

Agency of Agriculture, Food & Markets 116 State Street Montpelier, VT 05620-2901 www.Agriculture.Vermont.gov

Retail Price and Scanner Accuracy

The Weights and Measures Section of the Vermont Agency of Agriculture Food and Markets (VAAFM) has the responsibility to test the accuracy and use of laser scanning and other computer assisted checkout systems in stores, pursuant to 9 V.S. A § 2643 Weights and Measures, <u>Commerce and Trade</u> (vermont.gov)

The purpose of this paper is to encourage Pricing Best Practices and share some frequent errors that inspectors find.

Benefits of Accurate Pricing:

In today's marketplace, consumers expect accurate pricing. They will make informed and accurate purchasing decisions based on shelf tags and signs. Value comparisons are made based on the posted prices.

Pricing errors are detrimental to retailers as those errors result in consumer dissatisfaction. Consumers often lose money through unnoticed overcharges and don't return to the store for price corrections due to the inconvenience of doing so. Many consumers will not frequent a retail location if recurring overcharges occur at the register. Consumers will at times file complaints with the State of Vermont which then requires additional follow-up inspections to take place at that location.

VAAFM recommends the following Scanner Best Practices to maintain compliance with 9 V.S. A § 2643 and maintain consumer confidence.

Designate Someone as Pricing Coordinator:

Designating one person as pricing coordinator who has overall responsibility for store's pricing can help ensure pricing integrity.

Adopt a Written Pricing Policy:

Adopting written procedures for all forms of pricing activity in the store can maintain consistency if several issues are addressed.

- Adopting procedures for the immediate correction of pricing errors and missing tags when discovered
- Ensuring that prices are changed at the shelf in conjunction with a system wide price change outside of normal business hours
- Pulling sale tags the shift or day before they expire
- Checking for old sale tags that may have been hidden when undergoing price changes
- Changing prices on a regular and consistent basis that is compatible with staffing levels and workload
- Making the price labels and sales tags easy to understand and read
- Removing old tags/crossing out óld prices when adding new prices



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Staff Training:

- Educating new employees and employing ongoing trainings for all employees and vendors on pricing policies and procedures
- Training employees to treat customers reporting pricing errors politely

Systematic Price Checking/Mock Inspections:

- Performing strategic and systematic price checks on a regular basis
- Performing storewide price checks periodically
- Performing mock inspections to ensure pricing accuracy

Technology:

- Providing hand-held scanners to staff
- Providing portable label printers to staff
- Providing scanner point/s to customers so they can check prices before purchase

Common Errors:

- Sales signs not taken down at the conclusion of a sale
- End cap item prices not being updated when primary tag updates take place, occurs when items are on sale at two or more locations in a store
- Vendor errors: The retail store is responsible for all pricing. Accuracy of pricing needs to be communicated to outside venders if they are involved with pricing.
- Price increases taking place in the scanning system and cash registers before the shelf tags are updated

Inspection Process and Communication:

Inspectors may conduct price verification (scanner) inspections in any store. The procedure involves checking a randomized sample of items located throughout the store. The full procedure follows *NIST Publication Handbook 130 Examination Procedure for Price Verification* and can be found at: <u>NIST</u> Handbook 130: Uniform Laws and Regulations in the Areas of Legal Metrology and Fuel Quality

The Weights & Measures office is available to answer any related questions. In addition, field staff are available for a store visit and walk through on an appointment basis.

For more information or to schedule a retail store visit please contact:

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