got over 5000 of them to date. And it means taking steps to reduce packaging, especially plastic. But none of this means anything if those products aren’t affordable...”. The YouTube video has a voiceover which says “... when we say sustainable and affordable what we mean is looking after the planet and looking after you...”

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

There were three complaints about this advertisement:

Complaint 1:

The warehouse has advertised their in-store products as ethically sourced. Yet this is exceptionally unlikely to be true given the country of origin of majority of their clothing range (ie. India where they have very loose labour and child labour laws). But also their electronics range, shoes, toys etc. The claim they have made is extremely misleading as it gives the public the impression that if buying from the warehouse, you will be buying ethically sourced products which is just untrue for a large majority of the products offered at the warehouse.

Complaint 2:

Ad Details: Print, Billboards, Digital and Television Complaint Details: Here is the website that all the various adverts link to:

https://www.thewarehouse.co.nz/c/here-forgood?gclid=CjwKCAjwlbr8BRA0EiwAnt4MTveTOHMEEQRtD_YATHjO85VqKzmAOCPPi-1crat5eRgPrulPAslV0RoCFicQAvD_BwE

My complaint is over the fact that the Warehouse group are greenwashing and making declarations about being a sustainable store however reading the website it's purely about how they AIM to be more sustainable. As someone who advocates for sustainability and think about the impact of all or most products I buy and trying to educate those around me to think about it in the same way, having community initiatives and groups around our city dedicated to conscious consuming and then having a store like the warehouse start advertising that they are is infuriating and I feel it completely devalues all the work these other groups are trying to do. I'm not sure if it's against your standards, but I needed to try something. So many people will see this and translate it to mean that anything they buy from the warehouse is sustainable and continue buying cheap plastics and throw-away materials. This is not how we should be allowed to advertise sustainability.

Complaint 3:

I wish to make a complaint about the current advertising by the warehouse. It was first drawn to my attention on 2.10.2020, channel 4, 11.35am (Queen Victoria and her children); then Saturday 17.10.20 at 6.45pm. YouTube (By the Pricking of my Thumb, Agatha Christie); then Monday 19.10.2020, 7.34am YouTube, and on-going advertisement, playing above my home-page. By 10.39am that advertisement had ceased, replaced by usual short advertisement.

This advertising by the Warehouse claims:

- 1) Their business is sustainable and affordable
- 2) Stock is sourced sustainably
- 3) Support charities e.g. women's refuge
- 4) Dispensing with single use plastic bags + donating recycling bags, didn't catch to whom
- 5) Care for the community

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On Thursday 15.10.20 I was passing the warehouse store at Waipapa, a commercial area just north of KeriKeri and noticed a green sign net to the main entrance/exit claiming "sustainable + affordable." The green stood out among the usual red and white. A stroll through the store quickly established the usual range of stock was available. The amount of plastic in e.g. toys, footwear, homeware and garden products was the same. The clothing, men's, women's and children are full of micro-fibre and synthetic materials. I noticed only one line of cotton T shirts and that was in women's clothing.

My complaint is, how can this business claim to be "sustainable" when a majority of their stock is made of materials already well-known to be environmentally destructive and therefore not sustainable? Furthermore, their use of a green sign at the door (of presumably every store) suggestive of sustainability is false advertising. Bluntly, they are lying to give the market a false impression of the reality and integrity of their business. They should not be able to use the word "sustainable" in this context.

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Over the labour weekend three days, on YouTube playing above my homepage, there was a fixed warehouse advertisement concerning bargains and discounts available over the weekend – not a mention of "sustainability". And I did think they may claim that their "business" is sustainable not their "stock"; but this is not the impression that the advertising gives. I hope this falls within your purview and that something can be done. I appreciate your attention and look forward to hearing from your office.

The relevant provisions were Advertising Standards Code - Principle 2, Rule 2(b), Rule 2(h);

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

Rule 2(b) Truthful Presentation: Advertisements must not mislead or be likely to mislead, deceive or confuse consumers, abuse their trust or exploit their lack of knowledge. This includes by implication, inaccuracy, ambiguity, exaggeration, unrealistic claim, omission, false representation or otherwise. Obvious hyperbole identifiable as such is not considered to be misleading.

The Chair noted the Complainants' concerns the advertisement was misleading.

The Chair said the out of home and digital marketing advertisements refer to The Warehouse's sustainability policy, which states: "Our goal is to become the most sustainable company in New Zealand... We're focusing on our people, doing good through reusable bag sales, nurturing our planet, reducing plastic in our packaging, including sustainable materials in our products, and continuously expanding our ethical sourcing programme...".

The Chair said these initiatives are aspirational and while The Warehouse has reported progress towards these goals, it acknowledges there is still more work to be done. The advertisement also states that product affordability is also taken into consideration by the Advertiser.

The Chair said that the Advertiser's website refers to the profits from reusable bags supporting community groups.

The Chair said the advertisement was not likely to mislead or deceive consumers and was not in breach of Principle 2 or Rule 2(b) of the Advertising Standards Code.

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. Appeals must be made in writing via email or letter within 14 calendar days of receipt of this decision.