

# The invisible price reduction

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Raymond Chen

Swedish discount warehouse chain Coop Forum is running an advertising campaign claiming “New Lower Prices!”, but how can you tell? Apparently you’re not supposed to (shocking!) compare current prices against what they were before the ad campaign.

Raymond’s bad translation follows.

## **Coops “new” price reduction not new**

**A major new price reduction advertising campaign issued by discount warehouse chain Coop Forum this week to all households in the Stockholm area could be misleading.**

The list of which merchandise which actually had their prices lowered, that is secret, according to Roger Gehrman, vice managing director for Coop Forum.

“The price structure is one of the probably most important trade secrets we have,” he says.

**But you claim that you are lowering prices. How can one be sure that you really are doing it?**

“You can’t compare today’s prices with how they were earlier,” says Roger Gehrman.

**Difficult to know for both Ica and Coop**

It is almost just as hard to get a grasp on Coop’s claimed price reduction as it is with Ica’s.

Ekot’s check shows that both chains refuse to show which individual items were lowered or how large individual price reductions are.

**Don’t want to report which items were reduced**

Coop’s manager Roger Gehrman doesn’t even want to state which product categories were reduced the most.

“I don’t want to go into that. It is nearly all of our product range but I don’t have detailed knowledge to talk about a specifically reduced product and I don’t have the list in front of me either,” he says.

This week’s advertising flyer from Coop Forum to households in the Stockholm region are misleading. “Welcome to our largest price reduction ever” and “New lower prices” says the discount warehouse chain now about a price reduction which in the Stockholm area was already put into place last autumn.

“It happened at the end of October 2004,” says the Coop Forum manager.

One figure Coop management did release, and that’s how much the 7,000 items were reduced on average: five percent.

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