

Record fine: the GVH fined Booking almost HUF 400 million

The company continued its illegal commercial practices

Budapest, 15 July 2024 – Booking has not fully complied with its obligations to cease previous infringements, the Hungarian Competition Authority (GVH) has found in its recently concluded follow-up investigation. The GVH revealed that one of the largest global online accommodations booking platforms continued to engage in unlawful communication practices and psychological manipulation of consumers. The Hungarian Competition Authority fined the undertaking HUF 382.5 million for the infringements found. This is the highest GVH fine ever imposed in a follow-up investigation. The decision reflects the GVH's priority to protect Hungarian families and the tourism sector.

[In 2018, the Hungarian Competition Authority opened a competition proceeding](#) against Booking.com B.V. In the course of the proceedings, the GVH [found](#) that the company had engaged in several unfair commercial practices:

- In its advertisements, it emphasised the "free cancellation" of accommodation, but consumers had limited time to use this option for many accommodation types and paid higher prices than for the same accommodation without "free cancellation".
- It published information of an urgent nature which, on the whole, gave the consumer the impression that the accommodation he was looking for was popular, had limited availability and was suitable for psychological pressure.
- It did not act with professional diligence in presenting the options for the SZÉP card payment option.

As a result of the infringements, which have since been upheld by the court on their merits, the [GVH's Competition Council imposed a HUF 2.5 billion fine on the undertaking in April 2020](#), banning it from the practices set out in the first two points and requiring it to prove to the GVH that it had ceased the infringements.

In all cases, the Competition Authority will consistently investigate compliance with the obligations imposed by its decision (the cessation of the infringing conduct). The GVH concluded in the now closed follow-up investigation that Booking did not fully comply with its obligations. The GVH concluded in the now closed follow-up investigation that Booking did not fully comply with its obligations. Although the company reduced the use of urgent messages, it used messages that did not comply with the ban and were suitable for psychological pressure ("*Similar cannot be booked*", "*[location] is limited on selected days*") until 26 February 2024. In addition, the company did not abandon its free cancellation slogan until 26 April 2024, but instead removed the cheaper, non-cancellable offers (with loss of deposit in case of cancellation) for Hungarian consumers, putting them at a disadvantage.

Finally, at the final stage of the procedure, the company modified the contested commercial practices to comply with the GVH's obligations and to protect consumers' legitimate interests. This included reintroducing cheaper accommodation offers for Hungarian consumers that cannot be cancelled without losing the deposit.

The GVH's Competition Council imposed a record HUF 382.5 million fine on the company for the infringements found - a record high for follow-up investigations. In determining the amount, the Competition Council took into account that the company waived its right to appeal but did not admit the infringements, while at the same time the company ceased the infringing behaviour at the final stage of the procedure.

In this case, the GVH stresses the need for companies to comply fully and correctly with the obligations set out in its decisions. In the event of failure to comply or failure to provide proof, the GVH may impose significant fines on the undertaking concerned.

The GVH has recently paid particular attention to the online accommodation market. [In summer 2023, launched an accelerated sector inquiry](#) into the sector, due to the large number of market signals received by the Competition Authority, in particular regarding the practices of the most prominent international accommodation intermediary, Booking.com. [The GVH made a number of recommendations in the final report of the accelerated sector inquiry](#), including the need to phase out the price parity clauses, which was finally implemented, and Booking.com abolished the use of these clauses from 1 July 2024.

In the case, the GVH reminds consumers to always be careful when planning their holidays and summer trips. Try to resist impulse buying and do not allow your decision to be rushed. Always take the time to compare offers and think carefully about your own needs and options. The Hungarian Competition Authority has also set out on its website [other important suggestions](#) for planning the holiday.

Official registration number of the case: **VJ/28/2022.**

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