

The CMA's approach to consumer protection

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1. Summary

- 1.1 The CMA's role is to promote competition and protect consumers. Effective, proportionate consumer protection should give UK consumers the confidence that the CMA is actively standing up for their interests. It should also give fair-dealing businesses the confidence to grow and invest on a level playing-field, knowing that their competitors cannot gain an unfair advantage by breaking the law.
- 1.2 Under the Digital Markets, Competition and Consumers Act 2024 (DMCC Act), the CMA will now be able to decide whether consumer protection laws have been infringed, to order redress to affected consumers and to sanction businesses that fail to comply.
- 1.3 Reflecting the Strategic Steer from government, the CMA will use these new legal provisions to properly and independently exercise our statutory function of consumer protection – promoting consumer trust and confidence and deterring poor corporate practices. Through this activity, we can both safeguard consumer interests and support economic growth.
- 1.4 This document sets out the approach we will take to applying the new consumer protection regime under the DMCC Act in the first year, including:
 - our ambition for consumer protection
 - our likely priority areas of focus for consumer protection, both in terms of enforcement actions and supporting businesses with compliance;
 - how we will reflect the government's Strategic Steer and our '4Ps' framework. This sets out meaningful changes to how the CMA works based around four key principles: pace, predictability, proportionality and process (by which we mean direct engagement with business). These principles are designed to enhance business and investor confidence in the UK's competition and consumer regimes; and
 - what stakeholders such as businesses and consumer groups, and other UK bodies with consumer protection powers, can expect from us.
- 1.5 As well as working to ensure consumers can confidently engage in activities across the UK economy, we want to support the vast majority of businesses who work hard to do the right thing by their customers – because when businesses get it right, customers benefit.
- 1.6 We will be engaging with businesses to explain the changes introduced by the DMCC Act. We recognise the importance, particularly for small businesses, of

any new rules being clear and proportionate to comply with, and that this is a period of change when they need help to understand their legal obligations. We will provide clear, accessible guidance to help them comply with the law and understand what to expect when we do need to act.

1.7 We want **UK consumers** to feel confident that:

- they have clear, accurate information so they can shop confidently and find the best deal for them;
- they are not misled into paying for goods or services they don't want or would not choose if they had the full picture;
- they can exercise their legal rights when things go wrong

1.8 We want **businesses** to feel confident that:

- their competitors are playing by the same rules and can't gain a competitive advantage by breaking the law;
- they understand the conduct that is unacceptable and that will be swiftly identified and sanctioned;
- they can engage with us appropriately when they are unsure whether things they are planning to do comply with the law;
- where we investigate conduct, we do so efficiently and proportionately providing businesses with the opportunity to engage with us and explain their case.

Timeline:

4 April: Publication of UCP guidance

6 April: Commencement of new regime

7 April: Publication of Approach Document

April – July: Programme of engagement with businesses and consumer organisations

Summer – Further consultation on s.230 DMCC Act

Autumn 2025 – Final guidance on s.230 DMCC Act

2. The CMA's ambition for consumer protection

Promoting trust and confidence - helping to grow the economy while deterring poor corporate practices

- 2.1 The government's Strategic Steer reinforces the importance of an effective, independent competition and consumer protection regime which supports growth by driving greater productivity, innovation and investment. It also makes clear the role of the CMA in enhancing both consumer and business confidence to grow the economy, including emphasising the importance not just of what we prioritise, but of *how* we go about our work.
- 2.2 Under the DMCC Act, the CMA has a refreshed mandate for consumer protection. The new regime means that the CMA will be able to decide whether consumer protection laws have been infringed without having to take businesses to court. We will be able to take direct action to tackle these breaches including imposing a requirement to comply with directions (which may include redress) and imposing fines.
- 2.3 The Strategic Steer emphasises that the CMA should use its range of tools, including its direct consumer enforcement powers under the DMCC Act to, where appropriate, grow the economy through promoting consumer trust and confidence, while deterring poor corporate practices. This is central to our ambition for consumer enforcement.

Our ambition for consumer protection enforcement is to promote trust and confidence - helping to grow the economy while deterring poor corporate practices



Effective consumer protection has a positive impact on both consumers and businesses

- 2.4 Competition and consumer protection play a vital, interlinked role in the relationship between growth, opportunity and prosperity for all.

