

## Payday loans:

# Take action against irresponsible and misleading advertising

If you see an advert for a payday loan that you think is irresponsible or misleading take action to get it taken down.

[Make a complaint to the Advertising Standards Authority](#) (ASA).

It has the power to ban adverts which break the rules.

The rules about the advertising of payday loans are quite complicated but we've pulled together some top tips to help you spot the wronguns...



## How do you know if an advert is irresponsible?

The rules state that an advert must be prepared with a sense of responsibility to the audience and to society.

This is quite subjective, but if in doubt – report it anyway!

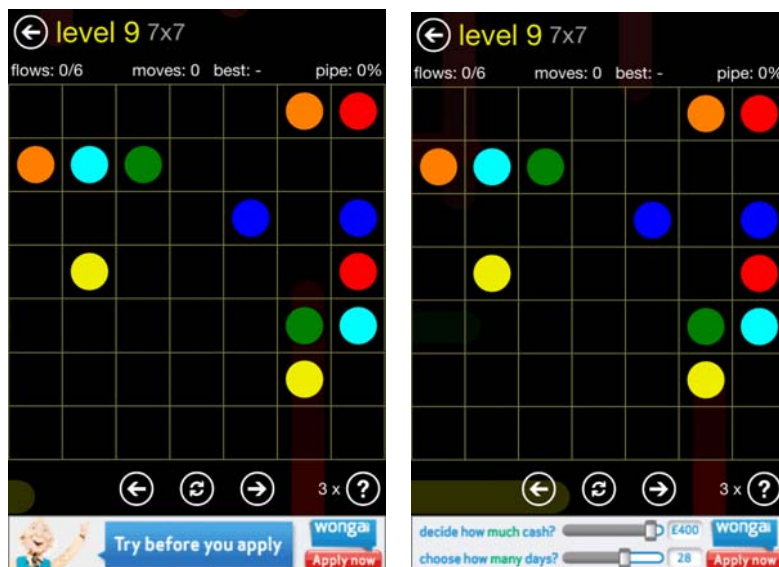
We think an advert is definitely irresponsible if:

- It is clearly aimed at under 18s
- It is aimed at vulnerable people
- It shows payday loans being used for shopping or social activities
- It suggests that a payday loan is a better idea than another type of loan



### Clearly aimed at under 18s

For example one Citizens Advice campaigner saw this advert on a game a young relative was playing on a mobile phone



Adverts may also feature characters or cartoons likely to appeal to younger people.

### Aimed at vulnerable people

Vulnerable people could include people with mental health problems, people with learning difficulties, people with acquired brain injury, people who misuse substances and people with money problems.

For example In 2010 a TV advert for a payday lender was banned because of the impression it could give to vulnerable people with money problems.

The ASA said it “considered the ad did trivialise the nature of the service offered and gave a misleading impression to those who were likely to qualify for it, which could include vulnerable viewers who had money problems”.

You can read the full ASA ruling here:

[http://www.asa.org.uk/Rulings/Adjudications/2010/7/Wonga,-d-,com-Ltd/TF\\_ADJ\\_48744.aspx](http://www.asa.org.uk/Rulings/Adjudications/2010/7/Wonga,-d-,com-Ltd/TF_ADJ_48744.aspx)

### **Shows payday loans being used for shopping or social activities**

For example the images used in an advert on a payday lender website were recently banned. The ASA considered the website's images showing someone using a payday loan to fund a shopping trip was likely to be seen as encouraging frivolous spending of that borrowed money.

You can read the full ASA ruling here:

[http://www.asa.org.uk/Rulings/Adjudications/2012/12/Sunny-Marketing-Ltd/SHP\\_ADJ\\_214323.aspx](http://www.asa.org.uk/Rulings/Adjudications/2012/12/Sunny-Marketing-Ltd/SHP_ADJ_214323.aspx)

### **Suggests that a payday loan is a better idea than another type of loan**

For example, one of the reasons a recent advert featuring Kerry Katona was banned was because it talked about her past financial difficulties and implied it was more convenient and desirable to get a payday loan than go to a high street bank.



