

Decision of the ADVERTISING REGULATORY BOARD

Complainant	Brandon Lotriet
Advertiser	Fusion Wireless (Pty) Ltd t/a Sonic Telecoms
Consumer/Competitor	Consumer
File reference	Sonic Telecoms – Brandon Lotriet
Outcome	Dismissed
Date	22 July 2019

The Directorate of the Advertising Regulatory Board has been called upon to consider a complaint by Brandon Lotriet against the Advertiser's social media advertising appearing on Facebook promoting different packages on Fusion Fibre network.

Description of the advertising

The screenshot of the advertising is as follows:

Yesterday at 3:43 PM

Fusion Fibre is available to all residents. All residents interested in Uncapped Fusion Fibre WIFI. The Price you see is the price you will pay. No Bank Statement and No Credit Checks. All Installation fees can be paid once off, or over a period of 3 months T&C apply. Please inbox me or Whatsapp or contact me on 084 977 2777 / 084 269 9047. No Telk... See More

FUSION FIBRE RESIDENTIAL PACKAGES



All pricing is inclusive of VAT at 15%

		Monthly Cost							
Download Speed	Upload Speed	Lite	Tick	Basic	Tick	Advanced	Tick	Premium	Tick
Up to 5Mbps	Up to 2Mbps	R399		R499		R599		R699	
Up to 10Mbps	Up to 3Mbps	R499		R599		R699		R799	
Up to 15Mbps	Up to 4Mbps	R599		R699		R799		R899	
Up to 20Mbps	Up to 5Mbps	R699		R799		R899		R999	
Up to 30Mbps	Up to 7Mbps	R999		R1,099		R1,199		R1,299	

For EFT clients a monthly recurring administration fee of R50 will be charged to your subscription.

Fair Usage Policy			
Lite	Basic	Advanced	Premium
After 200 Gigs Speed drops to 2Mbps	After 300 Gigs Speed drops to 2Mbps	After 500 Gigs Speed drops to 2Mbps	Unlimited

Installation Fee		
Contract Term	Cost*	Tick
Month to Month	R3500	
12 Months	R2500	
24 Months	R1500	

*Can be paid over 3 months with a R50 administration fee p/m

*If cancelled before your specified contract term concludes, the signee will be liable the sum of the discounted installation fees.

*Managed router	1 Free to use router	No. of additional routers	Additional routers are charged at R50p/m per router
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8

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Complaint

The Complainant submitted that the advertising is misleading to the consumer that is not knowledgeable about technology. The advertising says that it is fusion "fibre", but the areas where it advertised has no fibre infrastructure and the connection is in fact a wireless solution. The Advertiser claims fibre speeds, but their max download speed is 30Mbps.

The Complainant submitted further that the area where he lives is Atlantis, which approximately 60km from Cape Town central business district, has no fibre-to-the-home infrastructure yet.

Response

The Advertiser provided a detailed background explanation of its services.

So as a solution to Cape Town's unique challenges, the Advertiser developed a Fibre-To-The-Tower model called "Fusion Fibre" which was officially launched on the 29th November 2017. The Advertiser's (FTTT) model was designed to compete directly with Fiber-to-the-Home (FTTH) services by offering high-speed broadband over short distance wireless links from a nearby tower to the subscriber. The service allows clients to experience fiber speeds, at a similar price point, but delivered wirelessly and installed within days, not months.

The Advertiser argued that its last-mile network design is called Fusion Fibre which is a Fibre-To-The-Tower (FTTT) infrastructure; and never once stated that it is rolling out Fibre-To-The-Home infrastructure (FTTH). Further that all its internet packages are uncapped and include a free to use managed WiFi router. It has covered the Atlantis area and has over 400 users.

The Advertiser argued that it only advertised 30Mbps speeds in Atlantis because this is the speed which it is able to reliably offer right now. It do offer up to 100Mbps speeds in other areas but only advertised 30Mbps in Atlantis because it has just started building its network in Atlantis and do not want to make false promises.

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.

In essence, the question before the Directorate is whether the reference to “Fibre” in the advertisement misleads consumers. It appears to be common cause that the product is not fibre to the home.

The Directorate agrees with the Advertiser that there are different types of internet solutions like ADSL, Fixed Wireless, LTE, Fibre-To-The-Home (FTTH), Fibre-To-The-Business (FTTB), and Fibre-To-The-Tower (FTTT). The Advertiser argued that it is using Fibre-To-The-Tower (FTTT) technology that is different to and in direct competition with FTTH. The Directorate also accepts that most consumers are most familiar with fibre to the home technology, and might attribute this interpretation to the word “fibre” in the absence of any clarity.

However, the advertisement *does* offer further clarity. In the first place, it refers to “fusion fibre”. “Fusion” means “the process or result of joining two or more things together to form a single entity.” (<https://www.lexico.com/en/definition/fusion>). The consumer is therefore immediately alerted to the fact that this fibre involves a combination of things – in this case, fibre to the tower and wifi to the home.

The advertisement then goes on to state that it appeals to “All residents interested in Uncapped Fusion Fibre WIFI”. The consumer is now aware that the offered solution is a “WIFI” solution, rather than a cabled fibre solution.

The Complainant then takes issue with the fact that the maximum download speed is 30Mps, which is not a fibre-like delivery speed. He incorrectly claims that the Advertiser offers “fibre speeds”. The advertisement provided makes no reference to “fibre speeds”. In fact, it very clearly sets out that the maximum offered download speed is 30Mps, which, it has pointed out, is the level it currently feels it can guarantee, although speeds may improve and be better in other areas. The Complainant does not dispute that the advertised speed is available.

In the circumstances, the Directorate finds that the advertising is not misleading or in contravention of Clause 4.2.1 of Section II of the Code of Advertising Practice.