

COMPLAINT NUMBER	21/119
ADVERTISER	Compass Communications
ADVERTISEMENT	Compass Communications Facebook
DATE OF MEETING	23 March 2021
OUTCOME	Settled

Advertisement: The Compass Communication Facebook advertisement promotes their Prepaid Fibre Max internet plan which is said to cost \$3.75 a day. The text of the post states "Only \$3.75/day for speedy internet that you can turn off and on as needed."

The Chair ruled the complaint was Settled.

Complaint: The advert states: "Only \$3.75/day for speedy internet that you can turn off and on as needed". This claim that you can turn it off and on as needed is incorrect and highly misleading. According to their terms at <https://compass.net.nz/help-support/faqs/prepaid>:

Q: "What happens if I don't use my internet services on some days?"

A: "If you choose not to use the services on a given day, you will still be charged for the day, at \$3 or \$4 per day depending on your plan." so there is no option to turn the internet off and on as needed. Also, they state: "We take your monthly fixed line charges & calculate a daily rate. This is the minimum you need to have in your account to use your services. If your account hits \$0, your account services will be blocked until this is topped up and ready to go again. Its easy to know when to top up because we'll email you and text you any time your account balance runs low and if your balance gets really low we will send you an urgent reminder." So really what happens is that when you top-2up, they will take your daily charge from you until you run out of credit, and then they cut you off. So there is no ability to "turn off and on as needed", as they quote in the advert. If, for example, I topped up \$100, and then wanted to not use it for 10 days, they would take \$30 off my balance. This is also reinforced explicitly by the following (again from the above URL):

Q: "What if I stop using the internet or go on holiday?"

A: "You still need to pay the daily rate even when you are not using the internet. If you are at a \$0.00 balance for 8 days you will be disconnected. It costs \$65 to reconnect." So not only can you not "turn it on and off as needed", but if you don't top up (i.e. "turn off") for 8 days, they cut you off and charge \$65 to reinstate!! Totally misleading.

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

The Chair noted the Complainant's concerns the advertisement appeared to be misleading.

The Chair acknowledged the comment from the Advertiser that they had removed the advertisement after receiving the complaint and it will not be used in that format again.

Given the Advertiser's co-operative engagement with the process and the self-regulatory action taken in removing the advertisement, the Chair said it would serve no further purpose to place the matter before the Complaints Board.

The Chair ruled the matter was Settled.

Chair's Ruling: Complaint **Settled**

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.