Effective consumer protection gives people the trust and confidence to be active participants in markets – making informed choices, taking up new products and services and driving spending across the economy. At the same time, businesses can



feel confident that their competitors are playing by the same rules and cannot gain an advantage by breaking the law.

- 2.5 Enforcing consumer protection law safeguards people from harmful and unfair treatment, supports resilient household finances, and builds the trust in markets that supports economic growth. It also addresses the unfair behaviour of a minority of businesses which weakens consumer confidence and disadvantages their competitors who want to do the right thing, thus impeding growth.
- 2.6 When consumers feel protected, they are also more likely to take up opportunities to participate actively in the economy – making informed choices and taking up or switching between new products and services.
- 2.7 Most businesses work hard to serve their customers and do the right thing, but they may need help to understand their legal obligations, especially in areas where the law has been updated or there is less clear-cut precedent. We also recognise that – especially for small businesses – the burden of following the rules must be proportionate.
- 2.8 It is important for fair-dealing businesses that action is taken to ensure their competitors cannot gain an advantage by breaking the law. That way, businesses are incentivised to become more productive and innovative, rather than relying on unfair practices – and resources flow to reward these fair-dealing businesses. As with competition enforcement, business and investor confidence in the level playing field is strengthened, with wider benefits across the economy.

3. The first 12 months under DMCC Act

3.1 Applying our prioritisation principles, during the first 12 months of the new regime we will:

- target the conduct which is more harmful to consumers, and which represents clear infringements of the law;
- continue to prioritise areas of essential spend to help people struggling with pressure on household budgets;
- carry out extensive engagement with businesses and develop further accessible materials to help businesses to comply with the law - we recognise there is limited case law in some areas of consumer law and that the consequences for infringements are now greater under the new consumer regime.

Areas of focus for investigation

3.2 Businesses have told us they are reviewing their compliance activities in light of the higher risk environment and will be relying on the clarity and certainty provided by our final Unfair Commercial Practices Guidance, published in April 2025 ahead of commencement.

3.3 We expect to focus our early action on more egregious practices where the law is clear, including:

- aggressive sales practices that prey on consumers in vulnerable positions;
- providing information to consumers that is objectively false;
- banned practices including the new banned practice relating to fake reviews;
- fees that are hidden until late in the purchase process - harming consumers and fair dealing businesses, by hindering effective price competition; and
- contract terms that are clearly imbalanced and unfair, including those that impose unfair exit charges on consumers.

3.4 At the same time, we will support the vast majority of well-intentioned businesses who want to compete on the merits of their product and give their customers all the information they need. Where these businesses are not sure

what is needed to comply – especially in areas where the law has been updated or is less clear-cut – we will engage with them constructively.

- 3.5 We will run a portfolio of cases which collectively drive benefits for consumers and businesses across all 4 nations. We want our work to have a deterrent effect. This is important for promoting business confidence and consumer trust in markets, helping fuel innovation, demand and growth.

Our approach to new provisions on fake reviews and drip pricing

Fake reviews

- 3.6 The new banned practice prohibits various practices involved in the supply chain for fake reviews, reviews that conceal the fact they have been incentivised and publishing reviews in a misleading way. It also imposes a duty on anyone who publishes reviews or review information to take effective steps to prevent and remove from publication fake and concealed incentivised reviews and false or misleading review information.
- 3.7 The Fake Reviews guidance explains in more detail what is prohibited and provides a framework to assist businesses who publish reviews or review information in complying with their obligations.
- 3.8 We recognise that new provisions may require changes to systems and compliance programmes, so for the first 3 months of the new regime (ie until July 2025) we will focus primarily on supporting businesses with their compliance efforts rather than enforcement action.

Drip pricing and section 230 of the DMCC Act

- 3.9 We have consulted extensively on guidance for the new consumer regime. One of the areas where we have had the most substantive feedback is in relation to material pricing information, including drip pricing. Following consultation, we are taking a phased approach to the guidance. In our Unfair Commercial Practices guidance, we provide a clear framework for complying with the parts of the law which are already clear and largely unchanged –the prohibition of unexpected and untrailed mandatory charges added on at the end of a purchasing journey.
- 3.10 Businesses should already be familiar with their consumer law obligations in this area, and we may take enforcement action on this type of drip pricing over the coming year. ‘Dripped fees’ harm consumers and fair dealing businesses, by hindering effective price competition - which we know primarily happens on headline prices.

