

Case #7369 (06/18/2025)
Samsung Electronics North America
Bespoke Refrigerators
Challenger: National Advertising Division
Product Type: Appliances
Issues: Disclosure; Endorsements; Environmental Claims;
Implied Claims / Consumer Perception; Performance Claims; Product Description
Disposition: Modified / Discontinued

BBB NATIONAL PROGRAMS

NATIONAL ADVERTISING DIVISION

National Advertising Division,
Challenger,

Samsung Electronics North
America,
Advertiser.

Case No. 7369
Closed 06/18/2025

FINAL DECISION

- **Artificial intelligence tools are quickly developing and being released into the market and often involve claims that consumers cannot evaluate for themselves, providing an opportunity for NAD to monitor and evaluate emerging issues important to consumers and the advertising industry.**

I. Basis of Inquiry

The advertising industry established the National Advertising Division (“NAD”) and the National Advertising Review Board (“NARB”) in 1971 as an independent system of self-regulation designed to build consumer trust in advertising. NAD reviews national advertising in all media in response to third-party challenges or through inquiries opened on its own initiative. Its decisions set consistent standards for advertising truth and accuracy, delivering meaningful protection to consumers and leveling the playing field for business. As part of its routine, ongoing monitoring program, NAD inquired about certain express and implied claims made by Samsung Electronics North America (“Samsung” or “Advertiser”) for its Bespoke Refrigerators, with a particular focus on Samsung’s claims related to artificial intelligence (“AI”).

The following are representative of the claims that served as the basis for this inquiry:

A. Express Claims

- AI Vision Inside™ smart management system automatically recognizes and manages ingredients inside the fridge.
- AI Vision Inside™: Automatically recognizes what’s in your fridge, so you always know what’s inside.

- Always know what's in your fridge. AI Vision Inside™ recognizes what's in your fridge.
- Samsung's Family Hub™ lets you see inside your refrigerator.
- Take inventory of your Samsung smart fridge by seeing what's inside from your phone, or swipe or tap the screen.
- The industry's smartest fridge.
- Get smart energy savings of up to 10%. SmartThings Energy lets you monitor and manage your refrigerator's power usage. Reduce your energy use by up to 10% with AI Energy mode, all from your phone.
- Helps you use up to 10% less household energy. SmartThings AI Energy Mode helps you reduce your energy consumption, saving you money.
- Eco-friendly and energy efficient.
- Get smart energy savings of up to 15%.
- Reviews: 4.5 Overall Rating
- Reviews: 4.6 Overall Rating

B. Implied Claims

- AI Vision recognizes most or all products in the refrigerator.
- Consumers do not need to take any steps for AI Vision to recognize most or all products in the refrigerator.
- AI Vision recognizes products in all areas of the refrigerator with no material limitations.
- All Family Hub products have AI Vision.
- Products with Family Hub™ have the same features as AI Family Hub™+.
- All Family Hub products have the same AI features and have more AI features than any other Samsung refrigerator or competitive refrigerator on the market.
- Bespoke 4-Door Flex™ Refrigerator with AI Family Hub™+ and AI Vision Inside™ has more AI features than any other Samsung refrigerator or competitive refrigerator on the market.
- AI Energy Mode is a feature built into these products.
- Overall rating of 4.5/4.6 reflects the average rating by consumers, whether or not reviews were incentivized. Incentivized reviews do not materially impact the average of non-incentivized reviews.

