

2015

# Cross Border Complaints Report



## **EASA**

EASA - the European Advertising Standards Alliance is the single authoritative voice on advertising self-regulation. EASA promotes high ethical standards in commercial communications by means of effective self-regulation, for the benefit of consumers and business in Europe and beyond.

Effective advertising self-regulation helps ensure responsible advertising, meeting consumers' demand for honesty and transparency, regulators' demand for responsibility and engagement and businesses' demand for freedom to operate responsibly. EASA and its members have developed a robust and coherent system of advertising self-regulation that can respond effectively to new challenges.

EASA is not a Self-Regulatory Organisation (SRO) in itself, but acts as a co-ordination point for best practice in the implementation of self-regulation, as well as operational standards for its national SRO members. Part of EASA's role involves coordinating the cross-border complaint mechanism, EASA also collects and analyses top line statistical data on received and resolved complaints, as well as on copy advice requests and pre-clearance from its SRO members each year.

EASA was set up in 1992 to represent national self-regulatory organisations in Europe, in 2004 it developed into a partnership between national advertising SROs and organisations representing the advertising industry. Today, EASA is a network of 54 organisations committed to making sure advertising is legal, decent, honest and truthful. EASA's membership is made up of 38 SROs from Europe and beyond, and 16 advertising industry associations, including advertisers, agencies and the media. EASA is a not-for-profit organisation with a Brussels-based Secretariat. For further information please visit [www.easa-alliance.org](http://www.easa-alliance.org).

## **EASA Editorial Team**

**Justina Raižytė**

Development and Policy Adviser

**Sara Haghshenas**

Project Assistant

**Lucas Boudet**

Director General

## **Copyright**

The complete or partial reproduction of this publication is forbidden without the prior express written permission from EASA. Please contact Justina Raižytė for further information.

## **EASA Contact Information**

**Justina Raižytė**

0032 (0)2 513 78 06

[justina.raizyte@easa-alliance.org](mailto:justina.raizyte@easa-alliance.org)

## Table of contents

1	The Total Number of Cross-Border Complaints Received/Resolved.....	2
2	The Country of Origin .....	3
3	The Origin of Complainant.....	5
4	Outcome of Resolved Complaints .....	7
5	Issues Complained About.....	9
6	Media .....	11
7	Complaints about Advertising for Products and Services.....	13
8	Speed of the Resolution of Complaints.....	15

## List of Figures

<i>Figure 1: Cross-border complaints received/received and resolved between 2011 and 2015 .....</i>	<i>2</i>
<i>Figure 2: Cross-border complaints per country of origin in 2015.....</i>	<i>3</i>
<i>Figure 4: Advertisements complained about per country of origin of complainant in 2015.....</i>	<i>5</i>
<i>Figure 6: Cross-border complaints per outcome in 2015 .....</i>	<i>7</i>
<i>Figure 7: Cross-border complaints per outcome between 2008 and 2015.....</i>	<i>8</i>
<i>Figure 8: Cross-border complaints per issue in 2015.....</i>	<i>9</i>
<i>Figure 9: Cross-border complaints per issue between 2011 and 2015 .....</i>	<i>10</i>
<i>Figure 10: Cross-border complaints per medium in 2015 .....</i>	<i>11</i>
<i>Figure 11: Cross-border complaints per medium from 2011 to 2015.....</i>	<i>12</i>
<i>Figure 12: Cross-border complaints in terms of products and services in 2015.....</i>	<i>13</i>
<i>Figure 13: Speed of cross-border complaint resolution in 2015 .....</i>	<i>15</i>

## List of Tables

<i>Table 1: Total number of cross-border complaints received between 2010 and 2015 .....</i>	<i>2</i>
<i>Table 2: Cross-border complaints per country of origin between 2011 and 2015 .....</i>	<i>4</i>
<i>Table 3: Cross-border complaints per country of origin of complainant between 2011 and 2015 .....</i>	<i>6</i>
<i>Table 4: Cross-border complaints in terms of products and services between 2011 and 2015 .....</i>	<i>14</i>

## Key Findings

This report clearly shows how the EASA's SRO (Self-Regulatory Organisation) network ensures that the Cross-Border Complaints (CBC) mechanism works. Cross-border complaints are complaints about advertisements originating in media or from advertiser based in another country to that of the complainant. The EASA Secretariat co-ordinates this type of complaints through the system that has been in operation since 1992, when it was set up in response to the creation of the Single Market and the resulting need to address problems whereby advertising circulated in one EU Member State was carried in media originating in another.

- In 2015, EASA registered a total of 138 cross-border complaints, 14% less than in 2014. Of all the cross-border complaints received, 111 were resolved over the course of 2015, and 27 were still under investigation at the end of 2015
- Advertisements from Ireland and the Netherlands generated the highest number of cross-border complaints (23 and 21, respectively)
- The vast majority of cross-border complaints were lodged by UK complainants (85 complaints)
- 26% of cross-border complaints resolved were upheld
- 16% of cross-border complaints resolved were not upheld
- Misleading advertising was the main issue complained about (72 complaints, 65%)
- Digital Marketing Communications was the most complained about medium (92 complaints, 83%)
- Leisure services (25 complaints, 22%), gambling and lotteries (16, 14%) and clothing, footwear and accessories were the three most complained about sectors (14, 13%)
- The vast majority of cross-border complaints were resolved within three months (95 complaints, 86%)

# 1 The Total Number of Cross-Border Complaints Received/Resolved

## *In 2015 EASA's SROs received and resolved 111 cross-border complaints*

In the course of the year, EASA received a total of 138 cross-border complaints, out of which 111 were resolved in the course of 2015. 27 complaints were still under investigation at the end of 2015. The analysis that follows in this report focuses exclusively on the 111 complaints that were received and resolved during 2015.

