

CHOICE

Submission: Improving price transparency in the supermarkets industry

February 2026

About Us

CHOICE

CHOICE is the leading consumer advocacy group in Australia. CHOICE is independent, not-for-profit and member-funded. Our mission is simple: we work for fair, just and safe markets that meet the needs of Australian consumers. We do that through our independent testing, advocacy and journalism.

To find out more about CHOICE's work visit www.choice.com.au/campaigns

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Introduction

CHOICE welcomes the Treasury's consultation on improving price transparency in the supermarkets industry.

CHOICE supports the proposals to improve and require price displays in-store and online, ensure data can be scraped by third parties, and to set new minimum information requirements. Further consideration should be given to capturing more supermarkets in the Grocery Unit Pricing Code, regulating fruit and vegetable pricing in-store and online, developing a supermarket pricing API, conducting further research on best-practice for consumer-friendly price displays and investigating the impact of loyalty programs on competition, privacy and consumer concerns.

Recommendations

The Federal Government should:

1. Implement proposal 1.1 to require all supermarkets, including small rural stores and remote community stores, to display prices on all products in-store.
2. Expand the scope of the Grocery Unit Pricing Code by reducing the floor size threshold to 300 square metres or larger.
3. Consider options to enable and encourage the uptake of price displays to support compliance.
4. Provide additional funding to state and territory fair trading bodies to monitor compliance.
5. Implement proposal 1.2 to require all large supermarkets to publish prices online via their websites without any product carveouts.
6. Consider requiring fruit and vegetables to be priced per kilogram online and instore for consistency.
7. Require large supermarkets to ensure web scraping technologies can be used by third parties.
8. Introduce a supermarket pricing API for very large supermarkets that:
 - a. Is publicly available
 - b. Includes exact shelf prices
 - c. Provides accurate and up to date pricing information
 - d. Is managed and run by the Government
 - e. Is a single standard, rather than individual supermarket APIs
 - f. Includes compatible and comparable prices.
9. Implement proposal 2, introducing minimum information requirements for discount price promotions and record keeping obligations.
10. Consider including price displays that use specific colours, phrases and designs that give the illusion of a discount on the proposed 'grey list' in the unfair trading prohibition.
11. Consider a 30 day minimum period for was/now pricing in consultation with the ACCC.
12. Consider further behavioural research and consultation to identify best-practice consumer-friendly price displays.
13. Require very large supermarkets to provide members with periodic loyalty program information disclosure statements.
14. Design a standardised template for loyalty program information disclosure statements

15. Review loyalty programs in 3 years, giving further consideration to competition and privacy concerns.
16. Consider prohibiting app-only and member-only pricing on essentials.

Publishing prices in-store

CHOICE supports a nationwide requirement for all supermarkets to display prices

CHOICE strongly supports proposal 1.1 to require all supermarkets to display prices on all products in-store, including small rural stores and remote community stores. As addressed in previous submissions, there is a noticeable lack of pricing in some remote stores. Clear pricing information is essential to any consumer's economic decision making. Not providing it further compounds problems around the affordability of food and groceries, clouding decision making and making budgeting difficult.

Failing to display the prices of goods means a consumer is only able to obtain a price when they reach the counter to pay for the goods. At the point of sale, a consumer is more likely to proceed with the transaction – they have already invested time in choosing the products and may feel self-conscious or humiliated if they cancel a transaction once the product has been scanned. The lack of alternative services and suppliers in remote communities means that consumers have few, or no, other options and businesses have little incentive to compete.

It is welcome progress that the Northern Territory now requires Declared Community Stores to '*display clear and accurate prices on all goods being offered for sale*', and that the voluntary national Code of Practice for Remote Store Operations (The Code) also requires '*stores to have clearly displayed and accurate prices*'. However, these two mechanisms do not offer total protection across the country, especially as the Code is voluntary. To ensure consumers in all remote communities are able to make informed decisions with the already limited stores available, clearly displaying the price of all food and grocery items sold in stores should be made mandatory across all states and territories in Australia.

