



AgEcon SEARCH
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search
<http://ageconsearch.umn.edu>
aesearch@umn.edu

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

Pricing Performance of Weekly Advertised Specials
In New York State Supermarkets

by

Robert Aitchison

August 1972

72-18

Pricing Performance of Weekly Advertised Specials
In New York State Supermarkets

Introduction

Retail advertising is currently running at the rate of over \$7 billion per year, and that by any standard of measurement is big business. It provides most of the financial support for the nation's newspapers, as well as most of the support for radio and television stations and local printers. Compared with pretaxed profits as a percentage of sales, advertising expense looms as an important item for department stores, general merchandise discounters, food chains, and local banks and savings and loan associations in their role as retailers of money.^{1/}

Yet there is a tremendous amount of uncertainty toward advertising ethics in today's society. Unfortunately at the retail level many items offered through media advertising as specials are either not available to the customer at all, because of out-of-stock conditions, or are priced inconsistently.

Many food retailers make extensive use of newspaper advertising to announce the availability and price of selected items. They too are troubled by the problems of stock-outs and inaccurate pricing of advertised merchandise.

When a shopper reads a food chain advertisement she expects the items therein to be available and accurately priced. However, when the shopper finds inconsistencies, she loses confidence in both the retailer and the marketing system. This critical problem has recently given rise to increased complaints by professional consumerists and has led to stricter regulatory pronouncements.

Consumerism is beginning to play an expanding role in the environment of business decision makers. Despite wishful thinking by some, the following analysis of consumerism is as relevant today as it was in 1964 when it was written.

1. As evidenced by consumer agitation at the local-state-federal levels, business has failed to meet the total needs and desires of today's consumers.
2. Into this business created vacuum, government forces have quickly moved to answer this consumer need.

^{1/} John O. Whitney, "Better Results from Retail Advertising," Harvard Business Review, Vol. 48, (May-June 1970) p. 111.

3. The areas of consumer interest are so diverse that they offer government agencies and legislators almost limitless reasons for additional regulation of business and commerce.
4. If business managers want to avoid such new government regulations (with the attendant possibilities of excessive and punitive legislation), they will have to take positive action to demonstrate that the business interest is in more general accord with consumer's needs and wants. 2/

The ensuing eight years has seen the passage of considerable consumer legislation. Most recently, the F.T.C. has issued a crackdown rule governing the availability and pricing of "advertised" specials. To avoid penalty, supermarket chains must analyze their newspaper advertising and related pricing practices to determine the efficiency of their performance.

The F.T.C. Ruling on Advertised Specials

On July 12, 1971 the Federal Trade Commission issued Rule 424.1 which states that failure to make advertised items conspicuously and readily available for sale at or below advertised prices during the effective period of the advertisement is subject to a \$5,000 fine for each offense. The ruling applies only to the food industry.

Several defenses to violations have been permitted, they include that the demand for advertised products exceeded the sellers reasonable expectations, or that products were ordered by the seller but not delivered for reasons beyond the seller's control.

It is interesting to note that only in these cases will the availability of "rain checks" be considered relevant. The existence of a rain check policy in itself will not be considered in compliance with the rule.

The commission rule also prohibits the use of general disclaimers in advertising. It says that such disclaimers as "not all items available at all stores" or a statement that a particular item or group of items is "available at most stores" will not be considered in compliance with the rule. 3/

The rule is said to be aimed primarily at chains and not the small independent groceries. The F.T.C. has indicated that it would be reasonably lenient in enforcement but that in time it will become more rigid.

2/ Tom M. Hopkins, "New Battleground - Consumer Interest", Harvard Business Review, Vol. 42, (Sept.-Oct. 1964) pp. 97-104, as quoted in George S. Day and David A. Aaker, "A Guide to Consumerism", Journal of Marketing, Vol. 34, July 1970, p. 12.

3/ Hal Taylor, "FTC Issues Crackdown Rule on Advertised 'Specials'", Supermarket News, Vol. 20, No. 20, May 17, 1971, pp. 1, 12.

Purpose of the Study

The purpose of this study was to observe the relationship between pricing performance and newspaper advertised prices in New York State supermarkets. The specific object of this study was to answer the following questions:

1. How accurately do individual chains and their departments comply to prices advertised in newspapers?
2. What is the performance difference among leading chains and voluntary and/or cooperative groups in complying to prices advertised in newspapers?

Scope of the Study

The data for the study were collected from leading, voluntary and cooperative food chains in New York City, Syracuse and Rochester. A total of 58 stores representing 26 different firms were examined.

Two stores were selected from each of 10 chains in New York City. Selections in the two Upstate New York cities include: 20 stores representing 8 chains in Syracuse and 18 stores representing 8 chains in Rochester. These particular stores were chosen for their geographical proximity and similarity in use of newspaper advertising.

The study covered a period of approximately two months, from August 19 to October 19, 1971. During this time, there were 3,373 observations made for price comparisons between those prices given in the newspapers and those actually appearing in the store. In New York City, 1,166 observations were completed, in Syracuse 1,215 and in Rochester 992.

