Department
for Culture
Media & Sport

ticketing mailbox <ticketing@culture.gov.uk>

Which? response to the DCMS call for evidence on secondary ticketing market

1 message

18 November 2015 at 17:45

To: [illegible]
Cc: ticketing@culture.gov.uk

Hi Ian,

Please find attached our response to the call for evidence. If you would like to discuss any of it in more detail, please let me know.

Thanks,

[illegible] **Which?**

[illegible]k

Which? campaigns to make people's lives simpler and fairer. Find out more about our latest campaigns and how to make change happen.

For over fifty years Which? have been giving expert, independent advice to consumers. We're here for you for life – for every time you need to make a good decision - www.which.co.uk/decision

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Which response to secondary ticketing call for evidence 171115.pdf
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Which?, 2 Marylebone Road, London, NW1 4DF
Date: 17 October 2015
Response by:

Call for Evidence Coordinator
Department for Culture, Media and Sport
100 Parliament Street
LONDON
SW1A 2BQ

Review of Consumer Protection Measures relating to Online Secondary Ticketing Platforms: Response to call for evidence

1. Introduction

Which? is the largest consumer organisation in the UK with more than 1.2 million members and supporters. We operate as an independent, a-political, social enterprise working for all consumers and funded solely by our commercial ventures. We receive no government money, public donations, or other fundraising income. Which?'s mission is to make individuals as powerful as the organisations they have to deal with in their daily lives, by empowering them to make informed decisions and by campaigning to make people's lives fairer, simpler and safer.

Which? has long-standing concerns regarding consumer harm in ticketing markets and we have previously contributed to a number of reviews of this sector, including the Office of Fair Trading's 2005 study and the All Party Parliamentary Group (APPG) on Ticket Abuse's Report in 2014.

2. Summary of response

We welcome the inclusion of provisions relating to secondary ticketing in the Consumer Rights Act 2015 (CRA), which offer some protection for consumers. However, Which?'s recent investigation into the functioning of the market revealed that compliance with the CRA is patchy at best and consumers still suffer significant detriment in this market.

We have also found evidence of tickets for sale on secondary sites before they had even been released, and large numbers of tickets appearing on secondary sites at the same time as they were first appearing in primary sites. Consumers have questions about whether this is fair, and whether the tickets for sale on secondary sites are genuinely being resold by other consumers.

This response sets out the findings of our recent investigations. They include:

- Non-compliance with the CRA across the market
- Uncertainty within the sector as to the application of the new statutory provisions
- Lack of clarity around the consequences of restrictions on re-selling tickets

Which? is a consumer champion
We work to make things better for consumers. Our advice helps them make informed decisions. **Our campaigns make people's lives fairer, simpler and safer.** Our services and products put consumers' needs first to bring them better value.

www.which.co.uk
Which?
2 Marylebone Road London NW1 4DF
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www.which.co.uk

- Scam websites
- Other structural issues with the market

3. Which?'s investigations into the online secondary ticketing market

Between August and October 2015, Which? conducted investigations into the online secondary ticketing market. We found a number of areas of concern that suggests that consumers are not being adequately protected from detriment in this market.

i) Non-compliance with the CRA

The part of the CRA that deals with secondary ticketing is Part 3, Chapter 5, which came into force in May 2015. In particular, section 90 provides that consumers in the secondary ticketing market must be given the following information (where applicable):

- information necessary to enable the consumer to identify the ticket's seat or standing area, including (as applicable):
    - the name or other identifying features of the area in the venue where the seat or stand is located (for example a stand name or block number);
    - the number, letter or other distinguishing mark of the row in which the seat is located; and
    - the number, letter or other distinguishing mark of the seat;
- information about any restriction which limits use of the ticket to persons of a particular description; and
- the face value of the ticket.

This information must be provided in a clear and comprehensible manner, before the consumer is bound by the contract for the sale of the ticket.

We found that, contrary to section 90 of the CRA, the requisite information is not being provided to consumers[1]. At the time of our investigation, five of the top ticket resale platforms - GetMeIn, Viagogo, Seatwave, StubHub and Worldticketshop - were failing to display full seating information to consumers. For example:

- GetMeIn were displaying tickets to a U2 concert with a block number but no details of row or seat;

[1] Annex 1 contains screenshots evidencing the above findings. Examples were also put to the online platform concerned for their comment. The platforms' responses are reflected in the press release in Annex 2, which also provides a summary of our findings.

- Fans of Mumford and Sons buying tickets through StubHub would have found tickets on sale simply stating that they would be in the 'Upper Tier' with no further information given;

- StubHub were selling a ticket to the Six Nations Scotland vs England game on 6 February 2016 with block details but no row or seat details;

- Seatwave were selling a ticket to the same game with no block details but no row or seat details and an accompanying note stating that "Tickets will be exact Block or equivalent in the opposite stand"; and

- Viagogo were selling four tickets to the same game with no row or seat details.

Without such seating information, it is impossible for consumers to know whether or not their ticket is good value - for example, they may be significantly further from the stage or pitch than they anticipated or they may have their sightline impeded in some way by the venue structure.

We also found that, again contrary to section 90 of the CRA, ticket face values are not being provided to consumers. In our investigation, a number of online platforms were failing to display to consumers the original face value of the ticket. For example:

- A ticket for the Rugby Six Nations game between Scotland and England was featured on Seatwave with the face value as £0;

- Viagogo was selling tickets to a One Direction concert where the original cost was merely stated as between £44.55 and £72.60;

- Viagogo was selling tickets to the Rugby World Cup England vs Wales game, and the England vs Australia game, with face values given as between £15 - £315 (in addition, no block, row or seat details were given with these tickets); and

- Worldticketshop didn't display the original value of tickets to a Madonna "Rebel Heart" concert, when £237.13 was being asked for a re-sold ticket.

Without knowledge of the original face value of the ticket, it is impossible for consumers to know if a purchase represents good value or not and make an informed decision.

Section 90 of the CRA needs to be enforced. Enforcement agencies should undertake a comprehensive compliance investigation, and take strong action in the event of breaches of consumer legislation.

ii) Confusion around interpretation of the CRA

Our investigation exposed that there is some confusion in the sector as to who has ultimate responsibility for compliance with section 90 of the CRA. Section 90(2) states:

> *(2) The* seller and each operator of the facility *[i.e. secondary ticketing platform] must ensure that the person who buys the ticket is given the information...*

Some of the online platforms that Which? contacted said that they consider it the responsibility of individual sellers to provide the required information, rather than the responsibility of the platform to ensure that the information has in fact been provided before any ticket is listed for sale. For example, StubHub told us:

> *"As you correctly point out, section 90(2) of the CRA requires the seller of a ticket to provide certain information to a buyer, where that information is available to the seller. The Website enables any seller to provide the information required under section 90 of the CRA. However, since we are not the seller of the tickets listed on our Website and have no ownership or possession of any tickets, we rely on our sellers to provide complete and accurate information pertaining to their tickets in order to comply with their legal obligations. StubHub is not in a position to know whether the required information is available to each and every seller selling a ticket on its Website, nor whether the information that is provided is accurate and complete."*

Which? believes that if a ticket is listed for sale without the information specified in section 90, then this constitutes a breach of the CRA by the online platform listing the ticket. There are many reasons why we believe this must be the correct interpretation of section 90.

a) The main players in the secondary ticketing market, such as Seatwave (owned by eBay) and Viagogo, have operations of significant size and resource; they list thousands of tickets for sale to consumers and they will be aware of their obligations under consumer protection legislation. They are best placed to structure their platforms such that the information required under the CRA is provided in all cases.

b) Responsibility for ensuring consumers are provided with all the details about a prospective purchase would sit alongside the platforms' existing obligations under other consumer protection legislation, most notably the Consumer Protection from Unfair Trading Regulations 2008.

c) It would not be practicable, from an enforcement point of view, if it were individual ticket sellers who were to be prosecuted for non-compliance with the obligations under section 90. As our investigation demonstrated, non-compliance is widespread.

The Government needs to clarify, using guidance or otherwise, that if a ticket is listed for sale without the information specified in section 90 of the CRA, then it is the online platform listing the ticket that is breaching the CRA.

iii) Confusion as to the jurisdictional scope of the legislation

Consumers have a right to rely on UK consumer protection laws when making purchases, regardless of whether the trader is based in the UK or abroad. However, this does not appear to be appreciated across the market. For example, Worldticketshop told us:

> *"As a Dutch company with no operations in the UK, we do not believe that the provisions of the UK Consumer Rights Act 2015 applies to Worldticketshop or any of its subsidiaries; however, given our long history and culture of consumer protection, we have responded to the implementation of the Act in the UK and are working with our lawyers and organisations like Which? to ensure that our market places comply with the provisions of the Act."*

While the overall sentiment of this response is positive, it is concerning that traders outside the UK with a substantial presence in the domestic market do not consider that the new CRA applies to them.

Further work is needed to educate foreign businesses selling into the UK about their obligations toward UK consumers.

iv) Lack of clarity around reselling restrictions

Our investigation found a lack of clarity as to whether a buyer would be allowed entry to an event having purchased a ticket through an online platform. For example, we found a single seat for the Rugby World Cup Final 2015 ticket being sold on Viagogo for £12,000, but - according to the event's ticketing policy - the buyer could risk not getting past the turnstiles.

Due in part to the growth in the secondary ticketing market, the frequency of ticketing scams and rising concern with event security, an increasing number of events are operating restricted ticketing policies. For example, the Rugby World Cup operated its own ticket resale service (where tickets were resold at cost) and made clear that fans buying tickets through unofficial sources risked not being allowed into the venue.

Section 91 of the CRA provides that event organisers cannot cancel tickets without this being made clear in their terms and conditions.

More work needs to be done to ensure that consumers who buy tickets on the secondary market are made aware of whether a term or condition exists in the original sales contract which could result in them being prevented from attending the event for which the ticket was purchased, and thus understand the level of risk involved with the purchase.

v) Scam websites

In September, Which? uncovered a ticketing scam website, www.getsporting.com, which was purporting to sell tickets to the Rugby World Cup at extortionate prices. The site was not registered as an official Rugby World Cup 2015 ticket site and was operating against the ticketing policy for the tournament, allowing people to buy up to 10 tickets at once instead of the official allowance of four per person.

Getsporting.com was also not informing customers of the original face value of their tickets nor providing the information necessary to enable the consumer to identify the ticket's seat or standing area. Its payment methods gave us further cause for concern as it was offering a discount for people who paid for their tickets through wire transfer. This method of payment means it is extremely difficult for consumers to get their money back if something goes wrong.

We relayed our concerns to the City of London Police, and Getsporting.com has since been shut down by the National Fraud Intelligence Bureau.

The problem of scam websites goes beyond the scope of this review. However, the Government, law enforcement agencies and related bodies should ensure there is a swift, coordinated approach to identifying and taking action against scam ticketing websites, and more needs to be done to raise awareness among consumers.

vi) Other structural issues with the market

In a separate investigation, we chose a selection of popular events going on presale or general sale over an eight-week period to monitor the speed and volume of tickets appearing on the four largest secondary ticketing websites: GetMeIn, Seatwave, StubHub and Viagogo[2].

We found tickets appearing simultaneously on primary and secondary ticketing sites, tickets for sale on secondary sites before they had even been released, and evidence that suggests touts are operating on an industrial scale using technology to buy large numbers of tickets the moment they go on sale. The unusual selling patterns we found include:

- 364 tickets for Rod Stewart's UK tour were available on StubHub the day before the presale began.
- For the same tour, 450 tickets were available on GetMeIn the moment the presale began. Two days later, this had risen to 2,305 tickets.
- For each of 28 Riverdance tour dates, eight tickets were on sale on GetMeIn within a minute of an O2 Priority presale where O2 customers get early access to tickets. Each listing featured exactly the same price structure; you could pay up to £165 plus fees - the face value of the tickets was £50.
- Viagogo listed tickets for Benedict Cumberbatch's Hamlet at the Barbican, despite the venue imposing strict resale restrictions and asking for photo ID on the door. Tickets cost up to £1,500 (despite the original face value of £62.50) plus fees and delivery, even though they had to be collected at a Viagogo pick up point.

