## Press release: Asda has complied with its commitment to clear pricing

After completing a review of Asda's improved approach to clearer pricing on offers, the Competition and Markets Authority (CMA) welcomes the steps taken by the supermarket to make promotions clearer.

Last summer the CMA, working in partnership with Trading Standards Services, identified that some promotional pricing used by supermarkets could mislead shoppers. The CMA followed up these issues with a number of supermarkets and their trading standards partners. The CMA raised specific issues with Asda, and Asda subsequently agreed to make changes to the way offers were advertised.

A year on, having reviewed and independently verified the data around these changes, the CMA is content that Asda has stuck to its commitments to clearly label offers and discounts.

Asda's changes mean that the supermarket does not display the 'now' price for longer than it displayed the original ('was') price.

There have also been changes to multibuy offers, to ensure that these always offer a saving when compared with a single product before the offer.

The CMA welcomes the positive changes made by Asda and is satisfied that Asda's pricing is clearer for shoppers. This means that the CMA has formally closed its case.

Further details about the CMA's investigation can be found on the case page.

## Notes for editors

- 1. The CMA is the UK's primary competition and consumer authority. It is an independent non-ministerial government department with responsibility for carrying out investigations into mergers, markets and the regulated industries and enforcing competition and consumer law. For CMA updates, follow us on Twitter <a href="mailto:cCMAgovuk">CCMAgovuk</a>, <a href="mailto:Facebook">Facebook</a>, <a href="mailto:Flick">Flick</a> and <a href="mailto:LinkedIn">LinkedIn</a>.
- 2. The CMA's work with supermarkets follows <u>its response</u> to a <u>super-complaint</u> made by <u>Which?</u> on 21 April 2015 regarding pricing practices in the groceries market.
- 3. The CMA has not made a finding on whether supermarkets' pricing and promotional practices have breached consumer law. The CMA or other enforcers may take enforcement action if there is evidence that pricing and promotional practices breach consumer law. Only a court can conclude whether a particular practice infringes the law.

- 4. The Consumer Protection from Unfair Trading Regulations 2008 (CPRs) came into force on 26 May 2008 and implemented the Unfair Commercial Practices Directive 2005/29/EC into UK law. The CPRs contain a general prohibition against unfair commercial practices, and specific prohibitions against misleading actions, misleading omissions and aggressive commercial practices. The CPRs are enforceable through the civil and criminal courts.
- 5. Trading Standards Services partners carry out responsibilities in relation to a particular business. Businesses can choose to form a partnership with a local Trading Standards Services (known as a primary authority). The primary authority scheme is a statutory scheme, administered by the Better Regulation Delivery Office within the Department for Business, Energy and Industrial Strategy (BEIS). One forum in which primary authority officers meet is the <a href="Primary Authority Supermarkets Group">Primary Authority Supermarkets Group</a>.
- 6. BEIS <u>welcomed</u> the CMA's response to the super-complaint and set out some proposals relating to improving unit pricing for groceries, in line with the CMA's recommendations.
- 7. The CMA also made a <u>submission</u> to the Chartered Trading Standards Institute's consultation on the Pricing Practices Guide (PPG). CTSI published revised <u>Guidance for Traders on Pricing Practices</u> in December 2016.
- 8. Enquiries should be directed to Rebecca Cassar (Rebecca.Cassar@cma.gsi.gov.uk, 020 3738 6633).
- 9. Media enquiries to the CMA should be directed to <a href="mailto:press@cma.gsi.gov.uk">press@cma.gsi.gov.uk</a> or 020 3738 6798.