Definitions of Terms

To aid in the interpretation of this study and avoid confusion with terms used by the supermarket industry, several terms are listed and defined as used in this study as follows:

1. Pricing: Also referred to as price making or price marked, is the physical activity of placing the current advertised price on an item to be sold; a function performed at either the warehouse or in the individual store.
2. Correct pricing: Any item on the shelf or within a display marked with the price given in the newspaper as advertised in such a way that it can be read correctly by both the shopper and the checkers.
3. Inaccurate pricing: Any item on the shelf or within display marked either above or below the current advertised price.

4. No price marked: Any item not having a price marking found either on the container or display.
5. Multiple pricing: Identical products on the shelf with two or more different prices on the same container and/or identical products found with the presale price on some units and the new reduced price on others.
6. Unavailable items: Items not in the selling area of the store at the time the observation was made.
7. Effective-date period: Refers to the date that a food chain's newspaper advertised prices are to be in effect. Generally this was Wednesday through Saturday.
8. Direct items: These are the items which are most commonly handled and price marked by a salesman or a manufacturer's representative as opposed to in-store personnel or other employees of the chain. They can be delivered by either a manufacturer's direct delivery or from the chain's warehouse.
9. Cooperative groups: Retailers (generally independents) who are stockholder members of cooperative wholesale buying groups. 4/
10. Voluntary groups: Retailers who belong to voluntary merchandising groups sponsored by wholesalers and who operate under a common name. 5/
11. Leading (Corporate) chains: Any operator of 11 or more retail stores. 6/

Method of Study

The study was made strictly through the observational method. Before going into a store the observer purchased a newspaper. In the majority of cases the food chain's advertisement appeared in the morning or evening Wednesday newspaper. However, a few food chains followed the practice of advertising in the Tuesday or Thursday editions.

All items appearing in the selected food chain's advertisement were recorded on a prepared form, which included the brand name of the item, the size indicated, the advertised price, and the department in which each item was found. The four department classifications used in this study were grocery, meat, produce, and health and beauty aids. The grocery department classification included dry grocery items, baked goods, frozen foods and direct items. The four major groups included as direct items are brand name soda, baby foods, cookies and certain spices. The meat department classification included both fresh-cut and prepackaged meats.

4/ "Grocery Store Sales Reach \$94.470 Billion Up 6.8% Over 1970," Progressive Grocer, Vol. 51, No. 4, April 1972, p. 60.

5/ Ibid.

6/ Ibid.

Observations were made only during the indicated effective dates of the advertisement and only at those particular store locations to which the ad applied. The process of observation in the store required locating all available items on the form and recording the actual price marked on the item. If an advertised item had no actual price marked on the package itself but was covered by a display price sign, the price quotation on this sign was recorded as the actual price. Items having no sign or price marking were designated as not priced. Those items unavailable or multiple priced were recorded as such on the form.

Special Considerations of the Study

In selecting stores representative of each chain little consideration was given to the sampling technique in order to keep the stores within an approximate distance of one another to facilitate observing as many stores as possible in any one day. Since many chains place advertised items in areas other than its customary location, considerable time was spent by the observer locating specialied items, checking aisle-ends and areas having tie-in characteristics with the specialied item.

Consideration must also be given to the exclusion of delicatessen pricing performance. This was done to compensate for the stores which did not have delicatessen items or departments.

It should be noted that often more than one store representative of a particular chain was studied. In this instance these individual stores within each chain were observed and data recorded during only one advertising "effective-date" period. This was done to insure uniformity of data within the individual chains.

And finally, one of the most important considerations that must be realized in examining this study is that all items listed in a newspaper advertisement are not necessarily price reductions. Therefore, the results in the study reflect errors in price reduction as well as pricing errors in those items not reduced in price.

Results of the Study

While the performance results of this study are representative of many chains, they reflect wide variations among individual companies and stores as well as among the selected cities of New York, Syracuse and Rochester. Some of the chains were found to have relatively few problems in having most of their advertised items available and accurately priced, but for many the problems of eliminating pricing inconsistencies and product unavailability were quite extensive. Not only were there wide variations among companies and selected city sites, but the variation also extended to the different product departments.

Observations of pricing performance for 3,373 newspaper advertised products were collected from 26 selected chains in the Rochester, Syracuse and New York City areas (Table 1). On the average only 60 percent of all advertised items were correctly priced and/or available in the store. This left 40 percent of the products either not priced correctly or unavailable to the customers.

The number of items correctly priced varied greatly among the different chains yet all were in some respect in violation of Rule 424.1. Of the 26 chains studied only 4 had better than 70 percent of their advertised items correctly priced.^{7/} In New York City one chain, represented by data taken from two of its stores, had none of its advertised products correctly priced.

The 60 percent figure for correctly priced items, although distorted somewhat by the significantly high rate of unavailability of items, definitely shows inadequate pricing performance by the supermarket industry.

Errors in pricing accounted for 27 percent of the observations, the most common error being incorrect higher prices. The main cause of this was items which were still at presale prices. It should be noted that not one chain was able to eliminate this overpricing problem entirely. Several chains had more than 25 percent of their advertised items incorrectly higher priced. The problem of incorrect lower prices was less serious, with only 2 percent of the observations occurring in that category. Under pricing does not bother the shopper but it does lower gross margins which can in turn contribute to overall upward compensating adjustments in price.