- 3.11 However, for those aspects of the drip pricing guidance that have created more uncertainty - including fixed-term periodic contracts - we will run a further consultation on revised draft guidance in the summer, and will produce finalised guidance in this area in the autumn. We will not take any enforcement cases on issues to be covered in this later guidance until it is published in its finalised form.
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Penalties during the first 12 months

- 3.12 In the first year, stakeholders can expect us to focus our action on ensuring harmful conduct is stopped quickly and that consumers are compensated.
- 3.13 The law does not apply retrospectively and the CMA can only impose a monetary penalty where infringing conduct takes place after the commencement date. Fines are therefore likely to be lower in the initial period of the new regime. We may though have regard to conduct before commencement so far as is necessary or appropriate where these are relevant to any monetary penalty, such as aggravating factors (eg previous failure to comply following enforcement action by the CMA or another enforcer) or mitigating factors (eg actions already taken to correct the infringing conduct).
- 3.14 When considering the appropriate level for any penalty, we will take into account where businesses have taken proactive and meaningful steps in good faith to correct infringing conduct.

4. How we will implement the 4Ps in our consumer protection work

- 4.1 The CMA has recently introduced the '4Ps' - a programme of meaningful changes to how we go about our work as an independent competition and consumer protection authority. The 4Ps are designed to enhance business and investor confidence in the UK's competition and consumer regimes, supporting a regulatory environment which is conducive to growth.
- 4.2 This section explains how we are embedding the 4Ps framework – pace, predictability, proportionality and process - into our consumer protection work.

Pace

- 4.3 The CMA is committed to reaching robust, evidence-based decisions as swiftly as possible to bring ongoing harm to an end, and secure redress for consumers where appropriate, whilst ensuring a fair process for businesses subject to investigation.
- 4.4 We will conduct our consumer protection investigations as efficiently and expeditiously as possible, streamlining cases to focus on the key areas of concern, and keeping businesses under investigation updated on expected timelines and progress at each stage.
- 4.5 To ensure we operate at pace we will:
- set out a clear investigation timetable at the outset of an investigation so businesses are clear on what they can expect and when
 - implement a new case management system to allow us to run cases efficiently, reducing and eliminating a number of administrative tasks for both the CMA and the businesses under investigation
 - use our information gathering powers proportionately and in a targeted way, focusing on information that is specific to potential areas of concern, and seeking to minimise the burden for businesses
 - streamline cases so they focus squarely on the most important areas of potential concern, such as where conduct may have a significant impact on consumers and/or undermine the 'level playing field' for fair dealing businesses
 - stand down lines of inquiry as quickly as possible where it is right to do so and make these decisions clear to businesses straight away

- seek **early resolution** of enforcement cases where appropriate through settlement with businesses. This will reduce costs for businesses and the taxpayer, and stop conduct that is harming consumers more quickly. We will clearly signal to businesses when we think a case might be suitable for an early resolution.

4.6 To deliver investigations at pace, we expect parties subject to investigation to:

- **respond to information requests fully and on time.** Where businesses encounter challenges with a request we expect them to notify the CMA as soon as possible
- help narrow the focus of investigations by **telling the CMA if there are issues they are willing to resolve early.**

Predictability

4.7 The CMA will help businesses understand how to comply with consumer law, particularly on issues where there is little legal precedent or in innovative, rapidly changing sectors, to help pave the way for growth. And we will seek to minimise uncertainty about the CMA's own investigations and what parties can expect at each stage.

4.8 The CMA considers that this approach document will itself help businesses understand how the CMA will deliver its consumer protection work and how it intends to work with businesses to support their compliance. We have also already published [comprehensive guidance](#) on the procedures businesses can expect when the CMA is investigating concerns, and [updated guidance on the CMA's approach to consumer investigations](#) more generally.

4.9 To ensure we act as predictably as possible we will:

- **Publish clear guidance** in formats that help businesses of all sizes, including small businesses, understand what they need to do to comply with the law, helping reduce the cost of compliance
- **Engage constructively** with businesses at conferences, seminars, and roundtables to both support business compliance and ensure we are hearing directly from businesses about the challenges they face
- **Explore how to give businesses greater certainty about conduct that does not infringe the law** through clear statements about how consumer law applies and by being clear about acceptable and unacceptable areas of conduct

- Use our cases to develop decisions in key areas and **build precedent** which will increase the predictability of consumer law over time
- In areas where there is no legal precedent and where possible regulatory uncertainty is holding back innovation, we will **explore providing new opportunities for businesses to seek advice for conduct they are considering introducing**

Proportionality

4.10 The CMA is committed to using its consumer enforcement powers in a fair and proportionate manner. We will consider paths to early resolution where appropriate. We will always act proportionately by applying our published penalties policy, and ensure that redress measures and fines reflect the seriousness and impact of the conduct under investigation.