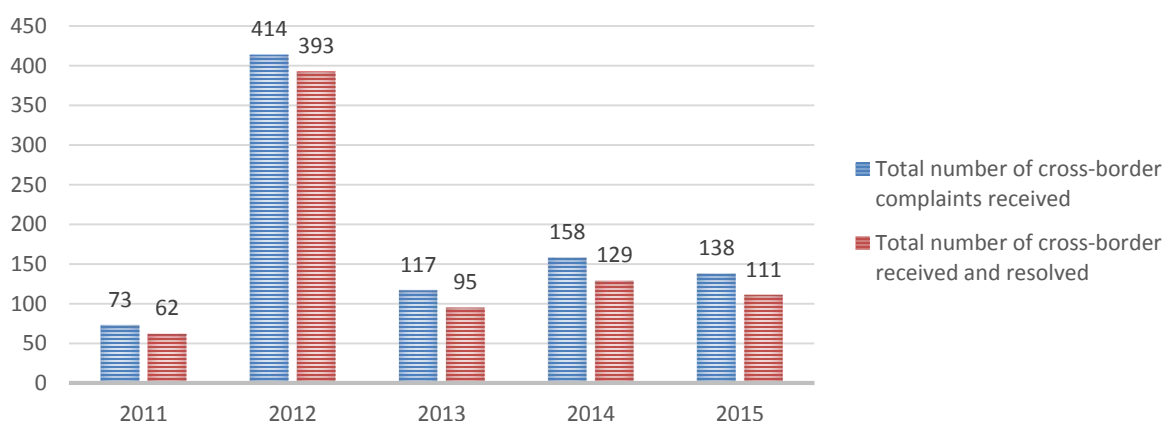
**Table 1: Total number of cross-border complaints received between 2010 and 2015**

Year	Total number of complaints received	Total number of complaints received and resolved
2015	138	111
2014	158	129
2013	117	95
2012	414	393
2011	73	62

Source: Annual Cross-Border Complaints Report 2015

The analysis of the annual statistics (depicted in Figure 1 below) suggests that over the past three years the number of cross-border complaints remained relatively stable at around 138 cross-border complaints per year. This suggests that European consumers continue to shop and use services cross-border. Furthermore, as the data presented in the following chapters reveal, people are increasingly utilising Internet for their purchase as well as that they are aware that they can complain about advertising that they find misleading, harmful or offensive.

**Figure 1: Cross-border complaints received/received and resolved between 2011 and 2015**



Source: Annual Cross-Border Complaints Report 2015

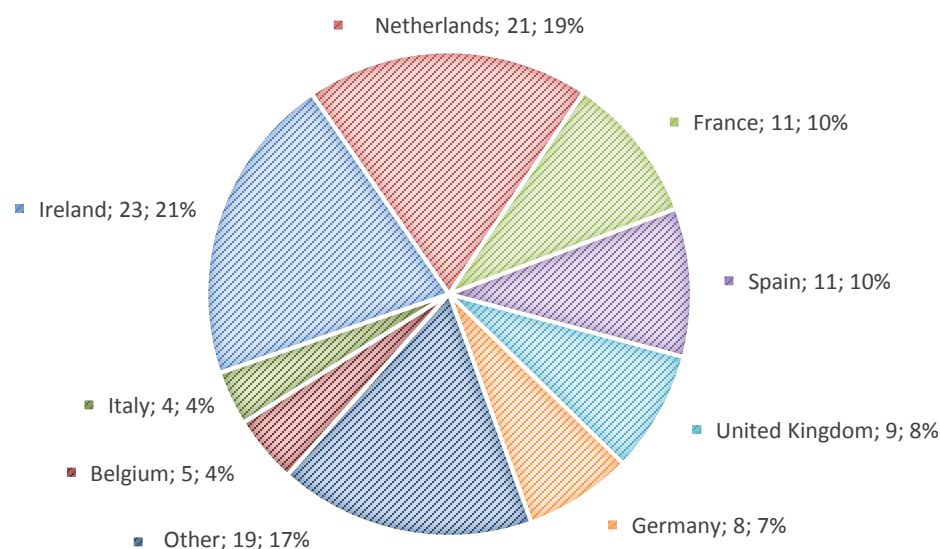
## 2 The Country of Origin

### *Ads from Ireland and the Netherlands generated the highest number of cross-border complaints in 2015*

The EASA Cross-Border Complaints System requires that all advertisements comply with the advertising laws and codes in the relevant country of origin, that is to say, the country in which the medium carrying the advertisement is based; in the case of direct mail and Digital Marketing Communications (DMC), the country in which the advertiser is based; and in the case of Online Behavioural Advertising (OBA), the country in which the principal decision-making presence is<sup>1</sup>.

In 2015 advertisements from Ireland and the Netherlands generated the highest number of cross-border complaints, 20.7% and 18.9% complaints respectively.

**Figure 2: Cross-border complaints per country of origin in 2015**



Source: Annual Cross-Border Complaints Report 2015

Regarding the advertisements originating in Ireland, UK complainants filed the vast majority of cross-border complaints about these ads (95.7%). The highest share of the complaints about ads originating in Ireland, 52.2%, were provoked by advertising contravening social responsibility rules and concerned gambling services, particularly one particular advertiser, an Irish online betting platform.

