



February 10, 2020

VIA EMAIL AND OVERNIGHT MAIL

James A. Kohm, Associate Director
John Andrew Singer, Attorney
Division of Enforcement
Bureau of Consumer Protection
Federal Trade Commission
Mail Stop CC-9528
600 Pennsylvania Ave. N.W.
Washington, D.C. 20580



Re: Savage X Fenty's Deceptive Advertising and Illegal Business Practices

Dear Mr. Kohm and Mr. Singer:

A recent Truth in Advertising, Inc. ("TINA.org") investigation into web-based lingerie company Savage X Fenty, which is a joint venture between by TechStyle, Inc. (f/k/a Just Fabulous, Inc.¹) and music icon Robyn Rihanna Fenty (aka Rihanna),² revealed that the company is engaged in deceptive marketing and illegal business practices.

Specifically, TINA.org's investigation revealed, among other things, that Savage X Fenty is violating the Restore Online Shoppers Confidence Act (ROSCA)³ and FTC law in numerous ways:

- It deceptively promotes discounts and product prices that are only available to consumers who are bound to the company's membership program without clearly and conspicuously disclosing this fact in its marketing materials;
- By default, the company enrolls consumers into a negative option offer known as the Xtra VIP Membership without clearly and conspicuously disclosing all the material terms and conditions, such as needing to take affirmative action every month to avoid recurring monthly charges;
- Savage X Fenty falsely tells consumers that monthly charges can be used as store credit "whenever" they want when, in reality, the company prohibits consumers

from using store credit unless they spend \$49.95 or more – a fact not disclosed in any of its marketing materials; and

- It employs dissuasion and diversion tactics so that consumers encounter unnecessary difficulty when trying to cancel their Savage X Fenty Xtra VIP Memberships.

In addition, the company uses social media influencer advertisements that fail to adequately disclose the influencers' material connections to the company.

Each of these deceptive acts and practices are explained below.⁴

A. Savage X Fenty Background

Savage X Fenty, which operates out of TechStyle, Inc.'s California headquarters and sells lingerie, bras, underwear, and sleepwear online, launched in May 2018⁵ and has been on the fast track to popularity ever since. It has been reported that the company's annual revenue is approaching \$150 million and that, as of August 2019, it had received approximately \$70 million in funding.⁶

Notwithstanding its success, the lingerie company has not gone without criticism. The company currently has a 1.5 out of 5 star rating on the BBB's website⁷ due to numerous customer complaints ranging from customer service issues to cancellation problems to reports of being charged without consent.⁸

In terms of marketing, Savage X Fenty predominantly advertises on social media platforms, including Instagram, Facebook, TikTok, and YouTube. In addition to advertising on its own social media pages, the company purchases Facebook and Instagram ads, and pays various social media influencers to market the company's products on their own personal accounts. The company also frequently sends consumers promotional newsletters.⁹

Not only does the company's own social media pages have large followings – Savage X Fenty's Instagram account has 2.5 million followers¹⁰ and its YouTube channel has 5.7 million views¹¹ – but co-founder Rihanna often posts Savage X Fenty ads to her more than 79 million Instagram followers.¹² By way of example, in August 2019, Rihanna posted an image of herself on Instagram wearing a lavender Savage X Fenty bra, which has more than 5.6 million likes,¹³ and in January 2020, she posted an image of herself wearing a red Savage X Fenty lingerie set, which currently has more than 5.1 million likes.¹⁴

B. Savage X Fenty's Deceptive Negative Option Offer

Savage X Fenty uses a negative option offer model on its website, which it both deceptively advertises and illegally conducts. Below is an explanation of the various points of deception present throughout the marketing and purchasing process.¹⁵

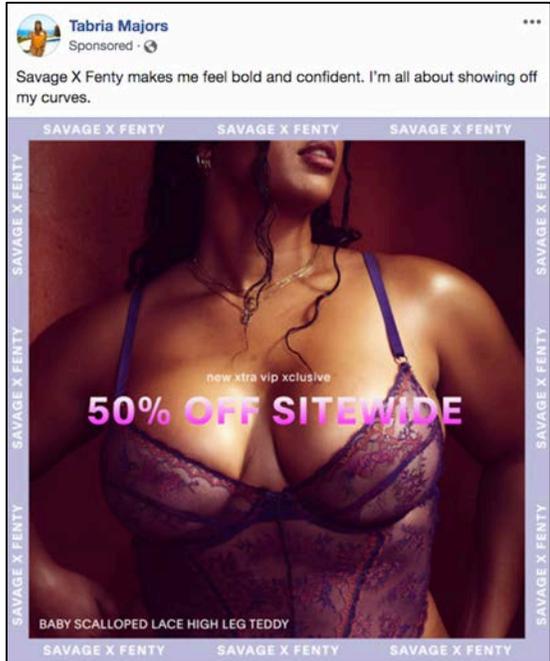
1) Point of Deception #1: Misleading Advertised Prices

Savage X Fenty advertisements promote prices and sales that are only available to consumers who are bound to the company’s Xtra VIP Membership, but it does not clearly and conspicuously disclose this fact.

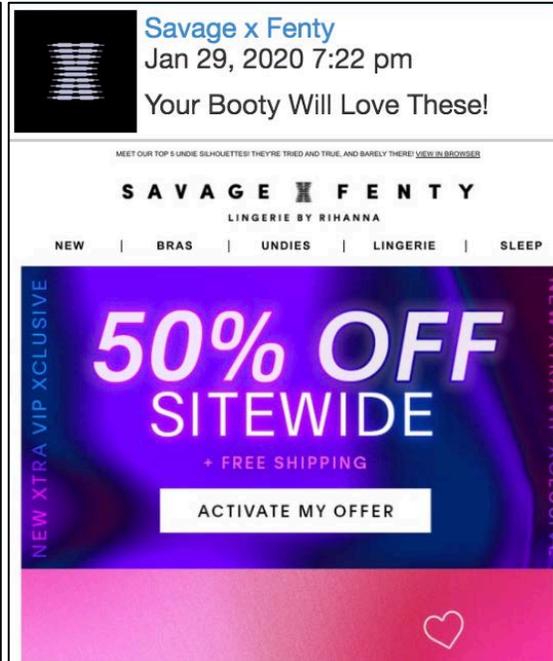
By way of example, the Savage X Fenty Instagram ad below, published as a story, promotes a \$25 bra and underwear set using a bold color text box to advertise the price. This price, however, is only available to new Xtra VIP Members, but the only indicator of this limitation is in a barely-legible, tiny, white font that states “New Xtra VIP Xclusive.” Combined with the fact that images featured as Instagram stories only stay on screens for a few seconds, there can be no question that such a disclosure is a far cry from meeting the “clear and conspicuous” standard for disclosing material information.



Similarly, other Savage X Fenty ads, such as the ones below, promote a “Sitewide” 50 percent off sale and prices that only apply to new Xtra VIP Members, but the only indicator of this limitation is, again, in small print that states “New Xtra VIP Xclusive” above or along the side of large, bold, all-caps print that states “50% OFF SITEWIDE.”



