

Tackling unfair marketing practices

Today's digital age is defined by the rising impact that social media platforms have had on all spheres of life, completely transforming the way we connect to the world. This ecosystem has also witnessed the rise of social media influencers, individuals who amass large followings over whom they wield significant influence, which they then leverage to endorse products, share experiences and shape trends, creating a symbiotic relationship with brands and followers.

With social media influencers becoming integral players in the modern marketing landscape, it goes without saying that they should now also shoulder the responsibility of upholding ethical standards when it comes to ensuring transparency and authenticity in their promotional activities. Unfortunately, there has been a rising trend globally — with Pakistan being no exception — of social media stars flouting ethical and legal principles when endorsing and advertising products, precipitating the need for regulators to play their role in keeping consumer safety and protection paramount.

In this regard, the Competition Commission of Pakistan's (CCP's) recent warning to influencers, content creators and advertisers against making false and misleading endorsements while taking part in advertising campaigns, is highly welcome. As pointed out by the watchdog, there have been numerous instances of influencers and celebrities using their social media platforms to make endorsements that are deceptive and where they do not disclose their material connection to the product being endorsed, which involves clarifying whether they have been paid to provide their testimonials or whether they are actual users of the product in question.

As the CCP has emphasised, such promotional activities are violations of Section 10 of the Competition Act 2010 that relates to deceptive marketing practices. The reality is that this kind of deception on the part of influencers not only encroaches upon consumer rights, it can also result in harm to competing businesses, creating a less-than-ideal business

environment, where unfair competition and undermining of consumer trust become the norm. One of the major challenges facing our emerging e-commerce landscape is the lack of trust among consumers and loss of credibility of businesses that inevitably follows when customers feel deceived or misled by online promotional campaigns, hindering the growth of the sector, something that our already struggling economy can ill-afford.

For too long, the concept of consumer rights in Pakistan has remained a lofty ideal rather than a tangible reality for many citizens. Despite the existence of laws and regulatory bodies aimed at protecting consumers, the ground reality paints a stark picture of challenges and shortcomings in safeguarding consumer interests. In the context of social media marketing, younger consumers become especially vulnerable as they may not understand the full implications of the endorsements they encounter online.

It is clear that the limited awareness and understanding of consumer rights among the general populace has become a pressing issue as too many Pakistani consumers lack knowledge regarding their rights and how they could assert them effectively, leading to a situation where businesses and influencers find it easy to get away with unfair practices. Given this, the CCP urging consumers to remain vigilant and report deceptive advertising, while much-needed, is just not enough. It is also essential that efforts are made to create awareness among the public about what constitutes deceptive marketing and what avenues consumers could avail if they need to report any infringement.

By holding influencers and businesses accountable for any illegal action through strict penalties, we can ensure that the Pakistani digital landscape remains a trustworthy space for all. This could also help foster a robust consumer rights landscape in the country, where regulatory bodies, businesses, influencers and consumers all play a role in promoting transparency, accountability and ethical conduct.

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Tribunal upholds ruling against P&G

By Kalbe Ali

ISLAMABAD: The Competition Appellate Tribunal has upheld an order passed by the Competition Commission of Pakistan (CCP) against Proctor and Gamble Pakistan (P&G) for engaging in deceptive marketing practices.

The tribunal dismissed the appeal filed by the P&G and ruled that the CCP has the authority to determine the legitimacy of a complaint and to decide whether to accept or dismiss it based on the complaint's merits.

The CCP had imposed a penalty of Rs10 million on P&G for falsely advertising its product Safeguard as Pakistan's no. 1 anti-bacterial soap.

However, the tribunal reduced the penalty to Rs5m, considering P&G's compliance-oriented approach and the fact that it had dropped the no.1 claim shortly after the initiation of inquiry by the CCP in 2014. The inquiry was initiated based on a complaint filed by Reckitt Benckiser Pakistan Ltd, alleging that P&G's advertisement campaign for Safeguard was misleading.