Discontinued or Modified Claims

- AI Vision Inside™ smart management system automatically recognizes and manages ingredients inside the fridge.
- AI Vision Inside™: Automatically recognizes what's in your fridge, so you always know what's inside.
- Always know what's in your fridge. AI Vision Inside™ recognizes what's in your fridge.
- Helps you use up to 10% less household energy.
- Get smart energy savings of up to 15%.
- Eco-friendly

II. Evidence Presented

- Summary of AI Vision Inside Testing
- Samsung Electronics Co., Ltd. Third-Party Test Report on Energy Savings Effect of the Refrigerator AI Saving Mode – Household Refrigerator and Declaration of Samsung Electronics Co., Ltd. in support of AI Energy Mode
- Internal comparison charts of “smart” features

- Content Moderation Guidelines: Samsung Best Practices (July 2024) and Sample Review Request Email
- Declaration in support of Ratings & Reviews policy

III. Decision

A. Introduction and Standard of Review

Advertisers must possess a “reasonable basis” for claims disseminated in advertising.¹ What constitutes a “reasonable basis” depends on several factors, including the type of product, the type of claim, the consumer benefit from a truthful claim, the ease of developing substantiation for the claim, the consequences of a false claim, and the amount of substantiation experts in the field believe is reasonable.²

Artificial intelligence tools are quickly developing and being released into the market and often involve claims that consumers cannot evaluate for themselves, providing an opportunity for NAD to monitor and evaluate emerging issues important to consumers and the advertising industry. Consumers are becoming increasingly interested in AI products, and claims about a company’s AI technology are important to consumers. As the Federal Trade Commission (“FTC”) has made clear, claims around AI are subject to the same truth in advertising and consumer protection standards as all other product claims.³ Specifically, the FTC reminds companies that “performance claims would be deceptive if they lack scientific support or if they apply only to certain types of users or under certain conditions,” and claims that a product is “AI-enabled” or superior to non-AI products must also be supported.⁴

NAD also has long held that while a company can tout its technological advances and innovation, those claims must be truthful, accurate, and not misleading.⁵ In the rapidly evolving AI marketplace, where consumers may not be able to evaluate the basis of claims for themselves, access to truthful and non-misleading advertising from companies becomes even more essential.⁶

When evaluating testing for product claims, NAD looks to the industry standard test methodology and whether the testing conditions are consistent with ordinary consumer use.⁷ Although industry standard tests are preferable, NAD recognizes that standard tests may not be available when dealing with emerging technologies and NAD has accepted proprietary test results under certain conditions.⁸

¹ *Guardian Technologies, LLC (GermGuardian and PureGuardian Air Purifiers and Replacement Filters)*, Report #6319, NAD/CARU Case Reports (November 2019).

² *Pfizer Inc.*, 81 F.T.C. 23 (1972); see also FTC, *Policy Statement Regarding Advertising Substantiation* (Nov. 23, 1984), <https://www.ftc.gov/public-statements/1984/11/ftc-policy-statement-regarding-advertising-substantiation>.

³ <https://www.ftc.gov/business-guidance/blog/2023/02/keep-your-ai-claims-check>, last visited January 27, 2025.

⁴ *Id.*

⁵ *ecobee Inc. (Smart Thermostats)*, Report #6126, NAD/CARU Case Reports (October 2017).

⁶ *Google, LLC (Google Gemini)*, Report #7295, NAD/CARU Case Reports (September 2024) (“In the emerging “AI era” technology is improving rapidly and the promotion of the technology changes just as quickly. It is crucial that consumers—including both end-users and sophisticated developers—receive truthful and accurate information concerning this technology.”).

⁷ *The Procter & Gamble Company (Tide Pods)*, Report #6270, NAD/CARU Case Reports (April 2019).

⁸ *Diversey, Inc. (Cryovac Reusable Storage Bags)*, Report #6179, NAD/CARU Case Reports (April 2018).

It is well- established that advertising claim substantiation evidence is not required to be perfect.⁹ Nonetheless, the test results must be a good fit and provide a reasonable basis for the claims.¹⁰

In reviewing advertising messages, NAD reviews the overall net impression created by the advertisement.¹¹ An Advertiser is responsible for substantiating all messages reasonably conveyed by their advertising, not just those they intended to convey.¹² In the absence of reliable consumer perception evidence, NAD uses its own expertise to step into the shoes of the reasonable consumer to determine the messages reasonably conveyed by the advertising being reviewed.¹³

