

COMPLAINT NUMBER	21/400
ADVERTISER	Ola (ANI Technologies Pvt. Ltd)
ADVERTISEMENT	Ola Digital Marketing
DATE OF MEETING	18 August 2021
OUTCOME	Settled

Advertisement: The Ola digital marketing pop-up advertises a promotion of \$5 for rides up to 5km. The advertisement states "Pay \$5 for 5km all day, everyday" and includes a promotional code.

The Chair ruled the Complaint was Settled,

Complaint: Ola advertise for \$5 rides for 5km all day everyday. I was charged \$18 for a 4km ride while using the 5 for 5 discount code.

I enquired why I was charged \$18 and they said because because peak pricing was applied due to there being more demand for cars than cars available or if its raining. There was no option to book at another time. At the time of booking I didn't notice anything saying their \$5 for 5km discount was subject to terms or conditions.

I did notice the price on the app said \$18 to \$30 but below it in flashing green was the 5 for 5 discount code applied so I just presumed that it would apply the discount afterwards.

I did ask the driver and he said he didn't know.

I spoke to Ola's customer center who said that they applied a discount to the fare but as it was peak (which I knew nothing about) it was going to be peak fare with the discount. There is no way I would have ever agreed to jump in a cab for \$30 for 4km!!! I would have just walked and been late for my appointment or jumped on public transport.

I believe this is false advertising! Also, being able to change prices because of rain or lack of available drivers at that particular time seem dishonest also. Who's to say there isn't more drivers available and they just say there isn't so they can charge peak fares.

I have deleted the app will not be using them again but would hate to see others caught out like I was.

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

The Chair noted the Complainant's concerns the advertisement was misleading due to the pricing of the car service.

The Advertiser's response: Ola's response below is strictly limited to the current complaint set out above only and should not, and cannot, be taken to be a response to any other advertisements or promotions currently or previously run by Ola at any time.

The complainant has acknowledged that they were shown a range of the actual fare for the ride at the time of booking the ride;

The fare charged to the complainant was well within such range and in fact, it was at the lowest end of the range;

The application of peak pricing as a pricing model is an industry norm used by all major rideshare providers in New Zealand;

Ola strongly objects to any claims of dishonesty about pricing as alleged by the complainant given that pricing cannot simply be changed and there is no human intervention involved in the application of peak pricing;

Notwithstanding the aforesaid, Ola acknowledges that certain members of the public such as the complainant may unfortunately not be aware of how peak pricing works despite the fact that the correct fare was shown on the Ola app at the time of booking the ride; In this regard, Ola has agreed to amend the relevant advertisement...

The Chair acknowledged the Advertiser had amended the advertisement after receiving the complaint, to add the words "Peak hours affect pricing. Check fare before booking" at the end of the advertisement.

Given the Advertiser's co-operative engagement with the process and the self-regulatory action taken in amending 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.