Of the remaining 13 percent of pricing errors, five percent was accounted for by items found to be multiple priced. A notation of multiple pricing was made whenever the observer found the old price on some units and the new on others. Items bearing two prices on the same package were also recorded as being multiple priced.

Eight percent of the products were unmarked, having neither a stamped package price nor display identification price. This was due mainly to retailers purposely neglecting to price sale merchandise either because of labor constraints or delegation of this responsibility to check-out personnel, a practice which both frustrates the customer and is time wasting for the cashiers.

In these days of rigorous competition unavailability of advertised items in the store creates a very serious problem for the supermarket industry. It loses profits from sales. It loses customers. It develops into poor business operation. Out of the 26 chains studied, the average unavailability was found to be 13 percent. Only 6 chains had stockouts of special items of less than 10 percent while 11 chains had unavailability figures of 18 percent or more. Causes of this out-of-stock situation can be traced to all levels of the food industry, but there is no doubt the retailer contributes his share. Simply put, out-of-stock traceable to retail management results from one of three

^{7/} See Appendix A for a detailed analysis of the weekly advertised price results according to chains, cities and departments.

Table 1. Results of Observations for Overall Weekly Advertised Pricing Performance
For All Stores in Rochester, Syracuse and New York

Item Observed Had:	Cities						Total-All Cities	
	Rochester		Syracuse		New York		No.	Percent
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Correct Price	728	73	1679	56	1627	54	2034	60
Incorrect Higher Price	73	7	168	14	131	11	372	11
Incorrect Lower Price	23	2	22	2	17	1	62	2
No Price Marked	49	5	79	7	138	12	266	8
Multiple Prices	58	6	98	8	28	2	184	5
Item Unavailable	61	6	169	14	225	19	455	13
Total	992	100	1215	100	1166	100	3373	100

conditions: 1) not ordering the item, 2) not ordering enough, 3) not getting the merchandise on the shelf. 8/

Adverse customer reaction to out-of-stock has been intensified by several contemporary buying influences which include: increasing awareness of and loyalty to brands, interest in and demand for new items, the tendency to identify desired purchases with the search for individuality and the growing belief that any second-choice substitute tends to be second best.

As a result of these current consumer attitudes plus their traditional buying demands and expectations, out-of-stock situations no longer can be regarded merely as probable individual item sales losses. Instead every shelf vacancy today represents potential lost customers. 9/

Departmental Performance Variations

Not only are there wide variations among companies on specializing performance, but the variation also extends to the different departments of the store. Some departments tended toward relatively fair performance while others were relatively poor.

Performance in the grocery and health and beauty aids departments were particularly bad. The grocery department had 14 percent of its advertised items higher priced while the health and beauty aids department had 18 percent higher priced. Both were significantly higher in this category than either the meat or produce departments (Table 2).

The main reason for the higher incorrect grocery department prices probably stems from the fact that, contrary to the meat and produce price marking function, most grocery pricing is delegated to a number of part-time stock boys rather than being done by the department manager himself. Poor communications coupled with the increased probability of human error therefore become the main causes of errors in this department. Health and beauty aids on the other hand are commonly premarked by the manufacturer or marked at the chain warehouse using small price stickers. But, since these are very difficult to remove, they increase the problem of changing the original price during a sale period.

A more significant proportion of produce items were not priced marked as compared with items in the other store departments. The probable reasons for this situation are lack of prepackaging with price and negligence on the part of the produce manager.

The analysis of incorrect lower prices and multiple prices were about the same for each of the departments, except in two categories where they varied more than a few percentage figures.

8/ "Fighting the War on Stockouts at Retail," Progressive Grocer, Vol. 48, No. 1, January 1969, p. 53.

9/ "Growing Problem of Stockouts Verified by Nielsen Research," Progressive Grocer, Vol. 47, No. 10, November 1968, p. 58.

Table 2. Results of Observations for Weekly Newspaper Advertised Prices For Departments - Total Number of Observations

Item Observed Had:	Departments						Total			
	Grocery		Produce		Meat			H.&B.A.		
	No.	Percent	No.	Percent	No.	Percent	No.	Percent		
Correct Price	1219	56	178	63	589	75	48	41	2034	60
Incorrect Higher Price	314	14	7	2	30	4	21	18	372	11
Incorrect Lower Price	51	2	1	*	9	1	1	1	62	2
No Price Marked	185	8	74	26	3	*	4	3	266	8
Multiple Prices	144	7	9	3	19	2	11	10	184	5
Item Unavailable	278	13	13	5	134	17	31	27	455	13
Total	2191	100	282	100	784	100	116	100	3373	100

* less than 0.5%

Performance of Voluntary and Cooperative Chains
Versus Corporate Chains

The analyses of results to this point have shown a number of distinct specializing performance variations among the 26 selected food chains. However, another notable variation concerns the price specializing performance difference of leading chains as compared with the voluntary and cooperative chains. Data from all three are represented in this study.