The CCP concluded that P&G's advertisement campaign violated Section 10 of the Competition Act by creating the overall impression that Safeguard was Pakistan's top-rated anti-bacterial soap. It lacked a reasonable basis to substantiate the claim.

DECEPTIVE MARKETING PRACTICES

Competition Appellate Tribunal uphold order against P&G

IMRAN ALI KUNDI
ISLAMABAD

The Competition Appellate Tribunal has upheld an order passed by the Competition Commission of Pakistan (CCP) against Proctor and Gamble Pakistan (P&G) for engaging in deceptive marketing practices.

The tribunal dismissed P&G appeal to set aside CCP's ruling. In its ruling, the tribunal also stated that the CCP has the authority to determine the legitimacy of a complaint and to decide whether to accept or dismiss it based on the complaint's merits. The CCP had imposed a penalty of 10 million rupees on P&G for falsely advertising its product Safeguard as Pakistan's No. 1 anti-bacterial soap. However, the tribunal reduced the penalty to five million rupees, considering P&G's compliance-oriented approach and the fact that P&G had dropped the No-1 claim shortly after the initiation of enquiry by the CCP in 2014.

The enquiry was initiated based on a complaint filed by Reckitt Benckiser Pakistan Limited, alleging that P&G's advertisement campaign for Safeguard was misleading. The CCP concluded that P&G's advertisement campaign violated Section 10 of the Competition Act by creating the overall impression that Safeguard was Pakistan's top-rated anti-bacterial soap. It lacked reasonable basis to substantiate the claim. During the appeal, the tribunal noted that the studies cited by P&G to support its claim were based on public opinions and lacked scientific research. While the exact monetary loss due to such claims could not be assessed, the Tribunal acknowledged the potential harm such claims could have on competitors' business.

The Nation on Web

The Nation

12 March 2024

Business Page

Deceptive marketing practices

Tribunal upholds CCP's order against multinational company

SOHAIL SARFRAZ
ISLAMABAD: The Competition Appellate Tribunal has upheld an order passed by the Competition Commission of Pakistan (CCP) against a multinational company for engaging in deceptive marketing practices and imposed fine of Rs 5 million on the company.

On Monday, the Tribunal dismissed Proctor and Gamble Pakistan (P&G) appeal to set aside CCP's ruling. In its ruling, the Tribunal also stated that the CCP has the authority to determine the

legitimacy of a complaint and to decide whether to accept or dismiss it based on the complaints merits.

The CCP had imposed a penalty of 10 million rupees on P&G for falsely advertising its product Safeguard as Pakistan's No 1 anti-bacterial soap. However, the Tribunal reduced the penalty to Rs 5 million, considering P&G's compliance-oriented approach and the fact that P&G had dropped the No-1 claim shortly after the initiation of enquiry by the CCP in 2014.

The enquiry was initiated based on a complaint filed by Reckitt Benckiser Pakistan Limited, alleging that P&G's advertisement campaign for Safeguard was misleading.

The CCP concluded that P&G's advertisement campaign violated Section 10 of the Competition Act by creating the overall impression that Safeguard was Pakistan's top-rated anti-bacterial soap. It lacked reasonable basis to substantiate the claim.

Moreover, without a clear and conspicuous disclosure, the advertisement campaign

for Safeguard as "Pakistan's No 1 rated Anti-bacterial Soap" amounts to a violation of Section 10 of the Competition Act. On the recommendation of the inquiry report, a show cause notice was issued to Proctor & amp; Gamble Pakistan.

After hearing the complainant and respondent, the CCP's bench passed the order stating the advertising claims must be based on "competent and reliable scientific evidence" particularly if the product involves health and safety claims.