4.11 We will:

- **target more egregious conduct** and focus early action on areas where businesses should already be clear about their consumer law obligations. For example, where there is established precedent, or the CMA has taken previous action, or the CMA (and/or other enforcers) have been clear about what businesses need to do through guidance, or where there have been clear decisions from bodies such as the ASA;
- **prioritise consumer redress and measures to secure future compliance** – we will always consider the wider impact of the actions we take. Our primary focus will be on stopping the harm consumers are facing and ensuring redress is provided - helping promote trust and confidence in markets;
- when considering the appropriate level for any penalty, we will **take into account where businesses have taken proactive steps to correct infringing conduct**; and
- **monitor the effectiveness** of all our remedies, contested and settled.

4.12 Proportionality also underpins our choices about which issues to tackle and which interventions to select – in other words, our prioritisation approach. In line with the CMA's [Prioritisation Principles](#) and the government's Strategic Steer, the CMA wants to deliver positive and impactful outcomes for consumers and businesses. In particular, we expect to prioritise work which:

- **Benefits people directly.** As part of this we will take into account the overall number of consumers likely to be affected by the practices, and whether vulnerable people who need help the most are impacted;
 - **Benefits competitive and fair-dealing businesses,** who should not be put at a disadvantage for doing the right thing.
- 4.13 In a consumer protection context this is likely to mean focussing on more egregious conduct which causes tangible harm or preys on people in vulnerable circumstances.
- 4.14 The following types of practices can be particularly harmful for consumers and fair-dealing businesses, and undermine consumer trust and confidence:
- misleading information about prices;
 - misleading information about goods and services;
 - unfair online choice architecture;
 - unfair contractual barriers to switching and exercising legal rights; and
 - banned practices.
- 4.15 Reflecting the Strategic Steer, we will consider the interplay with other regulators domestically and internationally and the most proportionate action for achieving the desired result:
- Through close working and co-ordination with other enforcers, nationally and internationally, we will seek to avoid duplication of effort and regulatory intervention and to maximise the impact for consumers (see section 5);
 - We will make use of the full range of our toolkit, including guidance and enforcement. The vast majority of businesses want to do the right thing but want guidance on what is needed to ensure compliance. This is particularly important in areas where the law has been updated or there is less clear-cut precedent. It is also important because the risks of getting it wrong are changing substantially. Providing guidance may be an effective alternative or precursor to enforcement action in some cases. The CMA recognises the importance and value of delivering clear, accessible and easy to implement guidance to support businesses and minimise the cost of compliance for businesses of all sizes. This is in the interests of both businesses and consumers - when businesses get it right, consumers benefit.

- 4.16 Ultimately the CMA makes a prioritisation assessment in the round and on a case-by-case basis. In addition, we carefully consider both **risk** levels and whether we have adequate **resources** available to deliver impactful outcomes at pace.

Process

- 4.17 The CMA recognises that the new consumer protection provisions will represent a change for businesses and this will create some uncertainty, particularly for SMEs, which may not have specialist legal expertise or advice.
- 4.18 It is important that we offer direct engagement with businesses as part of the new regime. For example, the new process will involve opportunities for businesses to engage with CMA decision makers throughout a case. This includes in the form of written and oral representations prior to any final decision.
- 4.19 For all open cases we will place particular emphasis on ensuring the process of the investigation is understood.
- 4.20 To achieve this we:
- have published [guidance on our new processes and procedures](#). and set out what businesses can expect at each stage of an investigation;
 - will engage extensively and directly with businesses, including SMEs, to better understand the issues that they experience in practice and where they would find more guidance helpful, and also with consumer groups to understand where they think businesses are unclear on the law;
 - will streamline cases so they focus on the most important areas of potential concern, such as where conduct may have a significant impact on consumers and/or undermine the ‘level playing field’ for businesses (see Pace too);
 - encourage businesses to bring to our attention evidence of other businesses gaining an unfair advantage by not complying with consumer law;
 - in areas where there is no legal precedent, and where possible regulatory uncertainty is holding back innovation, we will explore providing new opportunities for businesses to seek advice for conduct they are considering introducing.