In total, 58 stores were examined, 2,976 observations were taken from 49 stores of leading chains and 397 observations were taken from 9 stores representing 5 voluntary and/or cooperative chains. A comparison of performance results clearly identifies a number of significant pricing variations between the two groups (Tables 3 and 4). Voluntary and cooperative group performance was particularly poor. On the average only 45 percent of all the advertised items were correctly priced and available in the store. Of all observations, 16 percent were incorrectly higher priced, 5 percent incorrectly lower priced, 13 percent not priced marked and 4 percent multiple priced. One voluntary chain, especially poor in its performance, had only 28 percent of its advertised products correctly priced. Incorrect higher prices were found on 47 percent of all the observations.

On the average the voluntary and cooperative group had approximately one of every five advertised items unavailable to the customer in their stores. The greatest proportion of stockouts occurred in the grocery department. Health and beauty aids were not specialized in any of the advertisements. Since the leading chains had their greatest unavailability problem with health and beauty aid products it can probably be assumed that the total unavailability figure for voluntary and cooperative chains would have increased if health and beauty aids had been included in the group of products advertised.

The leading chains were more efficient in both pricing performance and product availability than the voluntary and cooperative chains. The only exception was in the proportion of multiple priced items. Of all the advertised items checked, 10 percent were incorrectly higher priced, 1 percent incorrectly lower priced, 7 percent not priced marked, 6 percent multiple priced and 13 percent unavailable.

Conclusions

Attracting and satisfying the customer are keys to the success or failure of all supermarkets. Every year millions of dollars are spent on remodeling, decor, advertising, promotion and merchandising in the hope of giving the store a mark of individuality that will give the shopper cause to remember and return.

But in the midst of all this activity many stores overlook one of their most important assignments in satisfying the customer -- having sufficient quantities of desired items both available and accurately priced in its store. This important responsibility is often overlooked by the retailer both as to its relative importance and in its execution. As the results of this study have indicated, this is especially true in the case of advertised specials.

Table 3. Results of Observations for Weekly Newspaper Advertised Prices of Five Voluntary and/or Cooperative Groups for Rochester, Syracuse and New York - Total Number of Observations with Percent

Item Observed Had:	Rochester		Syracuse		New York City		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Correct Price	48	64	67	39	65	43	180	45
Incorrect Higher Price	6	8	37	21	21	14	64	16
Incorrect Lower Price	0	0	12	7	6	4	18	5
No Price Marked	6	8	25	15	19	13	50	13
Multiple Prices	6	8	2	1	6	4	14	4
Item Unavailable	9	12	29	17	33	22	71	18
Total	75	100	172	100	150	100	397	100

Table 4. Results of Observations for Weekly Newspaper Advertised Price of Twenty-One Leading Chains for Rochester, Syracuse and New York - Total Number of Observations with Percent

Item Observed Had:	Rochester		Syracuse		New York City		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Correct Price	680	74	612	59	562	55	1854	62
Incorrect Higher Price	67	7	131	13	110	11	308	10
Incorrect Lower Price	23	3	10	1	11	1	44	1
No Price Marked	43	5	54	5	119	12	216	7
Multiple Prices	52	6	96	9	22	2	170	6
Item Unavailable	52	6	140	13	192	19	384	13
Total	917	100	1043	100	1016	100	2976	100

The advertised special is nothing new to the retailer and is used as a promotional device to attract shoppers. If the customer buys enough regular priced merchandise to make up for her purchases of specially priced items, the retailer may feel the promotion has accomplished its purpose. However, this is not always the case. Often the customer may leave the store dissatisfied. Increasing public criticism and regulation of advertised specials is evidence to this fact. It has become a very sensitive subject with both the retailer and the shopper. The primary emphasis of this study has been to develop facts relating to the accuracy and performance of advertised specialing in New York State supermarkets. The findings have shown both the magnitude and seriousness of this problem. There was not a single retailer observed in this study who was not in gross violation of the Federal Trade Commission Rule 4.1. In many cases public regulation is imposed on an industry because of a few bad offenders. However, this appears to be an industry-wide problem.

The task of having all specialized items correctly priced and available in a supermarket is quite difficult to achieve. One hundred percent compliance is an unrealistic expectation considering the environment and regulatory restrictions under which stores must operate. The squeeze on profits has renewed emphasis on cost control. Wages which represent approximately half of the operating costs of supermarkets have been used as a primary cost cutting target. As a result, there are fewer man-hours for shelf stocking, ordering, reordering and pricing. Furthermore, pressure on profit has induced many retailers to exercise greater inventory control at the warehouse and store levels. Reserve stocks tend to be reduced, putting new demands on proper ordering and delivery performance.

The tight labor market has also had its effects. Personnel management and control are becoming more difficult. Not only is it hard to find enough people, it is especially difficult to find employees of good calibre. Personnel directors are reporting that part-time workers are now being employed in increasing numbers and are beginning to dominate the store staff. 10/

Attributing the blame for unavailable items and pricing inconsistencies to one person or segment of the retailing operation is impossible. Errors may simply be the results of a part-time stocker marking the wrong price on the item from the order sheet, an improperly programmed computer, or a breakdown of communications in advertising. The causes are endless but the end result is always the same -- an unhappy customer and in turn lost business to the store.

In past years pricing performance and availability have become not only a concern to the customer and retailer but also to the consumer activist. The special assistant to the President on Consumer Affairs is of the opinion that the consumer has a right to expect better compliance with pricing and availability of advertised specials from the retail food industry. She has said, "Spiraling food prices are cause for the housewife to shop for advertised food specials. Hence, current high prices given special impetus to the need for effective and immediate action to stop unfair and deceptive ads and practices in the marketplace." 11/

10/ Ibid., p. 52.

