

Price promotion tips

✓ Don't use fine print to hide important information like unavoidable additional costs or charges

Consumers are entitled to assume an advertised price is the full price they need to pay for the goods or service. If additional charges are payable, they should be identified clearly. Just stating that 'conditions apply', using an "*" or hiding important conditions in the fine print is unacceptable when conditions contradict the 'headline' impression.

✓ Take discounts off the 'usual' price

Advertised savings must be genuine. This means that savings must represent discounts from the usual selling price. A 'usual price' is the price you commonly sell the goods or services for. Don't inflate your 'usual price' to exaggerate the discount.

✓ 'Clearance' sales can only be used for clearing goods

Clearance sales must be limited to a specific period of time. 'Clearance' indicates that the trader is getting rid of certain stock items, so that must be genuinely what is happening. Items should be discounted below the 'usual' selling price.

✓ 'Special offer' or 'special' means something unusual

An offer is not a 'special' if it is made on the seller's usual terms. When advertising special offers businesses must be offering something unusual and better than normal eg, lower prices or additional features.

✓ Make sure shelf prices match checkout prices

The price on the shelf should be the price charged to the customer at the checkout.

✓ Don't exaggerate savings or how many items are on sale

If there are a range of savings or only some goods are on sale (eg, up to 60% off), you must make this clear and there should be a reasonable proportion of items available at the advertised end of the range to avoid misleading consumers about what is on offer (eg, with 60% off).

✓ Take care when using absolute price claims like "lowest" and "cheapest"

These words create an impression that the consumer doesn't need to look elsewhere. The claim must be accurate and you must have reasonable grounds to support the claim before you make it.

✓ Price comparisons must compare equivalent items

Your item's price must be compared "like-for-like" with an equivalent product or service, otherwise the comparison may mislead consumers. If compared with a competitor's product or service, then the competitor's product must also be readily available (eg, at a location nearby or online).

✓ A 'sale' is a brief limited opportunity to buy goods at reduced prices

A 'sale' must be for a short duration only. Any goods or services promoted as part of a sale must be priced below the price they are usually sold at.

