

Individual response

Anonymous A

The large market share for road fuel owned by supermarkets, and their relatively small number, mean that it is *thinkable* that there could be a pseudo-monopoly situation.

In a case like this, with a small number of players involved, it is possible that there is no need for (illegal) price collusion for retail prices to stay stubbornly high as wholesale price declines because the players might guess that their competitors will be unlikely to reduce prices without some other significant pressure than competition (all having similar motivators). Similarly, when an upward cost pressure emerges, the supermarkets could guess that there is a pseudo-monopoly willingness to move quickly to increase retail prices (as if together).

Could the review please look into whether supermarkets are in meaningful competition at the pumps - or whether a monopolistic-type situation has developed?

Please note that, by this question, I do not intend to suggest any illegal activity whatever by supermarkets or anyone else.