<sup>1</sup> Switzerland, as a non-member of the EU, requires advertisements addressed by Swiss-based advertisers to consumers in other countries to comply with the rules in those countries (country of destination). Consequently, in such cases, the Self-Regulatory Organisation (SRO) in the complainant's country assesses the complaint on the basis of its own national rules before passing it to the Swiss SRO, which communicates the decision to the advertiser.

Regarding the advertisements originating in the Netherlands, UK complainants lodged 85.7% of complaints about these ads. The majority of the complaints (90.5%) were provoked by misleading advertising. The highest share (66.7%) of complained about ads originating in the Netherlands concerned leisure services (more particularly hotels and holiday accommodation), and complained about the one particular Dutch website for hotel reservations (57.1% of total compacts about ads of Dutch origin).

The annual statistics shows (see an overview, presented in Table 2) that despite some annual volatilities, on average, the most complained about ads for the past three years were produced in Ireland, the Netherlands, France, Spain and the UK.

**Table 2: Cross-border complaints per country of origin between 2011 and 2015**

Country	2011	2012	2013	2014	2015
<b>Ireland</b>	12	334	14	33	23
<b>Netherlands</b>	11	13	15	18	21
<b>France</b>	8	1	8	35	11
<b>Spain</b>	6	10	8	6	11
<b>United Kingdom</b>	7	8	14	8	9
<b>Germany</b>	4	2	11	6	8
<b>Belgium</b>	2	3	3	4	5
<b>Italy</b>	1	2	1	4	4
<b>Canada</b>	2	1	3	2	2
<b>Cyprus<sup>2</sup></b>	-	0	1	1	2
<b>Hungary</b>	0	0	0	1	2
<b>Sweden</b>	2	1	0	1	2
<b>Australia</b>	2	0	2	2	1
<b>Slovakia</b>	0	14	2	2	1
<b>Austria</b>	1	1	1	1	1
<b>Greece</b>	0	0	1	1	1
<b>Other</b>	3	3	9	0	7
<b>TOTAL</b>	62	393	95	129	111

Source: Annual Cross-Border Complaints Report 2015

<sup>2</sup> The Cypriot SRO, CARO, joined EASA in 2012.

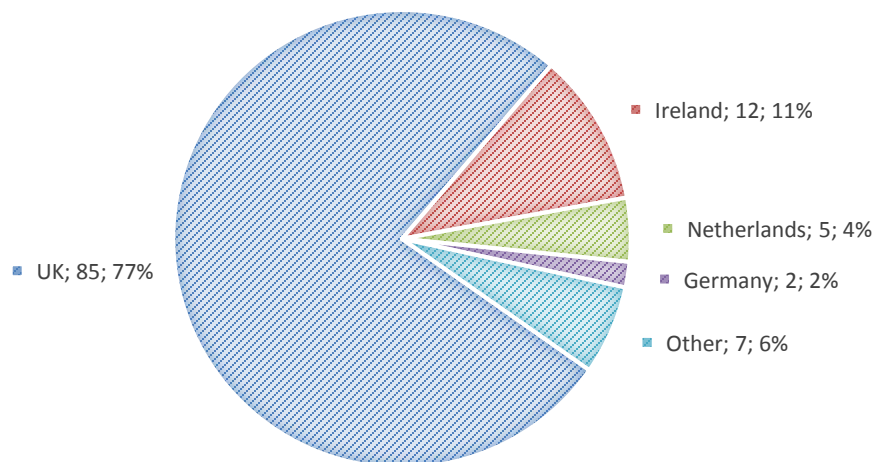
### 3 The Origin of Complainant

#### *77% of cross-border complaints were lodged by UK complainants*

In 2015, UK complainants lodged most of the cross-border complaints (76.6%). UK complainants challenged advertisements originating from 17 different countries. As reflected upon in the previous chapter, advertisements from Ireland (25.9%) and the Netherlands (21.9%) were amongst the most complained about by UK complainants. The majority of these cross-border complaints (64.7%) were about alleged misleading advertising.

Irish (10.8%) and Dutch (4.5%) complainants were also active in relation to filled in complaints (no less than 5 complaints). The remainder of the cross-border complaints (6.3%) were lodged by complainants coming from Germany, France, Israel and Spain.

**Figure 3: Advertisements complained about per country of origin of complainant in 2015**



Source: Annual Cross-Border Complaints Report 2015



The annual statistics shows (see an overview, presented in Table 2) that over the years UK complainants have reported the greatest share of cross-border complains, three to five times more complaints than the rest of the complainant combined.

**Table 3: Cross-border complaints per country of origin of complainant between 2011 and 2015**

Country	2011	2012	2013	2014	2015
<b>UK</b>	42	366	66	108	85
<b>Ireland</b>	7	5	11	5	12
<b>Netherlands</b>	0	0	3	1	5
<b>Germnay</b>	0	0	0	0	2
<b>France</b>	0	2	3	5	1
<b>Belgium</b>	6	4	6	3	1
<b>Israel</b>	0	14	0	2	1
<b>Spain</b>	0	1	0	2	1
<b>Italy</b>	0	0	0	0	1
<b>South Africa</b>	0	0	0	0	1
<b>Greece</b>	0	0	0	1	0
<b>India</b>	0	0	0	1	0
<b>Sweden</b>	0	0	1	1	0
<b>Other</b>	7	1	5	0	0
<b>TOTAL</b>	62	393	95	129	111

Source: Annual Cross-Border Complaints Report 2015

## 4 Outcome of Resolved Complaints

*16% of cross-border complaints were not upheld, while 26% were found to be in breach of the advertising codes*

