



**CONSUMERS
FEDERATION
OF AUSTRALIA**

Developing and promoting
the consumer interest

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MEDIA RELEASE

For immediate use

PRICING POLICIES NEED FIXING TO GIVE GROCERY SHOPPERS BETTER VALUE FOR MONEY DURING COVID-19 CRISIS

The consumer peak body, the Consumers' Federation of Australia (CFA), says the federal government should help consumers get greater value for money during the current economic crisis.

CFA chair, Gerard Brody, says "The federal government could help consumers save hundreds of millions of dollars a year by completing and implementing quickly the review of the Grocery Unit Pricing Code which started in November 2018."

The unit price information (price per unit of measure) on shelf labels and on-online selling sites allows grocery shoppers to easily and quickly compare values and this can result in significant savings, or getting more or better quality for the same expenditure.

Unit pricing is a simple easy-to-use tool that is the grocery shopper's best friend.

The need to get the best value when buying groceries has never been so great.

Differences in unit prices between products and retailers can be large, and consumers spend around \$100 billion a year on groceries, so the consumer benefits can be substantial.

However, there are major problems with the Code and its implementation including:

- Many unit prices being too difficult for consumers to notice and read.
- The use of inconsistent units of measure to show the unit prices of different items of the same product category.
- Unit prices not being provided.

These problems substantially reduce the ability of many consumers to fully use grocery unit pricing and to obtain the many possible benefits.

For example, the Code does not require some online grocery selling sites to provide unit prices.

CFA also considers that consumers would benefit greatly if relevant non-grocery retailers, such as pharmacies (for non-prescription items) and hardware stores, were required to provide unit pricing for pre-packaged products.

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Notes for editors

1. The uses of grocery unit prices include comparing value between:

- package sizes
- brands
- prepackaged and unpackaged products
- types of packaging
- fresh, frozen, canned and dried products
- special offers and regular prices
- substitute/alternative products
- retailers.

2. Results of CHOICE's, 2018, survey of 1033 grocery buyers (all states, genders and ages 18+:

64% of unit price users (those who used it all or most times) had had issues using unit prices. The most common problems were different units of measurement, and issues relating to the legibility of price labels, obstruction or coverage of price labels, and the absence of unit pricing altogether.

Most (86%) respondents believed unit prices should be extended to shops that are not currently covered by the Code.

- 66% of people wanted to see unit pricing in pharmacies and chemists;
- 55% of people wanted to see unit pricing in convenience stores;
- 54% of people wanted to see unit pricing in small grocery retailers;
- 44% of people wanted to see unit pricing in hardware stores. 16