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# REPORT ON AN EXPLORATORY STUDY OF THE LEGIBILITY AND PROMINENCE OF UNIT PRICES ON SUPERMARKET SHELF LABELS 200MM FROM THE GROUND

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### **PURPOSE**

The purpose of this research was to assess the influence of different factors on the prominence and legibility of unit price information on supermarket shelf labels located 200mm from the ground. The factors assessed were: the print size, print density, location on the label, and viewing angle.

### **BACKGROUND**

- There are substantial differences in how Australian supermarkets display unit prices.
- Unit prices that are not sufficiently prominent and/or legible reduce consumer awareness and use of unit prices.
- Increased consumer use of unit pricing would have substantial positive economic impacts.
- Shoppers probably encounter the greatest difficulties noticing and reading unit prices on shelf labels on the bottom shelf which is usually about 200mm from the ground.
- There is almost no published research on the factors influencing the prominence and legibility of unit prices and none on the influences on labels 200mm from the ground.

### **METHODOLOGY**

10 shelf edge labels were created<sup>1</sup> with: the unit price 6mm, 4mm or 3mm high; the unit price under the selling price, among or under the product information (4mm only); and the unit price in bold or normal font. Appendix 1 contains photos of the labels used with the unit price in bold.

# 34 adults indicated<sup>2</sup>:

- the 5 labels on which the unit price was most prominent
- whether the unit price was unreadable or readable and if readable what it was and how easy or difficult it was to read.

# 30 of the 34 participants indicated:

• how easy or difficult it was to notice the unit price on 6 labels with the unit price in various locations.

<sup>&</sup>lt;sup>1</sup> The basic features of the design were based on those used in most Australian supermarkets.

<sup>&</sup>lt;sup>2</sup> All participants were adults, stood upright and up to 1 metre from the labels, and looked at all labels before commencing the tasks.

### MEASUREMENT OF LEGIBILITY AND PROMINENCE

The **legibility indicators** used were whether the unit price could be read:

- easily/very easily
- at all
- accurately.

The **prominence indicators** used were whether the unit price:

- ranked in the top 5 for "standing out"
- could be noticed easily/very easily.

### **RESULTS**

# 1. Influence of print height and viewing angle

The legibility and prominence of the unit prices, measured by each legibility and prominence indicator, were substantially higher if the labels were angled out rather than vertical to the shelf, and if the print height was 6mm rather than 4mm or 3mm.

Some examples of the differences are shown in the following tables<sup>3</sup>:

Table 1. Legibility: Unit price very easy or easy to read (percent of observations<sup>4</sup>)

	Unit Price Print Height (mm)					
Label orientation	бтт		4mm		3mm	
	Very	Easy	Very	Easy	Very	Easy
	easy		easy		easy	
Angled	91	9	31	45	0	25
Vertical	56	25	0	6	0	0

<u>Table 2. Legibility and Accuracy: Unit price unreadable or read inaccurately (percent of observations)</u>

	Unit Price Print Height (mm)					
Label	6mm		4mm		3mm	
orientation						
	Unreadable	Read	Unreadable	Read	Unreadable	Read
		inaccurately		inaccurately		inaccurately
Angled	0	0	0	2	2	3
Vertical	0	0	7	16	31	4

And, the 4 top ranking unit prices for **prominence** were all 6mm high and those angled out were the top 2 by a very large margin -32 (bold) and 29 (non bold) observations versus only 14 and 11 for those on vertical labels.

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<sup>&</sup>lt;sup>3</sup> Refers only to unit prices located under the selling price.

<sup>&</sup>lt;sup>4</sup> Percent of the total observations provided for bold and non bold labels per label category.

# 2. Influence of location relative to selling price

With 4mm high unit prices, having the unit price under the selling price, rather than among or under the product information, substantially increased legibility (measured in terms of ease of reading) and prominence (measured in terms of ease of being noticed).<sup>5</sup>

Some examples of the differences are shown in the following tables:

Table 3. Legibility: Unit price very easy or easy to read: percent of observations

	Unit Price Location					
Label	Under selling price		Among product		Below product	
orientation		information		information		
	Very	Easy	Very	Easy	Very	Easy
	easy		easy		easy	
Angled	31	45	10	42	19	40
Vertical	0	6	0	0	0	0

Table 4. Prominence: Unit price very easy or easy to notice: percent of observations

	Unit Price Location					
Label	Under selling price		Among product		Below product	
orientation			information		information	
	Very	Easy	Very	Easy	Very	Easy
	easy		easy		easy	
Angled	47	43	10	30	17	40
Vertical	13	20	0	0	0	3

### 3. Influence of bold and non bold print

Whether the unit price was in **bold** or non **bold** print did not influence any of the legibility or prominence indicators.

This may be due to other aspects of the label design, for example all the product information and the selling price being in bold font.

### CONCLUSIONS AND IMPLICATIONS

Although this was an exploratory study, the results are relevant for industry, consumers, regulators, and governments in considering the extent to which the unit pricing formats currently used on shelf labels in Australian supermarkets are adequate for consumers. They are also relevant in assessing whether the formats meet the requirements of the legislation which provides that unit prices must be displayed prominently and legibly.

The results show clearly that when unit prices are displayed on shelf labels 200m from the ground, as occurs in most supermarkets in Australia, that much higher levels of prominence and legibility are likely to be achieved when the print is 6mm high (not 4mm or 3mm), the label is angled out (not vertical), and the unit price is located under the selling price (not among or under the product information).

However, currently in supermarkets displaying unit prices 200mm from the ground, the print is less than 6mm high, and in some the labels are not angled out. Additionally, in many supermarkets the unit price is not located below the selling price but placed elsewhere on the label.

<sup>&</sup>lt;sup>5</sup> The influence of unit price location was tested only for 4mm high print.

Therefore, the unit prices currently displayed in supermarkets on shelves 200m from the ground are likely to be much less easy for shoppers to notice or read and consumer awareness and use of unit prices lower than if they were displayed as suggested above (i.e. Label Type C in Appendix 1, with the label angled out).

The results are also relevant in considering the lack of specificity in the legislation about what exactly constitutes "prominent" and "legible", as well as how the regulator (the Australian Competition and Consumer Commission) interprets these terms, and what constitutes compliance with the legislation.

It is hoped that this study will be a catalyst for public debate in Australia about these issues and for further research on them.

Sub-optimal display of unit prices is also a problem in other countries, so the results of this study are also of international relevance.

### APPENDIX 1 – LABEL TYPES

Type A: UP 3mm, bold, under selling price

**Nestle Drinking** 

Malt 500gram \$1.70 per 100g Type B: UP 4mm, bold, under selling price **Nestle Drinking** Malt 500gram 07009 24000 6 761064 F \$1.62 per 100g Type C: UP 6mm, bold, under selling price **Nestle Drinking** Malt 500gram 07999 24R066 761064 ES \$1.55 per 100g Type D: UP 4mm, bold, among product information Nestle Drinking Malt 500gram \$1.64 per 100g Type E: UP 4mm, bold, under product information Nestle Drinking Malt 500gram 

\$1.80 per 100g