Argos Limited

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Market Remedies Strategic Review

Competition and Markets Authority

The Cabot

25 Cabot Square

London

E14 4QZ

2 March 2026

By email only: marketsremediesstrategicreview@cma.gov.uk

RE: CMA CONSULTATION ON STRATEGIC REVIEW OF MARKET REMEMDIES

Dear Sir/Madam,

Argos Limited (**Argos, we, us, our**) is pleased to provide a response to the Competition and Markets Authority's (**CMA**) consultation on the strategic review of market remedies and whether these remedies remain appropriate, published on 19th January 2026. We will be commenting on three of the remedies: the Store Card Market Investigation Order 2006, the Supply of Extended Warranties on Domestic Electrical Goods Order 2005 and Argos Limited and DSG Retail Limited Undertaking 2012. Our responses are set out below.

1. Store Card Market Investigation Order 2006 (**SCM Order**)

Our requirements under this Order are to provide an APR warning on statements where the APR is 25% or higher, include prescribed information in certain circumstances and meet specific requirements where a direct debit facility is available to customers.

On 31 October 2024 J Sainsbury PLC announced the sale of Argos Financial Services cards portfolio (including Argos Store Card) to NewDay Group.[1] NewDay will acquire legal title to the cards portfolio and take responsibility for servicing at migration, which is currently expected to occur in Q1 2026. Therefore, once this migration occurs, Argos will no longer be responsible for compliance with the SCM Order and submitting the required statement.

Due to this, Argos has no concerns about the removal of this remedy as it will not be directly impacted. More generally, as regards the continued relevance and appropriateness of the remedy, we note that NewDay proposes to phase out the Argos Store Card in favour of a digital pay proposition.[2]

[1] Sale of Argos Financial Services cards portfolio and partnership to create new digital credit proposition | J Sainsbury plc

[2] Acquisition of Argos Store Card portfolio and new long-term relationship with Argos | NewDay

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2. Supply of Extended Warranties on Domestic Electrical Goods Order 2005 (**SEW Order**)

This order requires us to do the following;

1. Display an extended warranty wherever a price of a domestic electrical good is displayed, including when displayed in store, in adverts, catalogues and websites,
2. Make clear in store that purchase of an extended warranty is optional, and provide prominent information about statutory rights, alternative providers, relevance of insurance, termination/cancellation rights and financial protections if the provider fails, and
3. Include specified "further relevant information" at the start of catalogues or relevant sections and provide website links directing consumers to extended warranty information on home and introduction pages.

As set out within the legal framework of the consultation document, the CMA is required to consider whether, by reason of any change of circumstances, that an order or undertaking is no longer appropriate. Following the change of circumstance headings set out by the CMA at paragraph 10 of the consultation document, we have aligned our response to these changes of circumstances headings below:

Age and impact

This Order is 20 years old and the extended warranty market, as well as customer behaviour, has materially changed since 2005. The age of this Order and the material changes that have occurred since the Order has been in place mean that the remedy no longer addresses the original points it set out to address. For example, extended warranties for domestic goods are now purchased by a minority of consumers, with a focus on protecting high-value goods[3]. A 2025 YouGov poll in relation to take up of extended warranties for large electrical items found that:

- 46% of UK consumers have never bought an extended warranty for a domestic appliance;
- Only 12% usually buy at the time of purchase;
- Just 23% say availability of an extended warranty even matters to their purchase decision.[4]

Market developments

As well as the data cited above showing that just 23% of customers say the availability of an extended warranty matters to their purchase decision[5] and data to show that customers tend to purchase an extended warranty on high-value goods[6], we have also found that customers rarely use the site. In 2025, our data shows that there were [CONFIDENTIAL] unique visitors to the

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[3] United Kingdom (UK) Extended Warranty Market (2025-2031) | Analysis, Forecast, Size & Revenue, Trends, Growth, Companies, Industry, Competitive Landscape, Segmentation, Outlook, Share, Value
[4] Do extended warranties matter to British consumers when buying large domestic appliances?
[5] Do extended warranties matter to British consumers when buying large domestic appliances?
[6] United Kingdom (UK) Extended Warranty Market (2025-2031) | Analysis, Forecast, Size & Revenue, Trends, Growth, Companies, Industry, Competitive Landscape, Segmentation, Outlook, Share, Value

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website, indicating a change in customer behaviour, specifically related to the low value items, therefore suggesting the market has changed since this remedy was introduced.

Regulatory landscape

The benefits an extended warranty policy offers consumers are also more limited. While extended warranties may still offer value as optional convenience or insurance products, since the Competition Commission market investigation in 2005 (**2005 CC Investigation**) strengthened statutory consumer protection (Consumer Rights Act 2015 and DMCCA 2025) and longer default manufacturer warranties have materially reduced both the need for extended warranties and the risk of consumer detriment arising from their sale. In particular, consumer protections are significantly strengthened in relation to:

- Pricing information and the obligations to display and provide clear pricing information to consumers;
- Cancellation and refund rights;
- The point of sale advantage and risks of pressure selling identified in the original Competition Commission investigation are now significantly strengthened following the changes in consumer protection legislation over the last 20 years and most recently the deterrence effect of the direct enforcement powers under the DMCCA 2025.