11/ Hal Talyor, "NAFC Warning 'Specials' Periled By FTC Proposal", Supermarket News, Vol. 19, No. 4, January 26, 1970, p. 4.

With mounting opposition to this retailing practice it was probably not surprising to anyone when the F.T.C. issued a rule on advertised specials on July 12, 1971. The rule stated that sufficient quantities of advertised food and grocery specials must be readily available in the advertiser's stores and they must be sold at the advertised price or less. Fines of up to \$5,000 per day can be incurred for each violation.

Of the 58 stores in the study, possible violations were found present in 827 observations. This figure represents 24 percent of all the observations taken. There were 372 observations found with incorrect higher prices and 455 observations found to be unavailable. If it is assumed that all violations were not justified, imposed fines to those 58 stores alone would have totalled over \$4 million. Fines of these sizes would have placed a number of the stores in serious financial difficulty. Since stores were checked on only one of the particular effective ad dates, subsequent checks of the advertised specials on the other effective ad dates would most likely have produced similar results.

Consider that there are 38,900 leading chains and independents in the United States making use of similar newspaper advertising.^{12/} One would have to wonder how many of these stores are performing in similar fashion to those 58 stores in the study. It is wishful thinking to expect them all to be in complete compliance with the new ruling. We can most likely assume similar conditions to exist.

Granted, some of the violations found evident in the stores can probably be justified by the retailer. To do so, proof must be given to the effect that the demand for the advertised product exceeded the seller's reasonable expectations, or that the products were ordered by the seller but not delivered for reasons beyond the seller's control. Allowing for situations in which these are permitted, it is unrealistic that all claims could be justified. Several interviews with different managers during the course of the study bear this opinion out.

Now one might raise the question that if violations are of this magnitude and fines so severe why after more than two months from the issuing of the ruling did these stores perform so poorly. It would appear that retailers have ignored such threats or believe that they will not be investigated and penalized. Perhaps the realization by retailers that the F.T.C. officials do not have the resources or manpower to thoroughly police all stores is the answer. Most federal agencies and departments rely almost exclusively on voluntary compliance both in matters of correcting violations and day-to-day obedience with legal standards. F.D.A., F.T.C. and U.S.D.A. spokesmen say voluntary compliance is preferred because it is faster, easier and less involved, and cheaper than litigation, and because given the choice cooperation is more pleasant than messy court cases.^{13/}

^{12/} "Grocery Store Sales Reach \$94.470 Billion Up 6.8% Over 1970", Progressive Grocer, Vol. 51, No. 4, April 1972, p. 64.

^{13/} Steve Stoneman, "Industry Regulation: Will the Watchdogs be Unleashed?" Supermarket News, Vol. 19, No. 43, November 9, 1970, p.17.

The present study showed the urgent need for improvement in pricing practices, availability, communications and regulation of advertised specialing as it is being performed. While these results may not be universal, violations of Rule 424.1 no doubt could be found in other chains, if similar studies were made.

The supermarket industry seems not to be unduly hampered by the present loosely written and unenforced legislation on advertised specialing. This fact, however, should not influence the supermarket manager to neglect constructive plans to improve his present performance. Customer loyalty alone can determine the success or failure of individual chains in the future. The proper maintenance and improvement of various pricing and ordering functions can do much to achieve and maintain this loyalty.

APPENDIX

Weekly Advertised Pricing Performance by
Chains, Cities and Departments

Appendix Table A-1. Weekly Advertised Pricing Performance by Chains, All Departments, Syracuse Stores, Total Number of Observations with Percent

Chain Number	Number of Stores	Correct Price		Incorrect Higher Price		Incorrect Lower Price		No Price Marked	Multiple Prices		Item Unavailable		Total Observations		
		No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent		No. Percent	No. Percent	No. Percent	No. Percent			
1	5	231	56	68	17	2	*	22	5	33	8	54	13	410	100
2	3	93	56	17	10	0	0	19	12	8	5	28	17	165	100
3	2	53	45	22	19	2	2	3	3	15	13	23	19	118	100
4	2	69	69	7	7	2	2	0	0	9	9	13	13	100	100
5	2	98	66	8	5	2	1	10	7	10	7	20	14	148	100
6	2	68	67	9	9	2	2	0	0	21	20	2	2	102	100
7	2	48	46	5	5	11	11	22	21	1	1	17	16	104	100
8	2	19	28	32	47	1	1	3	4	1	1	12	18	68	100
Total	20	679	56	168	14	22	2	79	7	98	8	169	14	1215	100

* Less than .05 percent

Appendix Table A-2. Weekly Advertised Pricing Performance for Produce Departments by Chains, Syracuse Stores, Total Number of Observations with Percent*

Chain Number	Number of Stores	Correct Price		Incorrect Higher Price		Incorrect Lower Price		No Price Marked		Multiple Prices		Item Unavailable		Total Observations	
		No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent
1	5	25	62	0	0	0	0	7	18	4	10	4	10	40	100
2	3	10	42	0	0	0	0	14	58	0	0	0	0	24	100
3	2	4	50	0	0	1	13	1	13	0	0	2	25	8	101
4	2	3	75	0	0	0	0	0	0	0	0	1	25	4	100
5	2	6	50	0	0	0	0	5	42	1	8	0	0	12	100
6	2	7	88	1	12	0	0	0	0	0	0	0	0	8	100
7	2	5	83	0	0	0	0	1	17	0	0	0	0	6	100
8	2	3	50	2	33	0	0	0	0	0	0	1	17	6	100
Total	20	63	58	3	3	1	1	28	26	5	5	8	7	108	100

* may not total 100 percent due to rounding.

