



**Innovative Technology**

POWERING TRANSACTIONS AND INTERACTIONS



Everything You  
Need to Know About

**CHALLENGE**

**25**

and the Technology  
That Can Help

# Everything You Need to Know About Challenge 25

This is an in-depth guide designed for shop owners, managers, and operations teams in the convenience store sector to help navigate the complexities of Challenge 25, age verification, and the technologies that support compliance.

These statistics highlight the importance and impact of robust age verification measures. Challenge 25 is not just a policy; it's a vital tool in reducing underage consumption of age-restricted goods and protecting both businesses and communities. This blog will provide you with the knowledge and tools needed to implement effective age verification processes, ensuring compliance and safeguarding your business.



## Did you know?

**65% of shop workers** have been subjected to verbal abuse as a result of asking for ID.

The percentage of young people drinking weekly **has fallen by 8%** since the introduction of Challenge 25.

Since Challenge 21 was introduced, consumption by 16-24-year-olds **has dropped by 24%**.

According to Action on Smoking and Health (ASH), **3.7% of people aged 11 to 18 vape regularly** in Great Britain. This is particularly profound considering the legal age to vape is 18.



# What is **CHALLENGE 25**

## Definition and Background

Challenge 25 was introduced in the off-trade sector in the UK in 2009. Its goal is to encourage individuals who are over 18 (the legal age to buy alcohol) but appear under 25 to carry an acceptable ID, such as one bearing the PASS hologram, a photographic driver's licence, or a passport, to purchase alcohol. Initially, in 2006, the strategy targeted those who looked under 21.

## Why did it happen?

In 2005, major retailers were summoned by the then-Home Secretary, Charles Clarke, following poor test purchasing results during the Government's Alcohol Misuse Enforcement Campaign (AMEC). In response, off-trade retailers formed the Retail of Alcohol Standards Group (RASG) to minimise underage sales.

### What is the RASG?

The RASG was established to address the issue of underage sales. Research commissioned by the group revealed that checkout staff often struggled to accurately guess a customer's age, leading to mistakes. Additionally, staff were wary of confrontation, as some customers could become aggressive or violent when challenged.

### Definition of Off-trade Retailers

Off-trade retailers are businesses that sell alcohol for consumption off the premises, such as supermarkets and convenience stores.

To address these issues, the RASG developed and adopted Challenge 21 (later Challenge 25) to provide staff with a buffer zone, reducing the likelihood of serving underage customers. The scheme included detailed training for staff on policy and conflict resolution, fostering cultural change within organisations. Managers were also trained not to overrule staff who made challenges, ensuring they felt supported.



The results were impressive, prompting national retailers, coordinated by the RASG, to voluntarily move the age threshold to 25, while some continued to operate Challenge 21.



# Legal Implications

## Age-Restricted Products and Services

Various goods and services have age restrictions, dictating the minimum age at which they can be legally sold. For some products, such as alcohol, a licence is required to sell them legally.

To determine which laws apply to your business, check the table below to see if any products or services you sell or intend to sell are age-restricted and what the age restriction is.



Product/Service	Age Restriction
Alcohol	18
Tobacco	18
Nicotine Vapour Products	18
Lottery Tickets	16
Energy Drinks	Whilst it's often assumed there is a universal age limit in the UK, it's actually governed by local by-laws or individual shop policies.

## How Challenge 25 is Enforced by Law

In England and Wales, participation in an age verification scheme is either voluntary or a licensing condition for alcohol sales. In Scotland, it is a legal requirement to check the age of any customer who appears to be under 25 when selling alcohol, tobacco, or nicotine vapour products.

## Consequences of Non-Compliance for Retailers

Failure to comply with age verification laws can result in significant penalties, including fines, licence revocation, and potential legal action. Ensuring compliance not only avoids these consequences but also promotes responsible retailing and community safety.

There have been numerous instances where businesses have faced penalties for failing to comply with Challenge 25. These cases highlight the importance of strict adherence to age verification policies.

## How Challenge 25 is Enforced by Law

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## Tobacco

Cigarettes, tobacco leaf, cigarette papers, vapes or electronic cigarettes, any products intended for nasal or oral use, smoking mixtures intended as a substitute for tobacco.

