<u>Major overhaul of hotel booking sector</u> after CMA action

The Competition and Markets Authority (CMA) has secured changes from the majority of hotel booking sites operating in the UK. 25 firms, including big brands like TripAdvisor, Airbnb and Google as well as major hotel chains, have now agreed to change how they display information where needed and have signed up to the CMA's sector wide principles for complying with consumer protection law. These principles include not giving a false impression of a room's popularity and always displaying the full cost of a room upfront.

Most have already made any necessary changes. Accor, IHG, Hilton, Marriott, Radisson Hotel Group, and Wyndham Hotels and Resorts requested more time as they will need to introduce specific technical updates so that UK customers are always shown the full cost of a room upfront when searching for hotels abroad. The CMA will now be closely monitoring to ensure that these firms make the required changes in a timely manner.

Today's announcement comes after the CMA took <u>enforcement action</u> against 6 other companies — Expedia, Booking.com, Agoda, Hotels.com, ebookers and trivago — for serious concerns it had around issues like pressure selling, misleading discount claims and the effect that commission has on how hotels are ordered on sites. The CMA was concerned that some of these practices could mislead people, stop them finding the best deal and potentially break consumer protection law. All 6 firms formally committed to clean up their sites and have now made the agreed changes.

CMA CEO Andrea Coscelli said:

People booking hotels online can now do so with more confidence thanks to the CMA's action. Major websites and big hotel chains have agreed to clean up their act if they've been using misleading sales tactics, and have signed up to sector-wide consumer law principles on how to display important information to customers.

The CMA will now be watching to make sure that these major brands, used by millions of people in the UK every year, stay true to their word. We will take action if we find evidence that firms are breaking consumer law.

If the CMA finds that any sites fail to make the appropriate changes or becomes concerned that people are being misled, it will not hesitate to take further action.

As well as continuing to expect all booking sites and hotel chains to abide by its sector-wide principles, the CMA is pushing for compliance with consumer protection law in the travel and tourism sector globally. As part of this, it is co-leading an international project with other consumer enforcement agencies, which aims to tackle these issues on a global basis.

Notes to editors

- 1. The original 6 sites part of the CMA's enforcement investigation:
 - ∘ Booking.com
 - ∘ Expedia
 - Agoda
 - ∘ Hotels.com
 - ∘ ebookers
 - ∘ trivago
- 2. Following that investigation, the CMA published <u>Consumer Law: Principles</u> <u>for online accommodation booking platforms</u>. The principles apply to any website where consumers could book search for or book hotels, bed and breakfasts or other short-term accommodation such as apartment holiday lets. The principles apply to booking sites (like online travel agencies or sites where people can search for holiday lets) and also to sites where customers can book directly with the hotel or other accommodation.
- 3. A further 25 online hotel and other accommodation booking platforms have signed up to the CMA's consumer protection law principles:
 - Accor
 - ∘ AirBnB
 - ∘ Best Western Hotels & Resorts, Great Britain
 - ∘ Google
 - ∘ Hilton
 - HolidayPirates
 - HomeAway
 - ∘ HotelsCombined
 - ∘ IHG
 - Kayak
 - ∘ Lastminute
 - Late Rooms (no longer operating)
 - ∘ Marriott
 - Momondo
 - ∘ On the Beach
 - ∘ Opodo
 - ∘ Premier Inn
 - ∘ Radisson Hotel Group
 - Skyscanner
 - ∘ Travelodge
 - ∘ Travel Republic
 - ∘ Travelsupermarket
 - ∘ TripAdvisor
 - ∘ Trip.com
 - ∘ Wyndham Hotels and Resorts

- 4. Not all firms engaged in all of the practices cited above, but all have nonetheless agreed to abide by all the sector-wide principles.
- 5. As an enforcer under Part 8 of the Enterprise Act 2002, the CMA can enforce the above legislation through the courts. Ultimately, only a court can decide whether a particular term or practice infringes the law.
- 6. Read more about the CMA's hotel booking investigation.
- 7. The CMA will be co-leading a project on digital platforms in the travel and tourism sector under the Colombian Presidency of the International Consumer Protection and Enforcement Network, a network of more than 60 consumer protection enforcement authorities from around the world: https://www.icpen.org.
- 8. Media enquiries should be directed to the CMA Press Office at press@cma.gov.uk or 020 3738 6460.