[2] The full findings of the investigation are published in Which? Money, December 2015. A copy of the article is attached in Annex 4. Screenshots can be found in Annex 3.

It is likely that some of the selling patterns we encountered are only possible because of the use of 'botnets'. This is software readily available on the internet that can make it very difficult for genuine fans to buy tickets on primary sites. Many consumers will question whether this is fair.

We also found evidence to suggest that people cannot distinguish between primary and secondary platforms, especially when the first redirects to the second and there is vertical integration between the two. In a survey of 1,241 Which? members, 29% said they did not understand the difference between primary and secondary ticket companies.

Further research and analysis is needed to fully understand what is happening in the secondary ticketing market. It is important that consumers are able to make informed decisions and understand the deal that is available to them. The current evidence suggests there are causes for concern relating to the transparency of the secondary sales process, and that consumers could be suffering detriment as a result.

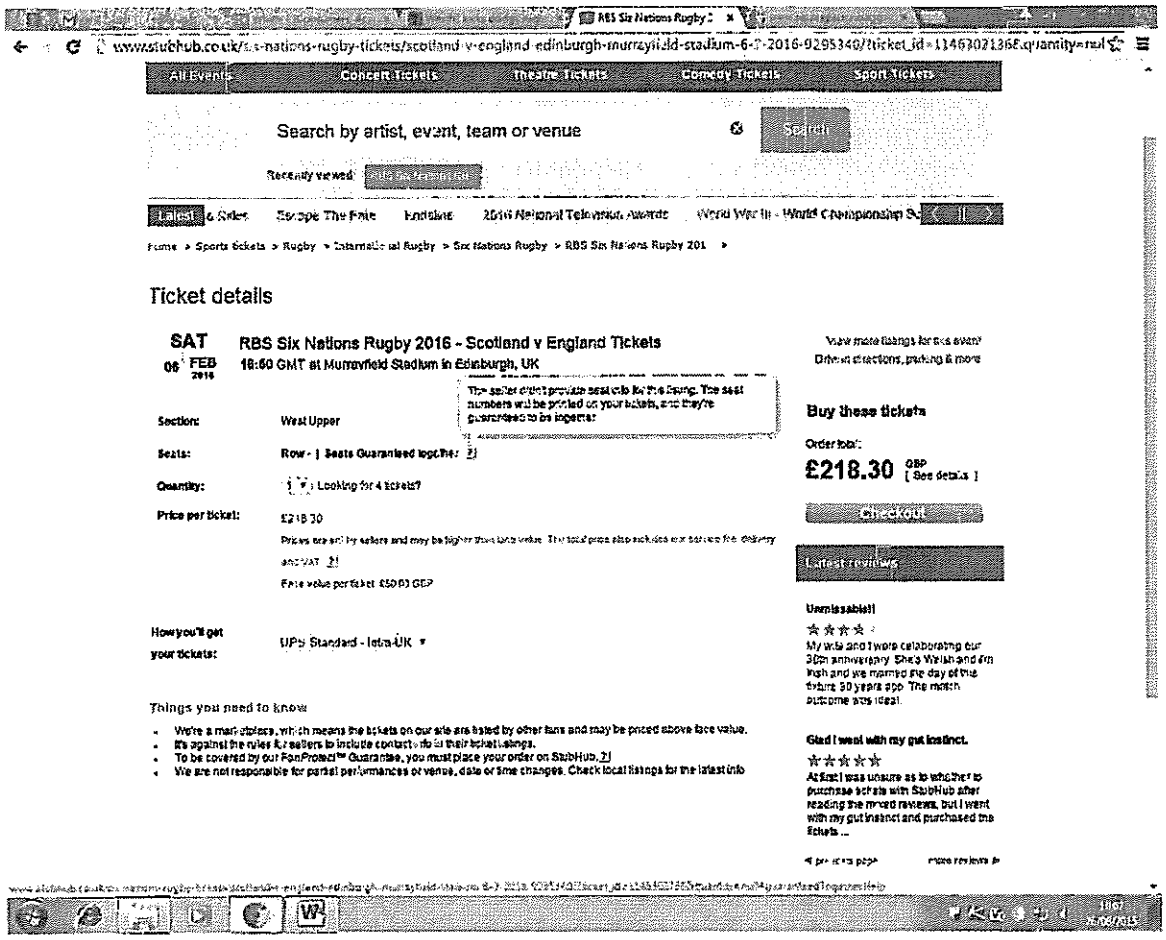
Which?
October 2015

Annex 1: Screenshots evidencing breaches of the CRA

StubHub

Six Nations, Scotland vs England

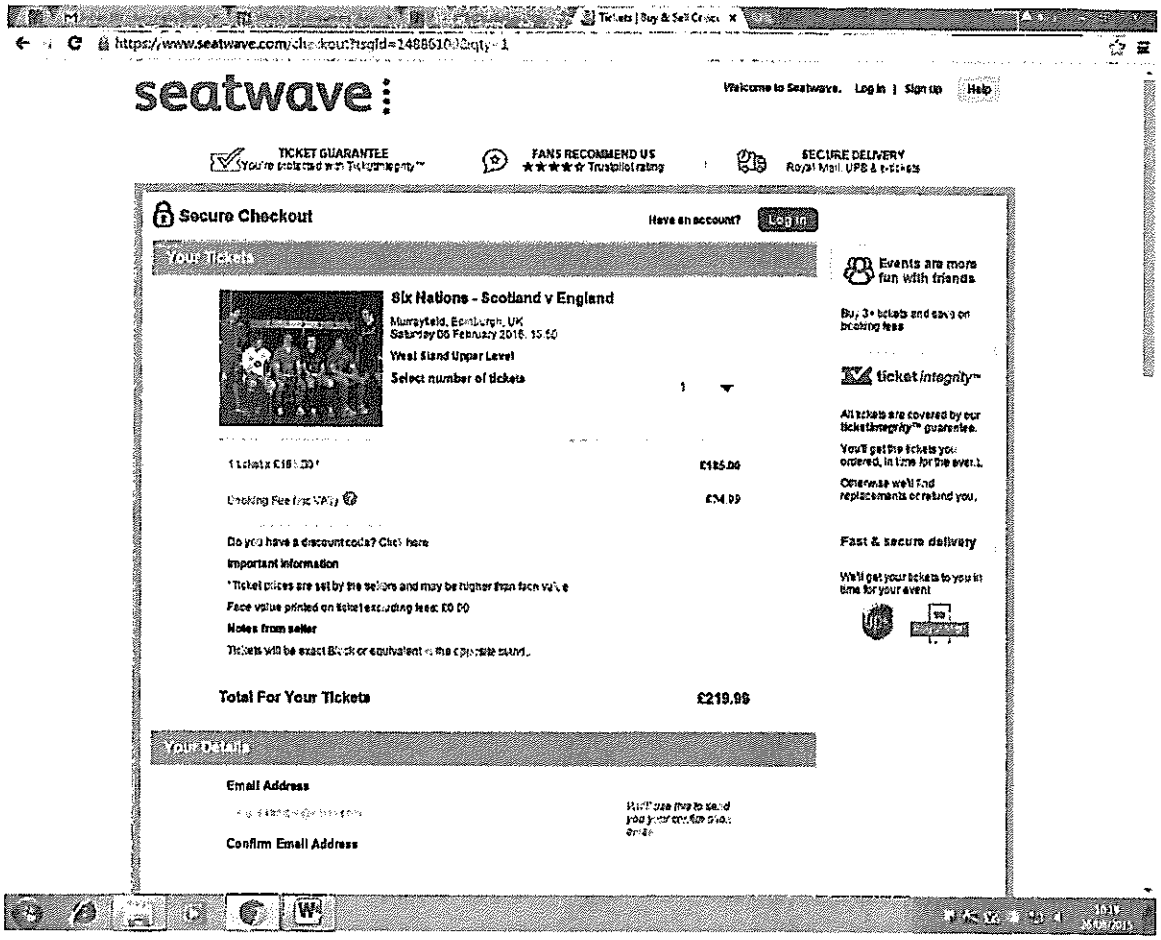
- Stand given but seat row and seat number not provided



Seatwave

<u>Six Nations, Scotland vs England</u>

- Face value on ticket given as £0.00
- Block number given but no row and seat details (including when you go through to the payment screen)
- Contains note that ticket may not be in block advertised: "Tickets will be exact Block or equivalent in the opposite stand."



Which?

seatwave

TICKET GUARANTEE
Your tickets are 100% guaranteed

FANS RECOMMEND US
★★★★★ Trustpilot rating

SECURE DELIVERY
Royal Mail, UPS & e-tickets

Secure Checkout
Please do not use your browser's back or refresh buttons as your payment may be interrupted or cancelled

Payment

VISA

Card Number

Name On Card

Card Expiry Date

Security Code

Billing Address

Address 1

35 Anchor Close

Address 2

-

Town/City

Lincoln

County

Postcode

Ticket Details

Six Nations

Murrayfield
06 February 2016, 16:50

West Stand Lower Level
Block 19

Order Details

Ticket Price (2 x £500.00 each)	£1,000.00
Booking Fee	£101.95
Delivery	£9.99
Total Price	£1,111.97

Delivery Inform

Time left to complete page 4:43

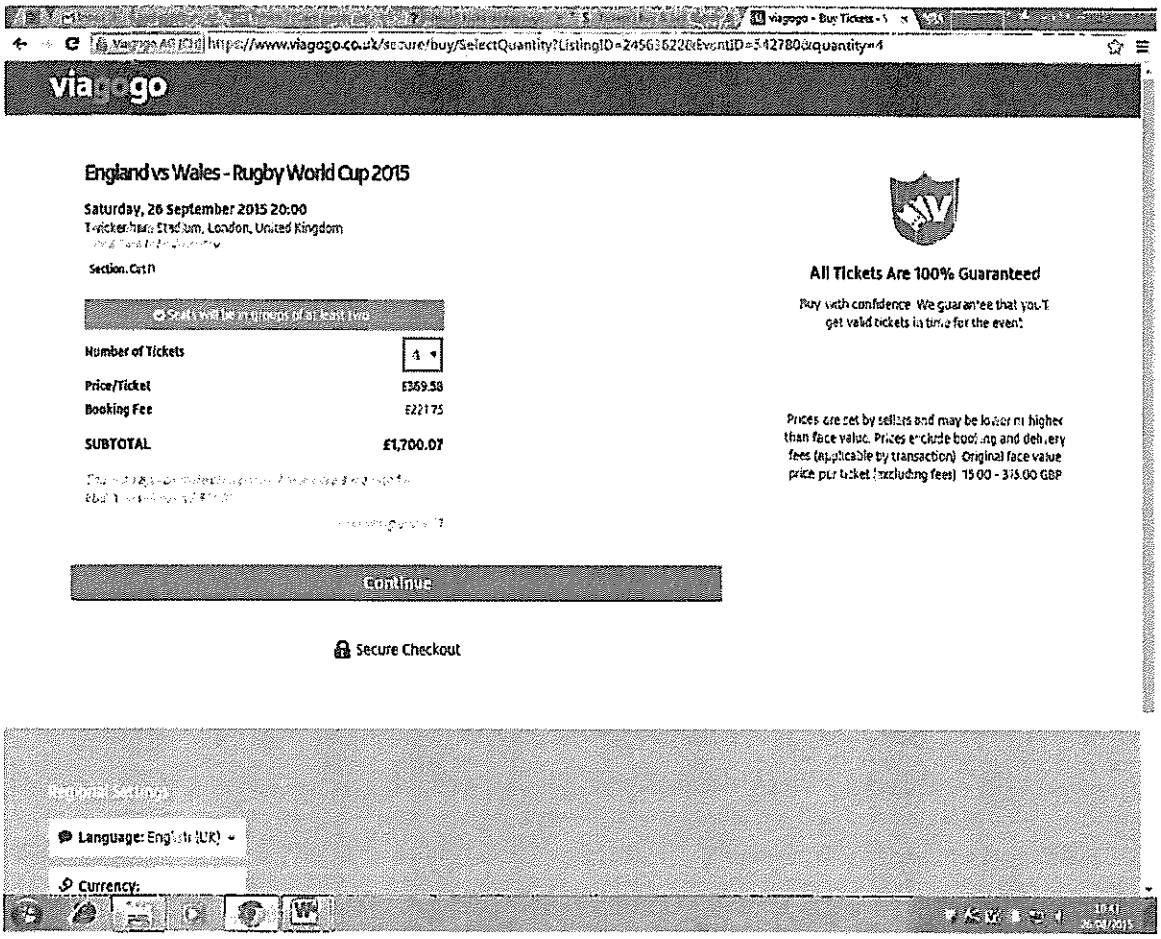
Tickets will be sent by signed for 1st Delivery

Clementine Moores
35 Anchor Close
Lincoln
LN5 7PE
UK

Viagogo

Rugby World Cup, England vs Wales

- Face value given as huge differential: £15 - £315, not face value as on ticket
- No block, row or seat details given



Which?

viagogo

YOUR DETAILS ① DELIVERY ② PAYMENT ③

Choose Your Payment Method

Credit or Debit Card

PayPal

Card Number

Expiry Date

Name as it appears on your card

Card Security Code

What is this?