B. Factual Background

Samsung is a global producer of consumer electronics products, including kitchen appliances such as refrigerators. Samsung has a subline of products that allows for customization called the “Bespoke” line of products, launched in 2019. Since 2016, Samsung has sold various home appliances, including refrigerators, that have contained “smart” technology. The “smart” technology allows consumers to connect their devices to the “SmartThings” app on their phone.¹⁴ The refrigerators with this technology are part of the “Family Hub™” line. More recently, Samsung has introduced refrigerators that include AI features, first including an AI Energy Mode feature and later introducing AI Vision Inside in a small number of refrigerators. The refrigerators with AI Vision Inside are part of the “AI Family Hub+™” line, launched in 2024.

NAD’s inquiry focused on advertising that appears on various pages of Samsung’s website – including product pages and pages summarizing the Bespoke sublines and Family Hub technology features. On the Bespoke subpage, Samsung highlights its “Bespoke AI” line of products, which it describes as the latest offering by the brand within the Bespoke subline. On the Family Hub page, Samsung features descriptions of the Family Hub and the AI Family Hub+ sublines of refrigerators.

The Family Hub refrigerators contain “View Inside” technology, which refers to cameras within the main cavity of the refrigerator that allow consumers to see inside the refrigerator with the door closed or from the SmartThings app when they are not at home. These refrigerators also have access to SmartThings Energy Mode (or “AI Energy Mode”) in the SmartThings app, a feature that Samsung touts as allowing consumers to use AI to help predict and manage energy costs.

Samsung’s next generation of smart refrigerators is the AI Family Hub+ subline, which contains additional AI features. These refrigerators have a Neuro Processing Unit built into the refrigerator, along with machine learning capabilities built into the SmartThings app, that provide greater AI functionality. These refrigerators have both AI Energy Mode and AI Vision Inside. AI Vision Inside utilizes an overhead camera that tracks what consumers put into and remove from the main cavity of

⁹ *Id.*

¹⁰ *Id.*; see also *The Procter & Gamble Company (Tide Pods)*, *supra* note 7.

¹¹ *4Patriots LLC (Long-Term Survival Food Kits)*, Report #7033, NAD/CARU Case Reports (January 2022).

¹² *Georgia-Pacific Consumer Products LP (Quilted Northern Ultra Soft & Strong Bathroom Tissue)*, Report #7018, NAD/CARU Case Reports (September 2021); see also *The Procter & Gamble Company (Tide Pods)*, *supra* note 7.

¹³ See *Georgia-Pacific Consumer Products LP (Quilted Northern Ultra Soft & Strong Bathroom Tissue)*, *id.*

¹⁴ The SmartThings app is available from the Galaxy Store, Google Play Store or Apple App Store and enables consumers to manage a wide range of Samsung devices from their phone.

the refrigerator, allowing consumers to view and track the refrigerator's contents on the SmartThings app, with certain limitations.

Samsung makes a broad claim that it has “The industry’s smartest fridge,” a reference to the connectivity of its refrigerators to the SmartThings app and the screen on the front of all the Family Hub and AI Family Hub+ refrigerators. This claim is often used in close proximity to claims about Samsung’s AI technology throughout Samsung’s website, specifically on the Bespoke and Family Hub subpages and on product pages for AI Family Hub+ refrigerators.

Like many consumer product websites, the individual product pages of Samsung’s website contain consumer reviews and average ratings. The consumer reviews are marked with an “Incentivized Review” badge when the review is part of a program to solicit reviews while offering an incentive to consumers. Samsung ran many such programs at the launch of its AI Family Hub+ refrigerators to populate the consumer review section of its website. The reviews are monitored by a third-party service provider.

