



Final determination

Application for authorisation AA1000549

lodged by

7-Eleven Stores Pty Ltd and Velocity Frequent Flyer Pty Ltd

in respect of

7-Eleven's participation in the Velocity loyalty program

Authorisation number: AA1000549

28 July 2021

Commissioners:

Keogh

Rickard

Brakey

Ridgeway

Summary

The ACCC has decided to grant authorisation to enable 7-Eleven and its franchisees to participate in the Velocity Frequent Flyer loyalty program as a retail and potential redemption partner.

The ACCC considers that the conduct is likely to result in some public benefits, including from the opportunity for consumers to earn and potentially redeem loyalty points and more consistent consumer and business offerings. The ACCC considers that the conduct is unlikely to result in significant public detriments.

The ACCC has decided to grant authorisation until 19 August 2026.

1. The application for authorisation

- 1.1. On 24 March 2021, 7-Eleven Stores Pty Ltd (**7-Eleven**), on behalf of itself, its franchised stores and Velocity Frequent Flyer Pty Ltd (**Velocity**) (together, **the Applicants**) lodged application for authorisation AA1000549 with the Australian Competition and Consumer Commission (the **ACCC**). The application for authorisation was made under subsection 88(1) of the *Competition and Consumer Act 2010* (Cth) (the **Act**).
- 1.2. The ACCC may grant authorisation which provides businesses with legal protection under the competition provisions in Part IV of the Act for arrangements that may otherwise risk breaching those provisions in the Act but are not harmful to competition and/or are likely to result in overall public benefits.
- 1.3. The Applicants also requested interim authorisation to enable them to engage in the Proposed Conduct while the ACCC is considering the substantive application. Interim authorisation was granted on 7 May 2021.

The Proposed Conduct

- 1.4. The Applicants are seeking authorisation for 7-Eleven to participate as a retail partner of Velocity's loyalty program (**Velocity Program**) pursuant to a confidential participation agreement (**Participation Agreement**) between 7-Eleven and Velocity. The Applicants are also considering the potential appointment of 7-Eleven by Velocity as a redemption partner (together with the Participation Agreement, the **Proposed Conduct**). The Applicants have sought authorisation on the basis that the Proposed Conduct may involve conduct that breaches the Act; for instance, if 7-Eleven offers benefits exclusively to Velocity members or competing 7-Eleven stores coordinate in implementing the Velocity partnership.
- 1.5. Consumers who are members of the Velocity Program will be able to earn points when they make eligible purchases of goods and services from any 7-Eleven store. If Velocity appoints 7-Eleven as a redemption partner, Velocity members will also be able to redeem points for eligible goods and services from any 7-Eleven store.

2. Background

Parties

- 2.1. 7-Eleven is a locally-owned private company with a license to operate and franchise 7-Eleven stores in Australia from the US-based 7-Eleven Inc. The 7-Eleven network in

Australia comprises retail fuel and convenience stores across Australia, with over 700 stores in Victoria, New South Wales, the Australian Capital Territory, Queensland and Western Australia. 7-Eleven's Australian operations include 561 fuel retail stores and approximately 150 retail convenience stores.

- 2.2. The majority of 7-Eleven's stores are franchised by 7-Eleven and held by third party entities, many of whom are small business operators. 7-Eleven also operates its own corporate stores, some of which are franchised and held by a sister entity of 7-Eleven, Convenience Holdings Pty Limited.
- 2.3. The Velocity Program is operated by Velocity, which is wholly owned by Virgin Australia Holdings Pty Ltd (**Virgin Australia**). It was first launched in November 2005 by Virgin Blue as a domestic air travel focused rewards program and was relaunched in August 2011 as the Velocity Program.

Rationale for the Proposed Conduct

- 2.4. 7-Eleven's stated rationale for participating in the Proposed Conduct is:
 - to attract Velocity customers to 7-Eleven's network
 - to improve its offering to existing customers of 7-Eleven stores
 - to increase competitiveness against other petrol and convenience retailers
 - brand alignment between 7-Eleven and Velocity, and
 - integration with 7-Eleven's digital strategy.
- 2.5. Velocity submits that the Proposed Conduct provides it with a direct earn partner in the fuel and convenience market. Velocity anticipates that the ability to earn and potentially redeem Velocity points while buying fuel and retail items at 7-Eleven will be valued by its members.
- 2.6. Velocity further submits that the addition of 7-Eleven as a direct earn partner will enable Velocity (and Virgin Australia) to more effectively compete with Qantas, which already offers earn and redemption opportunities with fuel and convenience brands BP, Woolworths and Caltex (now Ampol). Velocity submits that without a compelling loyalty program, Virgin Australia would be limited in its ability to successfully compete against Qantas. Further, the ability for Velocity to more effectively use information about its members' preferences and purchasing behaviours, and in turn improve its range of partners and offers to more closely match those preferences, is crucial to Velocity's success as a loyalty program.

