

Groupon commits to offer refunds and improve customer service

- CMA secures commitments from discount shopping website Groupon to improve customer service and ensure accuracy of descriptions on its website
- Groupon will offer refunds to certain customers who were previously not offered refunds

The Competition and Markets Authority (CMA) launched an enforcement investigation into Groupon UK, an online marketplace that offers discounts and deals for a range of products and services, in April 2021. On 9 August, the CMA wrote to Groupon outlining its specific concerns about Groupon's compliance with consumer protection law and warning that if Groupon did not change its conduct it could face court action.

The CMA was concerned that Groupon was not responding satisfactorily to customer complaints and was not always providing customers with the refunds and other forms of redress, such as replacement items, to which the CMA considers they were legally entitled. For example, in cases where customers had not been provided with the goods or services that they had paid for, they were sometimes only offered Groupon credits instead of refunds.

The CMA also had concerns that the company was failing to ensure the accuracy of product descriptions, that products offered for sale were in stock and delivered within advertised timeframes, and that items were of a satisfactory quality.

Groupon has now signed formal commitments to the CMA that it will ensure that:

Andrea Coscelli, Chief Executive of the CMA, said:

“So much of business relies on trust. It's essential that people shopping online receive what they ordered and are supported if things go wrong, quickly receiving any refund they are due.

“We welcome that Groupon has now committed to address concerns about customer service issues and ensure it is abiding by the law, so that people can feel more confident shopping online in the future.”

As well as potentially breaking consumer protection law, Groupon UK was potentially in breach of the previous [undertakings](#) that it gave to the CMA's predecessor, the Office of Fair Trading (OFT), in 2012. As part of these, Groupon UK pledged to ensure information on its website is not misleading and to comply with customers' legal cancellation and refund rights.

In order to ensure that Groupon abides by its latest commitments, the company will appoint a compliance officer – who will be responsible for ensuring Groupon adheres to the new undertakings – and will need to regularly report to the CMA on its progress. For more information, visit the [Groupon investigation](#) web page.

Notes to editors

1. Groupon UK is registered in the UK as MyCityDeal Limited.
2. In addition to MyCityDeal Limited, the CMA wrote to and accepted formal commitments from other relevant entities within the Groupon corporate group that we consider have engaged in conduct that may be contrary to consumer law: Groupon Goods Global GmbH (registered in Switzerland) and Groupon, Inc (registered in USA). Together these are referred to as “Groupon”.
3. Groupon is an online shopping platform that sells goods and services to consumers. It also partners with business to provide digital vouchers designed to help customers save money when shopping in-store and online. Customers purchase vouchers from Groupon’s website and app and use them to activate discounts at a range of businesses.
4. The main provisions of consumer protection legislation relevant to the CMA’s concerns are the Consumer Protection from Unfair Trading Regulations 2008 (CPRs), the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 (CCRs) and the Consumer Rights Act 2015 (CRA).
5. Groupon is offering refunds to certain customers who experienced problems with their purchase based on its customer service codes. The customer categories are contained in [Schedule 2 of the undertakings](#).
6. For media enquiries, contact the CMA press office on 020 3738 6460 or press@cma.gov.uk