

<b>COMPLAINT NUMBER</b>	20/502
<b>ADVERTISER</b>	Harmony Limited
<b>ADVERTISEMENT</b>	Harmony, YouTube
<b>DATE OF MEETING</b>	9 October 2020
<b>OUTCOME</b>	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:** Often get this ad on youtube, the lady says of course she has borrowed money, she has a mortgage, as though harmony does mortgages (i believe they do not). This also gives the impression that investing in a home is similar to their personal loans or credit cards, which i think is misleading. She then mentions student loans. Again, misleading, they do not do student loans, they are giving the impression that debt is fine and investing in homes and education is the same as borrowing with their huge interest rates. as per PRICIPLE TWO - ADVERTISEMENTS SHOULD NOT OR SHOULD NOT BE LIKELY TO MISLEAD, DECEIVE OR CONFUSE CONSUMERS.

She then says 'Who wants to be in debt? I dont want a mortgage' so is that implying you should take out a large personal loan to pay off your mortgage? very odd and confusing, [https://www.youtube.com/watch?v=mlbPyUGV\\_al&ab\\_channel=Harmony](https://www.youtube.com/watch?v=mlbPyUGV_al&ab_channel=Harmony) is the direct link to the advertisement but it comes up when you go to play unreleated videos and has also been on television, not sure what channel.

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

#### **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.

**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.

**Guideline 2(a) Truthful presentation:** Advertisements shall be accurate and statements and claims able to be substantiated.

**The Chair** noted the Complainant's concern the advertisement is misleading as it refers to types of loans it does not offer.

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 is an example of this borrowing, like mortgages and student loans. The Chair said the Advertiser is attempting to normalise the loan service it offered, which is a legal service.

The Chair did not consider the advertisement suggested that Harmony offered student loans or mortgages and was therefore not likely to mislead or deceive most consumers.

The Chair ruled the advertisement was not in breach of Principle 1, Principle 2 or Guidelines 1(a) and 2(b) 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.