In addition, insurance-backed extended warranties are now subject to regulation by the Financial Conduct Authority and there is consumer recourse via the Financial Ombudsman Service.

By contrast, the administrative and financial burden the SEW remedy imposes on Argos is disproportionate. Annual costs to maintain the informational requirement on our website and in-store leaflets are approximately [CONFIDENTIAL], with it costing approximately [CONFIDENTIAL] to print leaflets for stores across the Argos estate and [CONFIDENTIAL] per year to maintain information online. We additionally incur costs each time pricing information changes due to the need to reprint our in store papers or leaflets. This is an unnecessary additional cost we incur, with around 50 leaflets costing an individual store [CONFIDENTIAL]. Removal of this will not only reduce costs but reduces printing wastes and reflects the modern customer journey.

From an operational perspective, the SEW Order's requirement to publish extended warranty prices wherever we display product prices also forces Argos to maintain and periodically reprint printed materials (including in-store leaflets) when prices change. [CONFIDENTIAL]. Internally, we also incur annual costs to maintain mandated information online, as mentioned above, [CONFIDENTIAL]. These costs and operational constraints are precisely the type of unnecessary burdens the CMA aims to remove when remedies no longer deliver incremental consumer benefit over modern law and practices.

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3. Argos Limited and DSG Retail Limited Undertaking 2012 (**2012 Undertakings**)

This undertaking requires us, along with Curry's and Domestic & General, to host a website (Compare Extended Warranties) with information on our extended warranties and to host mystery shops twice yearly.

We consider this remedy is no longer appropriate or necessary. In the same way as we have above in relation to the SEW Order, we have set out our response as to why this remedy is no longer appropriate in line with the categories of change in circumstances, as set out within the consultation document below.

Age and impact

Similar to the SEW Order response outlined above, the age of this undertaking means the remedy no longer addresses the original point it set out to address. This undertaking is now in its 14th year and the extended warranty market, along with customer behaviour has materially changed. As discussed above, the YouGov data mentioned above indicates that just 23% of consumers say availability of an extended warranty matters to their purchase decision, showing the decline in importance to the customer.

Regulatory landscape

As noted above, the extended warranties market has changed significantly, which is also reflected in the market since 2012, showing a change in the market landscape since the remedy was introduced. Consumers rarely purchase extended warranties for smaller, low value items, with extended warranties more likely to be purchased to protect high-value items[7] and customer are now afforded greater protections in statute and by default manufacturer warranty policies. The introduction of strengthened statutory consumer protection, such as Consumer Rights Act 2015 and DMCCA 2025, limits the need appropriateness of this remedy as consumers can rely on relevant protection elsewhere.

Market developments

As highlighted throughout our response, the extended warranties market has seen significant change. In particular, as regards the Compare Extended Warranties website:

- Only 3 retailers, ourselves, Domestic & General and Curry's populate the site so it is not an accurate look at the market;
- The site includes insurance products, which is a different offering to extended warranties, making it not user friendly for the customer (and these products are regulated now by the Financial Conduct Authority);
- Our data shows that there were [CONFIDENTIAL] unique visitors to the website in 2025, with consumers rarely using the site.

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[7] United Kingdom (UK) Extended Warranty Market (2025-2031) | Analysis, Forecast, Size & Revenue, Trends, Growth, Companies, Industry, Competitive Landscape, Segmentation, Outlook, Share, Value

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Therefore, the website offers limited benefit to consumers. By contrast, the cost of maintaining the site – approximately £20,000 annually, is disproportionate to any limited benefit the site offers.

With regards to the requirement to conduct mystery shops, these additional checks are similarly no longer appropriate as a 'compliance check' given the limited take up of extended warranties and other consumer law protections afforded to consumers. The mystery shops organised through the remedies are at a cost of around [CONFIENTIAL] a year to our business and are an unnecessary distraction and burden to our business. In any event, in order to ensure our broader legal compliance, we also run our own mystery shops and have an arrangement in place with Domestic & General for a minimum of [CONFIDENTIAL] mystery shops to take place per month, with results being fed into our governance meetings.

4. Conclusion

Overall, we consider that there are clear cut changes of circumstances as evidenced by the data provided that mean it is no longer appropriate to retain the SEW Order and the 2012 Undertakings under section 161 of the Enterprise Act 2002. We agree with the CMA that remedies that offer little or no consumer benefit are not appropriate to retain in light of the regulatory and financial burden they impose on business. In particular, we suggest that revocation of the SEW Order and the 2012 Undertakings is most appropriate rather than variation, given the limited consumer benefit any variation would offer in light of the proportionality of an ongoing regulatory burden.

We remain available to provide the CMA with any further information it requires to conduct its analysis.

Yours faithfully

Argos Limited