Appendix Table A-3. Weekly Advertised Pricing Performance for Meat Departments by Chain, Syracuse Stores, Total Number of Observations with Percent

Chain Number	Number of Stores	Correct Price		Incorrect Higher Price		Incorrect Lower Price		No Price Marked	Multiple Prices		Item Unavailable		Total Observations		
		No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent		No. Percent	No. Percent	No. Percent	No. Percent			
1	5	45	75	4	7	0	0	1	2	1	2	9	15	60	100
2	3	20	83	2	8	0	0	0	0	1	4	1	4	24	100
3	2	11	61	0	0	0	0	0	0	0	0	7	39	18	100
4	2	17	77	1	5	0	0	0	0	2	9	2	9	22	100
5	2	33	69	1	2	1	2	0	0	1	2	12	25	48	100
6	2	21	81	1	4	0	0	0	0	3	12	1	4	26	100
7	2	24	80	0	0	0	0	0	0	0	0	6	20	30	100
8	2	16	73	2	9	0	0	0	0	0	0	4	18	22	100
Total	20	187	75	11	4	1	*	1	*	8	3	42	17	250	100

* less than .05 percent

Appendix Table A-4. Weekly Advertised Pricing Performance for Health and Beauty Aids Departments by Chain, Syracuse Stores, Total Number of Observations with Percent

Chain Number	Number of Stores	Correct Price		Incorrect Higher Price		Incorrect Lower Price		No Price Marked		Multiple Prices		Item Unavailable		Total Observations	
		No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent
1	5	1	10	4	40	0	0	2	20	2	20	1	10	10	100
2	3	5	33	4	27	0	0	0	0	2	13	4	27	15	100
3	2	0	0	3	75	0	0	0	0	1	25	0	0	4	100
4	2	7	70	0	0	0	0	0	0	0	0	3	30	10	100
5	2	1	50	0	0	0	0	0	0	0	0	1	50	2	100
6	2	3	38	2	25	0	0	0	0	3	38	0	0	8	100
7	2	0	0	0	0	0	0	0	0	0	0	0	0	0	100
8	2	0	0	0	0	0	0	0	0	0	0	0	0	0	100
Total	20	17	35	13	27	0	0	2	4	8	16	9	18	49	100

Appendix Table A-5. Weekly Advertised Pricing Performance for Grocery Departments by Chain, Syracuse Stores, Total Number of Observations with Percent

Chain Number	Number of Stores	Correct Price		Incorrect Higher Price		Incorrect Lower Price		No Price Marked	Multiple Prices		Item Unavailable		Total Observations		
		No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent		No. Percent	No. Percent	No. Percent	No. Percent			
1	5	160	53	60	20	2	1	12	4	26	9	40	13	300	100
2	3	58	57	11	11	0	0	5	5	5	5	23	23	102	100
3	2	38	43	19	22	1	1	2	2	14	16	14	16	88	100
4	2	42	66	6	9	2	3	0	0	6	9	8	12	64	100
5	2	58	67	7	8	1	1	5	6	8	9	7	8	86	100
6	2	37	62	5	8	2	3	0	0	15	25	1	2	60	100
7	2	19	28	5	7	11	16	21	31	1	1	11	16	68	100
8	2	0	0	28	70	1	2	3	8	1	2	7	18	40	100
Total	20	412	51	141	17	20	2	48	6	76	9	111	14	808	100

Appendix Table A-6. Weekly Advertised Pricing Performance by Chains, All Departments
Rochester Stores, Total Number of Observations with Percent

Chain Number	Number of Stores	Correct Price		Incorrect Higher Price		Incorrect Lower Price		No Price Marked	Multiple Prices		Item Unavailable		Total Observations		
		No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent		No. Percent	No. Percent	No. Percent	No. Percent			
1	4	230	91	5	2	1	*	1	*	14	6	1	*	252	100
2	4	195	73	11	4	14	5	21	8	23	9	4	1	268	100
3	3	82	70	12	10	1	1	4	4	4	3	14	12	117	100
4	2	88	67	14	11	4	3	4	3	6	4	16	12	132	100
5	2	67	63	15	14	1	1	6	6	4	4	13	12	106	100
6	1	15	50	4	13	0	0	3	10	2	7	6	20	30	100
7	1	33	73	2	4	0	0	3	7	4	9	3	7	45	100
8	1	18	43	10	24	2	5	7	17	1	2	4	9	42	100
Total	18	728	74	73	7	23	2	49	5	58	6	61	6	992	100

* less than .05 percent

Appendix Table A-7. Weekly Advertised Pricing Performance for Product Departments by Chains, Rochester Stores, Total Number of Observations with Percent