Previous similar authorisations

BP / Qantas

- 2.7. On 27 February 2020, the ACCC granted authorisation to BP Australia Pty Ltd and participating BP fuel resellers, Qantas Airways Limited and Qantas Frequent Flyer Limited to collectively participate in the BP Rewards, Qantas Frequent Flyer and Qantas Business Rewards programs.

BP / Woolworths

2.8. On 14 December 2017, the ACCC granted authorisation to BP, Woolworths and BP resellers to introduce the Woolworths Rewards Loyalty Program at BP owned and operated service stations and certain BP reseller service stations.

BP / Velocity

2.9. On 18 August 2015, the ACCC granted authorisation for BP and BP resellers to collectively participate in the Velocity Frequent Flyer Program. The authorisation enabled BP and BP resellers to provide opportunities for Velocity members to earn points for purchases made at BP sites. BP terminated its participation in this program in mid-2017.

Customer loyalty schemes in Australia

2.10. In December 2019, the ACCC released a [report](#) into customer loyalty schemes, which identified a number of consumer, data and potential competition issues.

2.11. As the report notes, loyalty schemes are ubiquitous in the Australian market and are prevalent in many sectors of the economy. In particular, they are offered by airlines, banks, cinemas, hotels, restaurants and retailers. Larger loyalty schemes, such as Qantas Frequent Flyer, Velocity Frequent Flyer and flybuys have developed as points-based coalition programs, in which merchants from different industries may participate by purchasing a loyalty scheme's points for their customers and offer these to their customers as a reward.

2.12. The ACCC's report found:

- Almost 90 per cent of Australian consumers are estimated to be a member of a loyalty scheme, with the average Australian holding four to six loyalty cards.
- In recent years, Australia's four largest loyalty schemes have grown both in terms of membership and partners. Qantas Frequent Flyer currently has around 12.9 million members, Woolworths Rewards has 11.7 million members, Velocity Frequent Flyer has 9.8 million members and flybuys has 8.6 million individual members.
- While not all consumers are active members of the loyalty schemes they belong to, for a significant number of consumers, loyalty schemes can strongly influence their buying behaviour. This can have implications for the ability of smaller companies or new entrants without a well-established loyalty scheme to compete.
- The terms and conditions of loyalty schemes' privacy policies often prevent consumers from making informed choices that align with their privacy and data collection preferences. Problematic data practices can cause harm through decreased consumer welfare from reduced privacy, and risks to consumers from increased profiling, discrimination and exclusion.

3. Consultation

3.1. A public consultation process informs the ACCC's assessment of the likely public benefits and detriments from the Proposed Conduct.

3.2. The ACCC invited submissions from a range of potentially interested parties including major competitors, loyalty schemes, industry associations, supermarkets, consumer groups and banks. The ACCC received no submissions in response.

- 3.3. On 11 June 2021, the ACCC issued a draft determination proposing to grant authorisation for 5 years. A pre-decision conference was not requested following the draft determination and no submissions were received.
- 3.4. Further information on the application for authorisation, including the application itself, is available on the ACCC's [public register](#).

4. ACCC assessment

- 4.1. The ACCC's assessment of the Proposed Conduct is carried out in accordance with the relevant authorisation test contained in the Act.
- 4.2. The Applicants have sought authorisation for section 45, section 47 and Division 1 of Part IV of the Act.
- 4.3. Consistent with subsections 90(7) and 90(8) of the Act, the ACCC must not grant authorisation unless it is satisfied, in all the circumstances, that the conduct would result or be likely to result in a benefit to the public, and the benefit would outweigh the detriment to the public that would be likely to result (authorisation test).