### Laws:

- Children and Young Persons Act 1933.
- Children and Young Persons (Protection from Tobacco) Act 1991.
- Children and Young Persons (Sale of Tobacco etc) Order 200.

### Penalties:

- A fine of **up to £2,500** for selling to people under 18.
- A fine of **up to £1,000** for selling unpackaged cigarettes.
- A fine of **up to £1,000** for failing to display notices.

### Why is it necessary?

Smoking rates among older teens remain alarmingly high, with over 12% of 16- to 17-year-olds smoking in England. Additionally, more than 30% of pregnant mothers under 18 smoke. In the USA and Australia, teenage smoking rates have recently increased for the first time in decades.

Choosing to start smoking should be an adult decision due to the associated health risks. At Innovative Technology, we believe that using advanced technology like age identity and verification can help reduce the number of underage smokers.



## Alcohol

The offences to alcohol are perhaps less evident than those for tobacco, which cannot be sold to individuals under the age of 18. For alcohol, offences include not only selling to minors but also selling liqueur chocolates to anyone under the age of 16 years of age.

### Laws:

- The Licensing Act 1964.
- The Licensing Act 2003.

### Penalties:

- Fixed Penalty Notice of **£80**.
- A fine of **up to £5,000**.
- Withdrawal or suspension of your licence to sell alcohol.

### Why is it necessary?

Great Britain faces the "highest rate" of child alcohol abuse globally. More than half of children in England, Scotland, and Wales have consumed alcohol by the age of 13. According to a World Health Organization (WHO) report based on 2021-22 data from 280,000 children aged 11, 13, and 15 across 44 countries, Great Britain has a severe issue with underage alcohol abuse. The study found that by age 11, over a third of boys

(35%) and girls (34%) had consumed alcohol, and by age 13, 57% of girls and 50% of boys in England had done so—the highest rates among the countries analysed.

By implementing more rigorous age assurance checks with the use of age identity and verification, we can positively impact these statistics and help reduce alcohol consumption amongst children.



## Customer Relations and Trust

### How Strict Age Verification Can Build Customer Trust

Implementing a strict age verification system can enhance customer trust, showing that your business is committed to responsible retailing and community safety.

### Balancing Customer Experience with Legal Compliance

Whilst it is crucial to comply with legal requirements, it is also important to maintain a positive customer experience. Clear communication and respectful interactions can help balance these priorities.

# How to Implement Challenge 25 in Your Store to Best Prevent Underage Sales

If your establishment sells age-restricted goods or services, it is your responsibility to implement effective measures to prevent sales to underage individuals. Whilst there have been occasional instances of intentional sales to minors, these are rare. We recognise that some customers can be intimidating or may appear older than they are.

This challenge is further pronounced in small establishments, such as family-run shops, where holiday staff or untrained family members help out in the shop. Here is some guidance on effective training practices to help your staff confidently apply the Challenge 25 policy and avoid selling to underage customers.

## Training Your Staff

Provide comprehensive training on the Challenge 25 policy, including the importance of an age verification system and how to handle various scenarios. This training needs to be regular, possibly once a year, and all new members of staff should go through this training during their onboarding.

Part of the training could be taken online, but also role-play exercises are tremendously effective in practising age verification techniques and helping build confidence in handling real-life situations. Your store should have a written training manual that is clear and concise and is always accessible. As a manager of a store, you must ensure all staff are aware of and understand the policy.

## Signage, In-Store Reminders & CCTV

Prominently display Challenge 25 signage in your store to remind both staff and customers of the policy. This signage not only reinforces the policy for everyone but also serves as a deterrent to those attempting to purchase age-restricted items without proper identification, signalling that your establishment rigorously conducts age verification system checks.

Additionally, CCTV should be installed throughout the store, not only for product security but also for staff safety. Recording interactions during age verification provides proof that checks were conducted and offers evidence if customers behave aggressively.

## De-escalation Techniques for When Customers Refuse to Provide ID

Train your staff in de-escalation techniques to handle situations where customers refuse to provide ID. This can help prevent conflicts, build confidence in knowing how to deal with the situation and ensure a safe working environment.

## Strategies for Maintaining Compliance During Busy Times

Implement strategies to maintain compliance during busy periods, such as having additional staff on hand, using an efficient age verification system, and ensuring clear signage to remind customers of the Challenge 25 policy.



