

ARB: The South African consumer is worried about money, vehicle ads

 By [Karabo Ledwaba](#)

1 Nov 2022

The South African consumer is concerned with being misled financially, particularly in automotive advertisements.



Gail Schimmel. Source: Supplied.

This is the sentiment of the Advertising Regulatory Board (ARB) which has had an increase in complaints about the cost of products.

Bizcommunity sat down with the ARB's CEO Gail Schimmel ahead of its fourth birthday to get an insight into what is currently causing consumers to complain to the regulator.

Feeling the pinch

"Misleading advertisements are the biggest area of complaints. I often get questions on whether we get a lot of complaints about racism or violence, but the reality is South African consumers are worried about money. And when advertising misleads them about the value of what they are getting, that is where we then get complaints. This big trend of misleading car advertisements has led us to release an advisory for the motor industry on how they should be doing their advertising," she said.



UK advertising spend estimated to rise to £35bn this year

27 Oct 2022



Some of the recent complaints were to brands such as Suzuki, Volkswagen, and Nissan. Consumers said they felt misled about how much it would cost to finance a car.

Other financial complaints include costs of data with MTN recently making the news after a consumer complained about their 'one-day data bundle' expiration date.

Small percentage of investigations

Only 20% of complaints sent to the ARB are investigated because consumers do not provide them with adequate information to take their case forward.

“There are a few reasons why we only go forward with 20% of complaints. Firstly the consumer does not give us all the information required and when we reach out to them, they refuse to cooperate. Secondly its jurisdiction, sometimes the complaint is not about advertising and thirdly there are people who complain without any merit,” she said.

Memorable cases

Schimmel said since the ARB was founded four years ago, the most memorable and controversial case they ruled on was the Chicken Licken Big John ad which satirised colonisation.

“In the very early days, we made a decision about Chicken Licken which caused a huge uproar in the industry and on social media. Everyone was very angry with us about the Big John advert. We (the board) all agreed the advertisement was discriminatory but there was a huge backlash.”

She said there are also rulings where she feels they made a difference and made the world safer for consumers.

Importance of the ARB

The ARB was born out of the ashes of the Advertising Standards Authority which went defunct in 2018.

“The question was are we going to fight to save the ASA or do we save self-regulation? The industry decided to save self-regulation and the option was to start a new body and that is what the ARB is. The industry appointed the ARB as the new administrator of the code of advertising practice and the new arbitrator of the complaints of advertising content,” she said.

Schimmel said self-regulation is the gold standard in advertising globally and this makes international advertisers more confident in advertising in the country.



Thailand cracks down on cryptocurrency ads

6 Sep 2022



“It gives multinational corporations confidence to advertise in South Africa when they know we have similar standards to international regulations,” she said.

Schimmel said consumers will also be more likely to trust advertising if they know there is a regulatory board.

“We need the advertising space to be a trusted space, and the only way it can be a trusted space is if the consumer knows that if there is something they do not like, there is somewhere they can go and it can be investigated and they can get a fair decision,” said Schimmel.

Not all advertisers are bound to the ARB as is seen in many of their responses to the regulator. Often the ARB then makes a decision in the hope that the advertiser will still take their findings into consideration and as a guide for their own members.

“Non-membership is an issue, but we had a court case with Bliss Brands at the Supreme Court of Appeal where the court found we are allowed to make a decision on a non-member for the guidance of our members,” she said.

Their decision will often be taken seriously by broadcasters and newspapers that will not run the advert.

“Our powers are finite and we will not always be able to enforce the decision,” said Schimmel.

Looking forward

Although the ARB is a reactive body they are looking toward international trends to foresee any trends that may come up in South Africa.

“Internationally they are dealing with environmental and sustainability claims such as something is recyclable [when its not]. Internationally they find that 25% of their complaints [about misleading advertising] are about environmental sustainability. We are rewriting our code to prepare ourselves for something like that, but South African consumers are very different to international consumers,” she said.

They are also working on a cryptocurrency code to allow them to regulate the industry.

ABOUT KARABO LEDWABA

Karabo Ledwaba is a Marketing and Media Editor at Bizcommunity and award-winning journalist. Before joining the publication she worked at Sowetan as a content producer and reporter. She was also responsible for the leadership page at SiMug, Sowetan's lifestyle magazine. Contact her at karabo@bizcommunity.com

- 5 key moments that are solidifying Tyla's brand - 9 May 2024
- #SAelections2024: How much ads are costing political parties on Meta and Google - 8 May 2024
- #AfricaMonth: Kenyan illustrator, Joy Richu shines spotlight on African creativity - 6 May 2024
- #Cannes2024: 11 SA creatives on Cannes Lions' Shortlist Jury - 3 May 2024
- ARB ruling finds Crazy Plastics Facebook ad misleading - 2 May 2024

[View my profile and articles...](#)

For more, visit: <https://www.bizcommunity.com>