Relevant areas of competition

- 4.4. To assess the likely effect of the Proposed Conduct, the ACCC will identify the relevant areas of competition likely to be impacted.
- 4.5. The Applicants consider that it is not necessary for the ACCC to precisely define the relevant markets for the purpose of assessing their application for authorisation. However, the Applicants submit that the ACCC should have regard to the impact of the Proposed Conduct on competition for:
 - the retail supply of fuel, convenience store items and ancillary services, and
 - the supply or acquisition of loyalty program services.
- 4.6. The ACCC considers that customer loyalty or reward schemes are used by businesses to attract and retain customers by offering a discount or rebate to customers who make repeat purchases. For this reason, the ACCC does not propose to consider a separate market for loyalty programs in assessing this application for authorisation; the public benefits and detriments of the Proposed Conduct are already taken into account in examining its effect on the markets for the retail supply of fuel, convenience store items and ancillary services.
- 4.7. Consumers may benefit from their participation in loyalty schemes by receiving rewards such as discounts on products and services, and access to exclusive offers and service levels. They may receive these benefits on purchases they would have otherwise made. The ACCC's report on customer loyalty schemes contains further information about competition and consumer issues associated with customer loyalty schemes.
- 4.8. The ACCC considers that, for the purpose of assessing the Proposed Conduct, the relevant areas of competition are likely to be:
 - competition in retail fuel markets
 - competition in retail convenience markets, and
 - competition in airline markets.

4.9. The ACCC considers the retail fuel and convenience markets are relevant areas of competition because these are the primary markets in which 7-Eleven operates, through its retail fuel and convenience stores (which may be both retail fuel and convenience stores, or convenience stores alone). The ACCC considers airline markets are a relevant area of competition because the Velocity Program is used by Virgin Australia to attract and retain airline customers.

Future with and without the Proposed Conduct

4.10. In applying the authorisation test, the ACCC compares the likely future with the Proposed Conduct that is the subject of the authorisation to the likely future in which the Proposed Conduct does not occur.

4.11. The ACCC considers that the most likely future without the Proposed Conduct would be the status quo, in which 7-Eleven is not a participant in the Velocity Program and Velocity does not have a retail fuel and convenience partner.

Public benefits

4.12. The Act does not define what constitutes a public benefit. The ACCC adopts a broad approach. This is consistent with the Australian Competition Tribunal (the **Tribunal**) which has stated that the term should be given its widest possible meaning, and includes:

...anything of value to the community generally, any contribution to the aims pursued by society including as one of its principal elements ... the achievement of the economic goals of efficiency and progress.¹

4.13. The ACCC has considered the following potential public benefits:

- direct consumer benefits
- more consistent consumer and business offerings
- enhanced competition in retail fuel and convenience markets
- enhanced competition between consumer loyalty programs
- enhanced competition in the supply of airline services, and
- transaction cost savings.

Direct consumer benefits

4.14. The Applicants submit that the Proposed Conduct will provide consumers with increased flexibility in how they earn Velocity points by broadening the range of goods and services for which, and locations where, Velocity points will be able to be earned. The Proposed Conduct will also provide consumers with increased flexibility in how they redeem Velocity points by potentially enabling Velocity members to redeem their points for eligible goods and services sold by 7-Eleven stores, subject to the appointment of 7-Eleven as a redemption partner.

4.15. The ACCC accepts that some consumers will benefit from the Proposed Conduct by being able to earn Velocity points on a wider range of purchases at a broader range of locations (and potentially redeem points), and that this constitutes a public benefit.

¹ Queensland Co-operative Milling Association Ltd (1976) ATPR 40-012 at 17,242; cited with approval in Re 7-Eleven Stores (1994) ATPR 41-357 at 42,677.

4.16. Therefore, the ACCC considers that the Proposed Conduct is likely to result in public benefits in the form of increased opportunities to earn (and potentially redeem) Velocity points for those consumers who value these increased opportunities. The ACCC considers this will be a minority of all consumers, which correspondingly limits the extent of this likely public benefit.

More consistent consumer and business offerings

4.17. The Applicants submit that the Proposed Conduct will allow the benefits of the Velocity Program to be offered more consistently across 7-Eleven's network than if its franchisees were to independently negotiate their participation in the Velocity Program. Enabling a consistent offering of the Velocity Program will benefit consumers in the following ways:

- it would help to avoid customer confusion about the participation of specific 7-Eleven's branded stores in the Velocity Program. Consumers would reasonably expect that all 7-Eleven stores (irrespective of whether they are franchised) will participate in all promotions associated with the Velocity Program as a result of 7-Eleven's partnership with Velocity
- consumers will not have to seek out the 7-Eleven stores where they can earn Velocity points for eligible purchases or potentially redeem Velocity points, and
- it would make it easier for 7-Eleven and Velocity to communicate and promote its partnership to consumers, including to develop and undertake marketing and promotions at the network level.

