

Booking.com commitments on offer and price practices

Executive Summary

Content: Booking.com has [committed to make changes](#) in the way it presents offers, discounts and prices to consumers, following dialogue with the European Commission and national consumer protection cooperation authorities. Once these new changes are fully applied by Booking, consumers should be better able to make informed comparisons in line with the requirements of EU consumer law. Booking.com has committed to make these changes to their practices in all EU and EEA countries by 16 June 2020.

Relevance: The issue is highly relevant for the hotel sector. The commitments broadly respond to many objections raised by the hotel sector towards Booking.com practices, including information on room prices and availability, 'pressuring messages' as well as lack of transparency of rankings. However, it should be noted that the commitments do not address parity clauses.

1) Background

The Consumer Protection Cooperation Regulation allows national competent authorities in EU and EEA countries, with the European Commission's support, to coordinate their approaches to applying consumer protection law. After reviewing the commercial practices of traders involved, CPC Authorities can start a coordinated action and take a Common Position, in which they inform the trader about their concerns. Subsequently CPC Authorities and the Commission start discussions with the trader to make him comply with consumer laws.

The European Commission and national consumer protection (CPC) authorities, under the lead of the Netherlands Authority for Consumers and Markets (ACM), assessed the commitments that Booking.com proposed at EU/EEA level, following contacts throughout 2019. CPC authorities are confident that the commitments will bring the company's practices in line with the requirements of EU consumer law.

The same procedure led [Airbnb to make commitments on the indication of prices and traders in July 2019](#).

2) Booking.com commitments

Booking.com has committed to make the following changes to their practices in all EU and EEA countries by 16 June 2020 at the latest:

- Make clear to consumers that any statement such as "last room available!" refers only to the offer on the Booking.com platform;
- Not present an offer as being time-limited if the same price will still be available afterwards;
- Clarify how results are ranked and, whether payments made by the accommodation provider to Booking.com have influenced its position in the list of results;
- Ensure that it is clear when a price comparison is based on different circumstances (e.g. stay dates) and not present that comparison as a discount;
- Ensure that price comparisons presented as discounts represent genuine savings, e.g. by providing details about the Standard Rate price taken as a reference;
- Display the total price that the consumers will have to pay (including all unavoidable charges, fees and taxes that can reasonably be calculated in advance) in a clear and prominent way;

- Present sold-out accommodation in a position in the search results that is appropriate to the search criteria;
- Clearly indicate whether an accommodation is offered by a private host or a professional.

A detailed list of the commitments is available here:

https://ec.europa.eu/info/sites/info/files/live_work_travel_in_the_eu/consumers/documents/eu-wide_commitments_proposed_by_booking.com_.pdf

3) Recommendation for actions

These developments can be warmly [welcomed by HOTREC](#) and member organizations. Implementation of the commitments by Booking.com across the EU and EEA zone by 16 June 2020 should nevertheless be closely monitored; failure to comply with the announced commitments should be brought to the attention of the national consumer protection authorities. Commitments on information regarding paid-for search rankings should also be examined in the light of ranking transparency guidelines to be published by the European Commission in April 2020 ahead of the entry into force of the Platform to Business Regulation on 12 July 2020.

Under the coordination of the European Commission, national consumer protection authorities also intend to undertake a similar assessment of the practices of other major online travel service platforms. It may be worthwhile for HOTREC and Member organizations to draw attention to objectionable practices by other major online travel service platforms.

* * *