The Government should also consider options to enable and encourage the uptake of price displays. This could include grants to upgrade point-of-sale technology, and/or provision of price ticketing software to support compliance in small and remote stores. These provisions could be revenue threshold tested.

The Government should also provide additional funding to state and territory fair trading bodies to monitor compliance and ensure that the requirement for all supermarkets to display prices is being met in line with the new regulation.

Remote and regional supermarkets should be captured by the Grocery Unit Pricing Code

CHOICE research shows that consumers are more likely to choose the best value product when unit pricing is provided, compared to when it is omitted¹. Making unit pricing available in more stores will help consumers compare products and save money on groceries. Consumers in remote and regional areas will also benefit from unit pricing if it is available on the price tag but many remote and regional stores are not currently captured under the Grocery Unit Pricing Code.

The Grocery Unit Pricing Code currently has a floorspace threshold of 1,000 square metres, this is not sufficient. Supermarket chains now have a range of stores in smaller formats and there are more medium sized supermarkets that should be captured by the Grocery Unit Pricing Code, such as those in regional and remote areas. Some countries that have unit pricing rules have much lower floor size thresholds, including the UK, which applies a threshold of 280 square metres or more.

CHOICE made a submission to the recent consultation strengthening the Unit Pricing Code², in which we called for a reduction of the floor size threshold to 300 square metres. This would likely capture the vast majority of major supermarket chain store formats and other medium-sized supermarkets.

Recommendations:

The Federal Government should:

- 1) Implement proposal 1.1 to require all supermarkets, including small rural stores and remote community stores, to display prices on all products in-store.
- 2) Expand the scope of the Grocery Unit Pricing Code by reducing the floor size threshold to 300 square metres or larger.
- 3) Consider options to enable and encourage the uptake of price displays to support compliance.
- 4) Provide additional funding to state and territory fair trading bodies to monitor compliance.

Publishing prices online

CHOICE strongly supports proposal 1.2 to require large supermarkets to publish prices online via their websites, but further consideration should be given to how these prices are displayed consistently.

¹ Rafferty, M, 2 Oct 2025, '*CHOICE survey: More people using unit pricing, but price labels still too confusing*', CHOICE accessed at: <https://www.choice.com.au/shopping/everyday-shopping/supermarkets/articles/unit-pricing-survey-rising-grocery-prices>,

² CHOICE, 2025, '*Submission: Strengthening the Unit Pricing Code*', accessed at: <https://www.choice.com.au/consumer-advocacy/submissions-reports-complaints/2025/unit-pricing>

Online price displays should accurately reflect in-store prices, be required for all products (without carveouts) and reflect minimum pricing information requirements proposed in this consultation, as well as clear unit pricing information to make comparison between different retailers online easier for consumers.

There are now more online price comparison tools available to consumers, which rely on pricing information being published online. These tools make it easier for consumers to compare prices. If the price scraping proposal is implemented, having clear and up-to-date price information across all grocery product categories published online will be essential for this to be useful for consumers.

Fruit and vegetable pricing differs online across the major supermarkets

Coles and Woolworths use different pricing methods to sell fruit and vegetables online, making it difficult to meaningfully compare prices between different retailers. Woolworths lists items with a firm price per item, whereas Coles gives an approximate price per item with an estimate of the weight you'll receive and a caveat that the final price will depend on the per kilogram price. This means that while a consumer may get the exact amount they ordered at a set price from Woolworths, the size of the product could vary significantly. By comparison, at Coles, a consumer won't know the price they're paying at the time of ordering, but they're guaranteed to be paying the same price when shopping online as instore and paying for the exact volume of produce they receive.

CHOICE research found that an online order of 11 items at Woolworths ended up being cheaper by \$4.54 compared to what would have been paid for the same produce in-store.³ This is not true of the experience for some consumers though, who told us they were left feeling ripped off when produce arrived and was significantly smaller than expected. One person shared:

"The per-item price drives me nuts!!! The number of times I've had to go instore to buy extra for a recipe when I've ordered what I thought would be sufficient by volume, only to find they gave me the micro versions and I need to buy more."