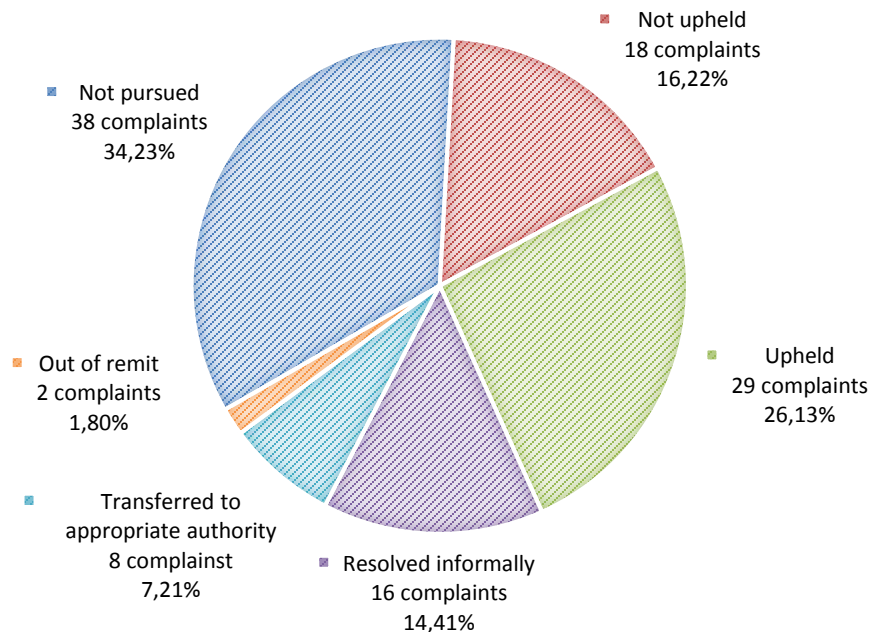
In 2015, more than a forth of cross-border complaints (26.1%) were upheld. In these cases the relevant SRO jury considered the ad complained about in breach of the advertising code. 16.2% of complaints were not found to be in breach of the relevant advertising code and were therefore not upheld.

Most of complaints (34.2%) fell into the “not pursued/not investigated” category. This means that complaints are within remit but could not be pursued further, mainly because complainants did not provide enough information.

14.4% of complaints were resolved informally. When resolving cases informally, SRO requests an assurance from the advertiser that the ad will be suitably amended or withdrawn. Cases when the advertiser contacted the complainant directly in order to solve the problem by means of compensation or reimbursement were also considered as resolved informally.

Finally, 7.2% of complaints were referred to the appropriate regulatory body and the remaining (1.8%) was found out of remit.

**Figure 4: Cross-border complaints per outcome in 2015**

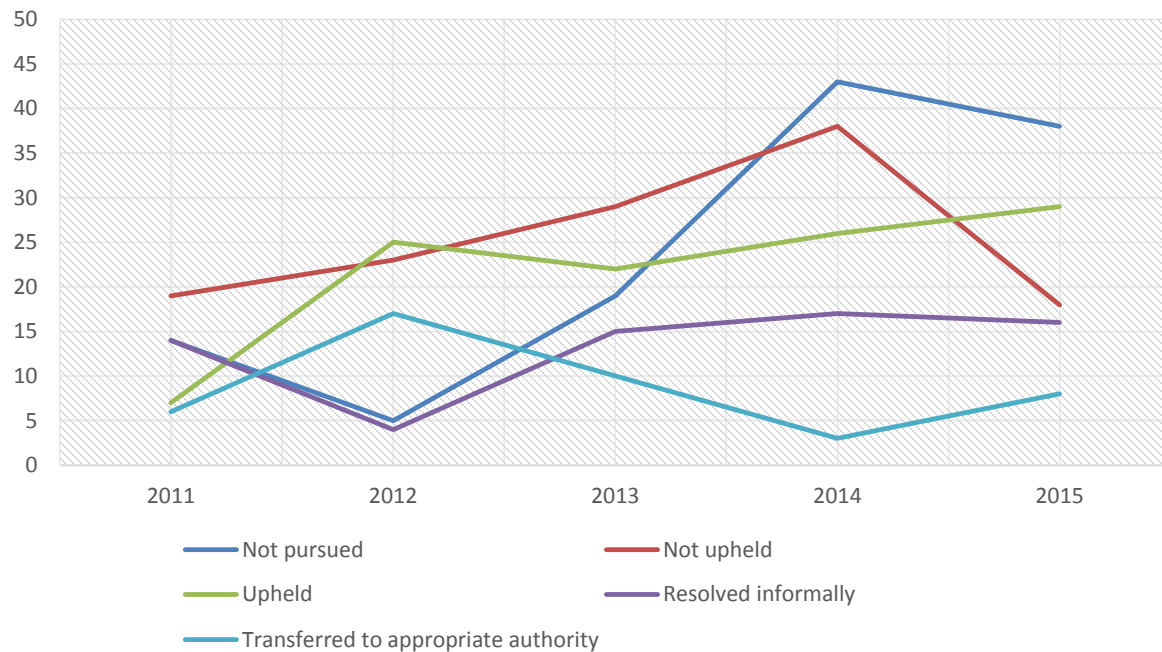


Source: Annual Cross-Border Complaints Report 2015

Looking at the data on the outcome of cross-border complaints between 2011 and 2015, despite some annual fluctuations,

However, when compared to 2014, the figures for not upheld, upheld “changed places” with more advertising found to have breached the code in 2015 and resolved informally complaints remained relatively stable, whilst the number of complaints that were not pursued increased by 66.65%.