C. Analysis of Express and Implied Claims

1. AI Vision Inside

Samsung’s advertising for AI Vision Inside includes claims that consumers are able to “always” know what food products are inside the refrigerator. Samsung’s advertising also provides that the “smart” system “automatically” recognizes what is in a consumer’s refrigerator and manages the ingredients inside the refrigerator. These claims appear throughout Samsung’s website in various iterations, including on the product page for its Bespoke 4-Door Flex™ Refrigerator with AI Family Hub+ and AI Vision Inside.¹⁵ The AI Vision Inside claim is located at the top of the product page, in a section called “Key Features” and further down on the page with a video demonstrating the technology. The text claims contain a footnote to a small disclosure at the bottom of the page providing what select food items, such as fresh fruits and vegetables, AI Vision Inside can recognize.

NAD also considered three implied claims that derive from the express claims. In the absence of consumer perception surveys, NAD steps into the shoes of the consumer to determine the messages reasonably conveyed by the advertising.¹⁶ NAD found that using language like “always” and “automatically”¹⁷ to describe what consumers can expect when using the AI Vision Inside technology conveys the message that there are no material limitations on AI Vision Inside. Samsung’s express claim that the refrigerator with AI Vision Inside “always knows” what is inside the refrigerator is a broad claim about AI Vision Inside’s ability to recognize and record the products being put into the refrigerator. “Always knows” also conveys the message that there are no limitations on the number,

¹⁵ There are four versions of this refrigerator: (1) Bespoke Counter Depth 4-Door Flex™ Refrigerator (23 cu. ft.) with AI Family Hub™+ and AI Vision Inside™ in White Glass, (2) Bespoke 23 cu. ft. Counter Depth 4-Door Flex™ Refrigerator with AI Family Hub™+ & AI Vision Inside™ in Stainless Steel, (3) Bespoke 4-Door Flex™ Refrigerator (29 cu. ft.) with AI Family Hub™+ and AI Vision Inside™ in White Glass, and (4) Bespoke 4-Door Flex™ Refrigerator (29 cu. ft.) with AI Family Hub™+ and AI Vision Inside™ in Stainless Steel.

¹⁶ See *Georgia-Pacific Consumer Products LP (Quilted Northern Ultra Soft & Strong Bathroom Tissue)*, *supra* note 13.

¹⁷ Based on the dictionary definitions of these terms, “always” means “every time or all the time” and “automatically” means “independently, without human control.” See <https://dictionary.cambridge.org/us/dictionary/english/> (last visited April 14, 2025).

type, or location of products recognized, and that all (or a much more substantial number of) items are recognized across product and packaged food categories.

Samsung's statement that AI Vision Inside "automatically recognizes what's in your fridge" is a broad claim that communicates that human or manual steps are not necessary for the technology to work. "Automatically recognizes" also conveys the message that consumers do not need to take additional steps for AI Vision Inside to recognize most or all products, including packaged fresh and non-fresh food items. In addition, the "automatically recognizes" language conveys the message that AI Vision Inside recognizes products in all areas of the refrigerator, including doors and compartments, with no material limitations.

In response to NAD's inquiry, Samsung provided background and testing summaries describing how AI Vision Inside works. Samsung explained that the refrigerators include a specialized chip in the application processor called a Neuro Processing Unit or AI Chip. This AI Chip is built into the refrigerator itself, but at least some of the AI processing capabilities are from the SmartThings app, which consumers can access from Family Hub panel on the front of the refrigerator or through the SmartThings app on their phone.

Samsung explained that the AI Chip captures and processes images from an internal camera positioned at the top of the refrigerator once the refrigerator doors are opened. Currently, the camera can identify 37 food items as the items go in and out of the main cavity of the refrigerator. In addition, Samsung explained that AI Vision Inside recognizes fresh foods, such as fruits, vegetables, eggs, and meats, but that items must be in clear, transparent or no packaging to be recognized. These recognized food items, along with others which can be manually entered, are listed and can be managed on the Family Hub panel and the SmartThings app. Samsung explained that it conducted two internal tests to validate how well the AI Vision Inside technology recognizes those 37 food items.¹⁸

During the pendency of the inquiry, Samsung voluntarily agreed to permanently modify its express claims about AI Vision Inside to discontinue claims that AI Vision Inside can "always" and "automatically" recognize all food items inside the refrigerator. Samsung also voluntarily agreed to permanently modify these claims to more clearly disclose the functionality of the feature, including more prominent language identifying the number and type of food recognized. NAD did not review these claims on their merits. The voluntarily modified and discontinued claims will be treated, for compliance purposes, as though NAD recommended their modification or discontinuation and the Advertiser agreed to comply.