Billing Address

Yes, my billing address is the same as my shipping address

You will be able to review your order before completing your purchase

England vs Wales - Rugby World Cup 2015

Saturday, 26 September 2015 20:00
Twickenham Stadium, London, United Kingdom

Section: Cat D

Price/Ticket	£369.58
Number of Tickets (Edit)	x 4
Subtotal	£1,478.32
Booking Fee	£22.15
VAT	£44.35
Shipping	£15.33
TOTAL PRICE	£1,759.75

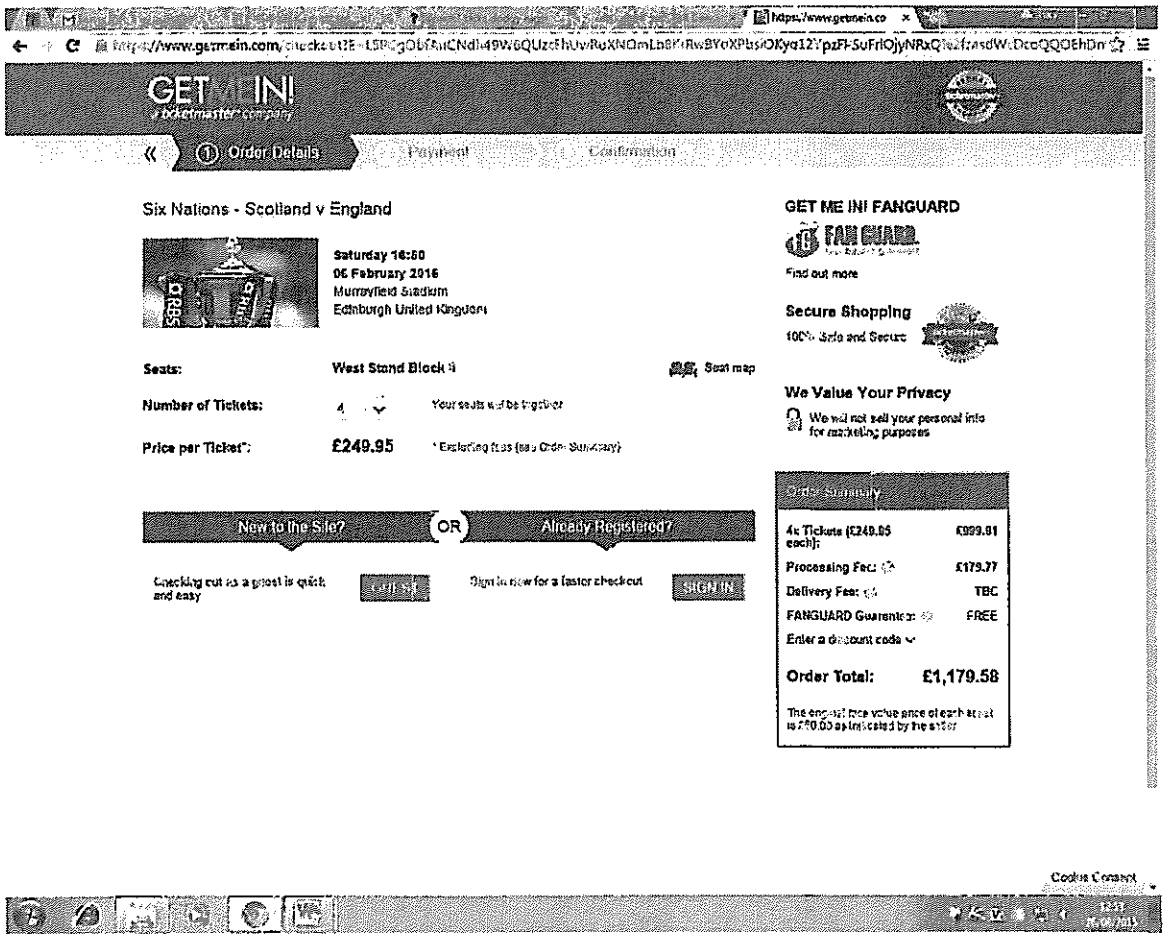
UPS (Express Saver) - Spain International

Which?

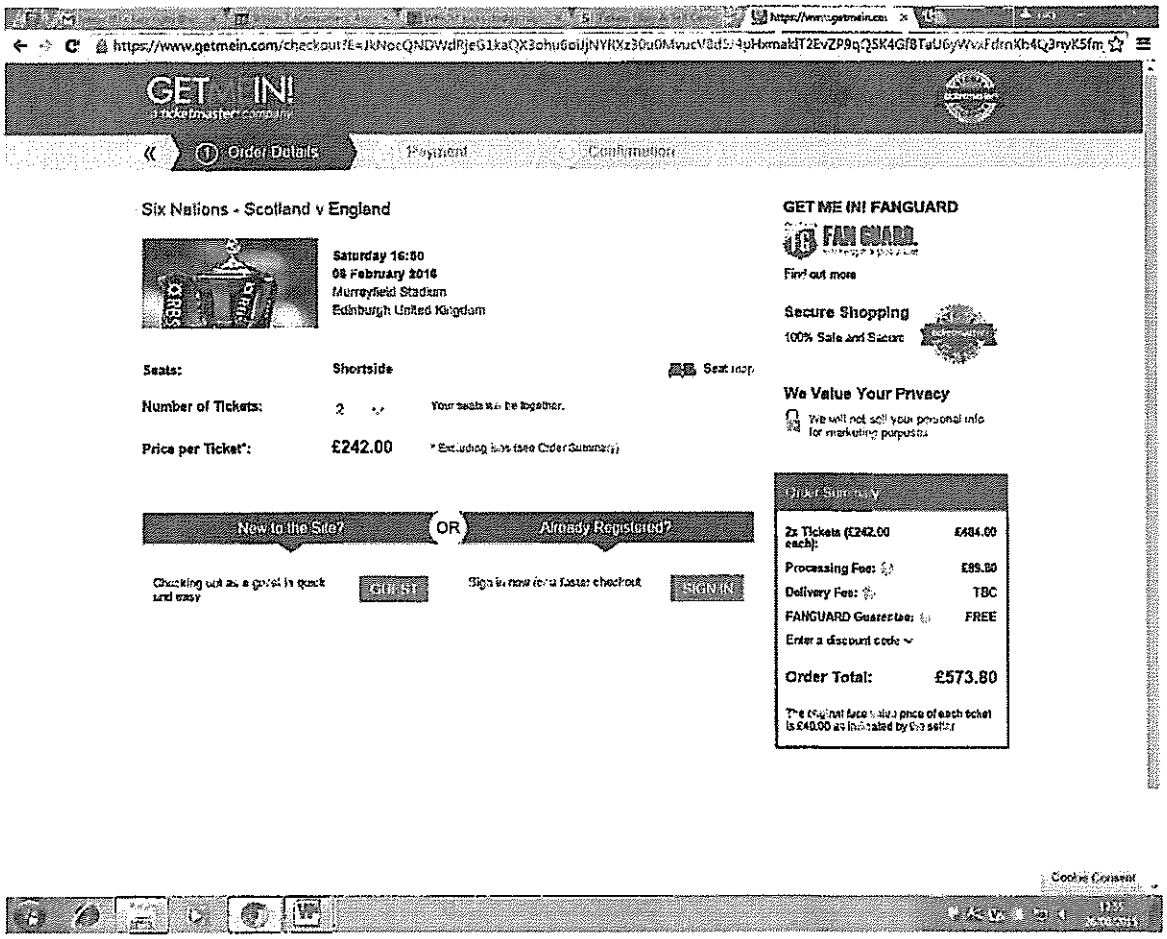
GetMeIn

Six Nations, Scotland vs England

- Block given but no row or seat details (including when go to seat map link)
- No block, row or seat details given but instead description that doesn't appear on seat map ("shortside") or very generic (lower tier)



Which?


https://www.getmein.com/checkout
GET ME IN!
Order Details
Payment
Confirmation
Six Nations - Scotland v England
Saturday 16:50
08 February 2014
Murrayfield Stadium
Edinburgh United Kingdom
Seats:
Shortside
Seat map
Number of Tickets:
2
Your seats will be together.
Price per Ticket*:
£242.00
* Excluding fees (see Order Summary)
New to the Site?
OR
Already Registered?
Checking out as a guest is quick and easy
GUEST
Sign in now for a faster checkout
SIGN IN
GET ME IN! FANGUARD
FAN GUARD
Find out more
Secure Shopping
100% Safe and Secure
We Value Your Privacy
We will not sell your personal info for marketing purposes
Order Summary
2x Tickets (£242.00 each):
£484.00
Processing Fee:
£89.80
Delivery Fee:
TBC
FANGUARD Guarantee:
FREE
Enter a discount code
Order Total:
£573.80
The original face value price of each ticket is £40.00 as indicated by the seller
Cookie Consent

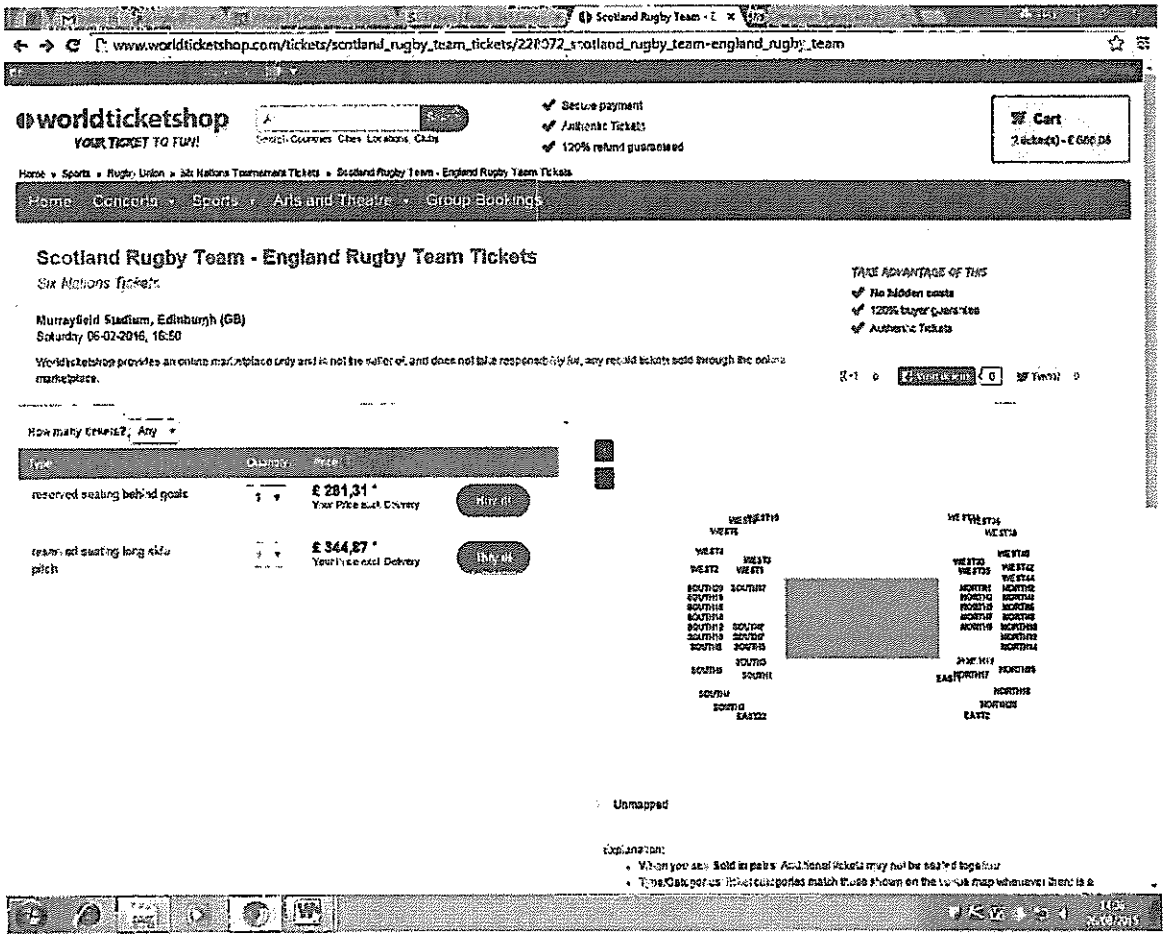
Which?