4.18. The Applicants further submit that the broader the level of participation by franchisees, the greater the appeal of the Velocity Program to consumers, and the greater the associated benefits for franchisees in terms of enhancing the competitiveness of their stores.

4.19. The ACCC considers that having all 7-Eleven stores participate in the Velocity Program is likely to minimise customer confusion and simplify the promotion of the partnership. The ACCC acknowledges that participation in the program is likely to be less comprehensive if franchisees were left to independently negotiate their participation in the Velocity Program.

4.20. Therefore, the ACCC considers that the Proposed Conduct is likely to result in public benefits in the form of more consistent consumer and business offerings across the 7-Eleven network.

Enhanced competition in retail fuel and convenience markets

4.21. The Applicants submit that the Proposed Conduct will further enhance competition in retail fuel and convenience markets, given that the benefits available under loyalty programs are valued highly by consumers.

4.22. The Applicants submit that the ACCC has previously determined that the ability to earn loyalty program points for purchases of fuel was likely to be valued by consumers and, in the context of *BP / Velocity*, considered it would improve BP-branded sites' retail competitiveness. The Applicants consider the same principles apply to this application.

4.23. The Applicants consider that the widespread and interlinked nature of loyalty programs has created an environment in which consumers increasingly expect to be rewarded for their purchasing behaviours. For this reason, the Applicants consider that the

Proposed Conduct would be likely to cause other fuel and convenience retailers to reassess the competitiveness of their loyalty program offerings, particularly in relation to the earning and redemption of loyalty program points at fuel sites, and to consider improving those offerings. Where fuel and convenience retailers have not partnered with a loyalty program, the Proposed Conduct may encourage them to do so, especially given the highly competitive nature of retail fuel markets.

- 4.24. The Applicants submit that to the extent the Proposed Conduct would prompt a competitive response from competitor fuel retailers, such as through a reduction in prices or improved product offering, this would likely benefit consumers as a whole, whether they are a member of a particular loyalty program or not.
- 4.25. As noted in the Australian Convenience and Petroleum Marketers Association's *2019 Monitor of Fuel Consumer Attitudes*, for the majority of consumers, the price of fuel is the most important driver of their decision about where to purchase fuel. In contrast, the ability to use loyalty cards was the most important factor for only 6 per cent of customers.² While the report noted that loyalty to service stations had increased since 2017, this loyalty was driven primarily by price. However, 20 per cent of consumers indicated that loyalty was driven by the ability to use loyalty cards.³
- 4.26. Accordingly, the ACCC considers that the ability to earn and potentially redeem Velocity points on 7-Eleven purchases is likely to be valued by some consumers. This is likely to improve 7-Eleven's fuel and convenience sites' retail competitiveness in relation to these customers, and may elicit pro-competitive responses from other loyalty programs and retail partners, such as improved points and redemption offerings, new partnerships, and discounts.
- 4.27. Therefore, the ACCC considers that the Proposed Conduct is likely to result in public benefits in the form of enhanced competition in retail fuel and convenience markets.

Enhanced competition between consumer loyalty programs

- 4.28. The Applicants submit that the Proposed Conduct may encourage competing loyalty programs to improve their offering to consumers. The Applicants submit that in the context of the *BP / Velocity* authorisation, the ACCC considered the partnership would improve the competitiveness of the Velocity Program itself, which could have the effect of facilitating competitive responses from other loyalty programs.
- 4.29. As noted above, the ACCC has not considered a separate loyalty program market. However, to the extent that the Proposed Conduct enhances loyalty program offerings, the ACCC considers that this would constitute a public benefit.

Enhanced competition in the supply of airline services

- 4.30. The Applicants submit that to the extent that the Proposed Conduct elicits a competitive response from other airlines through improved offers and discounts, this would be a public benefit to consumers.
- 4.31. The Applicants submit that, in the context of the *BP / Qantas* authorisation, the ACCC considered that the Proposed Conduct was likely to improve the competitiveness of Qantas and may elicit a competitive response from other airlines, including by the introduction of new partnerships and improved points and redemption offers. These

2 Australian Convenience and Petroleum Marketers Association, [2019 Monitor of Fuel Consumer Attitudes](#), p. 13.

3 Australian Convenience and Petroleum Marketers Association, [2019 Monitor of Fuel Consumer Attitudes](#), p. 15.

are all public benefits the Applicants consider could reasonably accrue to consumers as a result of the Proposed Conduct.

