



MEDIA RELEASE

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CALL FOR SUPERMARKET INQUIRIES TO RECOMMEND CLEARER PRICING

The Queensland Consumers Association (QCA) is calling for the inquiries into supermarkets now being undertaken by a Senate Select Committee, the Australian Competition and Consumer Commission (ACCC) and a Queensland Parliament Select Committee to recommend improvements to the clarity of supermarket pricing.

In submissions to each inquiry, the QCA says improvements are essential in order to help the millions of consumers wanting to get better value at supermarkets to help manage the challenges of the cost of living crisis and declining living standards.

QCA spokesperson Ian Jarratt says an easy and cheap way to do this is to make unit pricing much easier for consumers to notice, read, understand and use.

Unit pricing, (the price per unit of measure – for example \$1.41 per 100g for a 765g packet of breakfast cereal costing \$10.80) must be provided by many instore and some online grocery retailers for prepackaged products. When consumer-friendly, it can greatly help consumers to compare prices and so to save substantial amounts of money or to get much more for the same amount of money.

The savings for consumers can be large because unit prices vary greatly between package sizes, brands, packaged and unpackaged products, special offers and regular prices, types of packaging, levels of processing, and retailers. Furthermore, many households spend a high proportion of their income on groceries with the latest Finder survey finding that the grocery bill is a major financial stressor for 40% of households.

However, the unit price of too many packaged grocery products sold instore and online is not consumer-friendly because they are difficult for many shoppers to notice, read, understand, and use. This is due mainly to inadequate display, non-provision, and the use of inconsistent units of measure. It greatly reduces the number of consumers who use unit pricing, the frequency of use, and the benefits obtained.

The extent of the problem was clearly shown by a 2022 national online survey by CHOICE which found that 71% of unit price users in grocery stores and 80% of online users experienced difficulties doing so. And, in a 2018 Treasury online survey involving 3775 respondents 74% said they had trouble finding and reading the unit price always/often/sometimes.

Such high levels of consumer difficulty with **selling prices** would not be tolerated by retailers and politicians and should not be for **unit prices**, especially since (unlike selling prices) unit prices must by law be prominent and legible.

The grocery unit pricing system can, should and needs to be much more effective.

For example, instore shoppers should not have to bend very low, or even get down on their hands and knees, to read the unit prices of products on the lower shelves - which they have to do now in some supermarkets. And, when shopping online it is often very difficult to compare the unit prices of products of interest. Value shopping should not, and need not, be that hard.

Requiring grocery retailers to provide unit pricing, and ensuring that it is easy for consumers to notice, read, understand and use, is a very low cost way to increase price transparency, empower consumers to make more informed choices and save money, and to increase competition.

This has been recognized by the United Kingdom government which is now looking at how to improve the quality of display and increase the consistency in the units of measure used for unit pricing. **The Australian government should do the same.**

Notes for editors

1. QCA lead the campaign that in 2009 resulted in very large supermarkets and some online grocery retailers having to display the unit price of packaged products prominently, legibly and close to the selling price.
2. QCA and other consumer and community organizations continue to campaign for improvements in the quality of the unit pricing currently provided by grocery retailers and for more grocery retailers and some other types of retailers to be required to provide unit prices for packaged products.
3. Photos of inadequate unit pricing are provided in the Appendix to available in QCA's submission (#2) to the Senate supermarket inquiry available here:
https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Supermarket_Prices/SupermarketPrices/Submissions