2. View Inside

Samsung offers View Inside technology in certain Family Hub refrigerators, such as the Bespoke 3-Door French Door Refrigerator with Top Left and Family Hub Panel.¹⁹ On the product page for this

¹⁸ According to Samsung, its testing included approximately three dozen fresh foods, including meat, eggs and fruits and vegetables, including: apples, avocado, banana, blueberry, broccoli, cabbage, carrot, cherry, corn, cucumber, eggplant, garlic, grape, kiwi, lemon, lettuce, mango, meat, melon, onion, orange, paprika, pear, pineapple, plum, potato, scallion, spinach, strawberry, tomato, watermelon and zucchini.

¹⁹ There are four versions of this refrigerator being sold: Bespoke 3-Door French Door Refrigerator (30 cu. ft.) – with Top Left and Family Hub™ Panel in White Glass - and Matte Grey Glass Bottom Door Panel, Bespoke 3-Door French Door Refrigerator (24 cu. ft.) – with Top Left and Family Hub™ Panel in White Glass - and Matte

refrigerator, Samsung claims that the cameras let you “see inside your refrigerator.” A similar claim about View Inside is made on the Family Hub subpage, telling consumers that Family Hub allows them to “take inventory... by seeing what’s inside.” This claim is often made in close proximity to references to AI Family Hub+ and AI Vision Inside claims. Given the location of these claims, a reasonable consumer takeaway is that View Inside and AI Vision Inside, and similarly Family Hub and AI Family Hub+, have the same or similar AI features.

Samsung explained that prior to the launch of AI Vision Inside, Samsung’s Family Hub refrigerators, which are still sold, focused on the View Inside camera technology. These Family Hub refrigerators are equipped with a non-AI camera that allows consumers to see an image of what is inside the refrigerator from either the SmartThings phone app or the front panel of the refrigerator. These refrigerators do not contain AI Vision Inside. The cameras are located on the center refrigerator door flap hinge – one at each of three shelf levels (top, middle, and bottom). The View Inside cameras do not show items in the door of the refrigerator. Samsung argued that consumers understand that Samsung’s broad “take inventory” and “see inside your refrigerator” language only applies to items in the main cavity of the refrigerator. NAD concluded that this broad language conveys the message that there are no limitations on what consumers could see inside the refrigerator.

During the pendency of the inquiry, Samsung voluntarily agreed to permanently modify its advertising to more clearly disclose the functionality of the feature and to avoid conveying the message that all of the Family Hub subline of refrigerators use AI. NAD did not review these claims on their merits. The permanently modified claims will be treated, for compliance purposes, as though NAD recommended their modification and the Advertiser agreed to comply.

3. Industry’s Smartest

Samsung’s advertising states that it has “The industry’s smartest fridge” (or “The industry’s smartest refrigerator” in some places) on various product pages, including the product page for the 4-Door Flex™ Refrigerator with AI Family Hub+ and AI Vision Inside, right above a reference to AI Family Hub+. The “smartest fridge” claim is used at the top of the Family Hub subpage, right above a reference to Family Hub and in close proximity to a description of AI Family Hub+. NAD found that the use of the word “smartest” in close proximity to claims about AI conveys the message that “smartest” includes AI features.

Samsung argued that the term “smart” refers to connected technology generally, not AI specifically, and that consumers are familiar with the term in that context. In addition, Samsung argued that the claim is supported because Family Hub™ refrigerators are “smart” and allow consumers to connect their appliances to the SmartThings app and built-in SmartThings Hub on the outside of the refrigerator door. Samsung also explained that each Family Hub refrigerator featured on its website indicates in the product name whether or not it includes AI features.

