

COMPLAINT NUMBER	21/408
ADVERTISER	Noel Leeming Group Ltd
ADVERTISEMENT	Noel Leeming Group Ltd, Facebook
DATE OF MEETING	24 August 2021
OUTCOME	Settled No Further Action Required

Summary of the Complaints Board Decision

The Complaints Board settled a complaint about a Noel Leeming Facebook advertisement which promoted a range of technology products with incorrect sale prices. The Complaints Board accepted the Advertiser's explanation that the price discrepancies were due to a technical error.

Advertisement

The sponsored Facebook Noel Leeming post advertises a number of tech and appliance products with a caption that states "FREE* contactless 1 HOUR click & collect". The products are displayed in a carousel style, with the price and a button to "SHOP NOW" underneath each product photo. The products included: a Walkman, a Label Maker, a Belkin Power Bank, an Endeavour 1000 Power Bank and an Endeavour 8000 Power Bank.

Summary of the Complaint

The Complainant is concerned the advertisement is misleading by advertising multiple products on Facebook which then had higher price when clicking through to the Advertiser's website.

Issues Raised:

- Truthful Presentation

Summary of the Advertiser's Response

The Advertiser explained the process and how the feed of current prices from the website into Facebook occurs through a third-party service who scrapes the prices from the website on an hourly basis through an automated process. The Advertiser discovered a missing URL which resulted in older pricing information being used and Facebook customers being given promotion prices which were no longer valid. The Advertiser cannot say why the error occurred, however it is monitoring this to avoid any reoccurrence.

Relevant ASA Codes of Practice

The Chair directed the Complaints Board to consider the complaint with reference to the following codes:

ADVERTISING STANDARDS CODE

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.

Relevant precedent decisions

In considering this complaint the Complaints Board referred to precedent Decision 21/137 which was Settled.

The full version of this decision can be found on the ASA website:

<https://www.asa.co.nz/decisions/>

Decision 21/137 concerned a Facebook Marketplace advertisement for ifurniture. The advertisement showed a photo of a corner couch unit for sale for the price of an ottoman, rather than a couch. The Advertiser acknowledged there has been a technical error and stopped all Facebook advertisements until the problem was located and corrected. The Chair of the Complaints Board ruled the complaint was settled.

Complaints Board Discussion

The Chair noted that the Complaints Board's role was to consider whether there had been a breach of the Advertising Standards Code. In deciding whether the Code has been breached the Complaints Board has regard to all relevant matters including:

- Generally prevailing community standards
- Previous decisions
- The consumer takeout of the advertisement, and
- The context, medium, audience and the product or service being advertised, which in this case is:
 - Context: Sale promotion
 - Medium: Facebook
 - Audience: Consumers seeking price deals via social media
 - Product: Technology products

Consumer Takeout

The Complaints Board agreed the likely consumer takeout of the price and product advertisement was that Noel Leeming has a range of products on sale with the price promise listed.

Was the advertisement misleading?

The Complaints Board agreed the advertisement was misleading as consumers were not able to purchase the products at the advertised sale price.

The Complaints Board noted the Advertiser's response explaining there had been a technical issue, via a third-party, which resulted in outdated product information being fed through to the Facebook advertisement.

The Complaints Board acknowledged the Advertiser had corrected the problem within a few hours of being made aware of the issue. The Board said it hoped the Advertiser continued to work closely with its third-party provider to minimise the risk of the error happening again.

Given the self-regulatory action of the Advertiser in fixing the error and conducting on-going monitoring, the Complaints Board agreed the matter could be considered settled.

Outcome

The Complaints Board ruled the complaint was **Settled**.

No further action required

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.

APPENDICES

- 1. Complaint**
 - 2. Response from Advertiser**
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Appendix 1

COMPLAINT

In this Facebook ad, multiple products are advertised at very low prices. When you click the "SHOP NOW" link as seen in the attached file, the advertiser's website has prices as much as twice the advertised price. The attached example is one of many. I believe this breaches the code because it is not honest or truthful. I have other screenshot examples available on request.

Appendix 2

RESPONSE FROM ADVERTISER, NOEL LEEMING GROUP LTD

Re: Noel Leeming Limited Digital Marketing – Complaint 21/408

We refer to your letter of 9 August 2021 and enclosures including a copy of the complaint received by yourselves.

We have reviewed the complaint in regards to the Noel Leeming Digital Marketing ("NL Digital") promotions which show offers made by Noel Leeming on Facebook.

The complaint is in relation to the prices in the Facebook advertisements shown on the complainants Facebook advertising feed not being the same as the prices shown on the products when the complainant viewed them on our actual website.

Our team advise the process by which this occurs is as follows:

- Prices shown on Noel Leeming's website are always the most current and up-to-date pricing available to customers
- The feed of our product prices occurs through a third-party service into the Facebook service and algorithm, which they use to show relevant products in users feeds
- A third party provides the relevant interface service between our website and the likes of Facebook for this purpose
- Our third party provider essentially 'scrapes' the prices from our website on an hourly basis to ensure the offers are the most up-to-date offers, this is an automated process
- These scraped products and prices are then utilised by the Facebook service and algorithm, and are shown in the user's feed based on what they have been viewing, again this is automated.

As this is the case, there are a few ways in which an error can occur. In this instance, our team discovered that one of the URLs which are normally present for these automatic price scrapings to occur was actually missing from the data location. Although our back-up version was working perfectly, somehow the relevant URL had been dropped from the primary version used by Facebook.

This meant that the primary version was not in fact 'scraping' our site for pricing as it wasn't pointing anywhere and so only had older information available to be utilised by the Facebook algorithm for drawing relevant products to show users.

We don't believe that this occurred for longer than 1-2 days before an issue was raised through our Customer Service Team and, upon investigating, the error being picked up and fixed by one of our team members.

It appears that, during this short period, the products being shown to the complainant had been in a promotion, and although the promotion had ended and the prices had reverted on our website, since the scraping URL was missing it wasn't collecting the most up-to-date information from the website and was therefore displaying the old information which was held in that system to users.

The above process is commonly used in this space, as this is also how the Google algorithm also works, with the data feed being updated regularly in this way. We can confirm that there was no issue with the Google data feed at this time.

Although we're not sure why this URL was not present, when it had been previously, this was remedied as soon as we became aware of this, and we continue to monitor this to ensure that there are no further occurrences of this.

We trust that the above information is sufficient in response to this complaint. Please let us know if you require further information in this matter.

We look forward to hearing from you in due course.