Sponsored Facebook Post



Savage X Fenty Newsletter

TINA.org’s sampling of marketing materials that deceptively advertise Savage X Fenty prices and sales is available at <https://www.truthinadvertising.org/savagexfenty-deceptive-pricing-database/>.

This sale-price marketing is deceptive as the material conditions for obtaining the offered price are inadequately disclosed, rendering the ads in violation of the FTC Act.¹⁶

2) Point of Deception #2: Unclear and Inconspicuous Negative Option Offer

Consumers whose interest has been piqued by the company’s advertisements may then visit its website – www.savagex.com – in order to browse the company’s products.¹⁷

There, the only prices of products shown in search results, such as on the Best Sellers page, are “VIP” prices.¹⁸

New Xtra VIP Xclusive: 50% Off Your First Purchase

XTRA VIP HOW IT WORKS

SAVAGE X FENTY LINGERIE BY RIHANNA

THE XTRA SHOP BEST SELLERS NEW BRAS UNDIES LINGERIE SLEEP RIHANNA SHOW

Search... SIGN IN

Best Sellers

50% Off Sitewide

New Xtra VIP Xclusive

30-DAY FIT GUARANTEE If you're not completely satisfied with your item, send it back within 30 days for FREE!

50% Off Sale / Best Sellers FILTER Size Color Fabric Collection Clear all

View All

Bras

Undies

Lingerie

Curvy



NEW VIP OFFER
\$13
Locket Down High Leg Bikini
More colors
★★★★☆

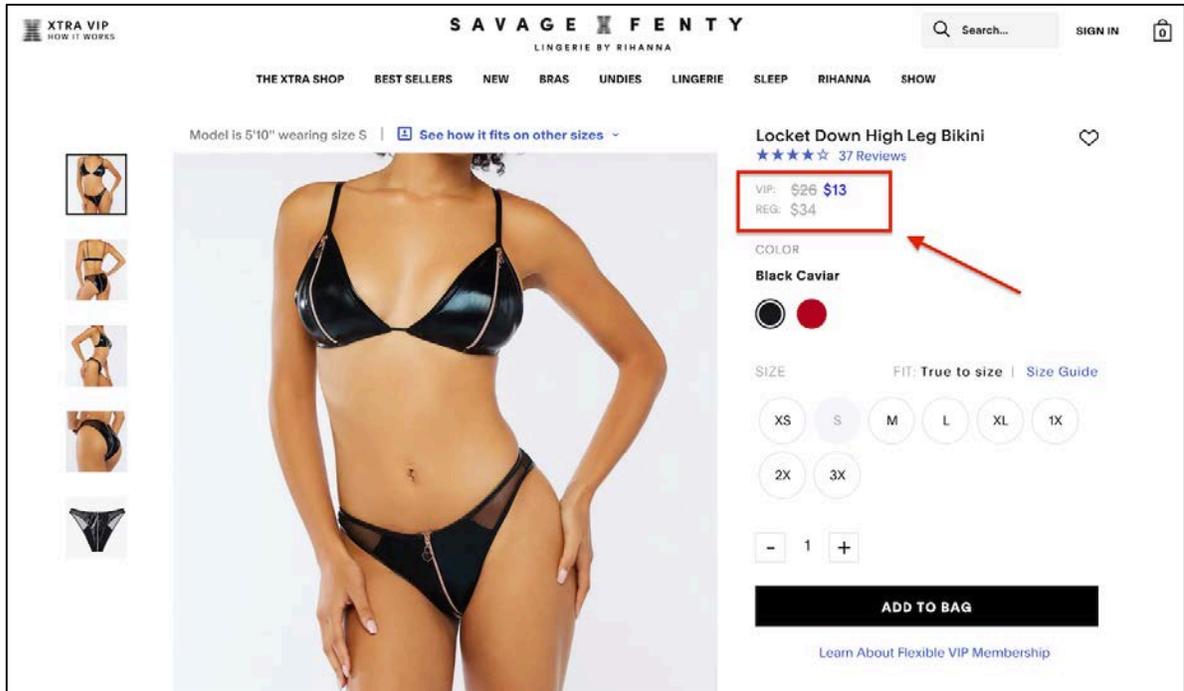


NEW VIP OFFER
\$19.50 or 2 for \$29
Locket Down Bralette
More colors
★★★★☆



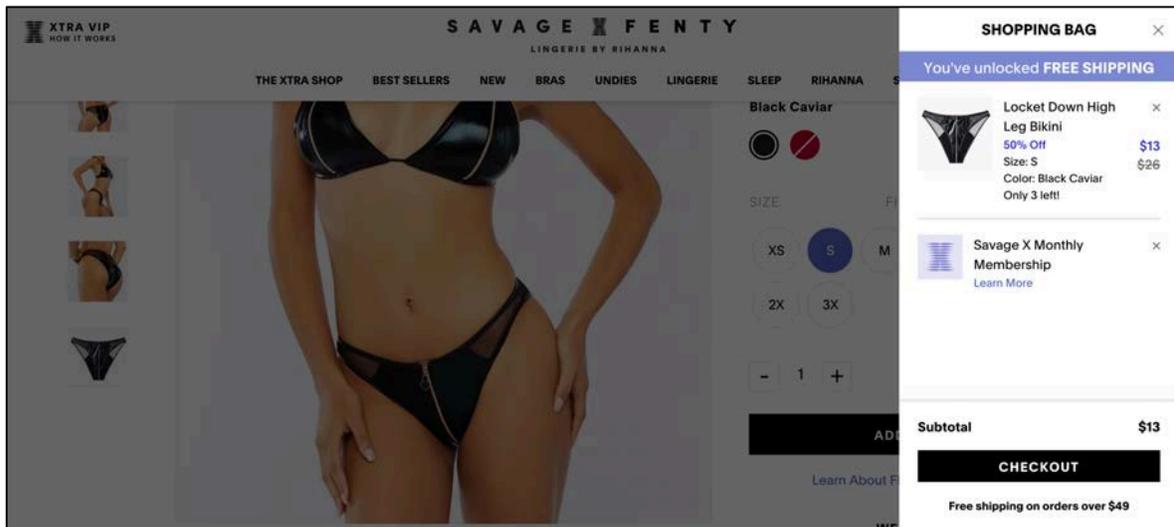
NEW VIP OFFER
\$10 or 2 for \$29
Savage X Bralette
More colors
★★★★☆

And on the individual product pages, the prices listed for each product, even for first-time visitors to the site who have not yet enrolled in any membership, is a “VIP” price; other prices are universally grayed out.¹⁹