**Figure 5: Cross-border complaints per outcome between 2008 and 2015<sup>3</sup>**



Source: Annual Cross-Border Complaints Report 2014

<sup>3</sup> The figure excludes the category “Out of remit” due to anomalies occurred in 2012 when unusually high number of complaints against one particular advertisement originating in Ireland were out of remit. Outcome of ruling concerning these cases distorts the image of outcome for cross-border investigations over the course of years.

## 5 Issues Complained About

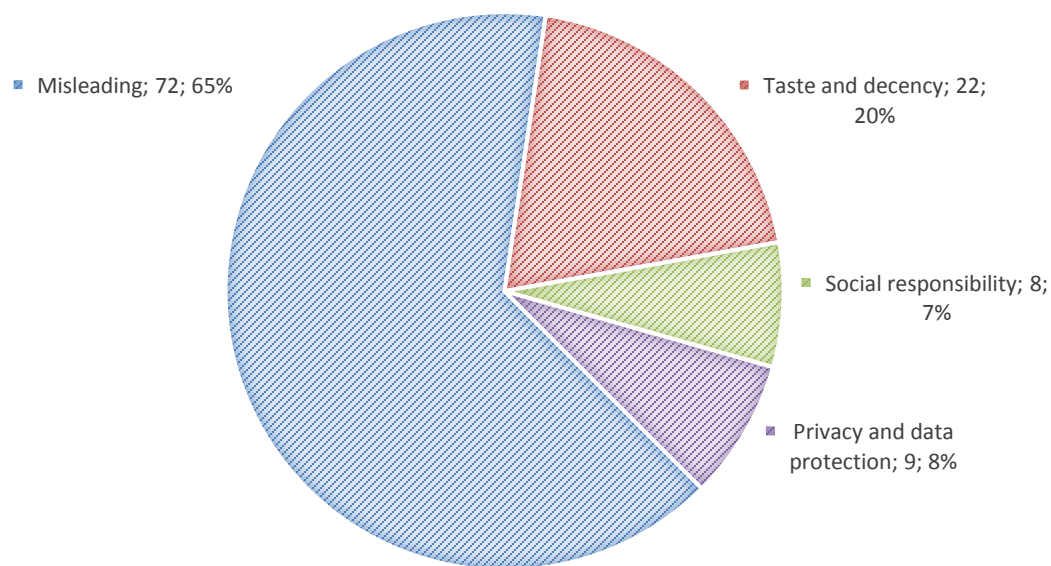
### *Misleading advertising continues to be the main issue complained about*

In 2015, the largest share of cross-border complaints (64.9%) concerned misleading advertisements (72 complaints), out of which 14 complaints (17.5%) were found in breach of the advertising codes.

22 complaints (19.8%) related to taste and decency issues. This category included range of issues, including animal welfare, bad imagery, distress causing, portrayal of gender and violence.

Privacy and data protection provoked nine complaints (8.1%) and social responsibility issues, in particular illegal offer and shocking images, provoked eight complaints (7.2%).

**Figure 6: Cross-border complaints per issue in 2015**



Source: Annual Cross-Border Complaints Report 2015

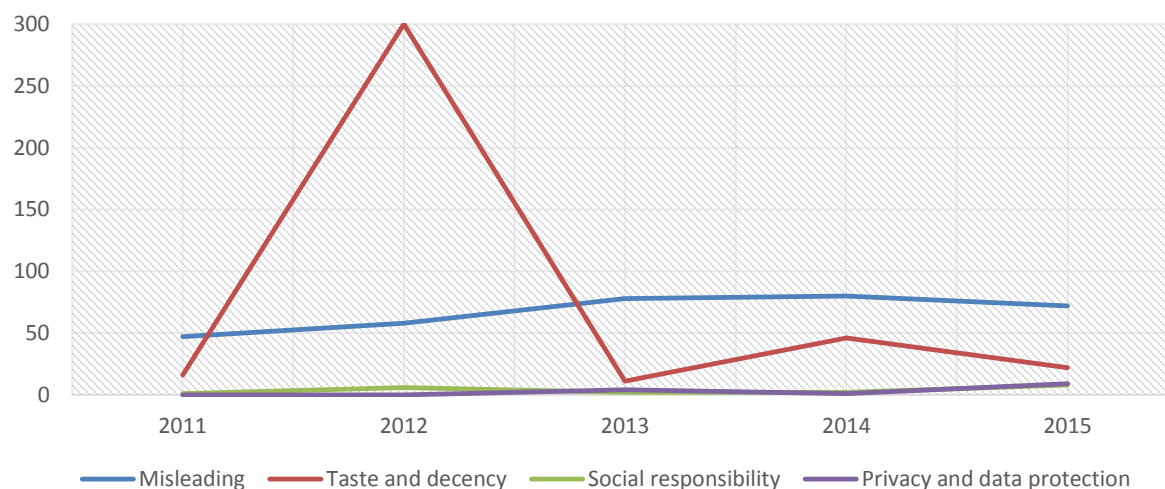
Over the last five years, complaints related to misleading advertising accounted for the highest share of complaints, with the exception of 2012 when most of complaints concerned taste and decency.

The complaints about alleged breaches of taste and decency ranked second, with an average of 12%<sup>4</sup>.

Social responsibility generated only a small fraction of complaints between 2011 and 2014, with an average of 1.6%.

Before 2013 no complaints about privacy and data protection were recorded.

**Figure 7: Cross-border complaints per issue between 2011 and 2015**



Source: Annual Cross-Border Complaints Report 2015

<sup>4</sup> The calculation excludes the number of misleading advertisings for year 2012 when unusually high number of complaints against one particular advertisement originating in Ireland were lodged. The issue of the complaints was the portrayal of women in an advertising. As seen in Figure 7, such actualization of this issues distorts the overall picture of the main trends in cross-border investigations over the course of years.

