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## **Late Submission**

### **Issues Paper - Unit Pricing > Label Presentation**

**Australia has the opportunity to establish a world class unit pricing system** by using the best features, and taking account of the experiences, of unit pricing arrangements overseas.

#### **General Comments**

A high quality consumer and benefits focused national unit pricing system will produce major ongoing benefits for Australian consumers and the economy. To achieve these benefits we must recognise that the provision of high quality unit pricing information represents a major change in the ability of consumers to assess value for money. It can revolutionise consumer decision making. To achieve these benefits we must also recognise the need to make major changes to current practices, attitudes and thinking. This applies particularly to the presentation of unit pricing and other information on supermarket shelf labels.

How well unit price information is provided on shelf labels will critically effect consumer awareness, and the use of these unit prices. We must be prepared to make major changes to the presentation of information on shelf labels to ensure that the unit price information is easy for consumers to recognise and use. This may require major changes to the presentation of other information on shelf labels, including change/s in size and location.

We must not be driven by a desire to make the minimal changes to existing labelling. We must be driven by the benefits which will arise from getting it right. We must not be driven by a desire to minimise implementation costs and ignore the effects this will have on consumer use and the ongoing benefits obtainable by consumers and for the economy as a whole.

#### **Label Readability**

Given the limited space available on shelf pricing labels, it is likely that in many cases the size of lettering used to display the price (as opposed to the unit price) will decrease, making the most important information - the product price, the more important piece of consumer information on the price ticket > less readable.

#### **Format and Presentation of Unit Price Information**

We should also encourage to carefully consider how unit prices will be presented on shelf labels. Experience in researching this topic suggests that small differences in formatting and presentation can result in surprisingly large differences in consumers' awareness,

understanding, and use of this information. To make this information more useful to consumers, unit price labels need to be not only accurate, but presented in: >

- (1) a consistent fashion across brands, sizes, product categories, and retail firms
- (2) a sufficiently large and easily readable font
- (3) comparable units across brands and sizes in a particular product group
- (4) a prominent fashion insuring that the unit price appears in an uncluttered portion of the label and including a common background colour to highlight the unit price information.

It is also essential that differences in unit price presentation on shelf labels between retail firms are minimized so that consumers can develop clear expectations regarding the location, format, and presentation of unit prices. Such efforts will reduce the time and cost associated with the use of this information and will likely lead to wider consumer use of unit prices within Australia. It would also be prudent to consider emerging technologies such as electronic shelf labelling, wherein information (including prices, unit prices, quantity information, etc.) can be presented on a small LCD display for each stock keeping unit and coordinated with the price at the register. Such displays may have certain limitations with respect to size, readability, etc. that could interact with the unit pricing regulations.

#### **Size of Unit Price Information**

Should the presentation of unit pricing label be prescribed?

- The font size requirement be set to a specific size.

Unit of measure requirements should be guided by the *European Directive* which stipulates that the selling price and the unit price must: >

- be unambiguous and easily identifiable as referring to that product
- be clearly visible and legible to prospective customers
- be in proximity to the product and be in the same line of sight as the selling price

Regards



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