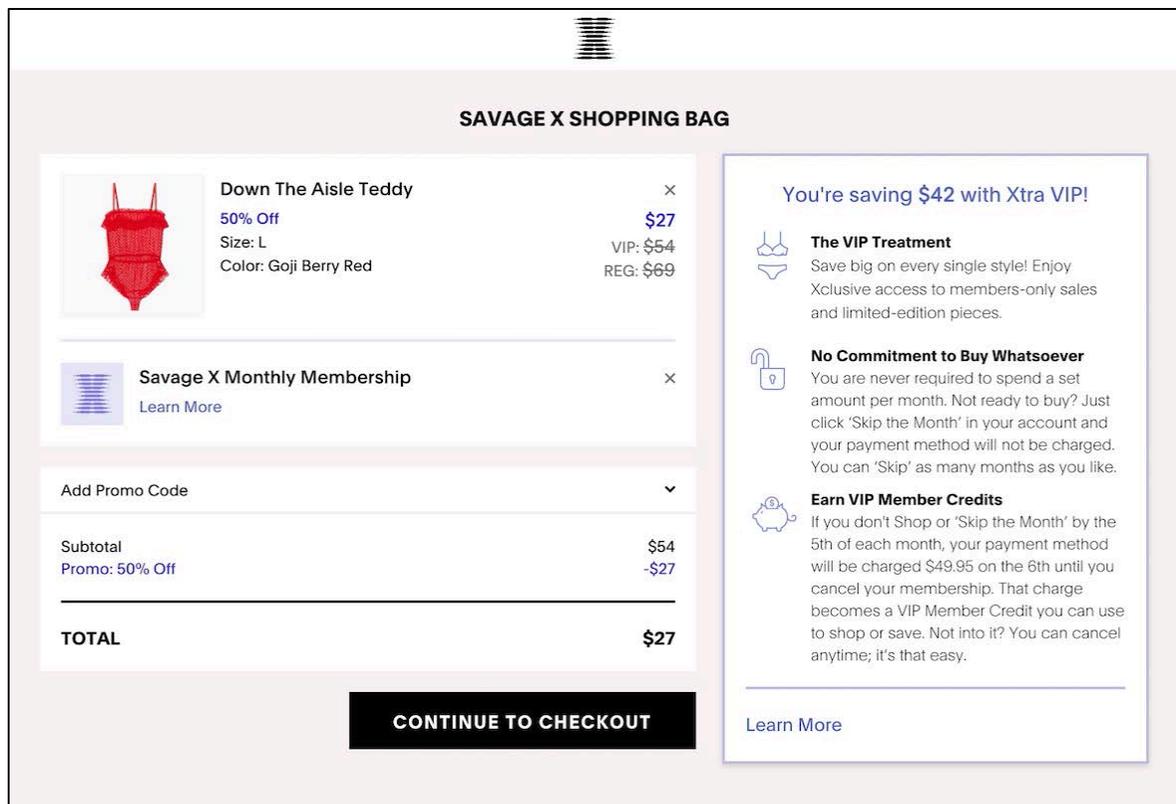
Red box and arrow added to image by TINA.org

Then, when adding an item(s) to the virtual Shopping Bag, the company automatically adds (without a consumer's affirmative consent) a "Savage X Monthly Membership" to the Shopping Bag without showing any price associated with that membership and displays a discount price for the item(s) in the bag.²⁰



Because no information about the "Savage X Monthly" membership is provided on the screen, consumers may be misled into believing that the membership is free with no strings attached. Further, consumers can easily click on "Checkout" without ever learning about the terms and conditions of the membership.

After clicking on “Checkout,” consumers are prompted to either sign-in or create an account.²¹ Irrespective of which option is selected, consumers arrive at the screen below, which still shows the Savage X Monthly Membership with no pricing information in the Shopping Bag. And, while information about the “VIP Treatment” is summarized – for the first time during this shopping process – on the right side of the screen – there are two significant problems: First, in the Shopping Bag, the company refers to the membership as a “Savage X Monthly Membership” rather than an “Xtra VIP!” membership and thus consumers may be misled to believe that the “Xtra VIP!” membership is different and its summarized terms do not apply to the item in the Shopping Bag. Second, even if consumers somehow understand that the term “Savage X Monthly Membership” is synonymous with the term “Xtra VIP!” membership,²² the actual monetary obligation of the membership is not mentioned until the third paragraph, after Savage X Fenty touts, in bold font, “**No Commitment to Buy Whatsoever.**”



Consumers who then click on “Continue to Checkout” are brought to the screen below where, again, there is no price associated with the Savage X Monthly Membership. Finally, only *after* a consumer inserts their shipping and payment information are they required to check a box accepting the terms and conditions of the “Xtra VIP Membership” (note - the box does not refer to a “Savage X Monthly Membership”), and the details are provided above the box in a smaller and different colored font. Consumers cannot place an order without accepting the terms and conditions of the Xtra VIP membership.

ORDER REVIEW

SHIPPING INFO

[Redacted]

United States [Edit Shipping](#)

Shipping method

<input checked="" type="radio"/> Standard (4 – 7 days)	FREE
<input type="radio"/> Express (2 – 3 days)	\$15

ORDER SUMMARY



Down The Aisle Teddy
50% Off \$27
Size: L VIP: \$54
Color: Goji Berry Red REG: \$69
Qty: 1

[Savage X Monthly Membership](#)
Learn More

PAYMENT INFO

[Redacted] [Edit Payment](#)

This order enrolls me in a paid VIP membership program. I acknowledge that my credit card will be charged \$49.95 for a member credit each month until I cancel if I do not "Skip the Month" or make a purchase between the 1st and 5th of the month. I can skip as many months as I want and can cancel my membership at anytime by calling 1-855-728-2439 (open 24/7).

I accept the **Terms and Conditions** of the Xtra VIP Membership.

Subtotal	\$54
Promo: 50% Off	-\$27
Shipping	FREE
Tax	\$1.71
TOTAL	
	\$28.71
Xtra VIP Savings: \$42	

“This order enrolls me in a paid VIP membership. I acknowledge that my credit card will be charged \$49.95 for a member credit each month until I cancel if I do not ‘Skip the Month’ or make a purchase between the 1st and 5th of the month. I can skip as many months as I want and can cancel my membership at anytime by calling 1-855-728-2439 (open 24/7).”

The summary of the Xtra VIP Membership terms presented at the end of the order process (with different terminology than that used in the Shopping Bag throughout the check-out process) does not appear to comply with the FTC’s “clear and conspicuous” disclosure requirements as countless consumers have complained about unwittingly being signed-up for Savage X Fenty’s negative option offer.²³ By way of example, the complaints below were posted to the BBB’s review page for Savage X Fenty in October 2019.²⁴

“I bought from this company once because of a sale, I did enjoy what I got. HOWEVER, WITHOUT MY KNOWLEDGE SAVAGEXFENTY USED MY DEBIT CARD INFORMATION TO SIGN ME UP FOR THEIR MONTHLY SUBSCRIPTION. this is a VIP package that costs \$49.95 a month. I did not want or authorize the making of this account for me. 5 months later (because I do not use my debit card often and don’t check transaction history often) I had 5 months and \$250 missing from my account. I never wanted this VIP package and never authorized SavagexFenty to sign me up for it.”

“I think their business model is extremely predatory. Why would I want \$50 charged to my account on a monthly basis for bras and panties that I have not even decided I want. They make it extremely difficult to cancel your account. Save yourself the trouble and do not purchase from Savage X Fenty. You will probably inadvertently sign up for this subscription where you are charged monthly.”

Similar consumer complaints also appear on Trustpilot.com. For example, the complaint below was posted in January 2020:²⁵

“I ordered two pieces back in the fall of 2019 and was prompted to sign up for a membership. I was led to believe that this was like any other store where you can get on their mailing list to receive news and discounts. I wanted to support Savage Fenty so I signed up. It turns out I had been enrolled in an extremely scammy VIP Membership. When I found out that I was broke for the past 3 months because \$50 was being taken out of my account each time and being converted to store credit, I tried calling and nobody would ever pick up....”