You can read the full ASA ruling here:

[http://www.asa.org.uk/Rulings/Adjudications/2013/5/PDB-UK-Ltd/SHP\\_ADJ\\_219095.aspx](http://www.asa.org.uk/Rulings/Adjudications/2013/5/PDB-UK-Ltd/SHP_ADJ_219095.aspx)

## How do you know if an advert is misleading?

### **Not including important information about the costs of a loan**

The rules state that adverts must not mislead consumers by not including important information they would need to make a decision about taking a loan. They must also not hide this information, or present it in an unclear way.

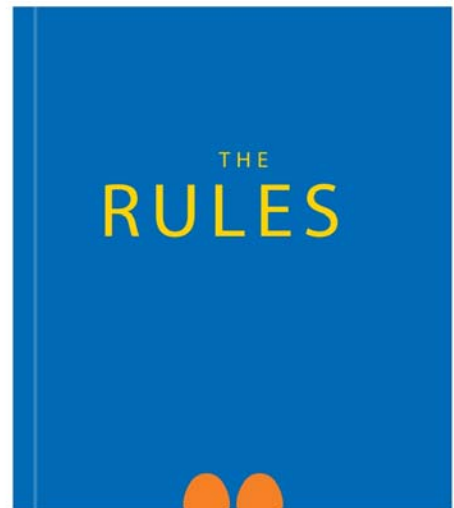


### **Making the cost of the loan less noticeable than incentives or offers**

There are also rules about the prominence the adverts give to the information on the cost of the loan (the representative APR) compared to the other things the advert says.

For example adverts must make sure what it says about the cost of the loan is as clear and prominent as saying something like “I was turned down by the mainstream lenders”.

Adverts must also not give more prominence to an incentive (such as a promo code, a special offer) or the speed of getting the loan, than to the actual cost of the loan.



One advert was banned because it didn't give consumers enough information about the cost of the loan. The ASA said "the ad was likely to mislead consumers by omission of information concerning the rate of interest." You can read the full ruling here

[http://www.asa.org.uk/Rulings/Adjudications/2009/10/CashEuroNet-UK-LLC/TF\\_ADJ\\_47028.aspx](http://www.asa.org.uk/Rulings/Adjudications/2009/10/CashEuroNet-UK-LLC/TF_ADJ_47028.aspx)

## When can you complain to the ASA?

You can complain about any irresponsible advertising you see on the TV or hear on the radio to the ASA.

For adverts that aren't on the TV or radio you can complain to ASA about irresponsible adverts if you think they cause harm or offence.

## When can't you complain to the ASA?

The ASA doesn't cover complaints around irresponsible adverts that aren't on the TV or radio and are about 'technical' issues for example the issues around the cost of the loan, representative APRs, and prominence of this information.

For these issues you should get in touch with your local Trading Standards office. You can find out how to contact them [here](#).

## I'm confused about who to complain to?

If you are unsure about whether the issue is covered by the ASA or not, they're more than happy for them to enter a complaint with them. They'll have a look at it, and if it isn't for them, they'll refer you to the right place

## How do you complain about an advert?

### Complain to the ASA directly

You can complete a complaint form online here  
<http://www.asa.org.uk/Consumers/How-to-complain/Online-Form/Step1.aspx>

Or contact the ASA using these details:

Advertising Standards Authority Limited  
Mid City Place  
71 High Holborn  
London  
WC1V 6QT

Tel: 020 7492 2222

Fax: 020 7242 3696

Textphone: 020 7242 8159

<http://www.asa.org.uk/Consumers/How-to-complain.aspx>



### Complain to the people or company hosting the advert

You can also complain to whoever is responsible for the place you saw the advert. The best way to do this would be via email or social media as you will get a quicker response. If you need help doing this, please [contact Hannah Hollingworth](#).

**Please let us know about any action you take by contacting Hannah at [Hannah.hollingworth@citizensadvice.org.uk](mailto:Hannah.hollingworth@citizensadvice.org.uk)**