## 6 Media

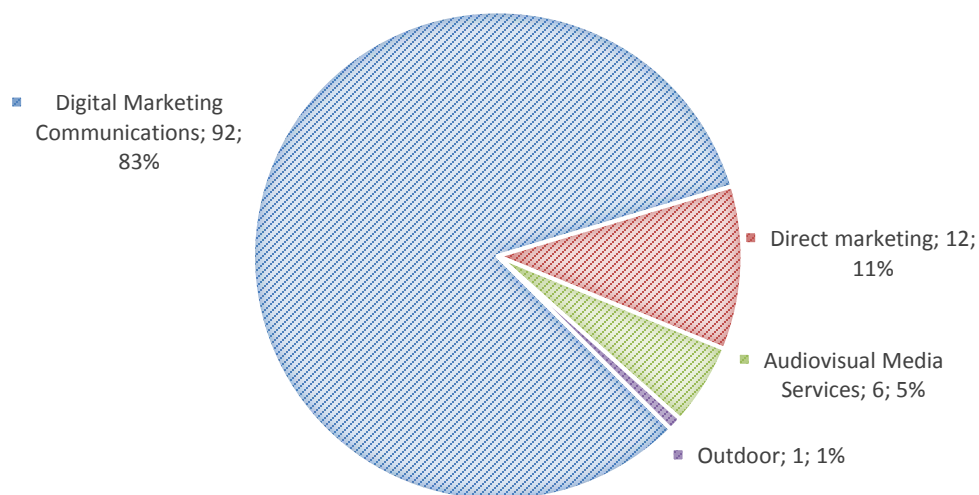
### *Digital Marketing Communications were the most complained about media*

Digital Marketing Communications (DMC) accounted for more 82.9% of cross-border complaints. The highest share, 68.5%, of these complaints concerned advertiser owned website.

Advertisements received as direct marketing triggered 10.8% of cross-border complaints. Out of these, 75% were sent by post while 25% were sent by e-mail.

Cross-border complaints against advertisements appearing on Audiovisual Media Services (AVMS) prompted 5.4% of cross-border complaints.

**Figure 8: Cross-border complaints per medium in 2015**

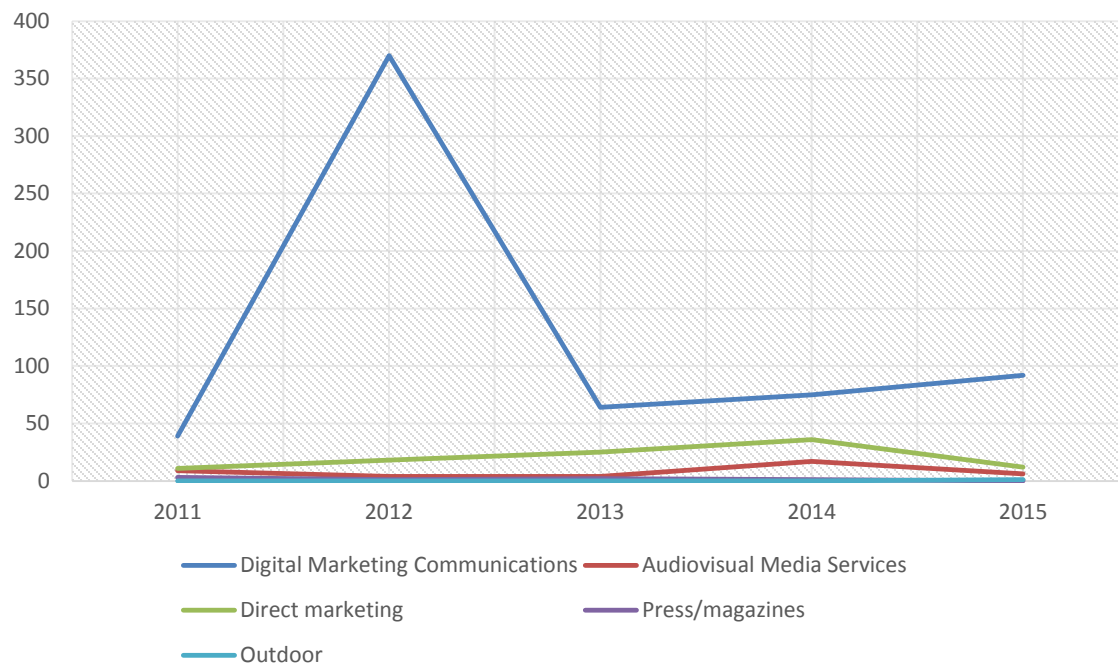


Source: Annual Cross-Border Complaints Report 2015

Annual statistics shows, since 2011 the main media to generate complaints about advertisements has been DMC. In the period 2011-2015, an average of 64.3% of complaints regarded DMC.

Advertisements received as direct marketing have ranked second since 2011 with an average of 24.3% of complaints between 2011 and 2015. Audiovisual media services has been in the third place with 9.5% of complaints on average.