Chain Number	Number of Stores	Correct Price		Incorrect Higher Price		Incorrect Lower Price		No Price Marked	Multiple Prices		Item Unavailable		Total Observations	
		No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent		No. Percent	No. Percent	No. Percent	No. Percent		
1	4	28	100	0	0	0	0	0	0	0	0	0	28	100
2	4	22	92	0	0	0	2	8	0	0	0	0	24	100
3	3	3	100	0	0	0	0	0	0	0	0	0	3	100
4	2	13	93	1	7	0	0	0	0	0	0	0	14	100
5	2	3	38	0	0	0	3	38	1	12	1	12	8	100
6	1	1	17	0	0	0	3	50	0	0	2	33	6	100
7	1	2	40	0	0	0	3	60	0	0	0	0	5	100
8	1	2	50	0	0	0	1	25	0	0	1	25	4	100
Total	18	74	81	1	1	0	12	13	1	1	4	4	92	100

Appendix Table A-8. Weekly Advertised Pricing Performance for Meat Departments by Chains, Rochester Stores, Total Number of Observations with Percent*

Chain Number	Number of Stores	Correct Price		Incorrect Higher Price		Incorrect Lower Price		No Price Marked	Multiple Prices		Item Unavailable		Total Observations	
		No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent		No. Percent	No. Percent	No. Percent	No. Percent		
1	4	39	98	0	0	0	0	0	1	2	0	0	40	100
2	4	18	90	0	0	0	1	5	0	0	1	5	20	100
3	3	8	53	0	0	0	0	0	3	20	4	27	15	100
4	2	25	62	1	2	3	8	0	2	5	9	23	40	100
5	2	33	79	1	2	0	0	0	2	5	6	14	42	100
6	1	8	100	0	0	0	0	0	0	0	0	0	8	100
7	1	10	91	0	0	0	0	0	1	9	0	0	11	100
8	1	12	75	1	6	1	6	0	1	6	1	6	16	100
Total	18	153	80	3	1	4	2	1	10	5	21	11	192	100

* may not total 100 percent due to rounding

Appendix Table A-9. Weekly Advertised Pricing Performance for Health and Beauty Aids Departments by Chains, Rochester Stores, Total Number of Observations with Percent*

Chain Number	Number of Stores	Correct Price		Incorrect Higher Price		Incorrect Lower Price		No Price Marked	Multiple Prices	Item Unavailable		Total Observations
		No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent			No. Percent	No. Percent	
1	4	6	75	1	13	0	0	0	0	1	13	8 101
2	4	3	38	3	38	0	0	0	2	25	0	8 101
3	3	0	0	0	0	0	0	0	0	0	0	0 100
4	2	6	100	0	0	0	0	0	0	0	0	6 100
5	2	0	0	2	100	0	0	0	0	0	0	2 100
6	1	0	0	0	0	0	0	0	0	0	0	0 100
7	1	0	0	0	0	0	0	0	0	0	0	0 100
8	1	0	0	0	0	0	0	0	0	0	0	0 100
Total	18	15	63	6	25	0	0	0	2	8	1	4 24 100

* may not total 100 percent due to rounding

Appendix Table A-10. Weekly Advertised Pricing Performance for Grocery Departments by Chains, Rochester Stores, Total Number of Observations with Percent

Chain Number	Number of Stores	Correct Price		Incorrect Higher Price		Incorrect Lower Price		No Price Marked	Multiple Prices		Item Unavailable		Total Observations	
		No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent		No. Percent	No. Percent	No. Percent	No. Percent		
1	4	157	89	4	2	1	1	1	1	13	7	0	176	100
2	4	152	70	8	4	14	7	18	8	21	10	3	216	100
3	3	71	72	12	12	1	1	4	4	1	1	10	99	100
4	2	44	61	12	17	1	1	4	6	4	6	7	72	100
5	2	31	57	12	22	1	2	3	6	1	2	6	54	100
6	1	6	38	4	25	0	0	0	0	2	12	4	16	100
7	1	21	73	2	7	0	0	0	0	3	10	3	29	100
8	1	4	18	9	41	1	5	6	27	0	0	2	22	100
Total	18	486	71	63	9	19	3	36	5	45	7	35	684	100

Appendix Table A-11. Weekly Advertised Pricing Performance by Chains, All Departments, New York City Stores, Total Number of Observations with Percent

Chain Number	Number of Stores	Correct Price		Incorrect Higher Price		Incorrect Lower Price		No Price Marked	Multiple Prices		Item Unavailable		Total Observations		
		No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent		No. Percent	No. Percent	No. Percent	No. Percent			
1	2	80	67	10	8	1	1	8	7	2	2	19	16	120	100
2	2	47	65	5	7	1	1	1	1	4	6	14	19	72	100
3	2	65	43	21	14	6	4	19	13	6	4	33	22	150	100
4	2	0	0	10	28	0	0	24	67	0	0	2	6	36	100
5	2	73	59	21	17	1	1	1	1	3	2	25	20	124	100
6	2	123	69	11	6	2	1	7	4	0	0	35	20	178	100
7	2	61	46	7	5	3	2	31	23	1	1	29	22	132	100
8	2	102	58	27	15	3	2	4	2	9	5	31	18	176	100
9	2	15	25	6	10	0	0	25	42	3	5	11	18	60	100
10	2	61	52	13	11	0	0	18	15	0	0	26	22	118	100
Total	20	627	54	131	11	17	1	138	12	28	2	225	19	1166	100