Consumers have also turned to the FTC with such complaints:²⁶

“It appears Rihanna’s lingerie is deceptively adding a \$50 per month VIP membership to shopping orders that is opt out and not clear to consumers when they’re making orders.”

“Savage X Fenty offers lingerie and sleepwear for women online through website. it seems the only way to get advertised sale prices is so sign up for monthly membership, or items are double the cost. i signed up because thought it was good deal but have felt nothing but frustration ... i had ... forgotten to SKIP monthly charge- they sign you up automatically for monthly membership and charge you monthly \$49.95 ...”

In short, it is clear that Savage X Fenty pushes consumers into a negative option offer without clearly and conspicuously disclosing all material terms and conditions, in violation of The Restore Online Shoppers’ Confidence Act (ROSCA), as well as the FTC’s general disclosure requirements for online marketing.²⁷

3) Point of Deception #3: Store Credit Limitation is Hidden

Thus far in the purchasing process, consumers are left completely in the dark about another critical term of the Xtra VIP Membership: Savage X Fenty significantly limits when consumers may use their accumulated unused store credits by only allowing them to use it if their purchase totals \$49.95 or more, despite having represented that consumers could use the funds as store credit “*whenever you want!*”²⁸

TINA.org was unable to find any Savage X Fenty marketing materials that disclose this fact. Prospective and current customers can only learn about this restriction if they read

the company's Terms of Service, which are only accessible by going to the very bottom of the Savage X Fenty homepage.²⁹

After accessing the Terms of Service, consumers must read through more than 700 words before arriving at the following language:

If you do not make a purchase and do not ‘Skip the Month’ by the 6th of each month, your payment method will be charged \$49.95 for a VIP Member Credit until you cancel. You may cancel your Xtra VIP Membership at any time by calling one of our customer service representatives at 1-855-728-2439. Each VIP Member Credit will be applied to your Account and can be redeemed with your next purchase of Savage X Fenty items (totaling \$49.95 or higher).³⁰

In other words, Savage X Fenty conceals – deep within a document that most of its customers will never read – the fact their store credit is not actually free to use “whenever” they want, but rather only when they spend \$49.95 or more. This deception is a clear violation of FTC law.³¹

4) Point of Deception #4: Difficulty Canceling Subscription

Countless consumers also report experiencing great difficulty when trying to cancel their Savage X Fenty Xtra VIP Memberships, which can only be done by calling the company despite the fact that joining the subscription service only takes the click of a button online.³² For example,³³

“When I called to cancel my account and get a refund, the customer service rep that I spoke with was unprofessional and refused to give me a refund. She kept saying I can just use the credit that I have and then call back to cancel or keep my membership and then set a reminder on my mobile phone to cancel it.” (1/11/20)

“I’ve tried to call and cancel my my [sic] membership that I didn’t even sign up for, and I still got charged for this month. When I call customer service I’m left on hold for 15 minutes...” (1/9/20)

“I have been trying to cancel my monthly subscription/membership for MONTHS. No response on live chats, no response through customer service. They keep charging me 50 dollars...” (1/9/20)

“...it took me 10 minutes of searching the website to fully understand how cancellation and skipping the month truly works...I’ve sat on hold for 20 minutes waiting to cancel my membership, for the 2nd time, after asking for my 2nd refund...” (12/14/19)

“I was first told by a representative that I would NOT be automatically charged at renewal and that I didn’t need to cancel. Then I was charged. I’m now on my 4th phone call to get the \$49.95 refunded back to me. The first 3 reps told me my

refund was being processed. Tonight I called again and was told there was no ‘refund button’...” (10/31/19)

“I canceled my account. 4 months later they charge [sic] me again and said I was still a VIP...I have to change my bank account...” (4/26/19)

No doubt the tactics used by Savage X Fenty customer service representatives, as reported by consumers, are employed to dissuade, or even prevent, VIP members from canceling so that Savage X Fenty may continue charging consumers on a monthly basis. This practice is in violation of the ROSCA.³⁴

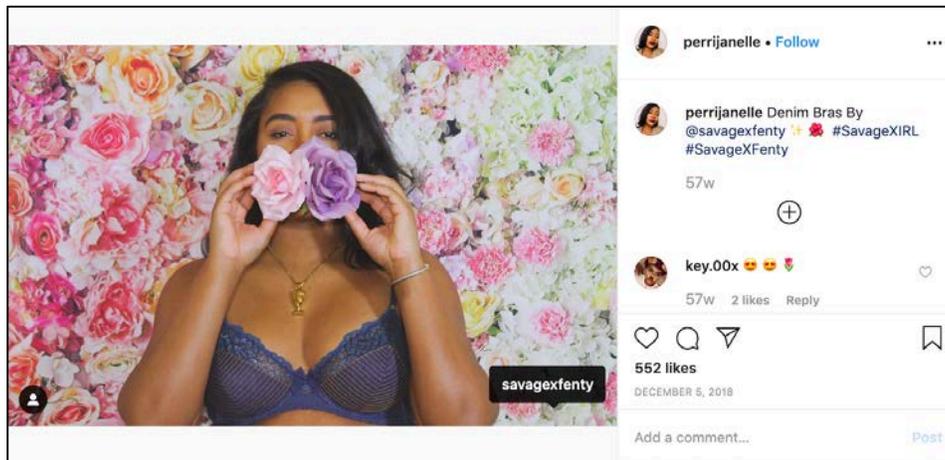
C. Deceptive Social Media Influencer Ads

In addition to the ROSCA violations,³⁵ many Savage X Fenty influencers are marketing its products without clearly and conspicuously disclosing their material connections to the company as required by FTC law. TINA.org has identified a sampling of 70 social media posts by 21 different influencers that deceptively advertise Savage X Fenty products. These posts do not have adequate disclosures of the influencers’ material connections to the company either by failing to include any disclosure at all, using inadequate and unclear language to disclose the relationship, or placing the disclosure in a place that will easily be overlooked by consumers.³⁶ Below are examples of each of these deceptive influencer marketing issues.

Example of a Savage X Fenty influencer ad that promotes the company without any disclosure of the influencer’s connection to the company:³⁷



Example of a Savage X Fenty influencer ad that promotes the company using unclear language (i.e., “#SavageXIRL”) in a presumed attempt to disclose the influencer’s connection to the company:³⁸



Example of a Savage X Fenty influencer ad that promotes the company but discloses the influencer’s material connection in a location that is easily overlooked by consumers:³⁹



TINA.org’s sampling of deceptive social media ads for Savage X Fenty is available at <https://www.truthinadvertising.org/savagexfenty-deceptive-influencer-marketing-database/>.

Conclusion

Savage X Fenty deceives consumers in a multitude of ways in order to persuade them to purchase lingerie. TINA.org urges the Federal Trade Commission to commence an investigation of the claims being made by Savage X Fenty, as well as the illegal business practices being employed by the company, and take appropriate enforcement action.

Sincerely,



Laura Smith, Esq.
Legal Director
Truth in Advertising, Inc.