GET ME IN!
Order Details
Six Nations - Scotland v England
Saturday 16:50
05 February 2016
Murrayfield Stadium
Edinburgh United Kingdom
Seats:
Lower Tier
Seat map
Number of Tickets:
2
Price per Ticket*:
£280.50
New to the Site?
OR
Already Registered?
GET ME IN! FANGUARD
Find out more
Secure Shopping
100% Safe and Secure
We Value Your Privacy
Order Summary
2x Tickets (£280.50 each):
£561.00
Processing Fee:
£104.29
Delivery Fee:
TBC
FANGUARD Guarantee:
FREE
Enter a discount code
Order Total:
£665.29

Worldticketshop

Six Nations Scotland vs England

- No block, row or seat details given
- No face value of ticket



Which?

worldticketshop
YOUR TICKET TO FUN!

1. Your order 2. Your details 3. Payment 4. Check order

Six Nations Tournament: Scotland Rugby Team - England Rugby Team
Registered delivery
Saturday, 07 February 2016 Murrayfield Stadium, Edinburgh (GB)
reserved seating long side pitch
Seller: seats4events

£ 344,87	1	£ 344,87
Booking Fee:		FREE
TicketCover		FREE
Delivery costs:		£ 10,95
Your tickets:		£ 354,82

Six Nations Tournament: Scotland Rugby Team - England Rugby Team
Registered delivery
Saturday, 06 February 2016 Murrayfield Stadium, Edinburgh (GB)
reserved seating behind goals
Seller: seats4events

£ 281,31	1	£ 281,31
Booking Fee:		FREE
TicketCover		FREE
Delivery costs:		£ 10,95
Your tickets:		£ 292,26

Total £ 666,08

Go to Step 2

120% Buyer Guarantee

Buy safe and secure at Worldticketshop!

Privacy Policy

VISA PayPal

Which?

Annex 2: press release on Which?'s investigation into breaches of the CRA

1D and U2 fans missing vital ticket details on top re-selling websites

A new Which? investigation has revealed that some of the most well-known ticket re-sale websites are not displaying the face value or the seating information to top pop concerts and sporting events.

We looked at five of the top resale ticketing websites and found key booking information was missing, in breach of the Consumer Rights Act 2015, for popular concerts including One Direction's 'On the Road Again', U2's 'iNNOCENCE + eXPERIENCE' tour and sporting events including the rugby Six Nations tournament. Our findings come a week after the Government announced a review of consumer protection in the secondary ticketing market.

Our research into top sites GetMeIn, Seatwave, StubHub, Viagogo and Worldticketshop found:

Ø Seatwave, Viagogo and Worldticketshop failing to display the original face value of tickets. For example, we found seats to a Six Nations Scotland vs England game, sold through Seatwave, where the face value was given as £0.00. Viagogo was selling tickets to a One Direction concert last month where the original cost was merely stated as between £44.55 and £72.60. Worldticketshop also didn't display the original value of tickets to a Madonna 'Rebel Heart' concert, when £237.13 was being asked for a re-sold ticket. When the face value of a ticket isn't given, or is only given in a way which is meaningless, consumers can't work out what the original price was.

Ø All of the companies were found to be re-selling tickets with no clear information as to where fans would be sitting, leaving consumers unable to tell whether or not they'd be able to get a good view or how far away from the stage or pitch they will be. GetMeIn were displaying tickets to a U2 concert with a block number but no details of row or seat. Fans of Mumford and Sons buying tickets through StubHub for one of their gigs in November would have also found tickets on sale simply stating that they'd be in the 'Upper Tier' with no further information given.

Ø We also found a lack of clarity in the re-sale ticket terms and conditions as to whether the buyer would be allowed entry to the event having purchased a ticket through one of these sites. We found a single seat for the Rugby World Cup Final 2015 ticket being sold on Viagogo for £12,000, but - according to the event's ticketing policy - the buyer could risk not getting past the turnstiles.

The Consumer Rights Act 2015 specifically says that this information must be provided to prospective buyers, so that they can make an informed choice.

Prior to the Consumer Rights Act coming in, StubHub, Seatwave, Viagogo and GetMeIn all faced criticism from the UK's competition regulator for a lack of transparency on ticket pricing, as well as for charging amounts that the CMA said were 'too high'.

Which?

Which? executive director, Richard Lloyd, said:

"It's unacceptable that these ticket re-sale sites are getting away with not providing fans with key information, leaving fans unsure where they'll be seated or if they'll even get in.

"Re-selling sites must take responsibility for information displayed on their websites and ensure consumers are clear about what they're getting for their money."

Notes to editors

1. We looked at five of the main ticketing re-selling websites - GetMeIn, Seatwave, StubHub, Viagogo and Worldticketshop - and looked at tickets on sale between October 2015 and February 2016 for popular concerts and sporting events.

2. Which? will be sending its evidence to the DCMS as part of its secondary ticketing investigation. We have also presented our findings to the ticket re-selling websites.

GetMeIn and Seatwave (owned by Ticketmaster) said if it became "aware that a seller is attempting to sell tickets without listing full details, when we are advised that all ticketholders definitely should be aware of all relevant details, we will contact them reminding them of their obligations under the Act. Where there is no response, we will follow up with the seller and ultimately remove the listing if we consider that any potential buyer could be at risk."

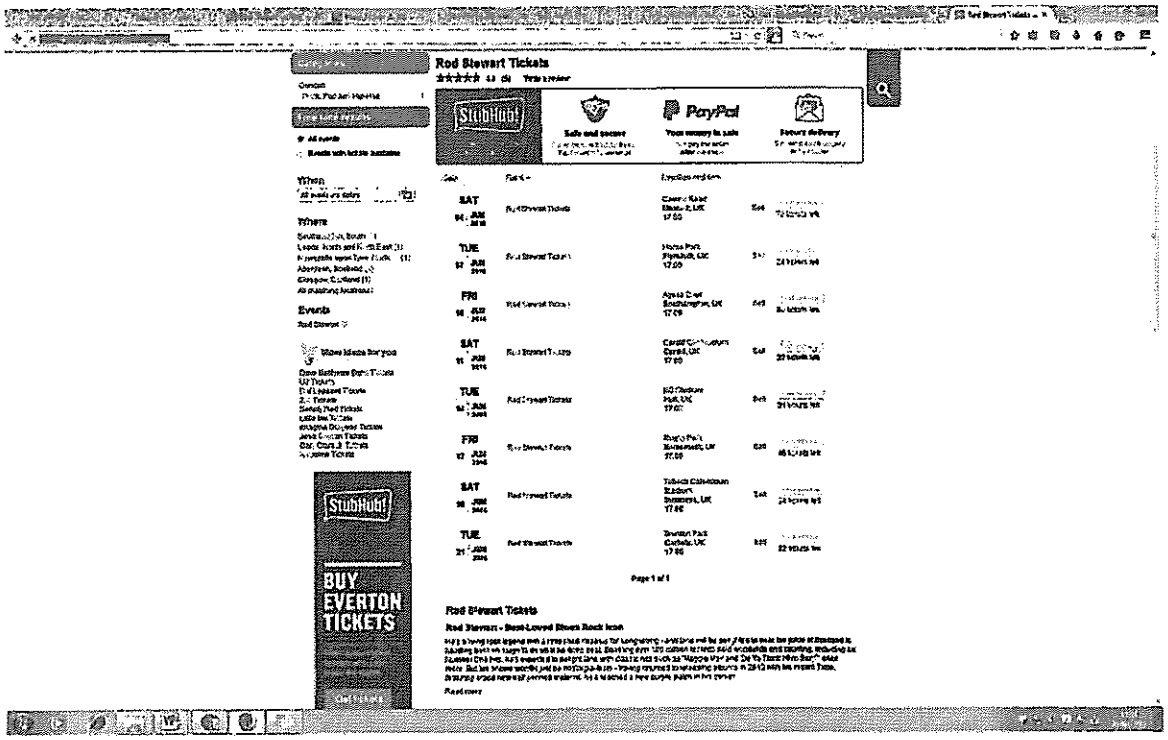
StubHub said it would "address the specific examples of alleged Consumer Rights Act breaches... Since we are not the seller of the tickets...we rely on our sellers to provide complete and accurate information pertaining to their tickets in order to comply with their legal obligations. In respect of Mumford & Sons...Sellers may not have all details to hand at the point of listing and are therefore unable to disclose them."

Worldticketshop told us it offers "a 200% refund if a consumer purchases a ticket from one of our market places which fails to meet the description offered by the seller of that ticket. As a Dutch company with no operations in the UK, we do not believe that the provisions of the UK Consumer Rights Act 2015 applies to Worldticketshop or any of its subsidiaries; however, given our long history and culture of consumer protection, we have responded to the implementation of the Act in the UK and are working with our lawyers and organisations like Which? to ensure that our market places comply with the provisions of the Act."

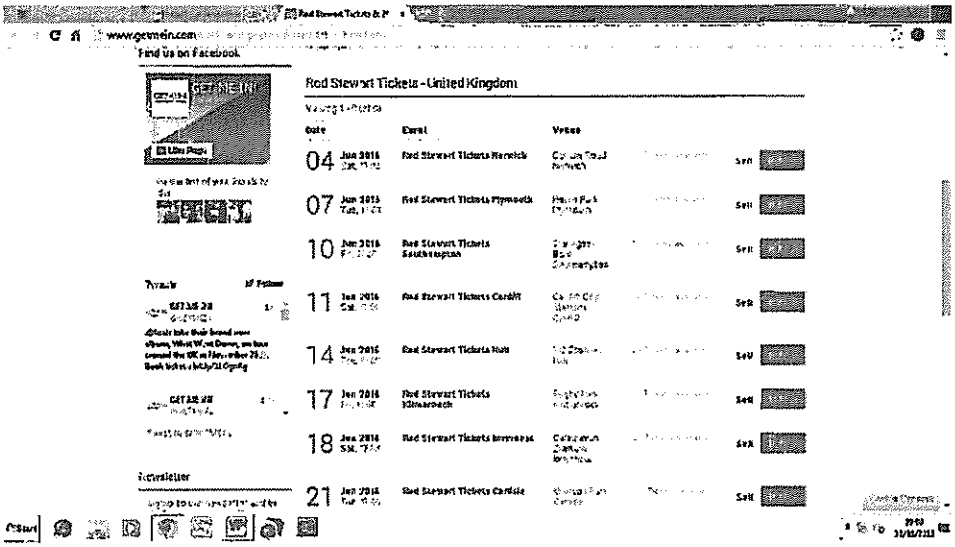
Viagogo is yet to respond.