At Coles, it was estimated that a consumer would pay \$18 for the 11 items on our list, but the final total charge was \$2.57 more than the estimate as it was calculated by the final per kilogram price of the selected items.

Comparing 'per each' to 'per kilogram' prices inevitably creates confusion when shopping online as comparison is difficult and unclear. The Federal Government should consider ways to make online pricing of fruit and vegetables consistent and fair, such as by introducing requirements that all fruit and vegetables should be primarily priced per kilogram both instore and online. This

³ Rafferty, M, 28 Feb 2025, 'Coles vs Woolies: Which is best for online fruit and vegetables?', CHOICE accessed at: <https://www.choice.com.au/shopping/everyday-shopping/supermarkets/articles/coles-vs-woolies-which-is-best-for-online-fruit-and-vegetables>

could be dealt with in the revision of the Grocery Unit Pricing Code or through the trade measurement legislation.

Recommendations:

The Federal Government should:

- 5) Implement proposal 1.2 to require all large supermarkets to publish prices online via their websites without any product carveouts.
- 6) Consider requiring fruit and vegetables to be priced per kilogram online and instore for consistency.

Ensuring price data can be used by third parties

CHOICE supports proposal 1.3 to require large supermarkets to ensure web scraping technologies can be used by third parties as a baseline for making price comparison easier across supermarkets. However, CHOICE agrees with the ACCC's position that any regulatory burden involved with complying with application programming interface (API) requirements would be appropriate for very large supermarkets. The Federal Government should consider the use of an application programming interface (API) in combination with a requirement to enable web scraping to plug the gaps for supermarkets that are required to publish pricing information online, but would be excluded from the API requirement.

An API could be a more reliable method of enabling price comparisons

Allowing price scraping on large supermarket websites is a necessary step in ensuring better price transparency and price comparison for consumers. However, this should be complemented by a robust, public, consistent and transparent API that could also be used by third parties to provide timely, accurate information. Web scraping is vulnerable to website format/layout changes and requires continued maintenance to adapt to website changes, which could lead to incorrect or out of date pricing information being displayed on price comparison websites. It also places the burden on third party price comparison tools, which are largely provided to consumers free of charge, rather than the supermarkets.

Core components of an effective API

The API should:

- Be publicly available so that any third party can access and translate the pricing data.
- Include exact shelf prices, rather than a range to ensure effective price comparison.
- Be accurate and up to date, pricing data could be provided weekly as it is with health insurance API data.
- Be managed by the Government rather than the supermarkets themselves to ensure accountability and transparency.
- Be a single, rigorous standard, rather than supermarkets having individual APIs.

- Include prices that are compatible and comparable, i.e. price per kg for fruit and vegetables across all large supermarkets rather than differing price types like per kg and per each.

Recommendations:

The Federal Government should:

- 7) Require large supermarkets to ensure web scraping technologies can be used by third parties.
- 8) Introduce a supermarket pricing API for very large supermarkets that:
 - a) Is publicly available
 - b) Includes exact shelf prices
 - c) Provides accurate and up to date pricing information
 - d) Is managed and run by the Government
 - e) Is a single standard, rather than individual supermarket APIs
 - f) Includes compatible and comparable prices.

Minimum information requirements for discount price promotions, supported by record keeping

CHOICE supports proposal 2 – ensuring minimum information requirements for discount price promotions and supports the proposed record keeping obligations.

New minimum information requirements are needed

At present, the law doesn't require major supermarkets to disclose the proposed information requirements, creating information asymmetry. This means it is almost impossible for the consumer to verify the claims supermarkets are making about discounts and promotions. CHOICE raised this in our initial submission to the ACCC Supermarkets Inquiry in 2024 where we shared research on a Coles' 'Down Down' label.⁴ Coles promoted a bottle of Palmolive shampoo for \$7 on a tag that read 'Down Down' and provided no further contextual information for the discount claim. When we surveyed consumers about if they thought the product was discounted, 26% of respondents said they thought it was discounted, 46% did not think that it was discounted and 28% weren't sure.⁵ Not providing contextual information creates confusion for consumers trying to interpret and verify the validity of promotional claims. Introducing new minimum information requirements will help to address this confusion.

