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GCA warns supermarkets off charging for better website positioning

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Christine Tacon

Groceries Code Adjudicator Christine Tacon has warned supermarkets against demanding money from suppliers for better positions on their websites.

Tacon this week issued new advice saying the GCA would regard "virtual positioning" of groceries in the same way as physical positioning on the shelves.

The Adjudicator urged suppliers to come forward if they had examples of being made to pay for prime slots on retailers' websites.

Tacon's warning follows a three-month probe by the Adjudicator into the issue of payments of positioning, which concluded in February 2017. At the time, Tacon found she did not have enough evidence to launch an official investigation into supermarket practices in store, despite some suppliers claiming they had been required to pay for the best positioning in physical stores.

"Following this, an issue was raised with the GCA regarding possible payments made by suppliers to secure better positioning of their products on regulated retailers' online shopping portals

This addendum makes clear that the GCA will consider physical and virtual positioning of groceries in the same way when interpreting the Code and that retailers should consider whether their activities in relation to groceries for resale online are compliant with the Code," said Tacon.

"Retailers are expected to make clear on their websites where goods not on promotion appear more visible to customers as a result of advertising paid for by a supplier or any payment received from a supplier to secure more space or better positioning.

"As websites develop and increasingly complex consumer choice algorithms emerge, retailers should be able to demonstrate that they are minimising the risk of any breaches of the Code arising in this area, not just in relation to payments for better positioning of goods but in all relevant areas of the Code."

This week Tacon also made an appeal for suppliers to come forward to take part in her annual groceries sector survey, which reports on key GCA issues they are facing. Suppliers can respond at yougov.com/gca, with the deadline for responses set at 22 April.