Annex 3: screenshots evidencing unusual selling patterns on secondary ticketing websites

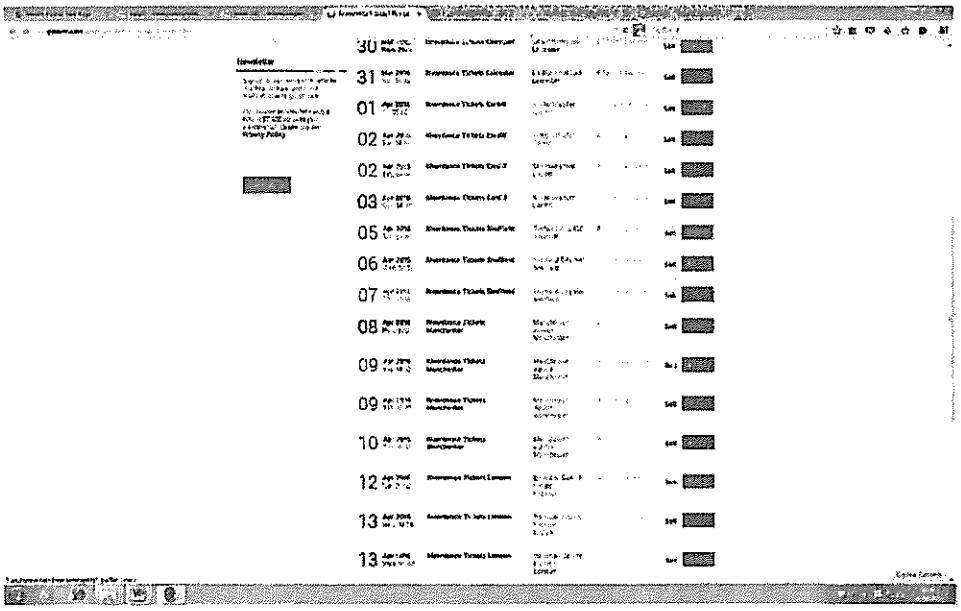
Tickets for sale on secondary sites before they've even been released
Example: StubHub showed 364 tickets for the Rod Stewart UK tour, the day before the presale (O2 Priority started at 9am on Wednesday 30/09/15).



Tickets appearing simultaneously on primary and secondary sites, sometimes in unusual patterns
Example: At 9am on Wednesday 30/09/15, GetMeIn instantly showed 450 tickets for the Rod Stewart UK tour, within a second of tickets becoming available to O2 Priority members.

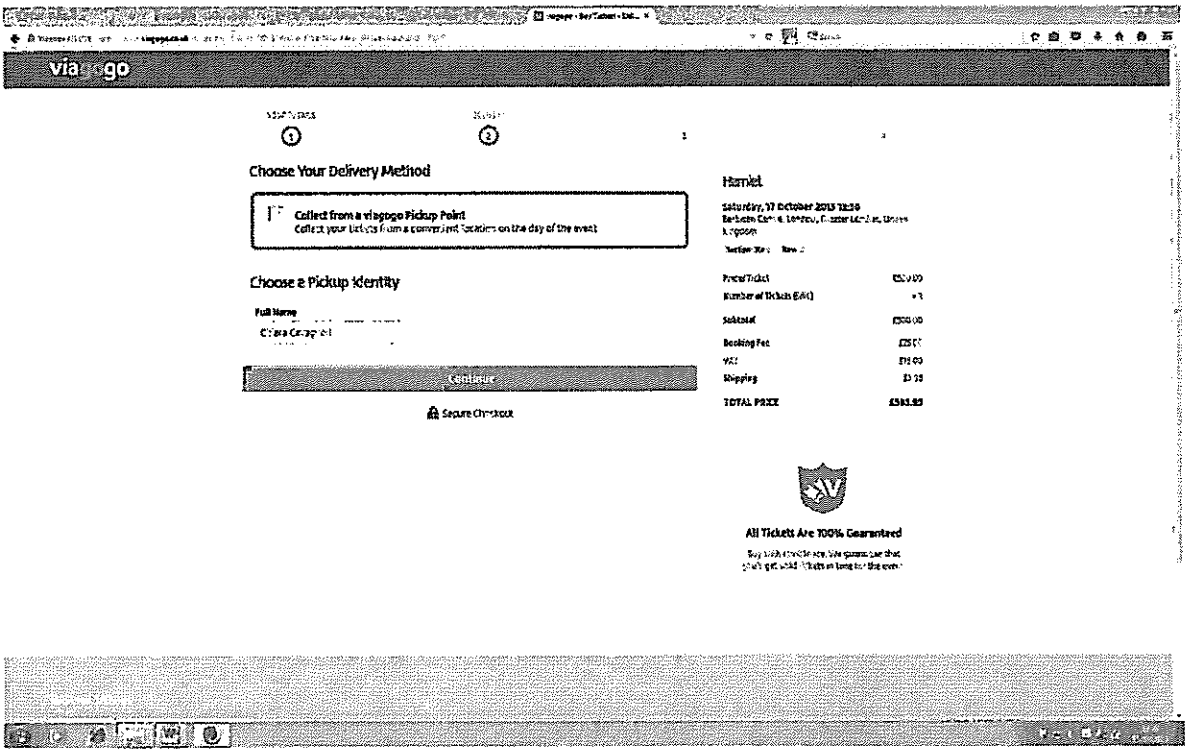


Example: Tickets for the Riverdance tour went on presale (O2 Priority) at 9am on Wednesday 30/09/2015 and within 60 seconds, exactly 8 tickets for all but three Newcastle shows were instantly available. Each listing featured exactly the same price structure; you could pay £110, £120.87, or £164.87 plus fees (face value £50).



Sellers ignoring re-sale restrictions

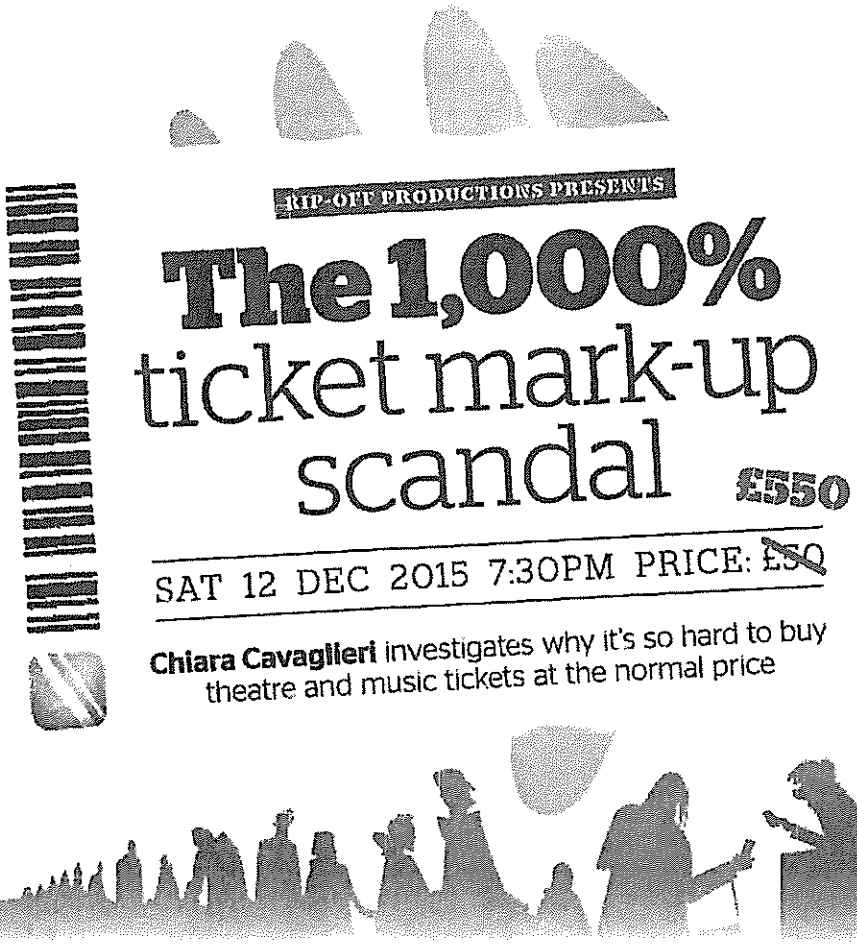
Example: Viagogo listed tickets for Hamlet at the Barbican, despite the venue imposing strict resale restrictions and asking for photo ID on the door. The venue told us it requested for these listings to be removed, but they were not removed.



Annex 4: p.46-48 Which? Money, December 2015

AT A GLANCE

- What's the relationship between different ticket sites?
- How you're competing with computers for the best tickets
- The questions the industry doesn't want to answer



The 1,000% ticket mark-up scandal

Chiara Cavaglieri investigates why it's so hard to buy theatre and music tickets at the normal price

Would you have paid more than £2,000 to see U2 at the O2 recently? How about £880 for Rod Stewart next year? When seats from the primary source sell out in minutes, you either miss out or pay over the odds on the secondary market.

Touts have snapped up show tickets for years, but they now operate on an industrial scale. And there are signs that certain ticket sites may be acting like touts themselves.

Which? spent eight weeks monitoring four of the biggest secondary sites and we found:

- Tickets appearing simultaneously on primary and secondary sites.
- Touts snatching up thousands of tickets from presale events.
- Tickets for sale on secondary sites before they've even been released.

The instant mark-up

Tickets for most events are sold through either the venue itself or, increasingly commonly, through primary ticket sites, such as Ticketmaster and See Tickets.

So-called secondary sites, such as Get Me In!, Seatwave, StubHub! and Viagogo, where anyone can resell tickets they bought from primary sources, were originally labelled as fan-to-fan exchanges, but they've attracted touts and are now the home of the instant mark-up.

This is hugely profitable for the sites. Get Me In!, where sellers list thousands of tickets at inflated prices, made £10.2m in 2014. Get Me In! charges the buyer 15% to 18%, while fees at Seatwave, Viagogo and StubHub! vary depending on the event and ticket type. All four take another 10% to 12% from the seller in admin or 'success' fees.

In a recent survey of 1,241 Which? members, 29% said they didn't understand the difference between primary and secondary ticket companies. It doesn't help that the distinction between promoters, venues, and primary and secondary ticketing agents is blurred through numerous takeovers and partnerships. Take Ticketmaster: it's been a Live Nation company since 2010 and now owns two major secondary sites – Get Me In! and Seatwave (see 'Who owns whom?', right).

So it's no surprise that people can't easily distinguish between primary and secondary platforms – sometimes the first redirects to the second.

Do sites buy their own tickets?

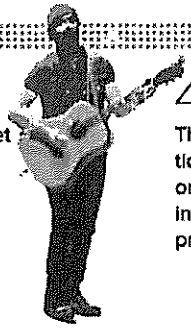
We wanted to find out whether primary ticket sites ever put tickets straight onto a secondary site. Ebay-owned StubHub! told us it does not own, purchase or price tickets to any event listed on its website.

But Ticketmaster's latest annual report states that it may acquire tickets for sale 'from time to time on a limited basis'. When we asked it whether it sold tickets directly to its sister resale sites, it said those sites 'do not have a policy of acquiring tickets for resale in their own right.' It declined our request to explain either of these statements further.

So we looked for unusual selling patterns on resale sites – and we found several. For example, we saw eight tickets being sold for 28 of the 31 *Riverdance* tour dates on Get Me In! within a minute of an O2 Priority presale – where O2 customers get early access to tickets. Each listing featured exactly the same price structure; you could pay £110, £120.87, or £164.87 plus fees (face value £50).

RIPPED OFF BY RESELLERS

1,760%
The mark-up on a ticket for U2's 'Innocence + Experience' tour, sold for £2,200 (face value £125).



450
The number of Rod Stewart tickets that appeared on Get Me In! the instant the O2 Priority presale began.

104
The number of tickets on Seatwave to see electro-pop band Disclosure perform at Alexandra Palace, before they were ever on sale.

ILLUSTRATION: MARK BIRD

Who owns whom?

LIVE NATION

The UK's largest promoter and majority shareholder in Academy Music Group (AMG), which owns venues all over the UK, including the O2 Shepherd's Bush Empire.

ticketmaster

The UK's leading primary ticket outlet. Also owns TicketWeb – another major primary ticket seller.