Bonnie Patten, Esq.
Executive Director
Truth in Advertising, Inc.

Cc via email: Matt Fojut, General Counsel, TechStyle Fashion Group
Edward Shapiro, Reed Smith

¹ August 8, 2016 Amended Statement by Foreign Corporation,
<https://businesssearch.sos.ca.gov/Document/RetrievePDF?Id=03298857-21111074>.

Of note, TechStyle, Inc.’s co-founder and co-CEO Adam Goldenberg is no stranger to deceptive marketing or to the FTC. Among other things, he was also the co-founder and co-CEO of Intelligent Beauty, Inc., the parent company of Sensa Products LLC, which the FTC sued in 2014 for deceptively marketing the Sensa “sprinkle diet,” resulting in a \$46.5 million judgment and a permanent injunction. *See* <https://www.linkedin.com/in/adamgoldenbergla/>;
<https://techstylefashiongroup.com/about-us/leadership/>;
<https://www.ftc.gov/system/files/documents/cases/140107sensastip.pdf>.

² *See* <https://techstylefashiongroup.com/>; <https://www.wsj.com/articles/rihannas-lingerie-brand-savage-x-fenty-receives-50-million-in-fresh-funding-11566923431>.

³ 15 U.S.C. §§ 8401-8405.

⁴ Savage X Fenty’s deceptive acts and practices also violate a 2014 California Stipulated Judgment against TechStyle, Inc. (f/k/a JustFabulous, Inc.). Accordingly, TINA.org has also notified California District Attorneys of its Savage X Fenty findings.

⁵ <https://techstylefashiongroup.com/brand/savage-x-fenty/>; <https://shortyawards.com/11th/launch-of-savage-x-fenty-lingerie-by-rihanna>.

⁶ <https://www.wsj.com/articles/rihannas-lingerie-brand-savage-x-fenty-receives-50-million-in-fresh-funding-11566923431>.

⁷ <https://www.bbb.org/us/ca/el-segundo/profile/lingerie/savagexfenty-1216-889170>.

⁸ Hundreds of negative reviews about Savage X Fenty are also published on Trustpilot.com. *See* <https://www.trustpilot.com/review/www.savagex.com>.

⁹ <https://milled.com/savage-x-fenty>.

Of note, a review of the company’s daily email newsletters indicates that the company may, in addition to the numerous deceptive practices outlined in detail in this letter, be running perpetual – and therefore fabricated and deceptive – sales on their products for new Xtra VIP Members.

¹⁰ <https://www.instagram.com/savagexfenty/?hl=en>.

¹¹ https://www.youtube.com/channel/UCdxItH9HB_twzQu-22I2Fg/about.

¹² <https://www.instagram.com/badgalriri/?hl=en>.

¹³ <https://www.instagram.com/p/B0leRngHgze/>.

¹⁴ <https://www.instagram.com/p/B7PFWRGn0wY/>.

¹⁵ Many of the deceptive marketing and illegal business practices discussed in this complaint were similarly at issue in the FTC’s 2017 action against web-based lingerie company AdoreMe,

Inc., which resulted in a \$1.4 million stipulated judgment. *See FTC v. AdoreMe, Inc.*, S.D.N.Y., Nov. 11, 2017 Stipulated Judgment.

¹⁶ As the FTC has stated in its guidance to advertisers,

Your ads should clearly and conspicuously disclose all the information about an offer that is likely to affect a consumer's purchasing decision. Disclose the most important information - like the terms affecting the basic cost of the offer - near the advertised price. ... Information affecting the actual cost of an offer should be disclosed close to the advertised price – that is, on the same electronic page and next to the price. Advertisers should not use pop-up windows or hyperlinks to other electronic pages to display key cost information.

FTC: Big Print. Little Print. What's the Deal? How to Disclose the Details,
<https://www.ftc.gov/tips-advice/business-center/guidance/big-print-little-print-whats-deal>.

Furthermore, as part of the FTC's 2014 "Operation Full Disclosure," in which it sent warning letters to more than 60 companies that failed to make adequate disclosures in their television and print ads, the FTC highlighted that ads quoting the price of products without adequately disclosing the conditions for obtaining that price are deceptive. Operation 'Full Disclosure' Targets More Than 60 National Advertisers: FTC Initiative Aims to Improve Disclosures in Advertising, September 23, 2014, <https://www.ftc.gov/news-events/pressreleases/2014/09/operation-full-disclosure-targets-more-60-national-advertisers>.

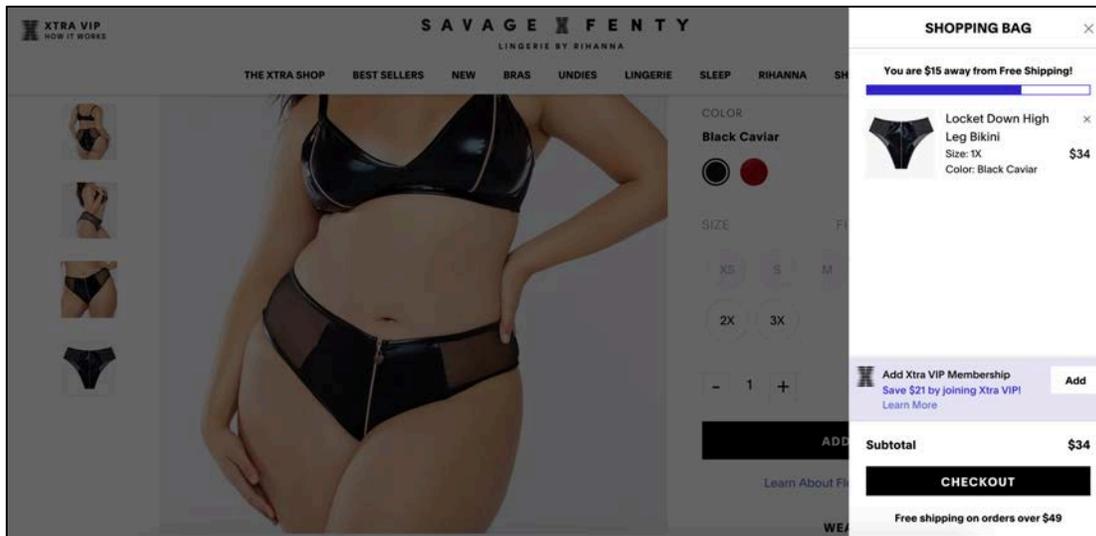
¹⁷ Savage X Fenty products are also sold on Amazon, which hosts an Amazon Original Savage X Fenty fashion/music show in addition to selling the products. *See* https://www.amazon.com/stores/node/19809802011?encoding=UTF8&field-lbr_brands_browse-bin=Savage%20X%20Fenty&ref_=w_bl_sl_l_ap_ap_web_19809802011; https://www.amazon.com/stores/page/E83DB84A-49D7-4FF4-840F-FFA5BBC1D968?ingress=0&visitId=c4f0ea7-d94d-419f-8e00-57afb9ab44f6&ref_=w_bl_sl_l_ap_ap_web_19809802011; https://www.amazon.com/Savage-X-Fenty-Show/dp/B07XGFM76B?ref_=ast_sto_dp.

