

Introduction

The Ethical Marketing Campaign for Addiction Treatment (EMCAT) welcomes the opportunity to contribute to the Competition and Markets Authority (CMA) consultation on the Digital Markets, Competition and Consumers Act (DMCC Act). This response highlights unfair commercial practices in the addiction treatment sector, particularly misleading advertising, undisclosed financial incentives, aggressive marketing, and failures of professional diligence. These practices exploit vulnerable consumers, distort fair competition, and undermine trust in the sector, making regulatory intervention under the DMCC Act essential.

The addiction treatment sector serves vulnerable individuals, making them particularly susceptible to deceptive marketing and aggressive sales tactics. Many consumers, unaware of the financial relationships behind certain treatment referrals, are misled into believing they are receiving independent advice when, in reality, commercial interests dictate the recommendations they are given. The DMCC Act provides an opportunity to introduce clear consumer protections, increase market transparency, and ensure that treatment providers operate ethically and fairly.

Misleading and Unfair Commercial Practices in the Addiction Treatment Market

A major concern in this sector is the widespread use of patient brokering, where third-party marketers profit from referring individuals to treatment centres without disclosing financial incentives, affiliations, or the limited range of services they promote. This leads to misleading actions and omissions, where consumers make life-changing decisions based on false claims of impartiality and a lack of transparency regarding costs and options.

Many brokers present themselves as independent helplines or treatment advisors, yet their recommendations are driven primarily by financial arrangements rather than clinical quality or consumer needs. Consumers are led to believe they are receiving expert guidance, but the reality is that they are being steered toward providers that have paid for referrals. This practice prevents individuals from making fully informed choices, leaving them vulnerable to overpriced or unsuitable treatment.

Beyond misleading marketing, the sector is also marked by aggressive commercial tactics. Many brokers apply high-pressure sales techniques, urging individuals and their families to commit to treatment immediately under the pretext that spaces are limited. This manipulates emotional distress, discourages consumers from seeking alternative options, and pushes them into making financial commitments without full consideration of their choices.

The lack of transparency and oversight in this sector also creates significant anti-competitive distortions. Ethical treatment providers, which operate without relying on brokers, are disadvantaged in a market where visibility is controlled by financial relationships rather than merit or quality of care. Consumers searching for addiction treatment are often directed to referral agents rather than genuine treatment providers, preventing them from accessing the full range of available services, including NHS or charitable options.

Another deceptive aspect of addiction treatment marketing is the false appearance of choice created through online advertising and search engine optimisation (SEO). When searching for rehab options, consumers often see multiple different websites, each claiming to provide a wide range of treatment centres. However, in many cases, these websites are operated by the same brokerage or treatment provider, using different brand names and virtual office addresses to create the illusion of variety. Consumers may believe they are comparing multiple independent options, but in reality, they are repeatedly directed to the same company or a small number of affiliated providers. This practice undermines fair competition, as ethical providers who do not engage in these tactics struggle to compete against brokers who dominate online visibility through deceptive marketing. Consumers who believe they are making an informed choice are, in fact, being funnelled into a limited, financially-driven set of options without genuine market competition.

Addressing These Issues Under the DMCC Act

- Mandatory disclosure of financial incentives – Brokers must explicitly disclose any commissions, referral fees, or financial arrangements with treatment providers.
- Prohibition of misleading claims – Brokers should not use terms such as "independent helpline" or "rehab specialists" unless they are licensed clinicians or regulated advisors.
- Clear disclosure of treatment costs – Brokers must provide a full breakdown of both treatment costs and commission structures.
- Restriction of high-pressure tactics – Brokers should be prohibited from pressuring consumers into immediate decisions, particularly when they are in a state of vulnerability.
- Regulating digital marketing practices – Brokers should be required to disclose their status as marketers in online advertising and search engine placements.
- Ending location-based misrepresentation – Brokers must not claim to offer services in locations where they do not have referral agreements.

- Transparency on available options – Brokers must inform consumers about all possible treatment pathways, including NHS and free services.

Conclusion

The addiction treatment sector provides a clear example of why stronger regulation is needed under the DMCC Act. Without intervention, vulnerable consumers will continue to be misled, overcharged, and deprived of genuine treatment choices. The CMA should ensure that its enforcement guidance includes protections against misleading advertising, undisclosed financial incentives, and high-pressure sales tactics in addiction treatment marketing. By introducing clear standards for disclosure and ethical marketing, the DMCC Act can play a vital role in ensuring fairness, transparency, and accountability in this critical sector.