

Media Release



Government of South Australia

Office of Consumer and
Business Affairs

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Jewellery advertising under the spotlight

As the rush to buy Mother's Day presents intensifies, Australia's consumer protection agencies are scrutinising jewellery advertisements.

The Office of Consumer and Business Affairs (OCBA), together with other state and territory fair trading agencies and the Australian Competition and Consumer Commission (ACCC) are monitoring jewellery advertising nationally. Advertising catalogues are being scrutinised and jewellers contacted to ensure that consumers are not being misled about claimed bargains. The agencies conducted similar monitoring last year.

South Australia's Commissioner for Consumer Affairs, Mark Bodycoat said "Jewellery is always heavily advertised in the lead up to Mother's Day, but retailers still have to ensure that their advertising is accurate."

The agencies are concentrating on two-price advertising, where sellers compare the current sale price with a higher 'normal' or 'usual' price - for example 'was \$150/now \$100' or '~~\$150~~ \$100'. Two-price advertising has been popular in some sections of the jewellery industry.

"Members of the jewellery industry have expressed concern that savings advertised by their competitors are not real. We want to see vibrant competition in the jewellery industry, but not where consumers are choosing jewellery because of misleading claims about savings or price."

As part of the monitoring, jewellers are being asked to support price or savings claims being made. Responses will be carefully considered to see if any further action is required.

"If an advertisement creates the impression that consumers can pay less now than at another time, we want to see evidence of that."

In December 2006 the ACCC commenced court proceedings against two retail jewellery chains, Zamels and Prouds, for two-price advertising conduct. These matters are still before the court.

To report any concerns about false or misleading advertisements, contact OCBA on 8204 9777, or 131 882 for country callers.