¹⁸ <https://www.savagex.com/features/best-sellers>.

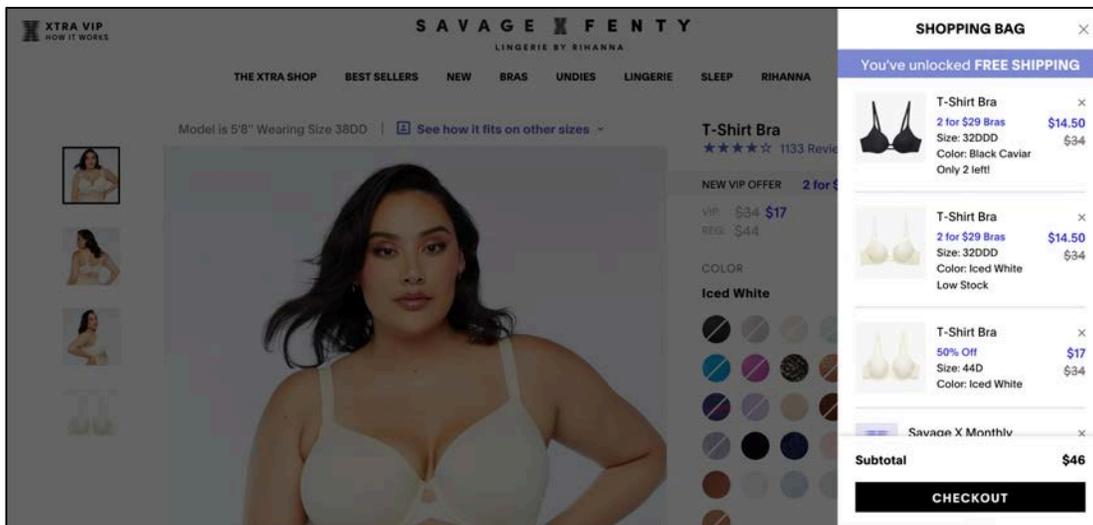
It is important to note that the language "New Xtra VIP Xclusive" is ambiguous as it does not clearly inform consumers that it is a membership requirement with financial obligations attached as opposed to Savage X Fenty simply deeming all of its customers important, or elite, "VIPs."

¹⁹ <https://www.savagex.com/shop/loket-down-high-leg-bikini-ud2037541-0001-9212158>.

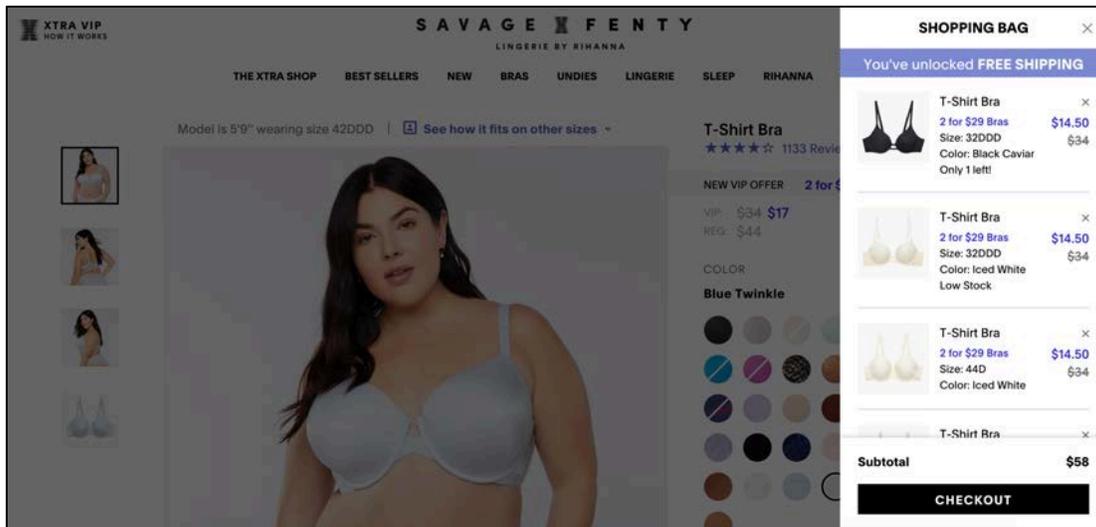
²⁰ Note that the "x" to the right side of each item in the Shopping Bag is clickable and, if clicked, the item corresponding to the "x" is removed from the Shopping Bag. So, a consumer who clicks on the "x" next to "Savage X Monthly Membership" will then see the membership option removed and the Shopping Bag will look like the image below, which, instead of including the membership in the bag, now states "Add Xtra VIP Membership Save \$21 by joining Xtra VIP!":



Further, it is important to note that if multiple items have been added to the Shopping Bag, the “Savage X Monthly Membership” is no longer visible on this screen:



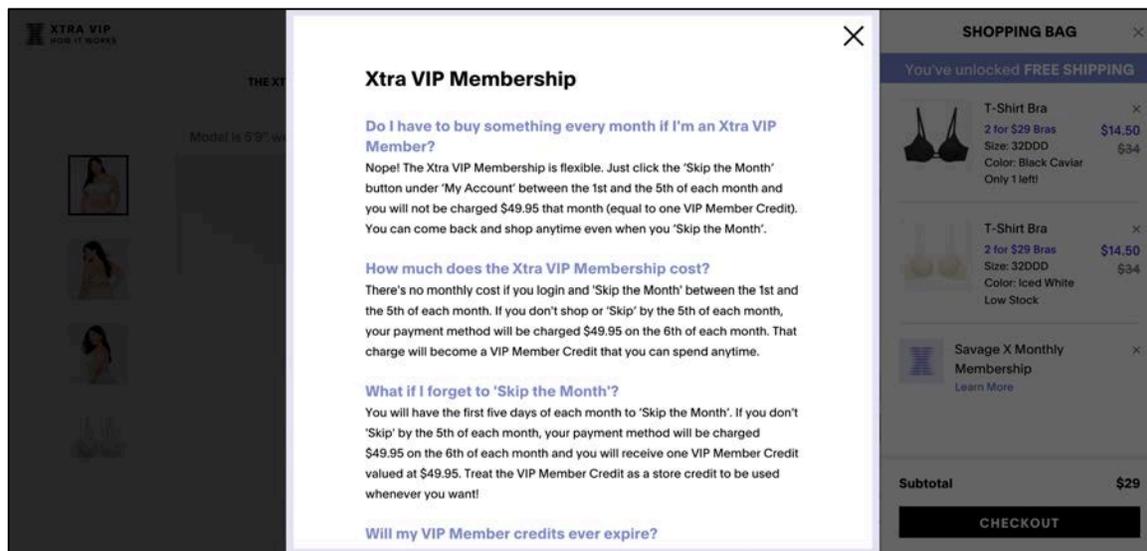
View with three items in the Shopping Bag



View with four items in the Shopping Bag

²¹ Upon information and belief, consumers who previously created an account on the JustFab website (also operated by TechStyle, Inc.) may be deemed as already having a Savage X Fenty account and will not be able to register as a new customer, but rather will have to login as a preexisting user.

