

# Press release: CMA launches consumer law investigation into hotel booking sites

The CMA is concerned about the clarity, accuracy and presentation of information on sites, which could mislead people, stop them finding the best deal and potentially break consumer law.

Its investigation will examine several practices, including:

- Search results: how hotels are ranked after a customer has entered their search requirements, for example to what extent search results are influenced by other factors that may be less relevant to the customer's requirements, such as the amount of commission a hotel pays the site.
- Pressure selling: whether claims about how many people are looking at the same room, how many rooms may be left, or how long a price is available, create a false impression of room availability or rush customers into making a booking decision.
- Discount claims: whether the discount claims made on sites offer a fair comparison for customers – for example, the claim could be based on a higher price that was only available for a brief period, or not relevant to the customer's search criteria, for example comparing a higher weekend room rate with the weekday rate for which the customer has searched.
- Hidden charges: the extent to which sites include all costs in the price they first show customers or whether people are later faced with unexpected fees, such as taxes or booking fees.

The CMA has today written to companies across the whole sector requiring information to understand more about their practices. The CMA also wants to understand the impact that these practices have on sites' customers so is calling on people that use them, and hotels that advertise with them, to [share experiences](#) which could be relevant to the investigation.

If the CMA finds that sites' practices or claims are false or misleading and are breaking consumer law, the CMA could take enforcement action.

Andrea Coscelli, Chief Executive of the CMA, said:

Around 70% of people who shopped around for hotels last year used these sites and they should all be confident they have chosen the best accommodation for their needs and are getting a good deal. In today's increasingly busy world, sites like this offer real potential to help holiday-makers save time and money searching for their ideal get-away.

To do this, sites need to give their customers information that is

clear, accurate and presented in a way that enables people to choose the best deal for them. But we are concerned that this is not happening and that the information on sites may in fact be making it difficult for people to make the right choice.

That's why we have started our investigation into this sector – to get to the bottom of these issues, see whether sites are breaking consumer law and make sure they help, not hinder, people searching for their next hotel room.

Today's announcement follows the CMA's year-long market study of [online comparison tools](#), which emphasised the importance of complying with consumer law by setting out clear ground rules. They must be:

- Clear on key issues such as how they make their money
- Accurate in the information they provide
- Responsible about how they use people's personal data
- Easy to use

All information relating to this hotel booking investigation can be found on the [case page](#). This also sets out how people can get in touch with information on the concerns identified above.

#### **Notes to editors**

1. The CMA is the UK's primary competition and consumer authority. It is an independent non-ministerial government department with responsibility for carrying out investigations into mergers, markets and the regulated industries and enforcing competition and consumer law. For CMA updates, follow us on Twitter [@CMAgovuk](#), [Flickr](#) and [LinkedIn](#).
2. The key pieces of consumer protection legislation relevant to the CMA's investigation are the Consumer Protection from Unfair Trading Regulations 2008 (CPRs) and Part 2 of the Consumer Rights Act 2015 (CRA). The CPRs contain a general prohibition against unfair commercial practices and specific prohibitions against misleading actions, misleading omissions and aggressive commercial practices. Part 2 of the CRA aims to protect consumers against unfair contract terms and notices, and requires contract terms to be fair and transparent.
3. As an enforcer under Part 8 of the Enterprise Act 2002 (EA02), 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.
4. The CMA has not at this stage made a finding on whether online travel agents' terms or practices have breached consumer protection law.
5. Hotel booking sites include sites that offer accommodation in hotels, B&Bs and hostels.
6. Media enquiries should be directed to the CMA Press Office ([press@cma.gsi.gov.uk](mailto:press@cma.gsi.gov.uk), 020 3738 6191).
7. You can view the CMA's [video about the investigation](#) on Youtube.