

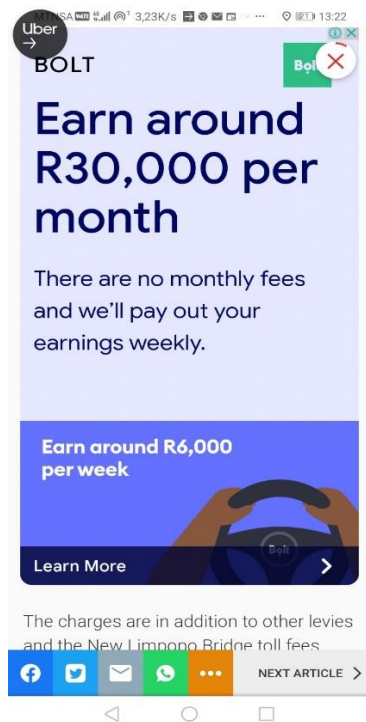
Decision of the ADVERTISING REGULATORY BOARD

Complainant	Nothani Hadebe
Advertiser	Bolt Services EE OÜ
Consumer/Competitor	Consumer
File reference	2190 - Bolt - Hadebe
Outcome	Upheld
Date	27 September 2022

The Directorate of the Advertising Regulatory Board has been called upon to consider a consumer complaint against a Bolt advertisement that the Complainant says was published online.

Description of the advertising

The Complainant submitted the following image with the complaint:



Complaint

The Complainant is of the opinion that the advertisement is luring unsuspecting people with misleading claims as:

- It is impossible for drivers to make up to R30 000.00 a month driving a taxi under the Advertiser's banner.
- The statement that there are no monthly fees is also misleading because the Advertiser charges up to 30% commission for each and every trip that drivers make.
- The Advertiser does not own any vehicles and so drivers are lured into buying cars on credit by the promised returns that never materialises.

Response

The Advertiser stated that it is not a member of the ARB, there is therefore no legal obligation to respond. It will however, in order to show its bona fides, respond to the complaint.

It submitted that the advertisement is not misleading or a blatant lie for the following reasons:

- At no stage in the advertisements does it claim that it guarantees an income of R30 000.00 per month but there are drivers who make use of its e-hailing application who do earn R30 000.00 per month;
- It does not charge any monthly fees;
- It has not communicated in the advertisement that it owns any vehicles;
- Its commission rate is 23% and not 30% as alleged by the Complainant.

Application of the Code of Advertising Practice

The following clauses were considered in this matter:

- Substantiation - Clause 4.1 of Section II
- Misleading claims - Clause 4.2.1 of Section II

Decision

Having considered all the material before it, the Directorate of the ARB issues the following finding.

Jurisdiction

The Directorate notes that The Advertiser has responded fully though indicating that it is not a member of the ARB. For the purpose of clarity the Directorate notes that Clause 3.3 of the Memorandum of Incorporation of the ARB states:

“3.3 The Company has no jurisdiction over any person or entity who is not a member and may not, in the absence of a submission to its jurisdiction, require non-members to participate in its processes, issue any instruction, order or ruling against the non-member or sanction it. However, the Company may consider and issue a ruling to its members (which is not binding on non-members) regarding any advertisement regardless of by whom it is published to determine, on behalf of its members, whether its members should accept any advertisement before it is published or should withdraw any advertisement if it has been published.”

The matter will therefore be considered for the guidance of the members of the ARB. It remains the Advertiser's prerogative whether or not to submit itself to the decision.

Merits

The Code requires advertisers to hold in their possession documentary evidence (as set out in Clause 4.1 of Section II (Substantiation), to support all claims, whether direct or implied, that are capable of objective substantiation before any advertising is published. Documentary evidence, whether in the form of survey data or any other documentation, must be up to date and current, and must have market relevance.

Clause 4.2.1 of Section II also cautions advertisers that advertisements should not contain any statement or visual presentation, which directly or by omission, ambiguity or exaggerated claim, is likely to mislead the consumer about the advertised product.

No monthly fees

The Complainant's concern rises from the fact that the Advertiser does charge a fee in a form of commission although indicating that there are no monthly fees chargeable. The Advertiser has indicated that it does not charge a monthly rate, but charges commission at a rate of 23% for every amount earned by a driver.

The question before the Directorate is therefore the relevance of the claim "There are no monthly fees" within the context of the advertisement at hand, where there is an invitation for car owners to use the Advertiser's taxi e-hailing app to earn a certain amount of money.