Appendix Table A-12. Weekly Advertised Pricing Performance for Produce Departments by Chain, New York City Stores, Total Number of Observations with Percent

Chain Number	Number of Stores	Correct Price		Incorrect Higher Price		Incorrect Lower Price		No Price Marked	Multiple Prices		Item Unavailable		Total Observations	
		No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent		No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent
1	2	6	60	0	0	0	4	40	0	0	0	0	10	100
2	2	5	83	0	0	0	1	17	0	0	0	0	6	100
3	2	5	41	2	17	0	2	17	3	25	0	0	12	100
4	2	0	0	0	0	0	0	0	0	0	0	0	0	100
5	2	7	88	0	0	0	0	0	0	0	1	12	8	100
6	2	9	64	1	7	0	4	29	0	0	0	0	14	100
7	2	6	50	0	0	0	6	50	0	0	0	0	12	100
8	2	0	0	0	0	0	0	0	0	0	0	0	0	100
9	2	0	0	0	0	0	6	100	0	0	0	0	6	100
10	2	3	21	0	0	0	11	79	0	0	0	0	14	100
Total	20	41	50	3	4	0	34	41	3	4	1	1	82	100

Appendix Table A-13. Weekly Advertised Pricing Performance for Meat Departments by Chains, New York City Stores, Total Number of Observations with Percent

Chain Number	Number of Stores	Correct Price		Incorrect Higher Price		Incorrect Lower Price		No Price Marked	Multiple Prices		Item Unavailable		Total Observations	
		No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent		No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent
1	2	29	76	3	8	0	0	0	0	0	6	16	38	100
2	2	14	77	1	6	1	6	0	0	0	2	11	18	100
3	2	28	70	2	5	2	5	0	0	0	8	20	40	100
4	2	0	0	0	0	0	0	0	0	0	0	0	0	100
5	2	27	75	0	0	0	0	0	0	0	9	25	36	100
6	2	56	74	1	1	0	0	0	0	0	19	25	76	100
7	2	31	71	0	0	1	2	0	0	0	12	27	44	100
8	2	36	82	6	14	0	0	0	0	0	2	5	44	100
9	2	14	54	3	12	0	0	1	4	1	7	27	26	100
10	2	14	70	0	0	0	0	0	0	0	6	30	20	100
Total	20	249	72	16	5	4	1	1	1	*	71	21	342	100

* less than .05 percent

Appendix Table A-14. Weekly Advertised Pricing Performance for Health and Beauty Aids Departments by Chains, New York City Stores, Total Number of Observations with Percent

Chain Number	Number of Stores	Correct Price		Incorrect Higher Price		Incorrect Lower Price		No Price Marked		Multiple Prices		Item Unavailable		Total Observations	
		No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
1	2	0	0	0	0	0	0	0	0	0	0	0	0	0	100
2	2	5	71	0	0	0	0	0	0	1	14	1	14	7	100
3	2	0	0	0	0	0	0	0	0	0	0	0	0	0	100
4	2	0	0	0	0	0	0	0	0	0	0	0	0	0	100
5	2	0	0	2	25	0	0	0	0	0	0	6	75	8	100
6	2	3	30	0	0	1	10	0	0	0	0	6	60	10	100
7	2	4	67	0	0	0	0	2	33	0	0	0	0	6	100
8	2	0	0	0	0	0	0	0	0	0	0	0	0	0	100
9	2	0	0	0	0	0	0	0	0	0	0	0	0	0	100
10	2	4	33	0	0	0	0	0	0	0	0	8	67	12	100
Total	20	16	37	2	5	1	2	2	5	1	2	21	49	43	100

Appendix Table A-15. Weekly Advertised Pricing Performance for Grocery Departments by Chains, New York City Stores, Total Number of Observations with Percent

Chain Number	Number of Stores	Correct Price		Incorrect Higher Price		Incorrect Lower Price		No Price Marked	Multiple Prices		Item Unavailable		Total Observations	
		No. Percent	No. Percent	No. Percent	No. Percent	No. Percent	No. Percent		No. Percent	No. Percent	No. Percent	No. Percent		
1	2	45	62	7	10	1	4	6	2	3	13	18	72	100
2	2	23	56	4	10	0	0	0	3	7	11	27	41	100
3	2	32	33	17	17	4	17	17	3	3	25	26	98	100
4	2	0	0	10	28	0	24	67	0	0	2	6	36	100
5	2	39	54	19	27	1	1	1	3	4	9	13	72	100
6	2	55	71	9	12	1	3	4	0	0	10	13	78	100
7	2	20	29	7	10	2	23	33	1	1	17	24	70	100
8	2	66	50	21	16	3	4	3	9	7	29	22	132	100
9	2	1	4	3	11	0	18	64	2	7	4	14	28	100
10	2	40	55	13	18	0	7	10	0	0	12	17	72	100
Total	20	321	46	110	16	12	101	14	23	3	132	19	699	100