**Figure 9: Cross-border complaints per medium from 2011 to 2015**



Source: Annual Cross-Border Complaints Report 2015

## 7 Complaints about Advertising for Products and Services

*The leisure services sector, the gambling and lotteries sector and the clothing, footwear and accessories sector were the most complained about sectors*

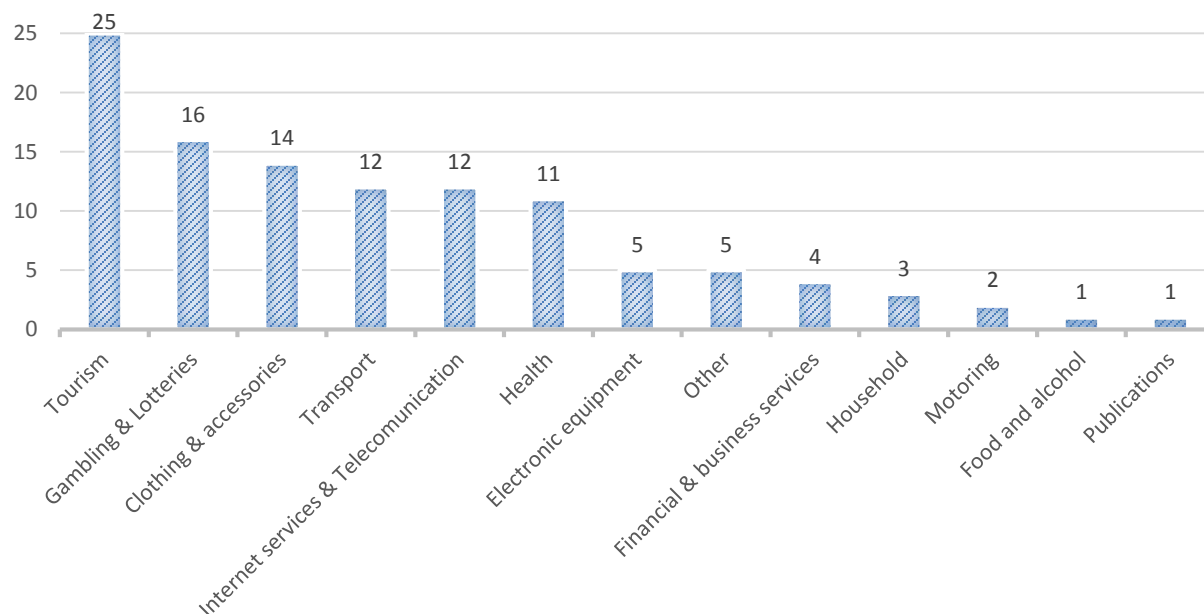
In 2015, the most complained about sector was leisure services with 25 complaints (22.5%). This category includes hotels and holiday accommodation, travel and renting services, entertainment, sports and leisure activities and dating services.

Most of the complaints about advertising for leisure services were lodged by UK complainants (19 complaints, 76%) who challenged the veracity of claims made on websites offering hotel booking services. Majority of these advertisements (11) originated in the Netherlands and concerned a Dutch-based website for hotel reservations.

Gambling and lotteries (16 complaints, 14.4%) was the second most complained about sector. All complaints were lodged by UK complainants and the vast majority (15 complaints) concerned one particular advertiser, an Irish online betting platform. Moreover, 12 complaints in this category were lodged due to taste and decency issues, more specifically shocking images used in two advertising campaigns.

The third most complained sector concerned the clothing, footwear and accessories (14 complaints, 12.6%). The majority were lodged by UK consumers (11 complaints).

**Figure 10: Cross-border complaints in terms of products and services in 2015**



Source: Annual Cross-Border Complaints Report 2014



More detailed breakdown of complaints per products and services which allows for comparison of complaints throughout the years can be found in Table 4.

Although advertisements for gambling services remained often complained about, the number for tourism and leisure service have been steadily rising in the observed years and hit its high in 2015.

The number of complaints about advertisements for transport services have been relatively high since 2011 and the complaints about advertisements for clothing, footwear and accessories have been rising since 2012.

**Table 4: Cross-border complaints in terms of products and services between 2011 and 2015**

Products and services	2011	2012	2013	2014	2015
<b><i>Gambling &amp; Loteries</i></b>	<b>1</b>	<b>329</b>	<b>4</b>	<b>27</b>	<b>16</b>
<b><i>Tourism</i></b>	<b>1</b>	<b>2</b>	<b>12</b>	<b>17</b>	<b>25</b>
<b><i>Financial &amp; business services</i></b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>16</b>	<b>4</b>
<b><i>Clothing &amp; accessories</i></b>	<b>1</b>	<b>0</b>	<b>6</b>	<b>15</b>	<b>14</b>
<b><i>Health</i></b>	<b>4</b>	<b>6</b>	<b>4</b>	<b>9</b>	<b>11</b>
<b><i>Transport</i></b>	<b>14</b>	<b>9</b>	<b>14</b>	<b>8</b>	<b>12</b>
<b><i>Internet services &amp; Telecommunication</i></b>	<b>1</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>12</b>
<b><i>Electronic equipment</i></b>	<b>5</b>	<b>6</b>	<b>6</b>	<b>5</b>	<b>5</b>
<b><i>Contact schemes</i></b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>5</b>	<b>0</b>
<b><i>Motoring</i></b>	<b>3</b>	<b>1</b>	<b>1</b>	<b>4</b>	<b>2</b>
<b><i>Food and alcohol</i></b>	<b>4</b>	<b>2</b>	<b>0</b>	<b>4</b>	<b>1</b>
<b><i>Computers</i></b>	<b>1</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>0</b>
<b><i>Environment</i></b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>3</b>	
<b><i>Publications</i></b>	<b>4</b>	<b>15</b>	<b>7</b>	<b>1</b>	<b>1</b>
<b><i>Household</i></b>	<b>5</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>3</b>
<b><i>Other</i></b>	<b>18</b>	<b>10</b>	<b>27</b>	<b>4</b>	<b>5</b>
<b><i>TOTAL</i></b>	<b>62</b>	<b>393</b>	<b>95</b>	<b>129</b>	<b>111</b>

