

DECISION

FIRST INSTANCE JURY

Complaint by	Consumer
EASA Cross Border Complaints System	Forwarded to CARO by the UK Advertising Standards Authority (ASA, www.asa.org.uk) EASA CBC Case 4671
Advertiser	Korelvo Holding Ltd, CY Company Reg. No. HE 383952
Issue	Consumer who filed the complaints believes that KORELVO.COM implemented a misleading advertising campaign, pretending to promote ASDA.
Decision issued	Friday 20 March 2020
First Instance Jury	Andreas Pavlou / Cyprus Communication Agencies Association - President Gregoris Gregoriou / Cyprus Advertisers' Association Maria Sofocleous / Media Yangos Hadjiyannis / Independent Member

Issue:

«I received a text message from **57915**. It listed my first name and my postcode along with two others. It also included a website link ... This website pretends to be an ASDA shopping survey, asking arbitrary multiple choice questions such as age, gender, quality of service/food at ASDA etc. Once the 8 questions have been answered, it then asks you to select a prize. The only prize available is a £500 voucher with other prizes shown as OUT OF STOCKS (sic). Below this are false testimonials citing statements like -My Asda Voucher actually came today!- and -Holy crap, DHL knocked on the door an hour ago and dropped off my new iPhone!-

Once selected, it then redirects to another site run by a company called Korelvo. This site then offers the -chance to win- a £500 ASDA voucher by subscribing to a premium text message service at a cost of £4.50 per week.

The text message and advert are misleading because at no point was the ASDA voucher implied as a -chance to win- until the final page. Korelvo is not mentioned prior to this either, and until that point, it is implied that ASDA is the promoter, but this is obviously not the case.»

Summary of Advertiser's Response:

« Service Name – Super Cool Discounts

Promotional Period Started – September 2018

Promotional Period End – March 2019

Promotion Description – Super Cool Discounts is a UK service that uses Alert messages to send exclusive offers and discounts for products and services that can be found online.

Method of entry – Two step entry into service. Step one when arriving at landing page customer has to insert their mobile number. Step two they are sent a unique pin from independent company (this company can then provide independent audit trail of Opt In). Customer needs to enter this pin into second landing page directly before service can be accessed. All initial customers are sent an alert that is relevant to the advertising found on Korelvo's landing page.

URL - <https://supercooldiscounts.com/?ite=0e856f68a>

Codes that service operated on – 80876 / 88833 / 82070

Terms and Conditions of service - This service provides customers with offers and discounts straight to their mobile phones. The offers and discounts will be sent to customers phones weekly in the form of text messages alerts, as soon as a new offer or discount becomes available it will be sent straight to the customer's phone. Customer's will receive a maximum of 3 alerts per week costing £1.50 per alert. This service is provided by Korelvo Ltd. If you have any questions please call 02921433009 or email help@korelvo.com

Promotional Material – As this UK is a very competitive market every effort is used to utilise a number of marketing partners. To ensure that we have direct control of these marketing partners they have to complete an Insertion Order (I.O) before completing any marketing for our service Super Cool Discount. Attached is a copy of our I.O. Korelvo have directly advised all marketing partners that they only want banner promotions or Pop Up / Pop Under traffic. A selection of adverts have been provided, all show clearly state "Chance to Win".

Response to Advertising Complaint

We cannot confirm the precise details regarding the complainant's entry to the service as they have failed to provide us with any identifiers (e.g. phone number, date and time of entry etc) in order for us to investigate. If they had completed service entry they would have been sent a direct alert for a chance to win £500 of ASDA vouchers, URL is provided for this alert but competition has finished (<https://www.discountvouchers.co.uk/v264351.html>)

Customer would also have been able to clearly read all terms and conditions before making an informed choice about joining service.

From the time that complaint was made we have identified the company Aragon Advertising as the marketing partner that was responsible for this type of advertising. In accordance with the I.O that has been provided had we been made aware of this type of marketing and we would have instantly suspended this companies traffic and withheld revenues as they have not followed our marketing terms.

During the marketing and promotion of this service Korelvo have at all times made every attempt to treat each individual customer fairly and equitably. This included having visible terms and conditions available on every page, providing cost and company details on banner advertisements and how to contact us directly. We also offered full refund policy if anybody was not happy with the service and had this complainant approached us directly we would have offered a full refund had they been unhappy with any aspect of the service.

A large number of customers have entered the service and were very happy with the entire operation of the service which includes the quality of offers and discounts that were sent as alerts.».

Jury Decision

1. The jury considered all the information presented to them.
2. The jury is of the opinion that the advertiser's reply does not address or explain the initial steps referred to by the consumer in the complaint, namely the **original text message sent from 57915** and the link from that text message to what seemed to be an **ASDA Shopping Survey** which also collected personal information of the consumer (e.g. age, gender). The Jury notes that page the link led to was entitled **«ASDA 2019 Shopping Survey»**, and mentioned the following: *«Dear Asda Customer, Please tell us about your experience with Asda and as a thank you, you can select from several exclusive rewards. (minimum value: £500)»*.

It is clear from the complaint that the consumer was asked to select a prize once the “survey” had been completed and, since the only prize available was the ASDA Voucher, the consumer selected it and was **THEN redirected to the Korelvo site**.

These 3 steps –text message, “survey” and “gift selection”- **which are not accounted for in the Korelvo reply**, were all made without the consumer knowing at the time that:

- i) he was dealing with Korelvo and not ASDA
- ii) there was no automatic “reward” but a «chance to win» one.

3. The jury notes that Korelvo mentions the following in its reply: *«From the time that complaint was made we have identified the company Aragon Advertising as the marketing partner that was responsible for this type of advertising. In accordance with the I.O. that has been provided had we been made aware of this type of marketing and we would have instantly suspended this company's traffic and withheld revenues as they have not followed our marketing terms»*.
The jury is of the opinion that responsibility for ensuring adherence to the marketing terms lies with Korelvo, which should have effectively supervised the activities of their marketing partners.
4. The Jury is particularly worried by the fact that, at the time that consumers were replying to the «shopping survey», they were unaware of the fact that their personal details were not collected by ASDA or any company authorized by ASDA, but to an, at the time, unknown to them entity. In their opinion, this is a very serious issue which should be immediately addressed by Korelvo and their marketing partners, as it could be identified as fraudulent personal data collection activity.
5. Given the above, the Jury is of the opinion that the promotional activity as implemented is in breach of the following provisions of the Code of the Cyprus Advertising Regulation Organization:

- **Article 3 (b)** [*“Relevant factors which may affect consumers' decisions should be communicated in such a way and at such a time that consumers can take them into account”*]
- **Article 5 (a)** [*“Marketing communication should be truthful and not misleading”*].
- **Article 10** [*“The identity of the marketer should be apparent. ...”*]
- **Article 15** [*“Marketing communication should not make unjustifiable use of the name, initials, logo and/or trademarks of another firm, company or institution. Marketing communication should not in any*



CYPRUS ADVERTISING REGULATION ORGANIZATION

way take undue advantage of another firm's, individual's or institution's goodwill in its name, brands or other intellectual property, ... without prior consent.”]

- **Article 19: Data protection and privacy**

ACTION: This marketing activity must not be implemented again in such a form. Any activity implemented should ensure that consumers are made immediately aware of the identity of the marketer and the purpose of the activity.