



Case Report

1	Case Number	0293/14
2	Advertiser	National Australia Bank Ltd
3	Product	Finance/Investment
4	Type of Advertisement / media	Mail
5	Date of Determination	27/08/2014
6	DETERMINATION	Dismissed

ISSUES RAISED

2.6 - Health and Safety Within prevailing Community Standards

DESCRIPTION OF THE ADVERTISEMENT

The advertisement was in the form of a mailpack that that invites selected NAB customers that have an active banking relationship, to apply for a credit card.

The mailpack is composed of a plain outer envelope, a personalised A4 letter, application form, business reply paid envelope, key fact sheet and an A5 personalised note.

The A5 personalised note is written from the perspective of the reader's "Sensible Side" and highlights the rational benefits of the credit card and the offer which the reader is being invited to apply for. Annotations on the A4 letter are also from the reader's "Sensible side".

THE COMPLAINT

A sample of comments which the complainant/s made regarding this advertisement included the following:

This advert is very irresponsible, especially considering the serious problems with credit card debt that many Australians suffer. To imply that a credit card should be applied for and used impulsively is careless, and could seriously damage many people's lives by not clearly representing the consequences of using a credit card impulsively.

THE ADVERTISER'S RESPONSE

Comments which the advertiser made in response to the complainant/s regarding this advertisement include the following:

NAB recognises that a complaint has been raised with regards to the above advertisement concerning the following – “This advert is very irresponsible, especially considering the serious problems with credit card debt that many Australians suffer. To imply that a credit card should be applied for and used impulsively is careless, and could seriously damage many people's lives by not clearly representing the consequences of using a credit card impulsively.”

NAB takes its Responsible Lending obligations under both the NCCP and Code of Banking Practice very seriously. We do not see on what basis this advertisement relates to issues of health and safety, particularly as expanded upon in the ASB's determination summaries. Nevertheless, we provide a response in relation to your letter below:

In response to the complaint made, NAB would like to advise that in no way is this advertisement intended to promote irresponsible use of credit or credit cards.

Rather it was targeted to existing NAB customers that had exhibited sensible behaviour in their active banking relationship with NAB and the advertisement was a light hearted way of recognising and rewarding that behaviour.

The offer itself included a special discount to which a sensible person would be attracted. The selection criteria to receive the offer required that the recipients be an existing bank customer with an active banking relationship and no history of defaults.

Neither the A4 letter nor A5 note contain copy promoting impulsive spending, nor the impulsive use of credit or credit cards. In fact, the reference to spending in the letter written from the perspective of the recipient's sensible side recognises the need to keep that spending within limits

On this basis, NAB does not believe that the content of the mailpack implies that a credit card should be applied for and used impulsively and is not inconsistent with section 2 of the AANA Code of Ethics.

Thank you for your time in reviewing this matter.

THE DETERMINATION

The Advertising Standards Board (“Board”) considered whether this advertisement breaches Section 2 of the Advertiser Code of Ethics (the “Code”).

The Board noted the complainant's concern that the advertisement is encouraging

irresponsible behaviour and use of a credit card which is irresponsible and dangerous.

The Board viewed the advertisement and noted the advertiser's response.

The Board considered Section 2.6 of the Code. Section 2.6 of the Code states: "Advertising or Marketing Communications shall not depict material contrary to Prevailing Community Standards on health and safety".

The Board noted the advertisement is an offer to existing NAB customers offering a credit card offer which the reader can apply for. The promotion is written in letter form from the perspective of the reader's 'Sensible side' and offering a reward for the customer's loyalty. The Board noted the advertiser's response that the material was targeted to existing NAB customers who had exhibited sensible behaviour in their active banking relationship with NAB.

The Board considered that the material was intended to be a light hearted approach to a subject that is often considered uninteresting or complicated by many member of the community. The Board noted that the material was encouraging the reader to apply for a credit card subject to certain conditions and terms and was not a suggestion that the reader should engage in irresponsible spending.

The Board noted that the final page includes a note from "Sammy's Sensible Side" and that in the note it mentions that "...austerity measures have often meant you've had to go without..."

The letter then mentions that the great offer will allow the reader to treat themselves a little.

The Board noted that this would be interpreted as a suggestion that getting the particular card will mean there is a chance to spend more.

Following on, the letter does refer to enjoying retail therapy "within limits." The Board considered that while the idea of a credit card suggests that spending is easy, the process to apply for one does come with terms and conditions that are outlined to the customer before approval is given.

The Board considered that the bank is legally allowed to promote their own products and services and considered that the advertisement did not depict material contrary to prevailing community standards on sensible spending.

The Board determined that the advertisement did not breach Section 2.6 of the Code.

Finding that the advertisement did not breach the Code on other grounds, the Board dismissed the complaint.