

## Decision of the ADVERTISING REGULATORY BOARD

Complainant	Mr. Vincent Van Zyl
Advertiser	Outsurance Insurance Company Ltd
Consumer/Competitor	Consumer
File reference	Outsurance - Vincent van Zyl
Outcome	Dismissed
Date	9 May 2019

The Directorate of the Advertising Regulatory Board has been called upon to consider the complaints lodged against OUTsurance’s “switch and save” television commercial that was aired on DSTV.

### Description of the advertising

The commercial is an interview about how “Lindsay”, a 39 year old female from Mpumalanga who drives a Toyota Fortuna 2011 model saved R299 per month by switching to OUTsurance. The previous premium was R1079 with another insurer, but

now she pays R780 with OUTsurance. The onscreen disclaimer states “OUTsurance is a licenced financial advisor. Premium quoted is risk profile dependent. Ts and Cs apply.”

The voice over then states, “Visit OUTsurance.co.za and make 2019 your time to save.”

## Complaint

The Complainant alleged that the rates quoted on advertisements are utter lies. He submitted that he has tried this on many occasions, with many different vehicles, and he was never offered the rates as claimed.

## Response

The Respondent denied the allegations and argued that the commercial is not misleading in any way whatsoever. The Respondent explained that the “switch and save” television advertisement in question, depicts an actual client, Mrs Lindsay Couper who provides a testimonial regarding the amount she saved after switching from her previous insurer (First for Woman) to OUTsurance.

When the premium and saving is depicted on screen a particular statement is made that “Premium quoted is risk profile dependent”. This statement is reinforced by the same disclaimer on the end screen of the advertisement. The aim behind this disclaimer is to ensure that a consumer would understand and realise that insurance premiums are likely to differ from person to person due to differences in each individuals specific personal risk profile and circumstances.

In support of the claimed policy schedules, the Respondent has made available the confidential copies of the actual insurance schedules that show Mrs Couper’s insurance premium history.

## Application of the Code of Advertising Practice

The following clause was considered in this matter:

Misleading claims - Clause 4.2.1 of Section II

### Decision

Having considered all the material before it, the Directorate of the ARB issues the following finding.

The Complainant submitted that the commercial is false as he has never been offered the premiums claimed on these “switch and save” commercials.

Clause 4.2.1 of Section II of the Code states “Advertisements should not contain any statement or visual presentation which, directly or by implication, omission, ambiguity, inaccuracy, exaggerated claim or otherwise, is likely to mislead the consumer.”

The Respondent submitted that the commercial is a testimonial of an actual client, Mrs Lindsay Couper, who was paying R1079 per month with First for Women insurance and saved R299 when she switched to OUTsurance.

The Advertising Standards Authority of South Africa previously considered a similar matter. In Magda Du Plessis v OUTsurance Insurance Company Limited – 2018-8205F, it held as follows:

*“The respondent submitted that when considering the launch of this particular advertising campaign, it identified actual clients who had taken motor insurance policies with OUTsurance. It then compared its current OUTsurance premiums with what they were actually paying with their previous insurer for the same vehicle and*

*each quote is based on the specific risk profile of the client, based on the information provided during the underwriting process.*

*The respondent submitted evidence showing the client was, in fact, paying R1095 per month, and the OUTsurance premium was, indeed, R544.*

*The commercial clearly communicates that the figures in the commercial are the actual figures that apply to this actual case. It does not promise that every consumer will receive this saving and it – and this is key – does not promise that what the consumer was paying at her previous insurer was a fair premium. The Directorate notes, in this regard, that car insurance will often escalate annually without making adjustments for the reduction in value of the car. It is for this reason that a consumer might be paying more for an older car than the complainant pays for her new car.”*

The same reasoning applies in the matter at hand, and there is no compelling reason that the ARB should differ in its approach. The advertising is clear that this is a specific situation. The commercial informs the viewers that “Ts & Cs apply”; in addition to that there are disclaimers used throughout the commercials which inform viewers that “OUTsurance is a licenced financial advisor. Premium quoted is risk profile dependent.”

The hypothetical reasonable viewer would understand that the disclaimers contained in the advertisement communicate that insurance premiums are likely to differ from person to person due to differences in each individuals specific personal risk profile and circumstances.

The Respondent submitted documentary evidence supporting the figures quoted in the commercial. The Directorate carefully checked that the insurance was in fact for the same person, the same vehicle, and similar in nature.

The fact that the Complainant in this case has not been able to get the premiums quoted on the commercial, does not make the commercial misleading. It may be that the Complainant is already getting a very competitive rate at another insurer, or that

the Complainant has a very different risk profile. The hypothetical reasonable person would understand that this is not a literal claim of the premiums potential clients will pay if they switch to OUTsurance, but a testimonial of how a much a client saved on their specific insurance policy, and an illustration of the potential to save. The commercial is an invitation to the viewer to find out if they will make a similar saving, not a guarantee of the advertised rates.

**Accordingly the commercial is not in contravention of Clause 4.2 .1 of Section II of the Code.**