



Commitment decision taken by the GVH in the Wizz Air case: the airline pays affected passengers compensation totalling HUF 250 million (approx. EUR 760 thousand)

The Gazdasági Versenyhivatal (the Hungarian Competition Authority, GVH) accepted the commitments offered by Wizz Air Hungary Zrt. (Wizz Air). As a result of the commitments those customers affected by the operation of the Wizz Flex service of Wizz Air since 2010 will receive compensation totalling HUF 250 million (approx. EUR 760 thousand). In addition, Wizz Air undertook to change its information practices, improve the provision of the Wizz Flex service so that it is more comprehensible and consumer friendly, and carry out a targeted information campaign about the rights of air passengers.

The GVH initiated an investigation into Wizz Air's "Wizz Flex" service after receiving numerous consumer complaints in relation to its operation. Customers buying this ancillary service had the right to modify their flight tickets without paying a fee for the modification; customers only had to pay the differences in prices between their original flight tickets and new flight tickets and between the baggage fees. However, in the course of its competition supervision proceeding the GVH became aware of further detailed conditions relating to the service that significantly restricted the ability of customers to benefit from the free flight modification. Furthermore, it was presumed that consumers had not been given adequate information about the applicable restrictive conditions. A number of examples of the conditions are as follows:

- as regards to bookings concerning flight tickets for outward and return journeys, it was not possible for customers to reroute their return journeys once their journeys had commenced, moreover after embarking on their journeys customers could only jointly change their outward and return journeys;
- when accessing the Wizz Flex service feature on the internet it was not possible to individually change the flight tickets of passengers that had been purchased under one booking, meaning that all passengers' tickets had to be changed simultaneously;
- if the customer wanted to change his/her flight, the price offered to the customer was the same than the price that he/she had originally paid, even if the price of a ticket bought for the same journey without modification would actually have been cheaper. Consequently, in the case of re-routing within the Wizz Flex system the customer was unable to benefit from a favourable difference between the price of the original ticket and the new ticket;
- in the case of flight changes requested by customers between January and September 2016, passengers had to pay not only the differences between the flight tickets but also the dynamically changing differences relating to the baggage fees.

During the course of the competition supervision proceeding Wizz Air offered a number of commitments, the content of which was discussed by the GVH and Wizz Air. Pursuant to the commitments Wizz Air undertook to credit a lump sum compensation to each consumer who had used the Wizz Flex service since 2010.

Additionally, as regards to those customers that had modified their flights and had been unable to benefit from the lower cost of their chosen new flights, Wizz Air undertook to pay the differences between the flights.

The number of customers entitled to the compensation is between 120 thousand and 220 thousand; the average compensation will be EUR 8.3 per passenger. Wizz Air shall credit the compensation to the Wizz accounts of the customers and the customers shall have five years to use this sum, or to have this sum transferred to their bank accounts on the provision of their banking details. After this 5-year period has elapsed, any remaining compensation that has not been used will be transferred to the SOS Children's Villages Foundation. Wizz Air must prove that the compensation has been paid through an external audit.

Further to the above, Wizz Air undertook to amend its information practices relating to its Wizz Flex service in order to make the content of the service clear. Additionally it will implement a number of IT developments to make the service more comprehensible and user-friendly and, finally, it will conduct a targeted educational campaign on the consumer rights of air passengers.

When making its decision the GVH took into account, as a significant factor, that the above-mentioned commitments (compensation, provision of the possibility of comprehensive use of the service and educational campaign) offered by Wizz Air will have a direct impact on consumer welfare. The GVH will monitor the fulfilment of the commitments by conducting a follow-up investigation.

Case number: **VJ/17/2017.**

Budapest, 31 July 2019

Hungarian Competition Authority

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