

# Congress of the United States

Washington, DC 20515

October 26, 2023

Mr. Samuel Levine  
Director of Bureau of Consumer Protection  
Federal Trade Commission  
600 Pennsylvania Ave., NW  
Washington, DC 20580

Dear Director Levine,

## **A Call for Action**

Last year, a group of five consumer protection advocacy groups,<sup>1</sup> including Consumer Reports, which represents over six million consumers nationwide, raised issues about digital discrimination experienced at supermarkets by senior citizens and those without Internet access or digital devices. Furthermore, a survey by Consumer World reveals that many in these vulnerable groups cannot access store-issued coupons and offers for discounts. This example of digital discrimination is especially concerning as prices continue to rise for items sold at grocery stores.

That is why, we respectfully request your agency open an investigation under Section 5 of the Federal Trade Commission Act to examine the harm that the lack of access to store-issued digital coupons is having on consumers, particularly senior citizens, low income-individuals, and those without Internet access or digital devices.

## **The Impact of Digital Only Store Issued Coupons**

Limiting store-issued coupons to a digital format is discriminatory, perpetuates inequality and further widens the digital divide. While inflation has started to cool off and bring down prices on some goods, food price inflation—though slowing—remains above historical trends. This summer, the Department of Labor<sup>2</sup> reported that inflation for food-at-home was at 4.7% for June on a year-over-year basis, well above the 20-year average.

Those most affected by the rising costs of groceries are low-income individuals and families, who spend a larger portion of their income on food than middle- and upper-class consumers<sup>3</sup>. Additionally, while wages are rising thanks to the Biden Administration's work, data shows low-income households are still struggling to catch up with inflation<sup>4</sup> and senior citizens on fixed incomes do not benefit from these rising wages. Furthermore, these are the same households who often lack access to Internet and digital devices. A study from the Pew Research Center<sup>5</sup> found that 43% of low-income households do not have access to the internet and 41% do not have access to a desktop or laptop computer.

As consumer protection groups have pointed out, not being able to access store-issued digital coupons is greatly costing low-income households and seniors. For example, at one supermarket, an 18-count carton of eggs was retailed at \$3.49. With a digital coupon, the price of that same carton of eggs fell to \$1.99. In another example, a

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<sup>1</sup> An Open Letter to Leaders in the [Supermarket Industry](#)

<sup>2</sup> U.S. Bureau of Labor Statistics [Consumer Price Index Summary](#)

<sup>3</sup> [White House: Grocery Inflation is Finally Showing Signs of Cooling](#)

<sup>4</sup> [Marketplace](#): Even as real wages rebound, low-income households are playing catch up

<sup>5</sup> [Pew Research Center: Digital Divide](#)

package of steak was retailed at \$8.99 per pound, but with a digital coupon, it was \$3.02 less, or \$5.97 per pound.<sup>6</sup>

**In-Store Alternative Solutions**

Consumer protection groups have independently called for numerous actions stores can take to bridge this financial gap for low-income households and seniors. They state that entities should consider offering store-issued digital coupons to consumers also offer in-store alternatives that allow consumers to obtain the same product or service at the same price, discount, or terms provided by the digital store-issued coupon. These in-store alternatives include:

- Providing physical paper copies of digital coupons to customers;
- Honoring the digital price during the check-out process upon request by the customer;
- Supportive processes at customer service;
- Providing electronic kiosks in store that allow consumers to obtain access to store-issued digital coupons by scanning their loyalty program card or entering the phone number associated with their loyalty program account;

Providing these in-store alternatives will ensure equitable access to all store-issued coupons for all consumers. In light of this concerning digital divide, state legislatures are doing what they can to address the disparity. For example, state lawmakers in New Jersey have introduced House Bill 5076 to require a person offering digital coupons to make available an in-store alternative of identical value.

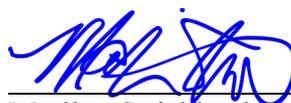
**Requested Action from FTC Bureau of Consumer Protection**

We urge your agency to look into similar regulatory actions by opening an investigation under Section 5 of the Federal Trade Commission Act. Under this law, the Federal Trade Commission’s Bureau of Consumer Protection is responsible for stopping unfair, deceptive, and fraudulent business practices by collecting complaints and conducting investigations, suing companies and parties that break the law, promulgating rules to maintain a fair marketplace, and educating consumers and businesses about their rights.

This is a digital equity issue, and the Federal Trade Commission’s Bureau of Consumer Protection has the authority to take action now.

Thank you for your attention to this matter. We look forward to your response and working together to address this issue to ensure seniors, low-income households, and those without Internet access or digital devices are not shut out from accessing digital discounts.

Sincerely,



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Marilyn Strickland  
Member of Congress

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<sup>6</sup> An Open Letter to Leaders in the [Supermarket Industry](#)



Barbara Lee  
Member of Congress



Troy Carter  
Member of Congress



Mark Pocan  
Member of Congress



Seth Magaziner  
Member of Congress



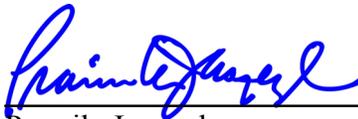
Jim Tokuda  
Member of Congress



André Carson  
Member of Congress



Nikema Williams  
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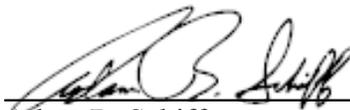
Pramila Jayapal  
Member of Congress



Stephen F. Lynch  
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Bonnie Watson Coleman  
Member of Congress



Adam B. Schiff  
Member of Congress



Greg Casar  
Member of Congress



Eleanor Holmes Norton  
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