5. How we will work with national and international partners and consumer organisations

Close collaboration with other UK regulators and enforcement bodies

- 5.1 While the CMA is the only enforcer under the direct enforcement regime, we continue to share our consumer enforcement powers with other enforcers, such as Trading Standards and sector regulators, in the civil court-based and the criminal regimes.
- 5.2 UK consumer legislation encourages, and in some circumstances requires, cooperation between authorities exercising consumer functions to ensure the most appropriate mechanism is used to achieve compliance, including potential alternatives to enforcement action. Furthermore, other bodies have been appointed and funded to deliver specific programmes of enforcement work, such as scams, e-crimes, property, business advice or direct consumer advice, and support to the general public.
- 5.3 We will work closely with other enforcement bodies in the consumer protection landscape to ensure our action is coherent, timely and supports growth and investment. We will do this through forums such as the Consumer Protection Partnership and the Consumer Concurrence Group as well as bilateral engagement. Importantly, this close partnership working will ensure:
- intelligence is shared promptly so the more egregious harm to UK consumers is identified and tackled quickly;
 - the enforcer best placed to act leads on that action. For example, the CMA may choose to bring a matter to the attention of another enforcer who it considers may be better placed to resolve the problem such as sector regulators; and
 - action by enforcers is coordinated to avoid the same businesses facing overlapping requests for information, preventing unnecessary burdens on businesses wherever possible.
- 5.4 We will continue to assess potential cases against our published prioritisation principles to carefully direct our resources and keep in mind our role is to achieve a market wide impact.
- 5.5 In line with the UK government's Strategic Steer, we will focus on markets and harms that particularly impact UK-based consumers and businesses, and

work that promotes consumer confidence and trust in markets as well as growth and investment.

- 5.6 There will be some consumer protection issues where other enforcers are better placed to take forward action given their expertise, remit and ability to deploy sector regulations alongside consumer law.

Close engagement with consumer groups to identify more harmful practices

- 5.7 Close engagement with consumer groups, and hearing the consumer voice, will remain a central aspect of how we work. Stakeholders such as Citizens Advice and Which? and consumer representative organisations across the devolved nations are key for identifying and understanding the issues that are undermining consumer trust and confidence in markets the most. This engagement helps ensure we prioritise action to tackle more harmful practices, including those being faced by consumers in vulnerable circumstances.

Effective engagement with international partners

- 5.8 As reflected in the government's Strategic Steer, our ability to deliver value for UK consumers and businesses is enhanced by effective international cooperation where markets have cross-country or global dynamics or where unfair treatment of consumers extends across borders. For businesses navigating complex international frameworks, this cooperation can support greater certainty, clarity, and expediency of process. Concretely, when trading in multiple jurisdictions, a clear and consistent approach between international consumer protection enforcers helps reduce compliance burdens and increases certainty and predictability for businesses.
- 5.9 We will work closely with international partners and organisations, both bilaterally and multilaterally, wherever possible. For example, we will promote good practice outside the UK to protect the interests of UK consumers and businesses and the growth of the UK economy by representing the UK in international networks. This includes through our participation in the International Consumer Protection Enforcement Network, the Organisation for Economic Cooperation and Development and the United Nations Conference on Trade and Development.
- 5.10 We will keep abreast of consumer protection enforcement action in other jurisdictions. We will also seek to ensure any parallel regulatory action is timely and coherent, securing positive outcomes, including redress where

appropriate for UK consumers. If action internationally will effectively address issues arising for UK consumers and businesses, our aim is to avoid duplicating the activities of overseas enforcers.

6. Next steps

To deliver on the approach set out in this document, over the next few months we will:

- work with key stakeholders - including government, businesses, consumer groups and other enforcers - to understand on what issues consumer law advice would be most valuable for removing barriers to growth, for example in innovative, fast-moving sectors;
- set out how businesses can bring to our attention evidence of other businesses gaining an unfair advantage by not complying with consumer law;
- in areas where there is no legal precedent and where possible regulatory uncertainty is holding back innovation, explore providing new opportunities for businesses to seek advice for conduct they are considering introducing;
- open the first cases under the new regime.

Further details on how to [report a consumer issue to the CMA](#) are available online.