کمپنیشن ایپیلٹ ٹریبونل نے پراکٹر اینڈ گیمبل کے خلاف سی سی پی کے آرڈر کو برقرار رکھا

اسلام آباد (نمائندہ خصوصی) کمپنیشن ایپیلٹ ٹریبونل نے کمپنیشن کمیشن آف پاکستان (سی سی پی) کی طرف سے پراکٹر اینڈ گیمبل پاکستان (پی اینڈ جی) کے خلاف دھوکہ دہی پر مبنی مارکیٹنگ کے طریقوں میں ملوث ہونے کے خلاف جاری کردہ حکم کو برقرار رکھا ہے۔ ٹریبونل نے پی اینڈ جی کی طرف سے سی سی پی کے فیصلے کو مسترد کرنے کی اپیل کو رد کر دیا۔ اپنے فیصلے میں، ٹریبونل نے یہ بھی کہا کہ سی سی پی کو شکایت کی قانونی حیثیت کا تعین کرنے اور شکایت کے میرٹ کی بنیاد پر اسے قبول یا مسترد کرنے کا فیصلہ کرنے کا اختیار ہے۔ سی سی پی نے پی اینڈ جی پر پاکستان کے نمبر 11 بی بی بیکیٹریل صابن کے طور پر اپنی پروڈکٹ صفحہ 6 پر بقیہ نمبر 63

برقرار رکھا	بقیہ 63
سیف گارڈ کی جھولی سمیر کرنے پر ایک کروڑ روپے کا جرمانہ عائد کیا تھا۔ تاہم، ٹریبونل نے پی اینڈ جی کے فیصلے پر مبنی نقطہ نظر اور اس حقیقت کو دیکھتے ہوئے کہ پی اینڈ جی نے 2014 میں سی سی پی کی انکوائری شروع ہونے کے فوراً بعد اپنا دعویٰ ختم کر دیا تھا، جرمانہ کو کم کر کے 50 لاکھ روپے کر دیا۔	



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پی اینڈ جی کی سی سی پی کے فیصلے کینخلاف اپیل مسترد

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Urdu Point
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Online

Tribunal Upholds CCP's Order Against P&G Pakistan



Published March 11, 2024 | 07:46 PM



The Competition Appellate Tribunal has upheld an order passed by the Competition Commission of Pakistan (CCP) against Proctor and Gamble Pakistan (P&G) for engaging in deceptive marketing practices. The Tribunal dismissed P&G appeal to set aside CCP's ruling

ISLAMABAD, (APP - UrduPoint / Pakistan Point News - 11th Mar, 2024) The Competition Appellate Tribunal has upheld an order passed by the Competition Commission of Pakistan (CCP) against Proctor and

Gamble Pakistan (P&G) for engaging in deceptive marketing practices. The Tribunal dismissed P&G appeal to set aside CCP's ruling.

In its ruling, the Tribunal also stated that the CCP has the authority to determine the legitimacy of a complaint and to decide whether to accept or dismiss it based on the complaint's merits, said a press release issued here on Monday.

The CCP had imposed a penalty of 10 million rupees on P&G for falsely advertising its product Safeguard as Pakistan's No. 1 anti-bacterial soap. However, the Tribunal reduced the penalty to five million rupees, considering P&G's compliance-oriented approach and the fact that P&G had dropped the No-1 claim shortly after the initiation of enquiry by the CCP in 2014.

The enquiry was initiated based on a complaint filed by Reckitt Benckiser Pakistan Limited, alleging that P&G's advertisement campaign for Safeguard was misleading. The CCP concluded that P&G's advertisement campaign violated Section 10 of the Competition Act by creating the overall impression that Safeguard was Pakistan's top-rated anti-bacterial soap. It lacked reasonable basis to substantiate the claim.

During the appeal, the Tribunal noted that the studies cited by P&G to support its claim were based on public opinions and lacked scientific research. While the exact monetary loss due to such claims could not be assessed, the Tribunal acknowledged the potential harm such claims could have on competitors' business.

Tribunal Upholds CCP's Order Against P&G for False Advertising of Safeguard Soap

By [ProPK Staff](#) | Published Mar 11, 2024 | 9:51 pm

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Competition appellate tribunal upholds CCP's order against P&G Pakistan

11/03/2024
DNA

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Tribunal upholds CCP's order against P&G

18 hours ago

by [The Frontier Post](#)



F.P. Report

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