

COMPLAINT NUMBER	21/213
ADVERTISER	Harmony
ADVERTISEMENT	Harmony Television
DATE OF MEETING	3 May 2021
OUTCOME	No Grounds to Proceed

Advertisement:

The Harmony YouTube advertisement features a woman who responds to the text prompt "Ever borrowed money?" by listing the various times she had borrowed money and says in part; "Of course, who hasn't? I've got a mortgage, that's a loan. I had a student loan. Travelled...I put that on the credit card and paid that back. I've done debt consolidation." The advertisement concludes by saying "There are times to save and times to spend and you can't always control when those are. So when it makes sense, I borrow."

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

Complaint: There is an advertisement for Harmony loans which constantly plays during the streaming via the TVNZ app. This advertisement is abhorrent in the way it blatantly attempts to normalise and encourage the use of a high interest loan for the purchase of non productive assets. It's plain wrong to be putting this kind of spin on what is essentially a loan shark product. In particular statements such as 'there are times to spend and time to save' and also trying to normalise their loans by comparing their products to a mortgage are just wrong. It's not ethical to be targeting vulnerable people with this kind of content.

The relevant provisions were Code for Financial Advertising - Principle 1, Principle 2;

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.

The Chair noted the Complainant's concern the advertisement normalises and encourages borrowing.

The Chair carefully reviewed the advertisement and said the likely consumer takeout was that people borrow money for many different reasons and the personal loans offered by the advertiser are an example of this borrowing, like mortgages and student loans. The Chair agreed the Advertiser was attempting to normalise the loan service it offered, and this is a legal service, which can be advertised.

The Chair did not consider the advertisement was likely to mislead or deceive most consumers or exploit their lack of knowledge.

The Chair ruled the advertisement was not in breach of Principle 1 or Principle 2 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. Appeals must be made in writing via email or letter within 14 calendar days of receipt of this decision.