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ADVOCATES TO GROCERS: STOP DIGITAL DISCRIMINATION OF UNPLUGGED SENIORS

A coalition of national consumer organizations is urging leading supermarket chains to stop discriminating against senior citizens and low income shoppers who cannot take advantage of a new wave of advertised digital-only in-store discounts because millions of them do not have internet access or smartphones.

In a letter to the presidents of a dozen large supermarket chains, the consumer groups are urging them to help bridge the digital divide by adopting a workaround so unplugged shoppers are charged the same lower sale prices as connected customers are.

"It's digital discrimination, and the most vulnerable people are being shut-out of these online discounts at the worst possible time given record high inflation," explained Edgar Dworsky, founder of <u>Consumer World</u>. "Big supermarkets need to provide an offline alternative to the digitally-disconnected so they can reap the same savings that connected shoppers enjoy."

In the past couple of years, more and more weekly specials advertised by some supermarkets for meat, fish, poultry, produce, and store brand items are so-called "<u>digital-only deals</u>." They require shoppers to first go online to electronically "clip" the offers to add them to their loyalty card account to be charged the sale price in the store.

But, since 25-percent of seniors don't use the internet and 39-percent don't have smartphones according to a 2021 study by the Pew Research Center, they are effectively shut-out of these deals. Similarly, 43-percent of low income households lack broadband internet access.

Digital-only discounts can provide significant savings for connected shoppers. But an unplugged shopper, for example, could pay \$9 more for this steak, or \$15 more for a 15-pound Thanksgiving turkey because he or she cannot clip the required digital coupon.



Even on smaller purchases, the amount a digitally-disconnected shopper overpays can be significant. In the following examples, he or she is paying twice the price for this tub of store brand ice cream and 75-percent more for this carton of eggs.



[Here are sample <u>digital-only sale items</u> available at various chains as of November 16.]

Not only are people without internet access shut-out of digital discounts, so are the onein-four shoppers who despite having online access say they may lack the technical ability to use a supermarket's website or app, according to a recent survey by Consumer World.

The consumer groups have suggested multiple ways that supermarkets can offer an instore offline alternative to digital-only deals to accommodate both the digitallydisconnected and the digitally-challenged shopper including:

- Utilizing <u>barcoded "clip or click" store coupons</u> in circulars so the customer can choose their preferred redemption method (e.g., Vons and The Giant Company).
- Empowering cashiers to charge the digital price upon request.
- Offering physical store coupons next to digital-only deals for those who did not/could not electronically "clip" the offer (e.g., H-E-B).

The letter to supermarket executives was sent on November 15 to the following chains: Kroger, Albertsons, Stop & Shop, Star Market/Shaw's, Ralphs, QFC, Jewel Osco, Randalls, Fred Meyer, King Soopers, Smart & Final, and Safeway.

The consumer organizations pressing supermarkets to expand the way they offer digitalonly deals are Consumer Action, Consumer Reports, Consumer World, National Consumers League, and PIRG.

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