⁴ CHOICE, 2024, '*Submission: ACCC Supermarkets Inquiry*', accessed at: <https://www.accc.gov.au/system/files/CHOICE-Public.pdf>

⁵ CHOICE Consumer Pulse January 2024 is based on an online survey designed and analysed by CHOICE. 1,058 Australian households responded to the survey with quotas applied to ensure coverage across all age groups, genders and locations in each state and territory across metropolitan and regional areas. The data was weighted to ensure it is representative of the Australian population based on the 2021 ABS Census data. Fieldwork was conducted from the 16th of January until the 5th of February, 2024

Clarity is needed on was/now pricing claims

New minimum information requirements will create clearer parameters around the use of was/now pricing. However, it remains unclear at what point a was/now price representation crosses the line into misleading and deceptive conduct. In the final supermarkets inquiry report, the ACCC said that they would update their existing guidance for businesses to provide additional clarity about displayed prices, including was/now pricing. The proposed minimum information requirements should be informed by the updated ACCC guidance to ensure consistency and a clear understanding of what is required and when was/now pricing becomes misleading and deceptive.

New information requirements would not be an additional burden to supermarkets

CHOICE does not anticipate that the new minimum information requirements would place much of an additional burden on the major supermarkets. Currently, supermarkets provide a lot of the required information on some price tags, both paper and electronic – but not consistently. Meaning that the proposed changes would simply formalise existing practices and provide consistency across the pricing practices of major supermarkets – rather than introduce any new or significant challenges.

Minimum information requirements should be extended to all supermarkets

Proposal 2 limits the minimum information requirements to large supermarkets, defined as supermarkets with over \$5 billion in revenue for the previous financial year – this only captures Aldi, Coles and Woolworths. CHOICE's research indicates that confusing pricing practices are not just confined to these large supermarkets. CHOICE has received numerous examples, from our supporters, of confusing and unclear pricing at IGA stores across Australia (we included many of these examples in our initial submission to the ACCC Supermarkets Inquiry).⁶ It is important that consumers' expectations are met no matter where they do their supermarket shopping. Price displays should be held to a consistent, national standard with minimum information requirements enforced across all supermarkets in Australia to ensure clarity, transparency and fairness for consumers.

No exemptions should be provided to include a date range

The consultation paper proposes the idea that in some circumstances supermarkets should have exemptions from the requirements to include a date range. CHOICE does not support this proposal. Providing exemptions would create confusion and potentially cloud a consumer's understanding of how these new requirements are applied.

The three year record keeping obligation is likely sufficient

⁶ CHOICE, 2024, '*Submission: ACCC Supermarkets Inquiry*', accessed at: <https://www.accc.gov.au/system/files/CHOICE-Public.pdf>

CHOICE supports the requirement for supermarkets to maintain minimum information on pricing, promotional ticketing and sales information for a minimum period of three years. Three years is likely to be a sufficient amount of time for supermarkets to hold this information and make it available to the ACCC to assist with enforcement and investigations.

Further consideration is needed for tags that look like specials and discounts that may be illusory

CHOICE supports the proposals to introduce minimum information requirements for discount price promotions, however, some types of promotions and price displays may fall outside of the requirements. Supermarkets use pricing practices that allude to a discount where it may not actually exist with colours such as red or yellow, or terms such as 'new', 'while stocks last', 'super savers' or 'everyday'. These practices may not be illegal but could result in consumers spending more than they intended or making purchasing decisions that they otherwise wouldn't have.

CHOICE welcomes progress on the ban on unfair trading. This would also be an opportunity to address confusing pricing practices at the major supermarkets. The proposed 'grey list' within the unfair trading prohibition could include the use of specific colours, designs and phrases that create the impression of a discount, when a genuine discount on the usual price is not being offered.