²² If consumers click on “Learn More” beneath the “Savage X Monthly Membership” item in the Shopping Bag, the pop-up box shown below appears:



²³ This deception is exacerbated by the fact that consumers are not immediately charged for the monthly Xtra VIP Membership; the first charge to their credit or debit cards may come several weeks later, when their Savage X Fenty purchase is no longer on their minds.

²⁴ <https://www.bbb.org/us/ca/el-segundo/profile/lingerie/savagexfenty-1216-889170/customer-reviews>.

²⁵ <https://www.trustpilot.com/review/www.savagex.com>.

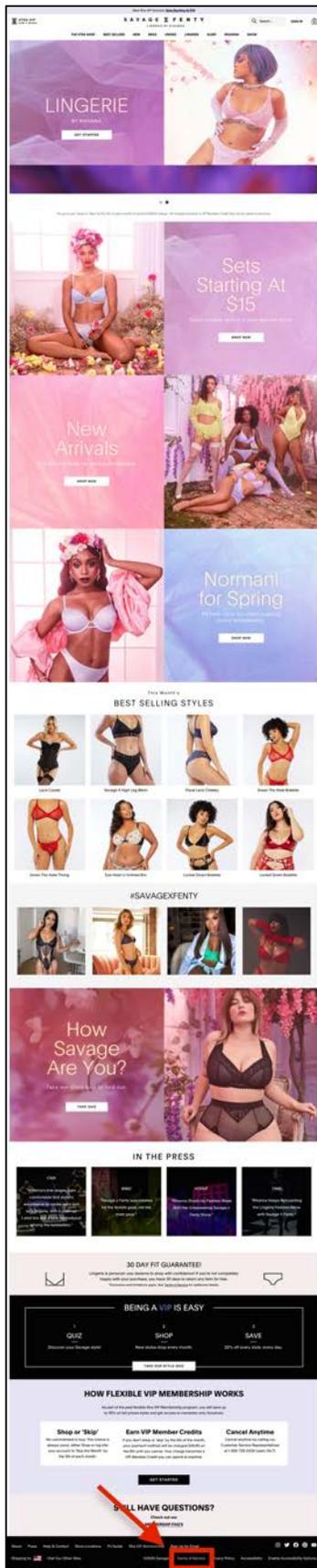
²⁶ TINA.org obtained consumer complaints filed with the FTC regarding Savage X Fenty by way of a FOIA request.

²⁷ Restore Online Shoppers' Confidence Act (ROSCA), 15 U.S.C. § 8403. ROSCA prohibits any person from charging or attempting to charge any consumer for goods or services sold on the Internet through any negative option offer, unless the person (1) provides text that clearly and conspicuously disclose all material terms of the transaction before obtaining the consumer's billing information; (2) obtains a consumer's express informed consent before charging the consumer's account; and (3) provides simple mechanisms for a consumer to stop recurring charges.

Tellingly, it has been reported that customers spend more with Savage X Fenty in a year after their first purchase than with the country's number one women's lingerie brand Victoria's Secret. *See* <https://www.wsj.com/articles/rihannas-lingerie-brand-savage-x-fenty-receives-50-million-in-fresh-funding-11566923431> ("Twelve months after making their first purchase at Savage X Fenty, customers had spent an average cumulative total of \$176.94, according to data from Second Measure. Victoria's Secret customers on average spend a total of \$103.57 over the same time, the data shows.").

²⁸ <https://www.savagex.com/xtrasavage>.

²⁹ Savage X Fenty homepage screen shot with Terms of Service highlighted:



³⁰ <https://www.savagex.com/termsandconditions> (emphasis in original).

³¹ In addition to this store credit issue, consumers have also reported their store credit disappearing, as well as not being able to use their store credit to purchase sale items. See <https://www.trustpilot.com/review/www.savagex.com>. Such reports include the following complaints, as reported on the Trustpilot website:

“...it turns out if you cancel your subscription before spending all of the credits then it just disappears.” (1/29/20)

“Horrible. Never received my money back on a return. Charged my account and wouldn’t let me access the ‘credit.’” (12/21/19)

“I unknowingly purchased your VIP service...and when I asked for a refund I was told it was not possible. I went back two months later to redeem the ~\$50 credit that I didn’t want in the first place only to find out that the VIP status I payed [sic] for wasn’t active anymore causing me to have to use the entire \$50 credit and more to cover the cost of something I thought would only be \$19...” (1/23/20)

“Being a VIP means no access to promos if you have any credit on your account. The credit is cash they took from your account. If you use the credit to pay for your purchase; then, you have to pay the full price.” (1/21/20)

“...after charging my card twice for the membership i decided to use the credit..if you use the credit you cannot partake in what ever promotion they have...” (1/15/20)

“I really wanted to love this ‘membership’ but when I tried to use my first \$50 credit at check out it said to choose between the sale price and my ‘credit’. I was not able to use this membership money that I’m paying for towards my order...” (1/12/20)

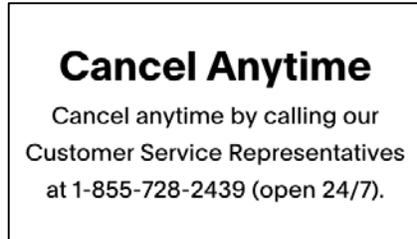
“...My BIGGEST gripe with them is that during their large sales (ie 50% off Black Friday), their fine print says that you are not able to use your VIP credits in combination with the sale. ... Instead you have to pay full price for items with your VIP credits...” (1/20/20)

“Once the money they steal from you turns into store credits they don’t let you use the store credits how you would like. You will always end up paying them even more money even though they tell you the store credits can be used on the next purchase. ...I have 99 dollars in store credits and I attempted to purchase 95 dollars worth of merchandise thinking I could pay it all with my store credit and probably just pay the fee, but they only applied 49 dollars of said store credit to my purchase...” (edit 1/24/20)

“We placed an order with Savage and in order the [sic] get the discounted prices, we signed up for the Savage membership. Shortly after that I received a credit to use at Savage. When I tried to use the credit, the prices were much higher for the same items that my daughter had picked out. Every time I tried to apply the credit, the discounted prices would default to the higher prices... practically making the discount worthless.” (1/3/20)

“...when I tried to use the credit it would only credit \$10 at a time as opposed to the full 49.95...” (12/19/19)

³² Savage X Fenty’s homepage – <https://www.savagex.com/> – states that membership cancellation is done over the phone (see screenshot below), while the company’s Terms of Use contains conflicting information about cancellation: in some places, the Terms indicate that membership cancellation is handled over the phone, while in other places, the Terms indicate that membership cancellation can also be done “online by logging into your account.” *See* <https://www.savagex.com/termsandconditions>. Consumer complaints to the BBB and Trustpilot consistently report needing to call to cancel their memberships and then experiencing great difficulty in trying to do so.

