

Response to CMA's Unfair Commercial Practices: Price Transparency Consultation Questions

Q1. Do you have any comments on the structure or clarity of the Draft Guidance?

We welcome the Draft Guidance and find its structure clear and logical. The progression from definition through to principles, specific charges and illustrative examples makes it straightforward to follow. The guidance will help bring greater consistency across sectors. Our only suggestion is that where illustrative examples are used, it should be made clear that these are indicative and not prescriptive, as businesses may comply in different but equally valid ways.

Q2. Do you have any comments about what an invitation to purchase is (Chapter 2)?

The explanation of an “invitation to purchase” is clear and consistent with existing practice in our sector. We agree that once a consumer is given a specific product and price, the requirements should apply. For travel businesses, where product availability can change rapidly, it is important that the definition continues to recognise that an invitation to purchase occurs when a price is actively offered, rather than when general marketing content is shown.

Q3. Do you have any comments about what needs to be included in an invitation to purchase (Chapter 3)? Is the guidance on when the presentation of prices might be misleading clear? Are there topics covered in this section that would benefit from further guidance?

We strongly support the principle that headline prices must reflect the total cost of purchase. Our approach is to present Riviera Travel customers with a single, transparent price for their holiday, without adding booking fees, resort fees or tourist taxes later in the process.

The section on when presentation of prices might be misleading is broadly clear. However, there are two areas where additional clarification would help the travel industry:

- **Pricing based on two people sharing vs solo travellers:** The norm in our sector is to advertise holiday prices on the basis of two adults sharing accommodation. This is clearly stated in brochures and websites, but short-form advertising (TV, digital banners, posters) does not always allow space to include occupancy supplements or solo traveller rates. We would encourage the CMA to confirm that businesses may comply by making clear that the price is “per person, based on two sharing”, with full details available at the point of booking. This strikes the right balance between transparency and the practical limitations of short-form media.
- **Optional extras:** In travel, optional extras such as excursions or upgrades are a normal part of the product offering. We suggest that the CMA explicitly confirm that these may be presented separately from the headline price, provided it is clear to the consumer that they are not mandatory to complete the booking.

Q4. Do you have any comments about the core principles for what the ‘total price’ must include and what businesses need to do if it is not reasonably possible to calculate it (Chapter 4)? Are there topics covered in this section that would benefit from further guidance?

We agree with the principle that all mandatory costs must be included in the total price. For Riviera Travel customers, tourist taxes and other compulsory local charges are included in our headline price. This ensures customers know from the outset exactly what they will pay.

We would, however, welcome further clarification on the application of the “available, realistic and attainable” standard in the context of **dynamic and seasonal travel pricing**:

- Holiday and cruise prices vary substantially by season, destination, grade of accommodation and demand. A winter departure may legitimately be half the cost of a summer departure, and the lowest advertised grade of cruise cabin or hotel room is a genuine product, albeit limited in supply.
- We understand the intention is to prevent advertising based on a “token” allocation (e.g. one room on one night at a very low price that few, if any, consumers can realistically book). However, we suggest the CMA clarify that seasonal variation and demand-based pricing are legitimate practices and are not inconsistent with the requirement for prices to be “realistic and attainable”.
- A fair interpretation would be that a price is realistic where consumers can book it in ordinary circumstances — for example, where a reasonable range of departures or cabins are genuinely available at that level — rather than having to meet an unattainable condition.

Such clarification would give consumers confidence while allowing businesses to continue using dynamic pricing in a transparent way.

Q5. Do you have any comments about the guidance on specific types of charges and pricing (Chapter 5)?

a. Per-transaction charges (administration or booking fees)

Riviera Travel does not apply separate administration or booking fees; our holiday prices are inclusive. We therefore welcome the clarity that such fees must be included in headline prices. The guidance is clear and consistent with our approach.

b. Delivery fees

This is not directly relevant to our sector. However, we agree with the principle that delivery charges should be incorporated into the price unless collection is a genuine option.

c. Local charges and taxes (including tourist taxes)

We support the CMA’s position that tourist taxes and resort fees should be treated as mandatory and incorporated into the headline price. This is consistent with Riviera Travel's business practice, where all such charges are included. This avoids confusion and strengthens customer trust. The consolidated guidance will be helpful for businesses operating internationally.

d. Monthly pricing

Although not relevant to our sector, we support the principle that monthly prices should always include mandatory charges and be accompanied by clarity on the length of commitment.

e. Other charges or pricing requiring guidance

In travel, optional extras such as excursions, cabin or hotel room upgrades or premium services are a common feature. We suggest the CMA provide guidance confirming that these may be priced and presented separately as long as they are genuinely optional and clearly shown as such.

Q6. Do you have any comments on the illustrative examples provided in the Draft Guidance? Are there any areas where you think additional examples could usefully be reflected in the Draft Guidance?

The examples provided are helpful. We recommend adding sector-specific examples for travel, particularly to reflect:

- Two sharing vs solo travel: an example showing how it is compliant to advertise a per-person price based on two sharing, provided this is stated clearly, and that solo supplements are explained at the booking stage.
- Seasonal or demand-based pricing: an example showing how a holiday price may legitimately vary between low and peak seasons, or between different cabin grades on a cruise ship or hotel room grades for a land-based tour, without this being misleading, provided the consumer is given sufficient clarity on what the headline price relates to (e.g. “inside cabin, off-peak date”).
- How package holidays should show all-inclusive prices, covering flights, accommodation and compulsory local taxes.
- How optional excursions or upgrades can be clearly distinguished from mandatory elements.

These additions would reassure consumers and give businesses clearer guidance on how to present common pricing models in the travel sector.

Q7. Do you have any other comments on topics not covered by the specific questions above?

Our key point is that price transparency works best when businesses present the total, inclusive price upfront. In travel, this builds trust and avoids frustration at checkout. For us, the main area of complexity is dynamic pricing, where prices legitimately vary by destination, season and demand. It is important that the guidance continues to distinguish between:

- Unfair drip pricing (which we do not support and do not use), and
- Dynamic, demand-based pricing (which is legitimate and essential in the travel industry).

We note the Government’s commitment to supporting sustainable business growth as part of wider economic policy. It is important that consumer protection regulation is applied in a way that builds trust without placing unnecessary constraints on legitimate commercial practices such as dynamic pricing and seasonal revenue management. In our view, clarity and transparency for consumers can and should sit alongside the flexibility businesses need to compete, innovate and grow. We would encourage the CMA to remain mindful of this balance, ensuring that regulation enhances consumer confidence while also enabling UK businesses to thrive in a highly competitive global travel market. We would therefore welcome the CMA’s focus on clarity and fairness, while leaving businesses free to adjust prices according to availability and demand.