CHOICE has conducted research on the types of terms that could be included on the 'grey list'. In February 2024, CHOICE conducted a nationally representative survey of consumers that shows many people are confused by the pricing practices used by major supermarkets.

Over 1000 people were surveyed by CHOICE about their understanding and interpretation of various sales tags and marketing claims. Respondents were asked if they could tell if a variety of real price tags photographed in Woolworths, Coles and Aldi stores represented discounts on the usual price and how easy and quickly they were able to determine whether it was a discount or not.⁷

- A Woolworths 'New' tag, caused some confusion, with 7% of respondents incorrectly believing the product was discounted, 72% correctly identifying that the product wasn't discounted and 21% unsure. 33% were not able to quickly and easily establish if the product was discounted, 54% of respondents said they were able to quickly and easily establish if the product was discounted and 13% were not sure.

⁷ CHOICE Consumer Pulse January 2024 is based on an online survey designed and analysed by CHOICE. 1,058 Australian households responded to the survey with quotas applied to ensure coverage across all age groups, genders and locations in each state and territory across metropolitan and regional areas. The data was weighted to ensure it is representative of the Australian population based on the 2021 ABS Census data. Fieldwork was conducted from the 16th of January until the 5th of February, 2024

- A ‘while stocks last’ tag from Coles – appeared to cause the most confusion for survey respondents. When asked if they thought this price was a discount on the usual price, 31% believed the product was discounted, 36% believed it wasn’t and 33% were not sure. When asked if they were quickly and easily able to know if it was a discount or not, 38% said that they were not able to quickly and easily identify if the product was discounted, 45% said they were able to, and 17% weren’t sure.
- An Aldi ‘Super Savers’ tag caused some confusion, with 14% of respondents believing the price label was a discount on the usual price, 56% did not think it represented a discount and 30% were unsure of whether it was discounted or not. 39% of people were not able to quickly or easily establish if the product was discounted, 45% said that they were able to quickly and easily establish if there was a discount and 15% were unsure.

Terms like ‘New’, ‘While stocks last’ and ‘Super Savers’, use bright colours that typically reflect a discount and are confusing to consumers. The Federal Government should consider including price displays that use specific colours, phrases and designs that give the illusion of a discount on the proposed ‘grey list’ in the unfair trading prohibition.

Recommendations:

The Federal Government:

- 9) Should implement proposal 2, introducing minimum information requirements for discount price promotions and record keeping obligations.
- 10) Should consider including price displays that use specific colours, phrases and designs that give the illusion of a discount on the proposed ‘grey list’ in the unfair trading prohibition.

A 30 day minimum period should be considered in consultation with the ACCC

The proposal to introduce a mechanism similar to the EU Price Indication Directive (PID), could include the rule that the *‘represented prior price must be the lowest price that the trader has charged for a minimum of 30 days prior to the application of the price reduction.’* Requiring supermarkets to provide a previous price from within the 30 days prior would prevent very old reference points being used to exaggerate the size or significance of a discount. This would strengthen price transparency and reduce the risk of consumers being misdirected by discount claims.

The ACCC plans to update and clarify the parameters around was/now pricing in their existing guidance for businesses on pricing and any plans regarding minimum information requirements should be consistent with the ACCC’s approach.

Recommendations:

- 11) The Federal Government should consider a 30 day minimum period for was/now pricing in consultation with the ACCC.

Further research is needed to identify best practice for price displays

CHOICE is supportive of the proposed minimum information requirements for discount price promotions, as providing consumers with all the information they require, is key to effective decision making. Further behavioural research should be conducted to ensure that price displays are presented in a way that does not cause further confusion for consumers. Older people and people who are vision impaired or have mobility issues should be at the centre of any further consultation.

Recommendations:

- 12) The Federal Government should consider further behavioural research and consultation to identify best-practice consumer-friendly price displays.