Grey Glass Bottom Door Panel, Bespoke 3-Door French Door Refrigerator (24 cu. ft.) – with Family Hub™ Panel in Charcoal Glass – (with Customizable Door Panel Colors) in Charcoal Glass, and Bespoke 3-Door French Door Refrigerator (30 cu. ft.) – with Family Hub™ in Charcoal Glass.

It is well settled that superiority claims must be supported by current data and regularly updated information to ensure continued accuracy.²⁰ In support of the claim, Samsung offered two charts summarizing the “smart” characteristics of its refrigerators, as well as other appliances, but the charts do not compare AI features.

The first chart compared the features of several major brands of refrigerators, and the second chart listed the “smart” features of Samsung’s Family Hub refrigerators. Samsung asserted that it is unique in offering a single app solution (SmartThings app) and having the only refrigerators with a smart display built into the door of the refrigerator itself (SmartThings Hub). Although Samsung acknowledged that the term “smartest” could have multiple interpretations, it argued that the claim is also true with respect to AI features. NAD found that the charts did not establish that Samsung has the most AI features out of any brand.

NAD has reviewed claims involving smart devices where “smart” generally refers to devices that are connected to the internet and can be accessed remotely.²¹ NAD found Samsung’s claims that it has the “smartest” fridge to be supported based on the record that Samsung’s features – SmartThings app and SmartThings Hub – are unique.

NAD also reviewed the context and messages conveyed by “The industry’s smartest fridge” claim throughout the Family Hub subline when placed in close proximity to claims about AI features. During the pendency of the inquiry, Samsung voluntarily agreed to permanently modify its advertising to avoid conveying the message that refrigerators with “smart” features are the same as those with AI features. NAD did not review these claims on their merits. The permanently modified claims will be treated, for compliance purposes, as though NAD recommended their modification and the Advertiser agreed to comply.

4. Energy Claims

Samsung makes claims about the energy savings consumers can expect from its AI Energy Mode technology. For example, Samsung states “Get smart energy savings up to 10%” with smaller qualifying language right below the claim: “SmartThings Energy lets you monitor and manage your refrigerator’s power usage. Reduce your energy use by up to 10% with AI Energy mode, all from your phone.” Samsung also makes claims about the “energy efficiency” of its refrigerators, with a link to a disclosure at the bottom of the page indicating its ENERGY STAR® certification. These claims are made throughout Samsung’s website, including on the product pages for the 4-Door Flex™ Refrigerator with AI Family Hub+ and AI Vision Inside and the Bespoke 3-Door French Door Refrigerator with Top Left and Family Hub Panel.

During the course of NAD’s inquiry, Samsung advised NAD that it was voluntarily discontinuing the following claims: (1) Helps you use up to 10% less household energy; (2) Get smart energy savings of up to 15%; and (3) Eco-friendly. In reliance on the Advertiser’s representation that these claims have

²⁰ *Honeywell International, Inc. (Programmable Thermostats)*, Report #5646, NAD/CARU Reports (October 2013).

²¹ See *Nest Labs, Inc (Nest® Learning Thermostat™)*, Report #5595, NAD/CARU Case Reports (May 2013) (smart thermostat); *ecobee Inc. (Smart Thermostats)*, *supra* note 5 (smart thermostat); *SharkNinja Operating, LLC Shark HyperAir Hair Dryer*, Report #7081, NAD/CARU Case Reports (June 2022) (smart hair dryer); *The Procter & Gamble Company (Oral-B PRO Series Toothbrushes)*, Report #5968, NAD/CARU Case Reports (July 2016) (smart toothbrush); see also <https://iapp.org/resources/glossary/#caching>.

been permanently discontinued, NAD did not review these claims on their merits. The voluntarily discontinued claims will be treated, for compliance purposes, as though NAD recommended their discontinuance and the Advertiser agreed to comply.