- 4.32. The ACCC considers that, to the extent the Proposed Conduct elicits a competitive response from other airlines through improved offers and discounts, this would constitute a public benefit to a broad range of consumers.

Transaction cost savings

- 4.33. The Applicants submit that 7-Eleven and its franchisees would incur significant transaction costs if they individually negotiated their loyalty program arrangements with Velocity. Being able to engage with Velocity collectively substantially increases the likelihood that more contractual issues can be addressed in a comprehensive and efficient manner.

- 4.34. The ACCC accepts that there are transaction cost savings from 7-Eleven collectively negotiating all 7-Eleven stores' participation in the Velocity Program, including legal and other expert advice costs. The ACCC considers that the Proposed Conduct will also result in transaction cost savings for Velocity, compared to individual negotiation with 7-Eleven and its franchisees. The ACCC therefore considers that public benefit in the form of transaction cost savings is likely.

ACCC conclusion on public benefit

- 4.35. The ACCC considers that the Proposed Conduct is likely to result in public benefits from direct consumer benefits, more consistent consumer and business offerings, enhanced competition in retail fuel and convenience markets, enhanced competition in the supply of airline services and transaction cost savings.

Public detriments

- 4.36. The Act does not define what constitutes a public detriment. The ACCC adopts a broad approach. This is consistent with the Tribunal which has defined it as:

...any impairment to the community generally, any harm or damage to the aims pursued by the society including as one of its principal elements the achievement of the goal of economic efficiency.⁴

- 4.37. The ACCC has considered the following potential public detriments:

- potential detriment in airline markets
- potential detriment in retail fuel and convenience markets, and
- potential detriment from the collection and use of customer data.

Potential public detriment through reduced competition in airline markets

- 4.38. The ACCC has considered whether the Proposed Conduct is likely to give rise to public detriment through a lessening of competition in airline markets. The ACCC considers that if 7-Eleven entering into an arrangement with Velocity as its exclusive airline loyalty partner reduced the ability of other airline loyalty programs to partner with suitable fuel and convenience retailers, this may impact on the competitiveness of those other airlines through weakening their loyalty program offerings.

4 Re 7-Eleven Stores (1994) ATPR 41-357 at 42,683.

- 4.39. The Applicants submit that 7-Eleven's partnership with Velocity will not result in any appreciable lessening of competition in airline markets. Other airline loyalty programs will continue to have a range of other loyalty partners available to them.
- 4.40. The ACCC has previously considered that for airlines such as Virgin Australia and Qantas, it is likely that a coalition loyalty scheme⁵ is important to the overall performance of an airline business. However, the ACCC has also previously found that partnerships with fuel retailers, while important, are not critical to the success of an airline loyalty scheme.⁶
- 4.41. Accordingly, the ACCC considers it is unlikely that the Proposed Conduct will result in significant detriments to competition in airline markets, both because a partnership with a fuel retailer is unlikely to be essential to the success of an airline loyalty program and because the Qantas Frequent Flyer program – the largest alternative airline loyalty program to Velocity – is already partnered with other fuel retailers. Further, there are other fuel retailers not currently part of any airline loyalty program and, for those that are, these arrangements are likely to come up for renewal in the medium term.

Potential public detriment through reduced competition in retail fuel and convenience markets

- 4.42. The ACCC has considered whether the Proposed Conduct is likely to give rise to public detriment through a lessening of competition in retail fuel and convenience markets. Converse to the above, the ACCC considers that if 7-Eleven partnering with Velocity reduced the ability of fuel and convenience retailers to partner with airline loyalty programs – and such a partnership was competitively important in these markets – then this may impact the competitiveness of those fuel and convenience retailers through removing Velocity as a potential partner (due to the exclusivity of the arrangements).
- 4.43. The Applicants submit that it has become standard for major fuel and convenience retailers to partner with an airline loyalty program. The Proposed Conduct would simply place 7-Eleven on a more equal competitive footing with other major fuel retailers.
- 4.44. The Applicants further submit that only a small proportion of retail fuel sites in Australia will be involved in the Proposed Conduct. As at 26 August 2020, 7-Eleven only has 561 fuel sites and those sites account for only a relatively small proportion of retail fuel sites in Australia of approximately 9.2% at most. In contrast, BP, Woolworths' petrol stations, Caltex/Ampol and Coles Express/Shell together account for approximately 60% of fuel and convenience retailer sales nationally.
- 4.45. The Applicants submit that even if customers who value Velocity points would be more likely to purchase fuel at a 7-Eleven site as a result of the Proposed Conduct, fuel prices would remain the primary determinant of customer choice about where to purchase fuel. The Applicants submit that this is consistent with the Australasian Convenience and Petroleum Marketers Association's finding that only 6% of customers cite the ability to use a loyalty card as the most important factor when purchasing fuel, compared to 48% of customers citing the price of fuel as the most important factor.