Two of the biggest secondary ticket platforms:

GET ME IN! – Bought by Ticketmaster in 2008.

seatwave – Bought by Ticketmaster in 2014.

The others

StubHub! – Originally founded by Eric Baker in 2000, but bought by eBay in 2007 for $310m, and has a partnership with The O2 Arena's box office through ticketing platform AXS.com (owned by promoter AEG).

viagogo – Founded by Eric Baker in 2005 and backed by investors such as venture capital firm Index Ventures and Lord Jacob Rothschild. Now based in Geneva, Switzerland, having dissolved its UK company in 2012.

The Competition and Markets Authority (CMA) cleared the Ticketmaster merger with Seatwave in March 2015, having concluded that both Get Me In! and Seatwave would continue to face strong competition from Viagogo and StubHub!

When sellers list tickets they must confirm whether they are affiliated with the event organiser, or with Get Me In! itself. We asked Ticketmaster how many people check these boxes, but it failed to answer directly, saying it: 'works with those selling tickets to ensure they understand the requirements to list all available ticket details.'

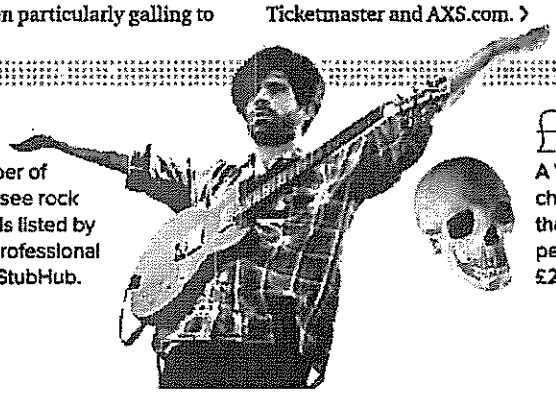
If tickets are channelled directly to resale platforms, without consumers getting a chance to buy them at face value, they are being cheated. *Which?* reader Angus McNicoll, of Aberdeenshire, regularly attends concerts at the SSE Hydro venue in Glasgow, but struggles to buy tickets, despite having priority booking. He said: 'SSE partnered with Ticketmaster, and the service is appalling. It seems impossible to book any good seats. It is then particularly galling to see what we would class as good seats for sale on Get Me In!, at vastly inflated prices, within minutes of going on sale via the SSE "perk" of booking two days in advance.'

Competing with computers

Whether or not sites do sell to each other, they're all making life easy for touts. It isn't illegal to resell tickets for profit (unless they're for a football match and the club hasn't permitted a resale), but touts are using 'botnets' to harvest swathes of tickets the second they go on sale – ordinary buyers just don't stand a chance.

This software is readily available – a quick internet search uncovers sites, such as TicketBots.net, selling programs that target specific systems such as Ticketmaster and AXS.com. >

20
The number of tickets to see rock band Foals listed by a single professional seller on StubHub.



£5.95
A Viagogo 'delivery charge' for *Hamlet* tickets that were collected in person, on top of a £270 booking fee.

EXPERT VIEW

DON'T PAY OVER THE ODDS

Stewart Lee, comedian

Stewart Lee has been outspoken in his opposition to touting, pointing out that venues and tickets are subsidised by councils and other publicly funded bodies to make arts more affordable: 'Secondary ticketing agencies ride roughshod over all this to resell tickets at massive mark-ups, and none of the money derived from this benefits the artists, the venue, or the body involved in subsidy. I do everything I can to prevent secondary ticketing for my events, but it's expensive and time-consuming to do. These sites sell my £20 tickets at more than £100. I don't want anyone to pay that much to see me.'

Software can even 'flick' tickets straight to a secondary platform, says Reg Walker, ticket fraud expert at Iridium Consultancy. 'By the time the touts have finished harvesting tickets there is little, if anything, left for genuine fans,' he explains. 'On a presale for a high-demand event recently, we saw an entire block, bar a couple of tickets, go to one tout using proxy identities.'

Touts target presales for fan clubs and O2 Priority members. Thousands of tickets can hit the secondary market before they're officially released to the general public. For example, at 9am on 30 September, Get Me In! instantly showed 450 tickets for Rod Stewart's tour; they cost from £107.80 to £880 (face value £50) – this happened as soon as the O2 Priority presale began. Two days later, the number of tickets on sale on Get Me In! had risen to 2,305.

Reg Walker says his firm previously identified one tout harvesting more than £3m-worth of tickets. 'This tout was the biggest reseller on at least two of the platforms and yet no one asked him how he was acquiring so many tickets. An appalling lack of due diligence – or simply a case of not wanting to know?'

Getting round the rules

There's a risk of fraud on ticket resale sites because sellers don't have to prove they actually have the tickets they list. The sites we looked at promise refunds or replacements for fake tickets, and sellers are usually paid after the event, to deter false listings. But StubHub! admits that some 'carefully vetted' sellers are paid beforehand. Ticketmaster declined to tell us its approach, other than to say its sites operate in accordance with the Consumer Rights Act 2015. Viagogo failed to respond to any of our questions.

Tickets regularly show up on the secondary market before officially going on sale. The worst example we encountered was 364 tickets on StubHub! for Rod Stewart's UK tour the day before the presale. StubHub! says that certain sellers know they will receive tickets by other means (such as through hospitality or fan clubs), so they list them early. However, StubHub! admits it can't check every ticket listed upfront.

By the time the touts have finished harvesting tickets there is little, if anything, left for genuine fans

Viagogo listed tickets for Benedict Cumberbatch's *Hamlet* at the Barbican – dubbed the 'most in-demand theatre show of all time', despite the venue imposing strict resale restrictions and asking lead bookers to show photo ID on the door. Tickets cost as much as £1,500 (face value £62.50), plus £270 in fees and £5.95 delivery, even though they were for collection at a 'Viagogo pick-up point', possibly so that resellers could accompany the buyer and circumvent any ID checks before leaving.

Under the Consumer Rights Act, secondary ticketing sites must be upfront about any restrictions, seat numbers and the face value. Ticketmaster says its secondary sites would ultimately remove listings that fail to comply, yet Which? has found sellers on all the major sites repeatedly flouting these rules.

Which? says

Attempts to reform this industry will be a farce if touts continue to have the last laugh. Tickets shouldn't be fed straight to secondary sites at consumers' expense. It's time for the government to get serious. This marketplace isn't working and new rules are not being taken seriously. The Department of Culture, Media & Sport has announced a review of consumer protection in the secondary ticketing market, required under the Consumer Rights Act. We will be submitting the evidence from this investigation.

Ways to beat the touts

Follow these tips to avoid being ripped off by the touts

Join the fan club

If you've got a favourite artist or a preferred venue, sign up to the newsletter and you may get priority booking, or discount codes for particular events.

Ensure you get ahead of the game

Use sites, such as **gettothefront.co.uk** and **beatthetouts.com**, which list advance tour dates, and sign up for alerts from primary sites, such as Ticketmaster and Seetickets. O2 Priority also offers customers early booking for specific shows, often two days before the general sale.

Check with the venue first

If you can, visit in person – the venue box office is often the cheapest option because most don't charge booking or postage fees. If the venue isn't nearby, try the website.

Alternatives to ticket touts

If you miss the boat and a show is sold out, try **scarletmist.com**, which was set up by fans to allow people to buy or sell spare tickets at face value or less, and encourages a face-to-face exchange. **Twickets.co.uk** and **vibetickets.co.uk** are also fan-to-fan ticket exchange sites, restricted to face value, although Twickets allows an optional 15% added to cover the original booking fee and takes 10% of the selling price.

THE BOTTOM LINE

Touts routinely use secondary marketplaces to resell tickets above face value and buyers are hit with hefty fees. It's also almost impossible to trace sellers if the tickets are fakes or aren't what you expect. If you decide to risk it, check the key info first – face value, total fees and restrictions. If you don't know, don't buy.

FIND OUT MORE

On Which.co.uk
- Read our guide to buying tickets online safely: **which.co.uk/buyingtickets**
- If you're fed up of tickets selling out and appearing in their thousands on expensive secondary sites, join the debate at **which.co.uk/2ndtickets**

Recent articles
- 'Is this the highest ever ticket mark-up?', *Which?*, Aug 2015, p6
- 'Ticket fees in the spotlight', *Which? Money*, Jul 2014, p12

Other useful contacts
- The Society of Ticket Agents and Retailers (STAR) **star.org.uk**
- Report a ticket scam to Action Fraud **actionfraud.police.uk**

Department
for Culture
Media & Sport

ticketing mailbox <ticketing@culture.gov.uk>

Supplementary evidence to Which? response to the DCMS call for evidence on secondary ticketing market

[illegible] 16 December 2015 at 19:22
[illegible], ticketing@culture.gov.uk

Hi Ian,

Please find attached some supplementary evidence to accompany our original response.

Many thanks,

[illegible] | **Which?**
2 Marylebone Road, London, NW1 4DF
T: +[illegible] | [illegible] | E: [illegible]

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Supplementary evidence to Which response on secondary ticketing.pdf
1157K

When attached.

Which?, 2 Marylebone Road, London, NW1 4DF
Date: 11 December 2015
Response by:

Call for Evidence Co-ordinator
Department for Culture, Media and Sport
100 Parliament Street
LONDON
SW1A 2BQ

Review of Consumer Protection Measures relating to Online Secondary Ticketing Platforms: Supplementary response to call for evidence

1. Introduction

This response to the call for evidence on online secondary ticketing platforms is supplementary to Which?'s original response, submitted to the DCMS on 17 October 2015.

Subsequent to the submission of Which?'s original response, we have undertaken further investigatory work into the manner in which the online secondary ticketing market operates. This supplementary response contains the findings arising from our additional work.

2. Further investigation

Our further investigation examined the availability of tickets for the singer Adele's UK tour in 2016. At 9am on Tuesday 1st December 2015, tickets went on presale for fans who had signed up for early access to tickets and received an email with a unique access code to buy them via songkick.com.

Adele's website and newsletter firmly requested that purchasers do not resell tickets for profit, and the newsletter stated quite clearly that 'the resale of tickets will not be tolerated' and warned that 'any tickets suspected of being offered on resale marketplaces will be cancelled immediately'.

As in our previous investigation, we examined the secondary ticketing platforms Seatwave, Viagogo, GetMeIn and StubHub.

3. Findings

Our investigation revealed the following:

- A lack of clarity around reselling restrictions. Each of the four online secondary ticketing platforms we investigated offered tickets to the Adele tour for sale to consumers, without notifying consumers that the tickets were subject to the restriction that "any tickets suspected of being offered on re-sale marketplaces will be cancelled immediately".

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- Non-compliance with the CRA. Some of the tickets listed on Viagogo failed to provide to consumers the original face value of the ticket (see screenshot A). None of them included seat numbers.

- Tickets appearing for sale online before they had been officially released. Adele tickets were listed for sale on Viagogo at 8.55am on 1 December 2015, before the tickets were actually on sale (see screenshot B).

- Tickets appearing simultaneously on primary and secondary ticketing sites. 24 tickets for the London O2 Arena appeared on GetMeIn at 9am on 1 December 2015), all apparently accompanied by VIP passes (see screenshot C).

- Evidence that suggests technology is being used to buy large numbers of tickets the moment they go on sale. There were **586 tickets** available on Seatwave at 9.10am on 1 December 2015 i.e. within ten minutes of the tickets going on sale (see screenshot D). There were numerous reports on social media of fans complaining about queuing for hours to get tickets on primary websites, all the while seeing tickets appear rapidly on the resale websites.

- Odd selling patterns. All tickets to the Adele tour disappeared from the GetMeIn and Seatwave platforms around 9.15am on 1 December 2015 (see screenshot E), although they quickly reappeared again around 20 minutes later (see screenshot F).

