

Response dated 8th Sep 2025

To whom it may concern,

British Airways Holidays (BAH) response to the consultation on draft guidance for businesses on the price transparency provisions of the Digital Markets, Competition and Consumers Act 2024 issued on 3rd July 2025.

The content of this response is on behalf of BAH only, given the topics included in the draft guidance, and not necessarily representative of the views of the wider BA / IAG group.

Introduction

BAH support the CMA's objective of ensuring clear and actionable guidance is in place for all consumer-facing businesses providing as much clarity as possible on the CMA's view on the interpretation of applicable consumer law.

BAH notes, in particular, that price transparency within the travel industry, specifically around mandatory fees that maybe payable locally (e.g.) at relevant accommodation, appears as a particular theme / example in the draft guidance and therefore BAH is keen to assist the CMA with its responses on this area.

The areas covered within this response are those where BAH feel businesses, and the consumer, would benefit from additional clarity.

Section 3 (and 5c): What pricing information must be included in an invitation to purchase?

*3.1 Traders are responsible for ensuring that the prices of the products presented in an invitation to purchase do not mislead consumers. In particular, **the price of a product is likely to be misleading if it is not a realistic, meaningful and attainable price** (that is, it is not a price at which most consumers would be able to purchase the product). The price is also likely to be misleading if it is not set out in a clear and timely way.*

*3.4 **A price is likely to be misleading if the product cannot be purchased at the advertised price**, is only available at that price in very limited quantities or can only be purchased on significantly different terms to those presented in the invitation to purchase. A price is also likely to be misleading if it is given in relation to a product that purports to meet the consumer's stated requirements (once the trader knows them) but in fact does not, and the consumer ends up having to pay more for the product actually requested. For example, where a product is presented as being delivered to the consumer, the stated price should include the cost of delivery.*

BAH Response: BAH understands this point as a matter of principle; advertisements can amount to an invitation to purchase and the UCPs seek to ensure that a consumer is not misled through the journey. However, it is important to consider the behaviours of consumers are not always immediate or contiguous. A consumer could see an advertisement at one point in time and subsequently visit a retailer at a later stage and may feel that there is a disconnect where actually there has been a change in circumstance in between those

actions by the consumer. For example, the rate of exchange (r.o.e) variable could impact the price in the period between a customer seeing an invitation to purchase and later attempting to book. For example, a £599 invitation to purchase in an advert, which includes local charges, has a risk of being higher at the point of purchase, even if only a matter of days later, due to a change in the r.o.e. It would be helpful for the CMA to clarify that invitations to purchase need to be consistent and clear at a point in time but recognising that these will, of course, change (together) from time to time.

Section 4: Limitations resulting from the means of communication.

4.16 When deciding whether a trader has omitted material information from an invitation to purchase, two factors can be taken into consideration. These are:

- any limitations that arise due to the type of communication used. This includes limitations of space or time, such as the size of packaging or the duration of a radio advertisement, that may mean that the trader cannot practicably convey all the required information relation to that product,³² and any steps the trader takes to overcome the limitations eg by providing information in another way.*

BAH Response: The reality of space/time limitations is an area where BAH feel some clarity is needed. Specifically, whether it is acceptable for information about locally payable charges (discussed below) to sit away from the main body of the advertisement due to space limitations.

For example, it would be helpful to receive guidance as to whether in small format digital display banners, it would be acceptable for a customer to have to click on the advert in order to access associated terms and conditions (including details of locally payable charges) on a supporting web page, rather than such information being provided in the initial advert itself.

The CMA considers this to a limited extent in 4.16 in relation to radio and whilst BAH understands that it is impossible to fully consider all forms of potential advertising format, there are, in reality, a range of common types of advertising across different media and in particular on the internet including emails, header banners, side banners, embedded adverts, search engine adverts and wider website product displays. These necessarily are limited in space in many cases as they are adjuncts to third party websites. Clearly, in those cases, space is at a premium and there will inevitably be a point at which the insertion of certain detail will be impossible (and businesses may ultimately need to choose not to enter into such advertising).

Section 5c: How should local charges and taxes be presented?

*5.26 Exchange rates may change in advance of the charges becoming due locally, the trader should therefore include an explanation of how the total price has been calculated (eg the currency exchange rate used). **This must be provided no later than the stage at which the consumer will complete their booking.** An illustrative example showing this is set out below.*

CHECKOUT NOW
The Beachy Hotel

5 night x 2 adults, dbl room

Price Breakdown

Pay now:	£475
Pay at property:	€30
Total	£500.27

Includes approx. £25.27 (€30)
tax to be paid at the hotel

Based on an exchange rate of
(1 EUR = 0.842276).

Exchange rate may change
before you pay at the hotel.

PAY NOW

BAH Response: This example, in isolation makes sense to BAH and 5.25, 5.26 and the examples immediately below in the Draft Guidance clearly make the point that locally payable taxes must be included in the headline price. They also make clear that consumers should have a breakdown of the headline price into ‘pay now’, ‘pay later’ and (where variable e.g. due to exchange rate) how something has been calculated and the fact it may change. We agree that this is good practice. However, the examples in the draft guidance do not grapple fully with consumer journeys online where many retailers advertise on third party websites and channels with space constraints.

5.26 appears to consider some of those intricacies and indicates that an advert could be shown as one single headline price (including those elements described above), without the detail of what part of that is payable locally and how it is calculated being displayed, provided that this is displayed prominently as a breakdown on the online payment page (and is consistent with the overall headline price). BAH considers that this would be a reasonable approach (provided that the headline price is always fully inclusive) and considers that an example tracking this type of consumer journey would be a useful addition to the draft guidance.