Loyalty program information disclosure summaries

CHOICE supports proposal 3 and all of its subpoints requiring very large supermarkets to provide loyalty program members with periodic information disclosure summaries. Periodic membership statements will be an important check in for consumers to evaluate the costs and benefits of being part of the supermarket's membership program. A further review should also give consideration to competition and privacy concerns with loyalty programs and consider prohibiting app-only and member-only pricing on essentials.

Further consideration should be given to competition and consumer concerns

Woolworths and Coles operate two of the largest customer loyalty schemes in Australia and CHOICE national research in 2021 found that 84% of consumers were members of a supermarket loyalty scheme.⁸ These loyalty programs allow consumers to accumulate points from spending that can be used to obtain vouchers, exclusive offers, discounts and point transfers to frequent flyer schemes. However, these points could obscure decision making, often encouraging the consumer to spend more or buy specific items to receive bonus points. The value of points is also very difficult to work out.

Supermarkets rely heavily on loyalty programs as a way of understanding patterns of purchasing across time, the effect of prices on costs and profits, local market positions, efficient warehousing and logistics and opportunities for growth which raises a number of competition concerns. The exclusive use of aggregated data by the major supermarkets is likely to entrench their market power. Any provider of food and groceries that does not have a loyalty scheme is operating at a significant disadvantage as they do not have access to customer shopping

⁸ Page R, 2021, "What are loyalty schemes like Flybuys and Everyday Rewards doing with your data?", CHOICE, accessed at: <https://www.choice.com.au/consumers-and-data/data-collection-and-use/who-has-your-data/articles/loyalty-program-data-collection>.

preferences, market opportunities, pricing data and data for targeted advertising. The major supermarkets can also provide personalised offers to their customers on specific products based on previous shopping preferences and behaviour and member-only prices to those signed up to loyalty programs. Any future review of loyalty programs should consider the impact they are having on food and grocery competition in Australia.

Disclosure summaries should follow a standardised template

A standardised template should be created for very large supermarkets to use when sharing loyalty program information disclosure summaries. A standardised approach will ensure consistency, clarity and comparability across supermarkets, allowing consumers to better understand how their points are being collected and converted. A standardised template would also prevent important information being left out or presented in a way that is difficult to interpret.

A ban should be considered for member-only and app-only pricing

Member-only pricing also potentially discriminates against people experiencing homelessness, as both loyalty programs at Coles and Woolworths require the customer to have a fixed address.⁹ People who do not have a fixed residential address are already facing acute disadvantage and are further disadvantaged if they are unable to access the cheapest prices for products and essential items. Young people also face possible exclusion from these reward schemes as people under 16 years old are unable to sign up without permission from a parent or guardian.¹⁰

Everyone should have access to essential items at the lowest possible price without having to join a supermarket's membership program. The Government should consider a ban on supermarkets' use of app-only and member-only discounts on essential items, which could include basic products such as fruit, vegetables, milk, bread, baby formula, sanitary items and pharmaceuticals.

Privacy concerns should also be considered

Loyalty schemes gather and store a considerable amount of consumer data regarding personal insights into the behaviour, activities, location and preferences of the shopper. Any potential breach of this data would have significant consequences for the members of these loyalty schemes. A review of loyalty schemes should consider the concerns around privacy and consumer data and how it is stored and used by the major supermarkets.

⁹ Flybuys terms and conditions, accessed at: <https://experience.flybuys.com.au/flybuys-terms-and-conditions/>
Everyday Rewards terms and conditions, accessed at: <https://www.woolworthsrewards.com.au/terms.html>

¹⁰ Ibid

There are a plethora of competition, privacy and consumer concerns surrounding loyalty programs that require further investigation. CHOICE supports a further review of loyalty schemes that includes a comprehensive investigation of competition and consumer concerns.

Recommendations:

The Federal Government should:

- 13) Require very large supermarkets to provide members with periodic loyalty program information disclosure statements.
- 14) Design a standardised template for loyalty program information disclosure statements
- 15) Review loyalty programs in 3 years giving further consideration to competition and privacy concerns.
- 16) Consider prohibiting app-only and member-only pricing on essentials.