



## **Digital Markets, Competition and Consumers Act 2024- Unfair Commercial Practices**

### **Factsheet- May 2025**

#### **Introduction**

This fact sheet aims to provide BVRLA members with an understanding of the new UK legislation surrounding unfair commercial practices (UCP's) and what may be considered as such.

This guidance is based on Part 4, Chapter 1 of the [Digital Markets, Competition and Consumers Act 2024](#) ('DMCC Act') ('Act')- which applies to commercial practices from the **6<sup>th</sup> April 2025** onwards. The provisions replace and update the existing 'Consumer Protection from Unfair Trading Regulations' from 2008.

#### **How do the Unfair Commercial Practice Provisions apply, and to who?**

The UCP provisions apply to transactions and dealings between 'traders' and consumers. It covers transactional decisions, such as a consumer deciding whether to click through onto a website, whether to buy a product, whether to enter into a contract or whether to exercise a cancellation right. A full list of transactional decisions can be found in the [CMA Guidance, page 16](#).

'Traders' are those conducting activities in relation to their business or on behalf of another person's business.

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'Consumers' are defined as 'an individual acting for purposes that are wholly or mainly outside the individual's business' ([CMA guidance, p13](#)). A sole trader or partner in a firm would only be protected under the provisions when acting for purposes outside of their business.

Commercial practices may fall into scope of the UCP provisions where they:

- Supply their own products to consumers, such as the **hire of a daily rental vehicle**,
- Promote or supply another trader's products to consumers, such as a **leasing broker** arranging a finance product for a third party lender,
- Buy products from consumers or help consumers sell products to others.

The UCP provisions aim to prohibit unfair commercial practices, **preventing a trader from misleading consumers, behaving aggressively or otherwise acting unfairly** towards consumers.

The definition of 'product' within the act includes:

- **Physical items** (such as the purchase of a vehicle)
- **Services** (such as the hire of a rental vehicle for a period of time)
- Intangible rights and
- Credit rights.

Commercial practices can include advertising, the sale and supply of products and also post-contractual matters e.g. after-sales service. If a trader supplies or promotes products, such as a broker with an online platform facilitating the promotion or supply of products, this amounts to commercial practice. The UCP provisions will also apply to a distribution chain in its entirety.

## Potential Outcomes:

Where traders are convicted of these practices, they could be liable to receive a fine or imprisonment up to two years. The Competition and Markets Authority (CMA) have outlined plans to target behaviour that is particularly harmful to consumers in the first 12 months following implementation, including:

- Aggressive sales practices preying on consumers in vulnerable positions,
- **Fees hidden until late in the buying process**,
- Information given to consumers that is objectively false,
- Unfair and unbalanced contract terms and

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- Behaviour where the CMA has already engaged in previous enforcement work, such as **drip pricing and fake reviews**.

BVRLA members should use this guidance document along with [guidance from the Competition and Markets Authority \(CMA\)](#) to consider whether their product offerings and operations may be in scope of this new legislation.

## What are Unfair Commercial Practices?

The CMA outline two main types of unfair commercial practice within their guidance; those that are always considered to be unfair and those that are only unfair if they are like to cause the 'average consumer' to make a 'transactional decision' that they would not have otherwise taken.

**Business-to-business practices with no potential impact on consumers are out of scope of the provisions.**

The DMCC Act lists 32 commercial practices which are unfair in all circumstances with no need to consider the likely effect of these practices on consumers to prove an infringement of the law. These include:

- Wrongly claiming to abide to an industry Code of Conduct, such as **fraudulent use of the BVRLA member logo**,
- Displaying a product at a particular price with the intention of instead promoting a different product, for example a **Leasing Broker displaying a particular vehicle at an advertised price and** actually being unable to take orders for this vehicle at this price point or deliver it within a reasonable time, resulting in **the consumer being offered a different product (often at a higher price point)**,
- Falsely showing products as available for a 'limited time'- for example the **advertisement of a vehicle as a limited time offer when a substantially similar offer will be available to the consumer after the period ends**,
- Traders submitting, or getting a third party to submit, **fake consumer reviews, or reviews that conceal commission** earned from the publication of the review where this is the case,
- Traders publishing consumer reviews that are false or misleading, **or failing to remove a review they know is fake**.

The full list can be found from page 20 of the [CMA guidance](#).

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## Material Pricing Information

The DMCCA also requires traders to tell consumers, in an invitation to purchase a product, the **total price of the product** including any **fees, taxes, charges** and **other payments** that the consumer will incur if purchasing the product. If traders fail to give the total price of a product at this point, they could be in breach of omission of material information.

Charges may only be omitted from an invitation to purchase where:

- The charge may not be incurred in all instances **and** is not material information,
- The charge cannot be reasonably calculated in advance (however, in this instance, the consumer should be made aware how the charge will be calculated and the information given should enable the consumer to calculate the total price).

## Drip Pricing

The [CMA Unfair Commercial Practices guidance](#) relating to the DMCC Act specifically references the prohibited practice of 'drip pricing'. This is defined as 'showing consumers an initial headline price for a product and subsequently introducing additional mandatory charges as consumers proceed with [the] purchase or transaction'.

This guidance provided by the CMA specifically uses a car rental industry example, demonstrating prohibited practice. The example is as follows and demonstrates the importance of including all mandatory charges from the outset of displaying pricing:

*'A car hire company website displays the cost of hiring a car as £60 for 24 hours. The consumer pays the £60 total cost online to hire the car. When the consumer goes to pick up the car, the consumer is told there is an additional mandatory 'pick-up fee' of £40. The consumer was not informed of the 'pickup fee' at any point prior to arrival at the collection point and was initially provided a headline price for the car hire of £60 while the total price to hire the car is actually £100. As the 'pick-up' fee is mandatory, the website should have displayed the cost of hiring the car as £100 rather than £60.'*



## Misleading Actions and Omissions

The Unfair Commercial Practices Guidance also outlines **misleading actions** that are prohibited. These are:

- Providing false or misleading information,
- Overall presentation likely to deceive the average consumer,
- Marketing which creates or is likely to create confusion with another trader, their product or distinguishing mark or
- Failing to comply with a requirement in a code of conduct which a trader purports to be complying with.

The guidance also outlines three types of **misleading omission** that are prohibited if the average consumer is likely to take a different decision as a result:

- Omitting material information,
- Omitting information which the trader is required under any legislation to give to a consumer as part of the practice,
- Failing to identify their trader's commercial intent unless it is already apparent from the context.

This specifies that information that must be included is:

- Material information (allowing the average consumer to take an informed transactional decision),
- Information required by legislation,
- Commercial intent (including content posted by influencers advertising your products or services).

Omitting information could be by means of non-inclusion but could also be where the information is unclear, untimely or unlikely to be seen by the consumer.

## Useful Resources

Questions: [compliance@bvrla.co.uk](mailto:compliance@bvrla.co.uk)

CMA guidance: [CMA 207 Unfair commercial practices](#)

Gov.UK press release: [Fake reviews and sneaky hidden fees banned once and for all - GOV.UK](#)

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