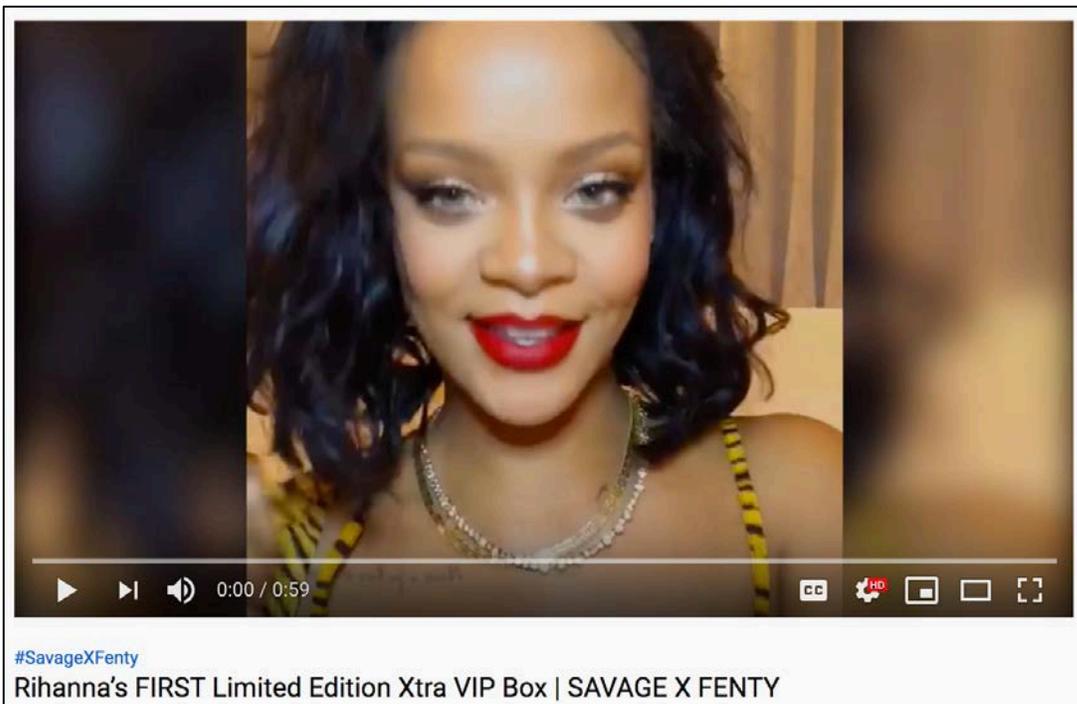


Screenshot from Savage X Fenty homepage

³³ <https://www.bbb.org/us/ca/el-segundo/profile/lingerie/savagexfenty-1216-889170/customer-reviews>.

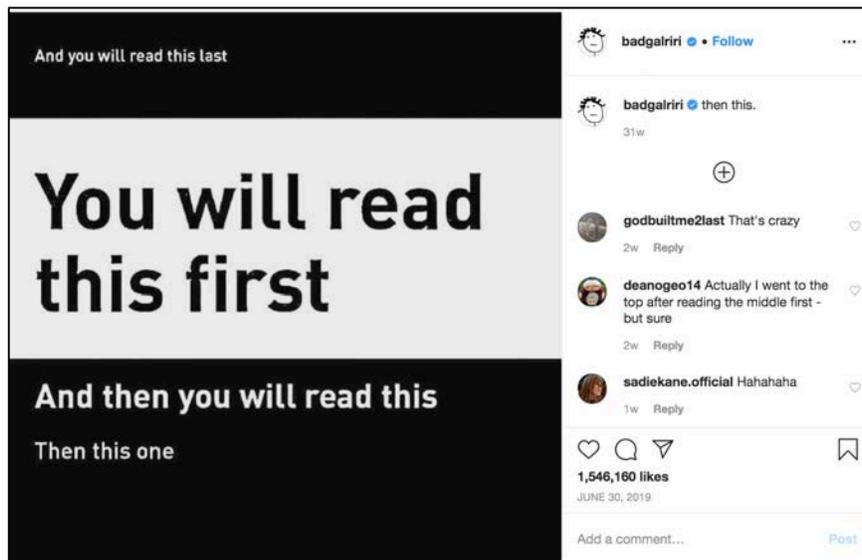
³⁴ ROSCA requires marketers of negative option offers to provide “simple mechanisms for a consumer to stop recurring charges.” 15 U.S.C. § 8403(3). In addition, in the FTC Division of Enforcement’s Report on Negative Options, the Commission instructs that marketers of negative options must clearly disclose how to cancel the offer in order to comply with Section 5 of the FTC Act. *See* Negative Options: A Report by the staff of the FTC’s Division of Enforcement, January 2009, <https://www.ftc.gov/sites/default/files/documents/reports/negative-options-federal-trade-commission-workshop-analyzing-negative-option-marketing-report-staff/p064202negative-optionreport.pdf>.

³⁵ Of note, the material terms of the membership offer, including the monthly obligations, are also omitted in social media marketing materials. For example, in a YouTube ad, brand founder Rihanna rallies her fans to become Savage X Fenty Xtra VIP Members by boasting the exclusive benefits of the membership – i.e., significant financial savings, access to Rihanna-handpicked items – without a single mention of any of the material conditions or limitations of the membership. *See* <https://www.youtube.com/watch?v=e72FAe3OG2k>.



“Hey guys, it’s Rihanna, and I’m here to announce a brand new treat from Savage X Fenty for my Xtra VIP Members only. It’s our VIP pack with a bunch of pieces that I hand selected...Now this is super duper limited in quantity of course. If you want in on this, you have to become a member for access because it’s Xtra VIP Members access only, OK! You can’t get into the VIP without passes. And it’s available only from the 1st to the 5th of every month. \$160 in a box comes to you for \$59.95. Tell me I’m not looking out for my girls.”

³⁶ Disclosure placement is an issue that Rihanna is familiar with, as evidenced by her June 30, 2019 Instagram post below:



<https://www.instagram.com/p/BzVsO1zHLkw/>.

³⁷ <https://www.instagram.com/p/BwUzmhkB2zQ/>. *See also* <https://www.instagram.com/p/B4sdQzolkWt/> (showing Cairo Gold on the Savage X Fenty Instagram page).

³⁸ <https://www.instagram.com/p/BrBAFyMhl0o/>. *See also* https://www.instagram.com/p/B4f_EKxFMtv/ (showing Perri Janelle on the Savage X Fenty Instagram page).

The FTC advises social media influencers to use “simple and clear language,” such as “advertisement,” “ad,” and “sponsored,” rather than “vague or confusing terms like ‘sp,’ ‘spon,’ or ‘collab,’” and to “stay away from other abbreviations and shorthand when possible.” *See* FTC: Disclosures 101 for Social Media Influencers, https://www.ftc.gov/system/files/documents/plain-language/1001a-influencer-guide-508_1.pdf.

³⁹ <https://www.instagram.com/p/B38UYKFgil2/>.

The FTC cautions that “[d]isclosures are likely to be missed if they appear ... at the end of posts or videos, or anywhere that requires a person to click MORE.” *See* FTC: Disclosures 101 for Social Media Influencers, https://www.ftc.gov/system/files/documents/plain-language/1001a-influencer-guide-508_1.pdf. Thus, several of the Savage X Fenty influencer posts in TINA.org’s database include #SavageXAmbassador or similar disclosures in the post caption but in a location that, when viewed on a mobile device in an Instagram feed, would likely be “below the fold,” i.e., not visible without clicking “more.”