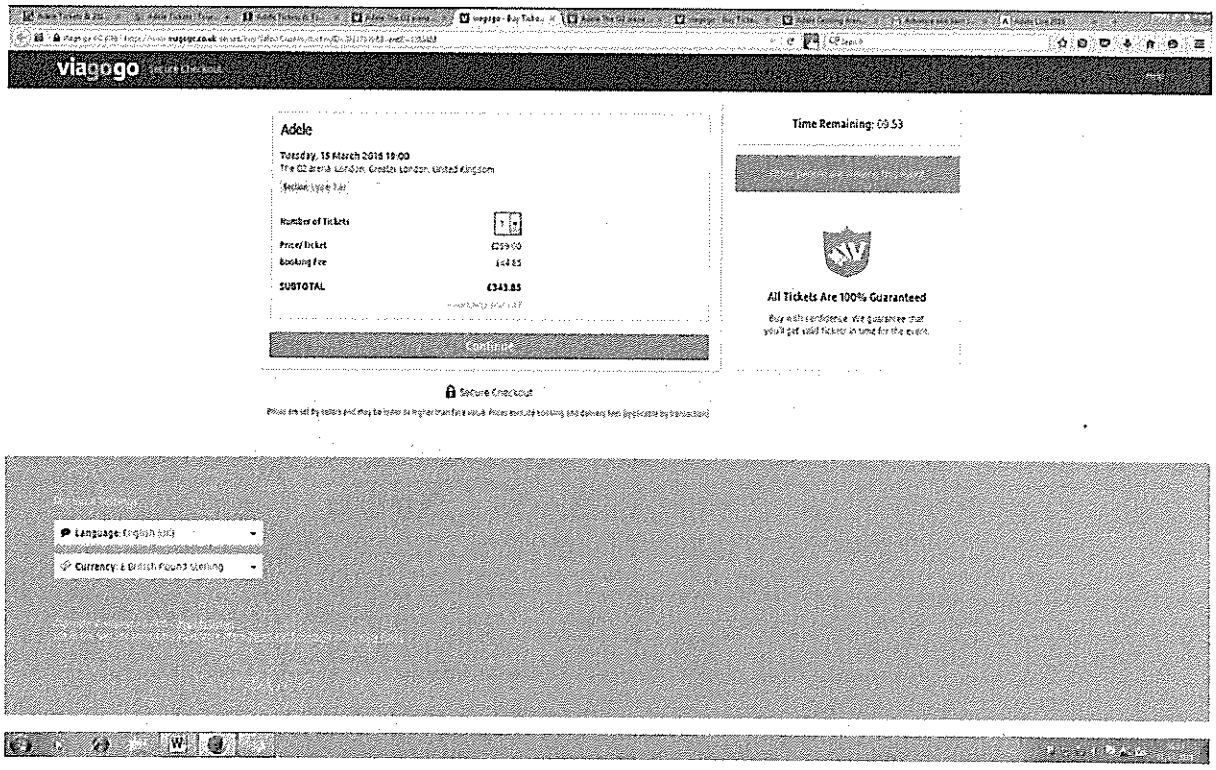
4. Conclusion

The results of this investigation further substantiate the findings noted in our original submission. This growing evidence reinforces the need for further research and analysis of the secondary ticketing market. There are causes for concern relating to the transparency of the secondary sales process and Which? is concerned that consumers could be suffering detriment as a result.

Which?
December 2015

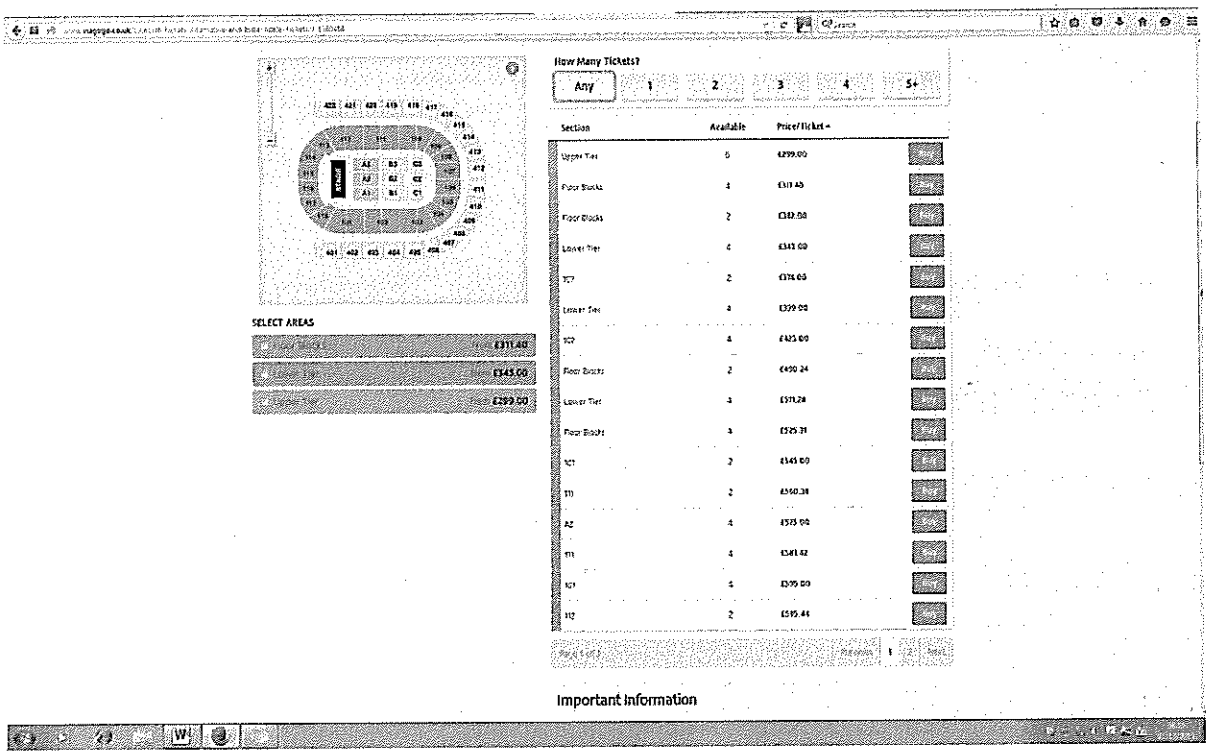
Screenshot A

Tickets available via Viagogo on 1 December 2015 with no ticket face value made known to consumers.



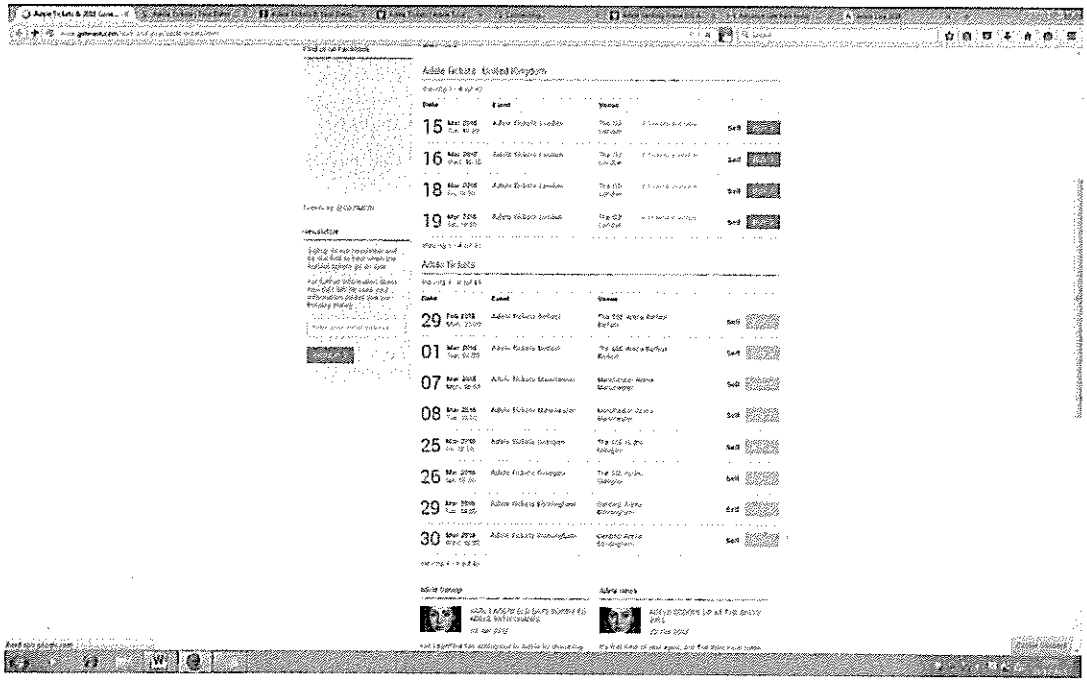
Screenshot B

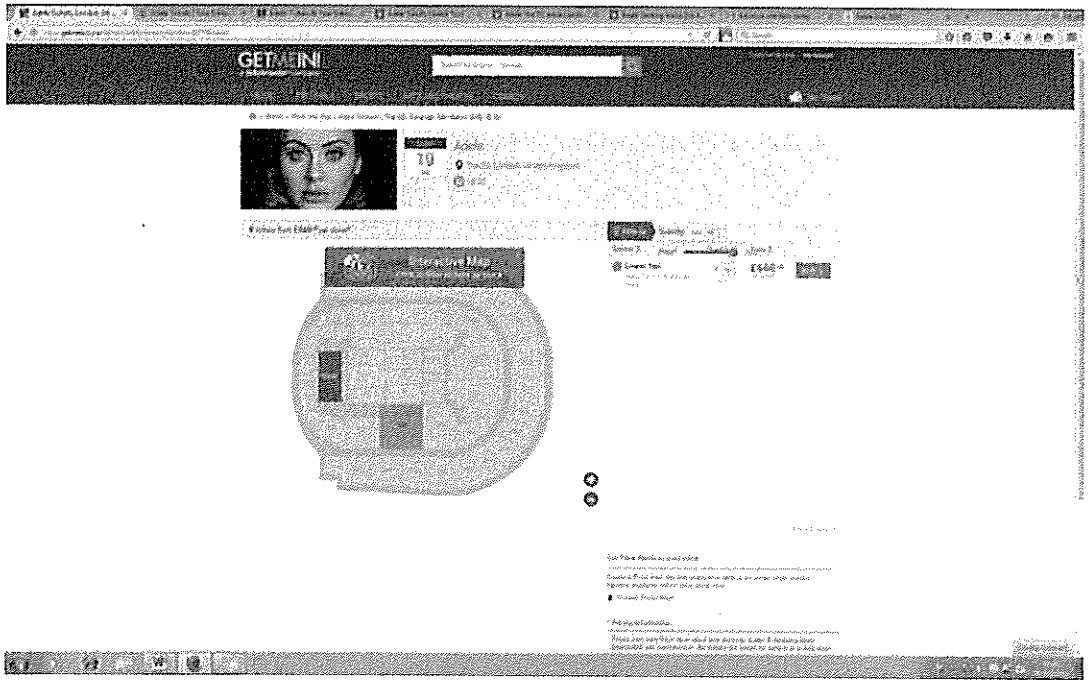
Viagogo posting tickets for sale at 8.55am on 1 December 2015 for Adele's gig at The O2 arena on Tuesday 15th March, before the tickets were officially on sale.