# Technologies to Assist with Challenge 25 Compliance

## What Are Age Verification Systems, and How Do They Work?

Age verification systems are designed to more accurately confirm the age of customers purchasing age-restricted products and services. These systems utilise advanced technologies, such as biometrics, to precisely determine a customer's age, significantly reducing human error during manual checks and supporting staff in conducting these verifications.



### Types of Age Verification Systems:

#### Biometric Estimation:

This method involves using facial analysis to estimate a customer's age to aid staff. No pre-registration is required and no data is stored as it is completely anonymous.

#### Biometric Verification:

This method involves using facial recognition or fingerprint scanning to confirm a customer's identity and age. The system matches the biometric data against a pre-registered database to ensure accuracy.

#### Digital Verification Apps:

These apps allow customers to verify their age using their smartphone by uploading a digital copy of their ID or undergoing a live facial recognition scan.

#### Self-Checkout with Age Verification Systems:

Some self-checkout machines are equipped with cameras and software that prompt age verification when a restricted item is scanned. Customers may be asked to scan their IDs or perform a biometric check.

### Benefits of Using Age Verification Systems:



#### Increased Accuracy:

By automating the verification process, these systems reduce the likelihood of errors that can occur when staff manually check IDs.



#### Enhanced Compliance:

Consistent use of these systems helps ensure that age verification is always conducted, lowering the risk of selling to underage individuals.





#### **Deterrence:**

The presence of advanced age verification technology acts as a deterrent to underage customers attempting to purchase restricted items.



#### **Improved Efficiency:**

These systems streamline the age verification process, reducing wait times and improving the overall customer experience.



#### **Staff Protection:**

Using sophisticated age verification systems helps shield staff from potential conflicts. When the responsibility for verifying age is placed on the technology, it reduces the likelihood of customers directing frustration or blame toward employees, as people are generally less confrontational with automated systems.

### **Challenges and Considerations:**



#### **Cost:**

Implementing age verification systems can involve upfront costs for hardware and software, as well as ongoing maintenance expenses.



#### **Privacy Concerns:**

The use of biometric data raises privacy issues, requiring businesses to comply with data protection regulations and ensure that customer information is securely handled.



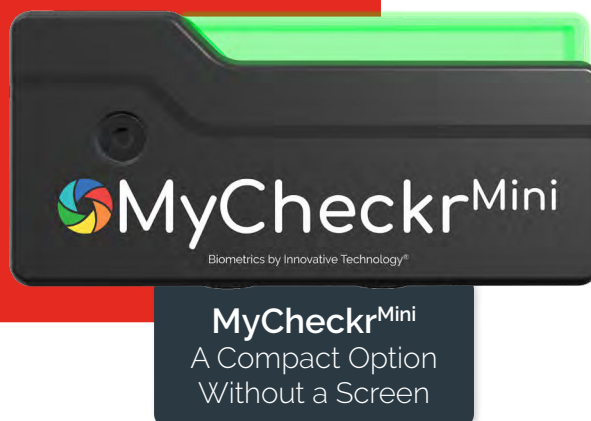
#### **Staff Training:**

Employees need proper training to use these systems effectively and to troubleshoot any issues that may arise.

### **Choosing the Right Technology**

#### **Criteria for Selecting an Age Verification System**

When selecting an age verification system, consider factors such as accuracy, ease of use, integration with existing systems, and cost. It's important to choose a system that meets your specific needs and complies with legal requirements.



# Innovative Technology's Solution for Age Verification

Innovative Technology offers cutting-edge solutions for age verification, designed to help retailers comply with age-restricted sales regulations. Our systems leverage advanced biometric technology to accurately estimate a customer's age, significantly reducing the risk of human error during manual checks.