Samsung explained that AI Energy Mode is an AI feature that relies on a Neural Processing Unit built into the refrigerator, as well as machine learning technology in the SmartThings app. Machine learning, a form of AI technology, “learns” a consumer’s routines and adjusts the settings on the refrigerator (i.e., compressor speed, defrost cycles, and temperature settings) to save energy. AI Energy Mode reduces energy by optimizing the compressor speed and the defrost cycle based on usage patterns and conditions. According to a Declaration of a Samsung engineer, the percentage of energy saved by means of AI Energy Mode is expected to be the same in all models, regardless of size or capacity, because they all use the same mechanism for saving energy – the compressor technology. AI Energy Mode also allows consumers to predict their monthly energy costs. Samsung further explained that AI Energy Mode is accessed from the SmartThings phone app. NAD found that consumers may not understand that the AI Energy Mode is not entirely built into the refrigerator and requires a phone app for additional management of energy savings. NAD recommended that Samsung modify any energy savings claims that do not reference accessing this technology from their phone to make clear that a phone app is required for additional management of energy savings.

Samsung also submitted a Third-Party Test Report with the Declaration of the Samsung engineer. The Test Report summarized the findings of Samsung’s tests on two models of refrigerators – models with AI Energy Mode turned on versus the same model with AI Energy Mode turned off.²² The Declaration from Samsung’s engineer further validates the third-party testing and how AI Energy Mode helps consumers save electricity. The Third-Party Test Report shows a reduction in energy of just over 10%. NAD found that the record supports the claims “Get smart energy savings of up to 10%” and “Reduce your energy use by up to 10% with AI Energy mode, all from your phone.”

Samsung relied on its ENERGY STAR® certification for a Smart Home Energy Management System from the Environmental Protection Agency as support for its “energy efficient” claim. NAD found that the ENERGY STAR® certification supports the generalized claim that the products are “energy efficient.”

5. Ratings

As part of the launch of its refrigerators with AI Vision Inside, Samsung solicited reviews from consumers by offering a monetary incentive, as is common industry practice. The incentives offered ranged from \$25-\$75, with a chance to win \$500. Reviews from those consumers are marked with a badge identifying them as an “Incentivized Review” in close proximity to the review.

Samsung posts these consumer reviews with ratings on the product pages of its website, including the product pages for the 4-Door Flex™ Refrigerator with AI Family Hub+ and AI Vision Inside and Bespoke 3-Door French Door Refrigerator with Top Left and Family Hub Panel. These product pages

²² The refrigerators were installed and set up pursuant to IEC 62552-1:2015, a standardized test method for evaluating refrigerators for household use. The number of refrigerator and freezer door openings during the test period was consistent with ordinary consumer use.

include an average rating, such as 4.5 or 4.6 stars. Samsung includes incentivized reviews from consumers, as well as those received organically.

NAD found that the average rating included a large number of incentivized reviews, often with higher ratings than organic reviews. NAD examined whether including incentivized reviews, without further disclosure, in the average rating was misleading to consumers who would reasonably believe that incentivized reviews do not materially impact the average of non-incentivized reviews.

Samsung provided NAD with a sample email sent to consumers to demonstrate that it uses neutral language when soliciting reviews. In addition, Samsung uses a third-party service provider to manage its reviews in accordance with Content Moderation Guidelines: Samsung Best Practices (July 2024), and in compliance with the FTC's guidance. Among other guidelines, Samsung does not pressure consumers to leave positive reviews nor does it remove negative reviews. Reviews submitted are subjected to standard moderation, which attempts to identify and reject, for example, inappropriate, discriminatory and profane statements.

Samsung argued that consumers understand the review ecosystem and that average ratings include incentivized reviews, and that all its consumers reviews, with appropriate disclosures about incentives, are posted on its product pages in close proximity to the average rating. The reviewed advertising did not include a claim about the average rating apart from what is located in the review section of its website.

