

## Behaviour of online hotel booking sites once again in focus

**In the last few days, the British Competition Authority (CMA) confirmed that it had accepted the commitments of six online hotel booking sites, according to which the sites undertook to refrain from engaging in certain commercial practices. In Hungary, the Hungarian Competition Authority (Gazdasági Versenyhivatal – GVH) currently has an ongoing competition supervision proceeding against the operator of the online hotel booking site, Booking.com B.V.**

Last year, the GVH terminated its [competition supervision proceeding against Airbnb](#) with the acceptance of commitments. The Irish company, which operates an online accommodation marketplace, undertook to modify its communications to consumers regarding its charges in order to ensure that consumers receive sufficient and appropriate information when searching for accommodation.

The CMA has taken [enforcement action against six significant online hotel booking sites](#), as a result of serious concerns relating to the commercial practices of these sites; the commercial practices in question comprised pressure selling, misleading discount claims, the effect that commission has on how hotels are ordered on sites, and hidden charges. The CMA accepted the commitments offered by the sites and the procedure was therefore terminated. Consequently, since 1 September the operators of the sites have ceased to apply the unfair commercial actions that were subject to the procedure of the CMA.

In Hungary, the ongoing proceeding against Booking.com was initiated due to the suspected application of pressure selling by the operator of the site (via statements such as ‘32 customers are looking at the same hotel as you’ or ‘another person is considering booking a room at this accommodation’). These statements may give the impression that the available places are selling quickly, thus exerting psychological pressure on consumers and thereby possibly restricting consumers’ freedom of choice or ability to make a well-founded decision.

Furthermore, the GVH is investigating whether reservations made on the [booking.com](#) website can in fact be cancelled without any expense, as advertised by the operator of the site (e.g. on television advertisements or in newsletters). The GVH is also assessing whether the operator has exercised the required level of professional care as far as the possibility of ‘free cancellation’ is concerned, as the suitability to track these options of the online booking site is not obvious.

The proceeding is also investigating whether the operator has exercised the required level of professional care when displaying the offers of Hungarian accommodation providers on the [www.booking.com](#) website and on the Booking.com application, in particular concerning the display of the Széchenyi Pihenő Kártya as a payment method, and whether it prioritises the ads of certain accommodation providers thereby influencing the consumer decisions.

The initiation of the competition supervision proceeding by the GVH does not mean that the undertaking in question has in fact committed the alleged infringement. The

aim of the proceeding is to clarify the facts and to demonstrate the alleged infringement. The time frame for the proceeding is three months, which in justified cases may be extended twice by two months each time.

Case number: **Vj/17/2018.**

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