## Age Verification Technology Systems

### Biometric Accuracy

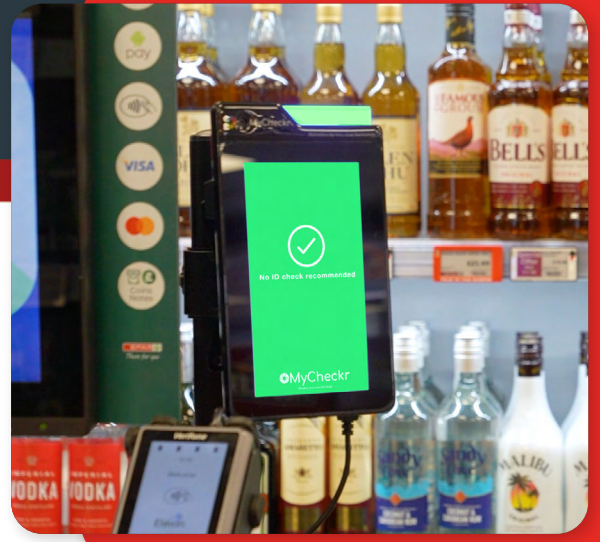
Biometric technology has been developed to such a sophisticated level that it is able to determine a customer's age with high precision. This technology ensures that age verification is both accurate and efficient, supporting staff in making informed decisions.

The biometric technology developed by Innovative Technology has been tested by ACCS and was found with a mean average error of 0.94 years. This ACCS certification confirms that our technology is suitably accurate and appropriate for use in areas implementing the Challenge 25 policy.

We design, train and fine-tune all our own algorithms. In the case of age estimation, the model is trained using millions of images of the faces of people of known ages. The algorithm analyses the features of the person and associates that with the known age. In doing so, the algorithm essentially learns what features a subject typically has for a certain age. So, when a new face is presented, the algorithm analyses the features and, based on what it has learned, estimates an age based on the age it has associated with those features.

### Non-Intrusive and User-Friendly

The solutions are designed to be non-intrusive, providing a seamless experience for both customers and staff. The user-friendly interface allows for quick and easy age verification, minimising disruption to the shopping experience.



### GDPR Certification from ACCS 2:2021: Technical Requirements for Data Protection and Privacy:

Our approach is built on three key principles: we never store any data, all processing is performed locally on the device without transmitting data over any network, and any data processed is automatically deleted afterwards.

### Article 9 of GDPR (UK and EU):

The data used to estimate age cannot be used to uniquely identify an individual and, therefore, is not classified as special category data. Legal experts have advised us that BIPA (Biometric Information Privacy Act) in the US and DPIA (Data Protection Impact Assessment) in Europe do not apply to our processes.

### Integration and Scalability

These solutions can be easily integrated into existing retail systems, making them adaptable to various business needs. The technology is also scalable, allowing retailers to expand their age verification capabilities as their business grows.



# MyCheckr

Biometrics by Innovative Technology®

MyCheckr is a standalone, automated device for facial age estimation, designed for quick and easy setup with minimal installation required. Using our proprietary biometric technology, it delivers age predictions with market-leading accuracy, making it ideal for Challenge 25 compliance.

This process significantly reduces the time spent on ID checks, allowing customers who meet the age requirement to proceed more efficiently.



**Anonymous  
age estimation.**



**All-in-one device,  
no integration  
required.**



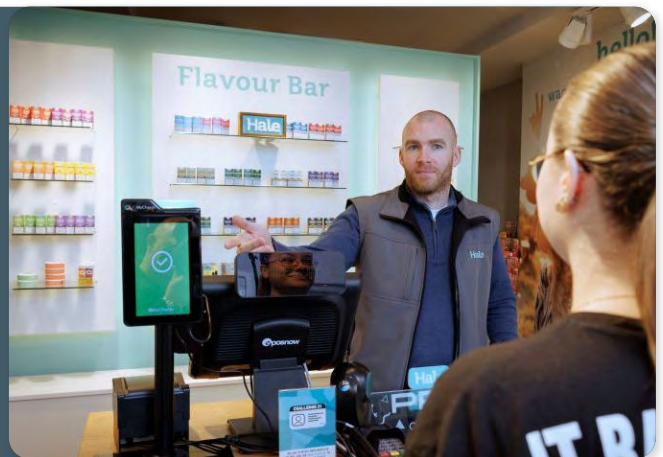
**Local processing  
with instant results.**



**No data stored, GDPR  
certified by Age Check  
Certification Scheme (ACCS).**

"In a market leading first for Ireland we have installed ITL's automated MyCheckr age estimation tool across our network of Hale Vaping stores in Dublin. It is consistent with our mission to promote responsible business practices ensuring vaping products are only sold to adults."

Joe Dunne, Managing Director, Hale Vaping



**MyCheckr is proven to protect your business as well as minors through secure and safe biometric technology for age verification.**





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