Screenshot C

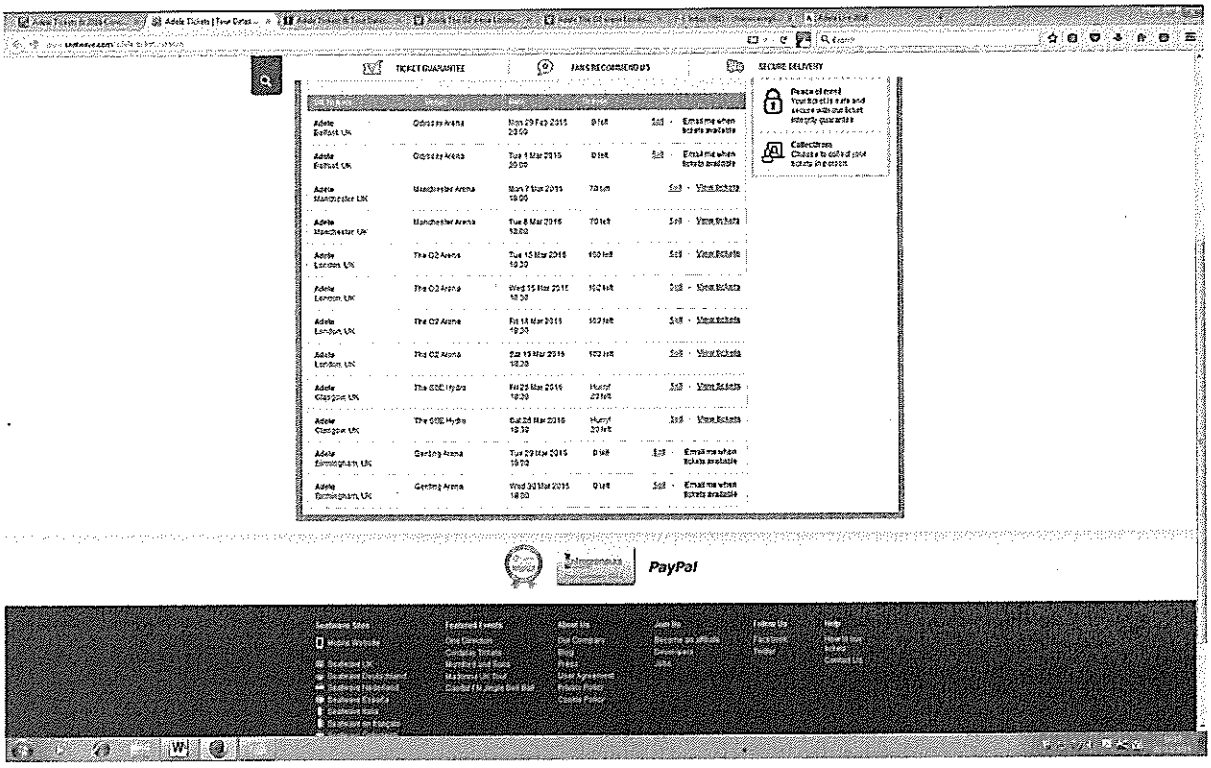
Tickets available on GetMeIn, with VIP passes, on 1 December 2015, within seconds of the tickets officially going on sale.





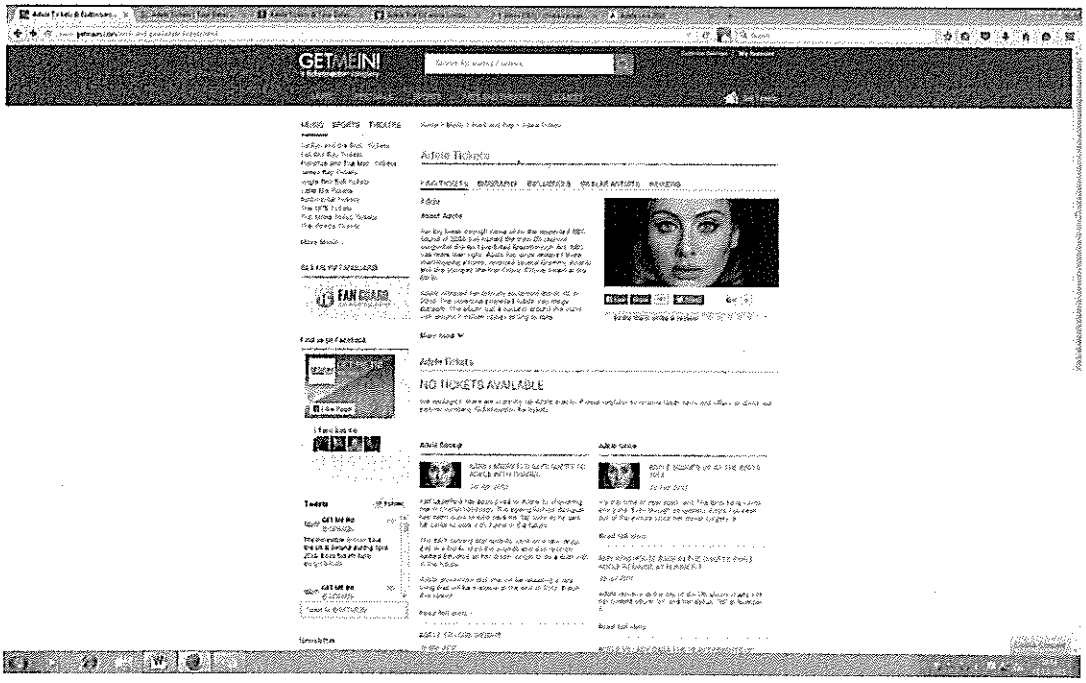
Screenshot D

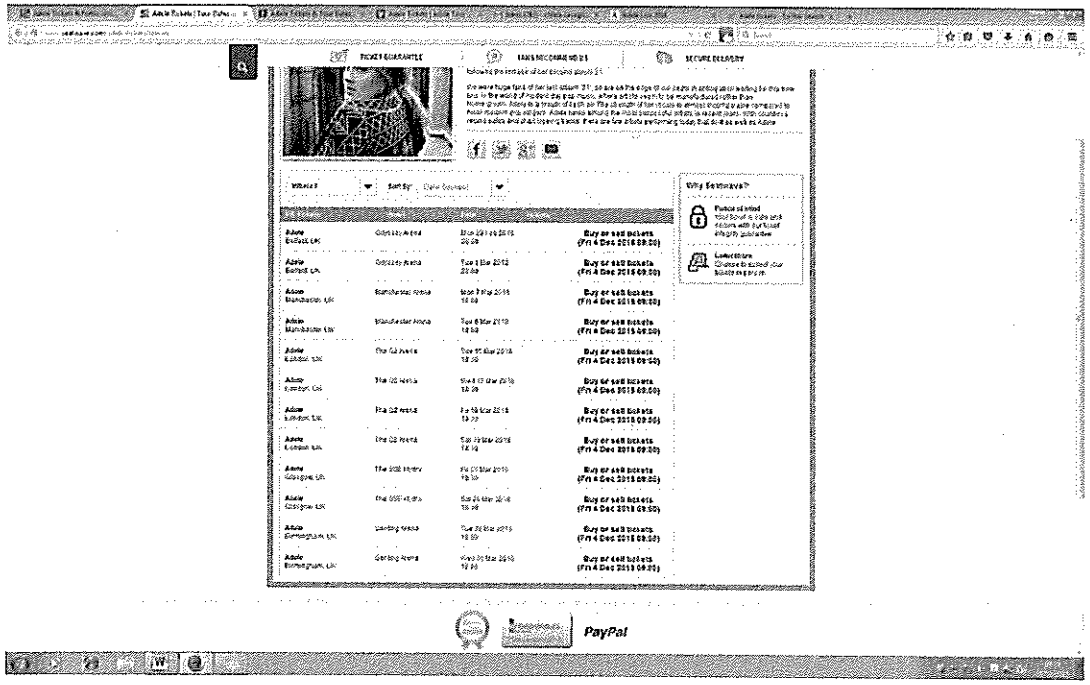
586 tickets available on Seatwave within 10 minutes of the tickets going on sale, i.e. at 9.10am on 1 December 2015

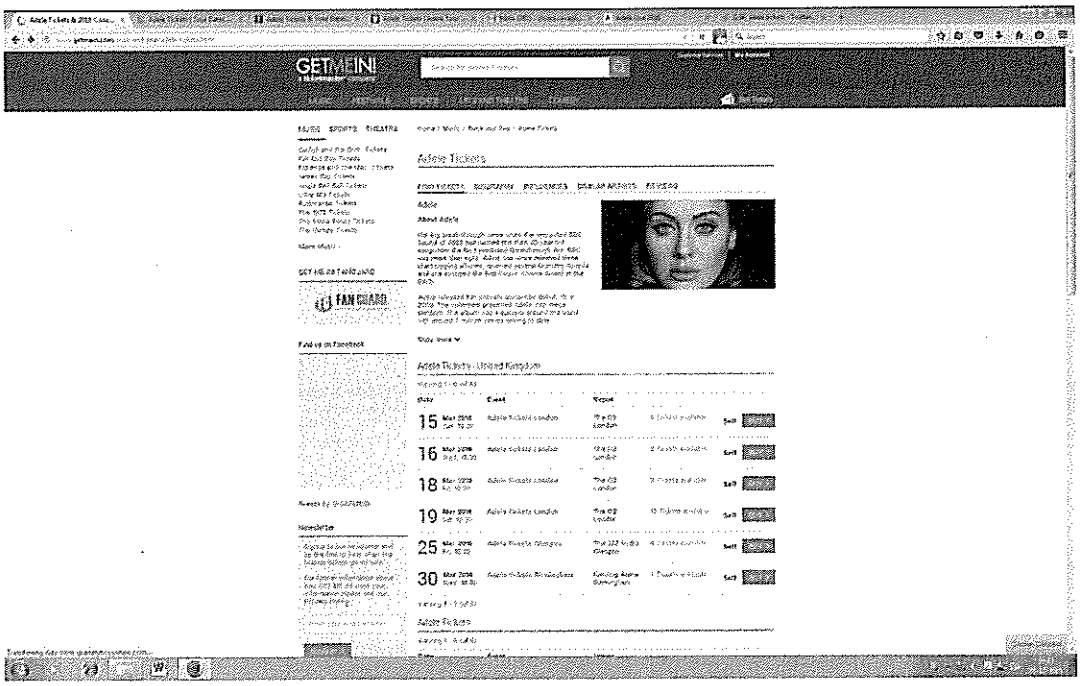
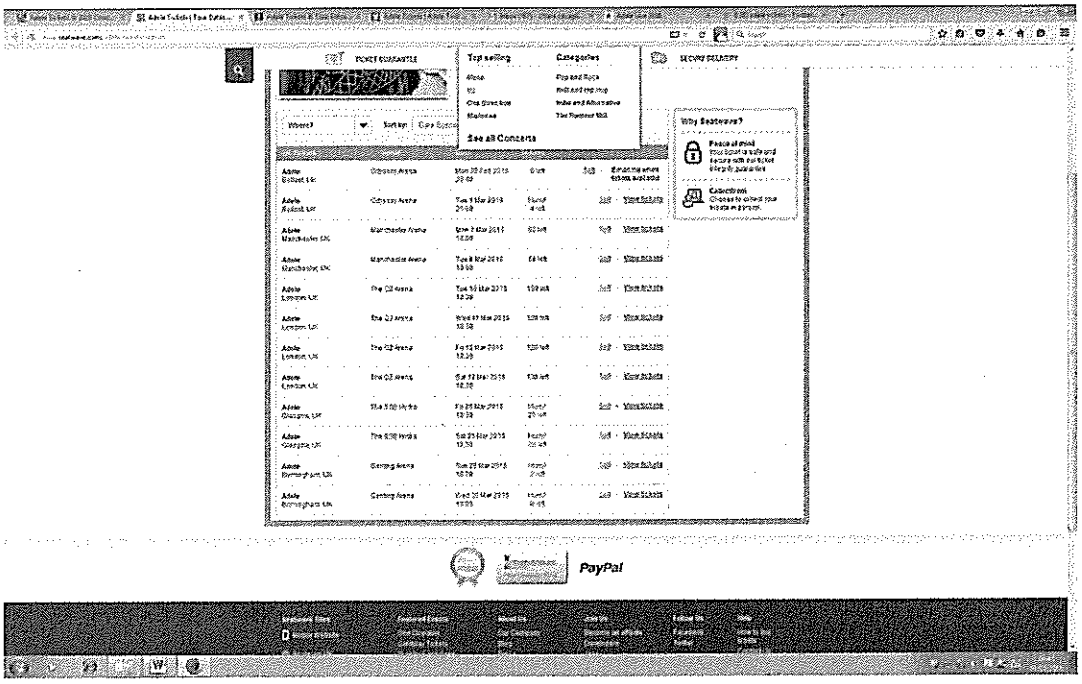


Screenshot E

Tickets temporarily disappeared from sale on GetMeIn and Seatwave around 9.15am on 1 December 2015





Screenshot F

Subsequent to tickets disappearing from sale on GetMeIn and Seatwave (see Screenshot E), tickets then reappeared 20 minutes later (ie by 9.45am on 1 December 2015)