



Competition and Markets Authority
The Cabot
25 Cabot Square
London E14 4QZ

23 January 2025

By email only.

Dear Sir/Madam

CONSULTATION ON DRAFT GUIDANCE ON THE PROTECTION FROM UNFAIR TRADING PROVISIONS IN THE DIGITAL MARKETS, COMPETITION AND CONSUMERS ACT 2024

Please find attached the UK Cinema Association response to the above consultation.

Apologies that for reasons of illness we slightly missed the deadline on this exercise.

We nevertheless hope the points made here can be considered as part of the consultation and stand ready to offer any points of clarification or for further discussion.

Best regards,



CONSULTATION ON DRAFT GUIDANCE ON THE PROTECTION FROM UNFAIR TRADING PROVISIONS IN THE DIGITAL MARKETS, COMPETITION AND CONSUMERS ACT 2024

UK CINEMA ASSOCIATION RESPONSE

Background

The UK Cinema Association is the trade body representing the interests of over 93 per cent of the UK cinema sector by screen count and market share. Its membership ranges from the biggest international 'circuit' companies to a large number of smaller chains and venues.

Summary of response

This response from the UK Cinema Association to the above consultation is limited to those provisions aimed at tackling the problem of so-called 'drip pricing', where the detail of mandatory fees – and so the total price paid for a good or service - are (intentionally) withheld from the customer.

In this regard, the draft guidance issued by the CMA focusses in part on issues around the levying of booking fees. In the UK cinema sector, booking fees are generally charged for online ticketing but can in all instances be avoided by the customer choosing to purchase in person.

As such these should be excluded from these provisions and the Association would wish to see greater prominence given in the guidance to instances where booking and other fees are entirely optional and so clearly outside of the scope of the legislation.

Detailed response

Working closely with the UK Cinema Association as the key trade body for the sector, all UK cinema operators have looked to ensure that where additional charges over and above the basic cinema ticket price are levied, these are clearly advertised from the outset of the customer journey.

These charges can include optional 'premium uplifts' such as luxury seating, so-called Premium Large Format (PLF) screens or other additions to the cinema experience.

Most commonly however, almost all UK venues offer the opportunity to purchase tickets online, adding a booking fee to cover the costs of providing customers with the convenience of booking from home and securing a seat or seats of their choosing.

In particular, and following the experience of the pandemic, online booking has become increasingly common and is now taken advantage of by a majority of customers at most venues. There is no sense that cinema customers feel confused let alone misled by the current situation, and the existence of and need for booking fees is widely understood.

UK Cinema Association 22 Golden Square, London W1F 9AD
T +44 (0)20 7734 9551 E info@cinemauk.org.uk W www.cinemauk.org.uk [@cinema_uk](https://twitter.com/cinema_uk)

The nature of the booking fee varies from cinema operator to cinema operator. While most charge a 'per ticket' fee (with some capping that at a certain level), a minority choose to charge on a 'per transaction' basis. Importantly though, in all cases cinema customer are given the chance to avoid this charge by their buying a ticket in person at the venue.

To the mind of this Association and our members, that position means that – to use the terminology adopted in paragraphs 9.18-9.22 of the draft guidance – avoiding these charges is very much 'viable in practice' and so the requirement to include the booking fee in the headline price introduced by this legislation would not apply.

The Association believes for that reason that the wording in these paragraphs is potentially misleading and needs amendment. In particular the assertion in paragraph 9.19(a) that 'mandatory charges include administration fees, however described, such as booking or processing fees' is clearly inaccurate in the above context.

It might therefore additionally be useful to include an example where a booking fee might be applied but where - as in our sector – this is non-mandatory and a 'convenience charge' that a customer can choose to pay, or not, as the case may be.

The Association would also point out that many of those visiting cinema websites do so not to book tickets online, but to check showtimes and might be dissuaded from making that visit if they were to be immediately presented with a headline ticket price which was misleading in terms of what they would pay when they turned up in-person.

For many cinema customers, there is a very real chance that a blunt requirement to include booking fees in the headline price would result in more - rather than less - confusion.

We trust that these comments are helpful and will help ensure that the legislation – and the associated guidance – are as effective as possible in reducing misleading practice in this area.

**UK Cinema Association
January 2025**