5 Coalition loyalty schemes bring together a variety of partners under their programs, which allow members to earn and redeem points with a number of different merchants across the economy.

6 See the ACCC's [final determination](#) on the BP/Qantas application for authorisation.

- 4.46. The ACCC considers that customers who value Velocity points may be more likely to purchase fuel from 7-Eleven as a result of the Proposed Conduct. However, price is likely to continue to be the primary determinant for petrol purchasing choices.
- 4.47. In the standalone retail convenience market, the ACCC considers that customers who value Velocity points may be more likely to purchase convenience products from 7-Eleven as a result of the Proposed Conduct. However, convenience is likely to continue to be the primary determinant for most consumers. Further, the Proposed Conduct will not limit other convenience retailers' access to other loyalty programs.
- 4.48. Therefore, the ACCC considers that there is unlikely to be a significant detrimental impact as a result of the Proposed Conduct on retail fuel and convenience markets.

Potential public detriment from the collection and use of customer data

- 4.49. The ACCC has considered the potential for detriments to arise from the collection and use of customer data under the Proposed Conduct, including through decreased privacy and/or increased profiling being used to the disadvantage of consumers (for example, through price discrimination).
- 4.50. 7-Eleven and Velocity already collect and use customer data, and would continue to do so absent the Proposed Conduct. The Proposed Conduct allows information exchange from 7-Eleven to Velocity for the purpose of assigning points to members of the Velocity program. On the information before it the ACCC does not consider any significant public detriment is likely to arise from the changes to data retention and use under the Proposed Conduct.

ACCC conclusion on public detriment

- 4.51. The ACCC considers that the Proposed Conduct is unlikely to result in significant public detriments in the form of reduced competition in retail fuel and convenience markets or reduced competition in airline markets.

Balance of public benefit and detriment

- 4.52. For the reasons outlined in this determination, the ACCC is satisfied that the Proposed Conduct is likely to result in some public benefit and that this public benefit would outweigh any likely detriment to the public from the Proposed Conduct.

5. Determination

The application

- 5.1. On 24 March 2021, the Applicants lodged application AA1000549 with the ACCC, seeking authorisation under subsection 88(1) of the Act.

The authorisation test

- 5.2. Under subsections 90(7) and 90(8) of the Act, the ACCC must not grant authorisation unless it is satisfied in all the circumstances that the Proposed Conduct is likely to result in a benefit to the public and the benefit would outweigh the detriment to the public that would be likely to result from the Proposed Conduct.
- 5.3. For the reasons outlined in this determination, the ACCC is satisfied, in all the circumstances, that the Proposed Conduct would be likely to result in a benefit to the

public and the benefit to the public would outweigh the detriment to the public that would result or be likely to result from the Proposed Conduct, including any lessening of competition.

5.4. Accordingly, the ACCC has decided to grant authorisation.

Conduct which the ACCC has decided to authorise

5.5. The ACCC has decided to grant authorisation AA1000549 to 7-Eleven, its franchisees and Velocity to allow 7-Eleven and its franchisees to participate in Velocity's loyalty program as a retail and redemption partner, as described in paragraph 1.4 and defined as the Proposed Conduct.

5.6. The Proposed Conduct may involve a cartel provision within the meaning of Division 1 of Part IV of the Act, have the purpose or effect of substantially lessening competition within the meaning of section 45 of the Act, or constitute exclusive dealing within the meaning of section 47 of the Act.

5.7. The ACCC has decided to grant authorisation AA1000549 until 19 August 2026.

6. Date authorisation comes into effect

6.1. This determination is made on 28 July 2021. If no application for review of the determination is made to the Australian Competition Tribunal, it will come into force on 19 August 2021.