NAD found that Samsung uses objective and neutral criteria in soliciting and managing reviews. NAD also found that the incentivized reviews are clearly disclosed as incentivized and presented in a manner that will not mislead as to the nature of the review, as required by FTC and NAD.²³

NAD then examined whether consumers would understand that an average rating contains incentivized reviews and whether that fact should be disclosed close to the rating, especially when there are a large number of incentivized reviews and they have a higher average rating than the organic reviews.

In response, Samsung argued that consumers would not be surprised that the incentivized reviews have a higher average star rating. In addition, Samsung relied on an expert declaration that asserts that there is no basis for concluding that an incentive was a material cause of a higher star rating or to know which population most accurately reflects the user experience. Samsung also argued that NAD should not require additional disclosures because the FTC rejected in the final Rule on the Use of Consumer Reviews and Testimonials²⁴ ("Rule") the recommendation that ratings including incentivized reviews should be labeled. NAD determined that the FTC's decision not to include a requirement for additional disclosures in its final Rule was not dispositive.

NAD also found that while Samsung's expert has substantial knowledge in statistical analysis, quantitative research, survey design, and technical testing, he does not have a background in consumer review research, nor did he provide any statistical or other analysis to support his views.

²³ See *4Patriots LLC (Long-Term Survival Food Kits)*, *supra* note 11; *Olly PBC Kids Chillax & Kids Multi + Probiotic*, Report #7350, NAD/CARU Case Reports (December 2024)

²⁴ 16 CFR Part 465.4, https://www.ftc.gov/system/files/ftc_gov/pdf/r311003consumerreviewstestimonialsfinalrulefrn.pdf, at 85.

NAD determined that the expert declaration did not address whether consumers understand incentivized reviews are included in overall ratings.

Nonetheless, NAD found that in this context in which the average rating and incentivized reviews appear, additional disclosures that incentivized reviews are included in the average rating are not required.

IV. Conclusion

While NAD's inquiry was pending, Samsung voluntarily agreed to discontinue certain language in its claims for AI Vision Inside and further permanently modify those claims. Samsung also agreed to permanently modify its claims for AI View Inside. NAD did not review these claims on the merits. NAD will treat the claims, for compliance purposes, as though NAD recommended they be modified or discontinued and the Advertiser agreed to comply.

NAD found Samsung's claims that it has the "smartest" fridge to be supported based on the record. During the pendency of the inquiry, Samsung voluntarily agreed to permanently modify its advertising to avoid conveying the message that refrigerators with "smart" features are the same as those with AI features. NAD did not review these claims on their merits. The permanently modified claims will be treated, for compliance purposes, as though NAD recommended their modification and the Advertiser agreed to comply.

NAD determined that the claims "Get smart energy savings of up to 10%"; "Reduce your energy use by up to 10% with AI Energy mode, all from your phone" and "energy efficient" were supported. NAD recommended that Samsung modify any energy savings claims that do not reference accessing this technology from a phone to make clear that a phone app is required for additional management of energy savings.

NAD found that Samsung uses objective and neutral criteria in soliciting and managing reviews and that incentivized reviews are clearly disclosed. In this context, NAD found that additional disclosures that incentivized reviews are included in the average rating are not required.

V. Advertiser's Statement

As a supporter of voluntary industry self-regulation, Samsung appreciates the opportunity to participate in NAD's review process and will comply with NAD's decision. Samsung, as a leading developer of AI and digital appliances, is aligned with NAD's goals of high standards of truth and accuracy in advertising and is gratified by NAD's determination that Samsung's claim that it has the "smartest" fridge was supported by the evidence. Samsung also appreciates NAD's determination that the claims "Get smart energy savings of up to 10%"; "Reduce your energy use by up to 10% with AI Energy mode, all from your phone" and "energy efficient" were supported. Samsung also appreciates NAD's finding that Samsung uses objective and neutral criteria in soliciting and managing customer reviews and that its use of reviews are not misleading. In the spirit of voluntary self-regulation, Samsung will take NAD's additional recommendations into consideration in its advertising. **(#7369 LP, closed 06/18/2025)**