Source: Annual Cross-Border Complaints Report 2015

## 8 Speed of the Resolution of Complaints

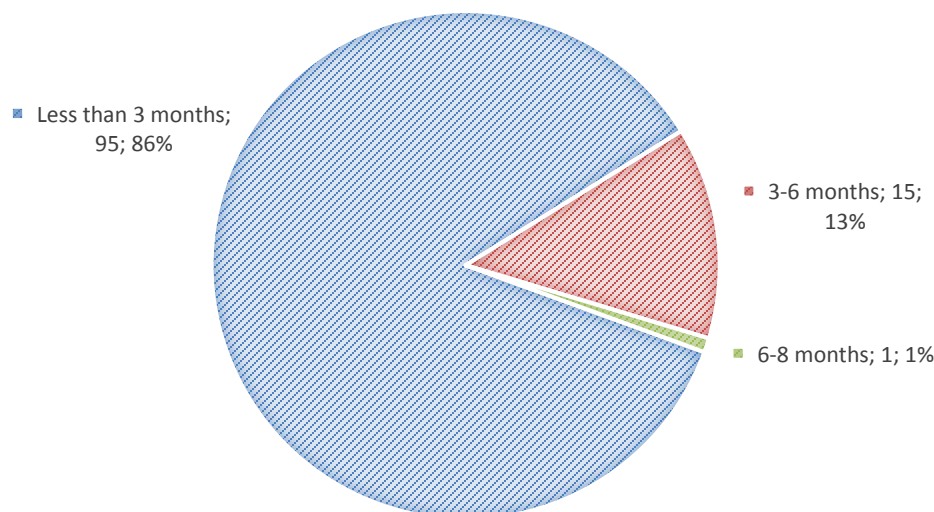
### *The majority of complaints were handled in less than three months*

The speed of complaint resolution varies depending on the complexity of a case. Simple cases can be resolved in as little as three days, whereas more complex cases may take longer. If scientific substantiation of advertising claims is required, complaints may lead to a prolonged investigation. Cross-border complaints are handled by two SROs and often a translation is necessary which might considerably extend the complaint handling.

In 2015, SROs resolved 85.6% of cross-border complaints received in less than three months. 13.5% of complaints were resolved within 3–6 months.

Less than one percent of complaints (0.9%) required an investigation period longer than six months. This complaint was lodged by an Irish consumer regarding an online advertisement for a Polish tech company offering smart home automation systems. The complainant objected to the fact that all the products advertised wireless update of devices, along with other features, which was not the case in reality.

**Figure 11: Speed of cross-border complaint resolution in 2015**



Source: Annual Cross-Border Complaints Report 2015

## **Annex A: How the Cross-Border Complaints (CBC) System Works**

### **EASA's Cross-Border Complaints System**

EASA's Cross-Border Complaints (CBC) system has been in operation since 1992. With the increase of media travelling across borders, the CBC system was established to provide people who wished to make complaints against advertising featured in media or by advertisers originating from outside their home territory with the same redress available to consumers within the country of origin of the media or advertiser. Since 1992, EASA has coordinated nearly 3.000 cross-border complaints.

### **The Basic Principles of the EASA Cross-Border Complaints System**

The first principle is the 'country of origin', a concept enshrined in EU law to facilitate the growth of the Single Market. With regards to the CBC system, an advertisement must abide by the rules of the country where the media is based that features the advertisement. In the case of direct marketing or Digital Marketing Communications, however, the advertisement will generally be expected to follow the rules of the country where the advertiser is based, whereas in the case of Online Behavioural Advertising, the country of origin of the company will be based on the principal decision-making presence (office). The second principle is 'mutual recognition'. By this principle, EASA members agree to accept advertisements which comply with the self-regulatory rules in the country of origin of the media or advertiser, even if those rules are not identical to their own.

### **The Competent Body**

Once the advertisement's 'country of origin' has been established, the complaint will be assigned to the local self-regulatory organisation (SRO). It is not possible to assign a complaint to more than one SRO.

### **Dealing with a Cross-Border Complaint**

The complainant may not initially realise that his or her complaint lies outside the competence of his or her national SRO. Hence, the complainant's first point of contact may be the local SRO. Once the SRO ascertains that a complaint is in fact a cross-border issue, it will first inform the complainant of the Cross-Border Complaints system and the measures that will be taken to handle the complaint. The complaint, along with any other relevant details, is then passed on to the relevant self-regulatory organisation (SRO) present in the country of origin of the media or the advertiser under investigation. The EASA Secretariat is included in all correspondence related to the case and will closely monitor its progress. Further, EASA may become involved in the process by, for instance, recommending the SRO to take certain actions, involving industry bodies where appropriate, and reporting on the outcome of cases once they have been closed.

### **Ad-Alerts**

If an ad shows evidence of deliberate unethical, dishonest or criminal activity, the SRO will transfer the complaint to the relevant government authorities. In these circumstances, the EASA Secretariat may, after discussion with members involved, decide to issue an Ad-Alert, which notifies concerned parties of the advertisers' activities. Ad alerts are published on the EASA website: [www.easa-alliance.org](http://www.easa-alliance.org).

### **Publications**

Closed cross-border complaints are reported quarterly and annually in CBC Reports, published on the EASA website: [www.easa-alliance.org](http://www.easa-alliance.org).

## *Notes*

## *Notes*

## *Notes*

# 2015

European Advertising Standards Alliance  
Rue des Deux Églises 26  
1000 Brussels, Belgium  
[info@easa-alliance.org](mailto:info@easa-alliance.org)  
[www.easa-alliance.org](http://www.easa-alliance.org)