On one hand, it does appear to be true that there are no monthly fees. The Directorate are not clear on whether this is the industry norm, or whether other platforms charge a fee. A cursory search can find no evidence of such a fee being standard. See for example <https://millennialmoneyman.com/driving-for-uber/#driver-expenses>. It is also true that a reasonable person would expect that the platform would make money from the transaction. It would seem counter-intuitive to expect the platform to simply act as the middleman without making any money from the transaction.

On the other hand, on the evidence before the Directorate, it would appear that monthly fees are not standard, yet Bolt is claiming it as a special feature. This might lead the reader to conclude that the "monthly fees" referenced is the commission that other platforms charge.

This is not clarified through the use of an asterisk, a disclaimer, or a clear statement such as “commission only, no other charges”.

Given this, this, the Directorate is of the opinion that the Advertiser is using the claim “There are no monthly fees” is ambiguous and misleading within the context of the e-hailing business.

Based on the above, the claim “There are no monthly fees” is ambiguous and misleading and is therefore in breach of Clause 4.2.1 of Section II of the Code.

Around R30 000.00 a month and around R6 000.00 a week earnings

The Complainant is of the opinion that the advertisement is misleading as It is impossible for drivers to make up to R30 000 a month driving a taxi under the Advertiser’s banner. The Advertiser stated that it does not guarantee an income of R30 000.00 per month for its drivers, however there are drivers, who make use of the Advertiser’s e-hailing app, who do earn R30 000.00 per month.


The issue of “earn around” was dealt with by the Directorate where a similar complaint was raised in the matter of *Taxify – Thando Dube – 07-01-19 (19 February 2019)*, where it is stated “The Directorate noted that Advertiser’s undertaking to change the wording of the advertising from “earn R8000/week” to “earn around R8000/week”. The Directorate felt that this was substantially the same claim...”

The Directorate is of the view in the matter at hand that the claims in question implies that a Bolt taxi driver, working a reasonable amount of hours, would be able to earn up to R30 000.00 a month or up to R6 000 a week. The use of the word “around” makes it seem that this is a reasonably achievable goal, rather than an absolute top level achievement that has occasionally been reached.

The Code expects the Advertiser, when making such a claim, to have proof that a reasonable amount of its drivers are able to attain such a performance, working reasonable hours. In support of claims such as these, the ARB would expect to see either calculations as to how a Bolt taxi driver’s income is derived, or audited records of payments made to drivers as proof that most taxi drivers, whilst using the Advertiser’s e-hailing app, are able to earn an income in the vicinity of R30 000 a month or R6 000.00 a week, or similar support.

A Google search brought the following to light. On its Google ad, Bolt claims that one can earn up to R250 a day:

Ad · <https://partners.bolt.eu/> ▾
Become a Bolt driver - Earn around R250 per day
Receive orders from all over the city, 24/7, and make money on your schedule. Set your own schedule and be your own boss. Sign up and **drive with Bolt!** Get Approved
Fast. Fast and Affordable Rides. Get a Ride in Minutes. Get a Ride...



This is R7500 a month.

Other sources show other figures:

- <https://comoney.co.za/p/bolt-driver-salary-south-africa>. - R17 500 a month
- <https://moneygap.co.za/p/how-much-do-bolt-drivers-make-in-south-africa> - around R14 000

In light of this contradictory evidence, and in light of the failure of the Advertiser to provide substantiation, the Directorate has no basis on which to find that the claim is substantiated.

Based on the above, the claims “Earn around R30 000.00 a month” and “Earn around R6 000 a week” therefore appears to be misleading and unsubstantiated and are in breach of Clauses 4.1 and 4.2.1 of Section II.

Car ownership

The Complainant also have an issue with the fact that the Advertiser does not own a taxi fleet but rather relies on drivers to provide their own vehicles. On the other hand, the Advertiser has stated that it has not communicated in any way that it owns any vehicles.

The Directorate agrees with the Advertiser. Nothing in the advertising provided makes any claim or implication that the car will be provided to the driver. The Directorate considers that most South Africans are by now familiar with the basic premises of ehailing employment, and understand that the driver is expected to provide the car.

Based on the above, the Directorate is of the view that the advertisement is not in breach of Clause 4.2.1 of the Code in this respect.

Sanction

Members of the ARB are advised not to accept any advertisement from the Advertiser with the following claims:

- “no monthly fees” with no clarification
- “earn around R30 000 a month”
- “earn around R6000 a week”