



# How Mystery Shopping Programs Improve Compliance with Underage Drinking Laws

A Jancyn Evaluation Shops White Paper

## Executive Summary

Alcoholic beverages are a profit center for restaurants and retail outlets. However, the penalties for getting caught selling or providing alcoholic beverages to underage customers can negatively impact the business's bottom line.

That's why restaurants and retail outlets must take proactive steps to avoid selling or providing alcohol to underage customers. In addition to training, one of the most proactive steps is using the services of a secret shopper company.

This white paper reviews the laws relating to underage drinking and demonstrates that a secret shopper program is one of the best ways to mitigate the serious penalties associated with violating those laws.

## Underage Drinking Laws

Every state has underage drinking laws. That's because the 1984 National Minimum Drinking Age Act requires that States prohibit persons under 21 years of age from purchasing or publicly possessing alcoholic beverages as a condition of receiving State highway funds.

The Alcoholic Beverage Control agency in each state enforces that state's laws regarding alcohol sales and consumption. And, all states require that individuals must be at least 21 years of age before they can legally purchase or consume alcohol.

The law is enforced in two distinct ways. The Alcoholic Beverage Control agency in a state sends out underage decoys to purchase alcohol at targeted restaurants and retail outlets. If alcohol is sold to the underage decoy, the person selling the alcohol may be prosecuted for violating the law. Also, the establishment may be subject to a range of administrative penalties.

## Who Is Considered to Be Underage?

The prohibition against selling alcohol to “underage” individuals includes adults under the age of 21 and juveniles under the age of 18. Both groups are considered to be under age in the eyes of the law.

## The Prohibition of Selling or Providing Alcohol

State laws prohibit the sale of alcohol to adult and minor individuals who are underage. However, most state laws also prohibit any form of furnishing or providing alcohol to underage individuals, including when no money changes hands. Simply giving an underage individual alcohol may be a violation of the law just as much as it is a violation of the law to sell it to them.

## Failure to Check ID

When selling alcohol, failure to check the ID of someone under the age of 21 is also a violation of state laws. Failure to check the ID of a retail shopper or restaurant guest is perhaps the most common violation.

## Mistake of Age Is No Excuse

Mistaking the age of the purchaser of alcohol is also a violation of the law. To avoid violating the law, many restaurants and retail outlets instruct their employees to check the ID of anyone who appears to be under the age of 35 as a matter of company policy.

Because it is difficult to guess someone’s age, the age limit is set high to provide restaurant servers and retail cashiers with a wide margin of error.

## Penalties for Violating Drinking-Age Laws

While the penalty for restaurants and retail outlets for selling to underage individuals varies from state to state, the accompanying punishment may include a fine and, in the case of chronic offenses, the revocation of the business’s liquor license. In California, for instance, even a first-time offense can result in a fine of \$750 to \$6,000.

Aggravating factors include prior warning letters, appearance and actual age of minor, continuing course or pattern of conduct. Mitigating factors include positive action to correct the problem and documented training of employees.

## What is Mystery Shopping?

As defined by the Mystery Shop Providers Association, ([www.MSPA-NA.org](http://www.MSPA-NA.org)) mystery shopping is a process in which pre-recruited and qualified Independent Sub-Contractors measure the extent to which a customer's interactions with a business mirror the experiences the business intends. A mystery shopping program can focus on the quality, accuracy, and consistency of the services being provided.

Mystery shoppers, posing as everyday customers, perform specific tasks such as purchasing a product, asking specific questions, registering complaints or behaving in a certain way. They then complete detailed surveys back to the mystery shop company who in turn provides the feedback to their client.

These unbiased results from the custom designed surveys are shared with the client and are most often used for improving manager and employee training programs.

## How Mystery Shopping Helps with Age Compliance

Age compliance reporting from a mystery shopping program is a valuable tool for any business that sells alcoholic beverages, or any other age restricted products. In addition to general service information, the reports that come directly from mystery shop providers give insightful feedback that allows businesses to keep a watchful eye on drinking-age policy violations by their employees.

Best practices for retail outlets include a monthly mystery shop. During the shop, mystery shoppers between the ages of 21 and 30 are directed to purchase an alcoholic beverage. Later, they are asked to report whether or not they were asked for an ID to verify their age.

Similarly, best practices for restaurants include a monthly mystery shop. The mystery shopper, between the ages of 21 and 30, has instructions to order an alcoholic beverage whether they drink it or not. When completing their mystery shop report, the shoppers answer a simple yes or no question regarding whether or not they were asked for an ID to verify their age.

Additionally, mystery shoppers can be scheduled for varying times during the day, or days of the week, to ascertain the performance of a variety of staff members or an assortment of shifts.

## The Other Benefits of Mystery Shopping

Mystery shopping evaluations provide more value than just giving feedback relating to compliance with underage drinking laws. The evaluations also support customer experience discovery and improvement

The evaluations help managers understand customer expectations. When mystery shopper visits are scheduled at varying times during the day and days of the week, managers are able to get an accurate overview of their staff's performance as compared to customer expectations.

It's well known that an excellent customer experience comes from consistent customer service. This level of service drives repeat business, and increases customer loyalty and sales. By improving overall service and satisfaction, you are creating profitable customers.

The feedback from the evaluations also helps managers gain insight into staff training needs. Applying mystery shop data and findings will transfer management expectations to employees who interface with customers on a daily basis.

Additionally, mystery shopper evaluations can serve as the basis of incentive programs. Positive evaluations can be used to motivate staff while reinforcing good behaviors with rewards.

## Conclusion

The sale of alcohol to individuals who are under the legal drinking age is a serious matter, and one in which restaurants and retail outlets cannot ignore.

Smart, pro-active companies retain an ongoing mystery shopping program that provides them with the advantage of showing that they are doing all they can to train their staff and mitigate possible infractions.

Partnering with Jancyn Evaluation Shops means that you don't have to guess during a mystery shop if your employees are following the law and your training. That's because our team has deep experience in the mystery shop industry working with restaurants and retail outlets that sell alcoholic beverages.

Not only will you gain visibility about your employee's performance relative to drinking age compliance, you receive a full report on other brand promises as well. This means you get a customer's perspective on factors that include the overall quality of service, the timing of service, food quality, cleanliness and ambiance, as well as a review of the behavior of staff and management.

Visit [www.Jancyn.com](http://www.Jancyn.com) today to learn more about how Jancyn Evaluation Shops can help you stay in compliance with state laws concerning underage drinking and help you measure your staff's adherence to your policies and procedures.

## About Jancyn Evaluation Shops

Since 1980, Jancyn Evaluation Shops has provided best practices in mystery shopping for customer satisfaction and employee performance feedback programs. We work with clients throughout the United States, Canada and Europe to embrace business awareness, discovery, association, and interaction at every transaction and touch point.

Insight from the outside. That has been our foundation, and it's created a tradition of providing real value in every program we offer. Our understanding of your mystery shop requirements is honed by years of program development, cutting edge technical techniques and tools, and real insight into your business goals.