



NEWS RELEASE

28 September 2021

Market Study into Jersey's Alcohol Pricing and Promotions

The impact of alcohol pricing strategies and promotions by licensed premises, is to be examined by the Jersey Competition Regulatory Authority (the Authority). The study has been requested by Jersey's Attorney General following changes in the market and in international best practice.

The study will start in October, 2021 and take approximately four months. It will focus on the Attorney General's Guidance (Licensing (Jersey) Law 1974) on Drinks pricing and promotions, and its economic impact on licensed outlets and consumers; as well as reviewing comparable international experience of similar policies. It will consider any actions that could help improve market outcomes and support broader policy objectives.

The alcohol market is a significant and important one for Jersey, contributing considerable government revenues through duties and taxes. While the Authority recognises the health and social impact of alcohol, the study focuses on the economic impact and how it may affect competition between Licensed premises, and consumer choice.

Peter Hetherington, Senior Economic Case Officer said, “The study is specifically looking at pricing and promotions as contained in the Guidance issued by Jersey’s Attorney General. Examples of this in on-licence premises, are *buy one drink, get one free*, or *happy hours*. In off-licence premises, it would be selling drinks at a price lower than the established 50 pence per unit of alcohol. We will look at comparable international experience, and analysis of past precedent and case studies. Interviews will be conducted with stakeholders and surveys used where appropriate.”

The study will seek to understand if there is any unintended consequences from the current Guidance on drinks pricing and promotions. As such, it is in line with the Authority’s prioritisation principles and business plan, which are to use market studies to evaluate particular market issues and raise awareness of competition policy and benefits among businesses, consumers, and public institutions.

Ends

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NOTES TO EDITORS:

Attached to this media release is a summary of the most frequently asked questions about market studies in general, and this study in particular, and the Terms of reference.

More information about market studies can be found at the Authority’s website

<https://www.jcra.je/competition-and-regulation/market-studies/>

About The Jersey Competition Regulatory Authority:

The JCRA was established under the Competition Regulatory Authority (Jersey) Law, 2001. It is responsible for administering and enforcing the Competition (Jersey) Law 2005 and also regulates the telecoms and postal sectors and the Ports of Jersey.

The JCRA strives to ensure that the markets work well for the benefit of all stakeholders, including Government, business, citizens and consumers facilitating best value, choice and access to high quality services.