

What is your organisation or group's name?

Kate and Tom's Limited

Do you have any comments on the structure or clarity of the Draft Guidance?

The board intent of the legislation relating to drip pricing and fake reviews is welcomed. There are however certain aspect which are worrying and ill suited to the Holiday let industry and could have intended consequences. The current draft guidance presents significant risks to the short-term holiday let sector, particularly regarding the role of agencies. Some of the proposed measures could undermine the fundamental structure of agency operations, increase security risks, property owner privacy, and the integrity of the industry.

Do you have any comments on the Draft Guidance on the 'drip pricing' provisions in the DMCC Act (found in the 'Material pricing information' section of Chapter 9 of the Draft Guidance), including the illustrative examples? In particular, are there any specific pricing practices that have not been included in the 'drip pricing' illustrative examples which you think it would be helpful to include, and if so, what should such further guidance specifically cover?

One main concern in the holiday let sector which is not clearly defined is the handling of damage deposits. Damage deposits are mandatory and must be paid prior to arrival, but are fully refundable if no damage is done by the guests. The amount of the damage deposit should not be included in the headline price as the vast majority of the deposits are returned in full after the stay. For example, if the cost of a stay is £2,000 (this includes all mandatory fees and taxes), and there is a further payment of £500 as a fully refundable damage deposit required. The headline cost should be £2,000 and not £2,500.

Do you have any comments on the Draft Guidance on the banned practice relating to fake consumer reviews (found in Annex B to the Draft Guidance)?

Taking steps to avoid fake reviews is welcomed

Do you have any other comments on topics not covered by the specific questions above? If so, the CMA requests that respondents structure their responses to separate out their views in relation to each of the Draft Guidance's chapters

One of the most significant issues is the proposed requirement for agencies to disclose the full contact details of property owners at the invitation to purchase stage. This requirement raises serious concerns about privacy, security, and the viability of the agency model. Requiring disclosure of owner contact details would:

- Increase the risk of fraud and phishing attacks.
- Undermine the role of agencies as intermediaries who provide essential services such as guest screening and dispute resolution.
- Disrupt the traditional business model of agencies, removing the value add that the agency has added in marketing, and operating the business and potentially allowing a direct booking to be made leading to revenue losses and potential withdrawal of properties from the short-term rental market as a whole.

We urge the CMA to recognise the role of agencies in protecting both owners and consumers and to amend the guidance to allow agencies to continue acting as intermediaries without being forced to disclose owner details. Disclosure of contact information We have serious concerns about the requirement, as described in the draft guidance, to disclose the full contact information of any person a trader is acting for. Specifically, in the context of the tourism industry, where this relates to holiday agencies who act on behalf of property owners. s.230 refers to the omission of material information from invitation to purchase. At s.230(2)(d) and (f), the act states that material information includes: (d) the identity of the trader and the identity of any other person on whose behalf the trader is acting [...] (f) in relation to any other person on whose behalf the trader is acting— (i) the person’s business address and business email address (if the person has such addresses), and (ii) if different to the person’s business address, the person’s service address; The CMA guidance confirms at 9.11 and at Annex C: Summary of changes made by the DMCC Act to the CPUTRs, that: The details about the trader that must be provided in an invitation to purchase now include:

- the identity of any other person (not just a trader) the trader is acting for
- the address for service (but not necessarily geographical address) of the trader and any other person the trader is acting for
- the email address (if they have one) of the trader and any other person the trader is acting for.

The draft CMA guidance (at both 7.11 and 9.12) refers to the fact that regard should be had to the context and, in particular, to any limitations of the means of communication used that make it impractical to give the necessary information. However, there are minimal examples of how this applies in practice. Our concerns are as follows: Within the self-catering tourist industry there is a pivotal role for holiday booking agencies, who act on behalf of individual providers to market and promote their properties. These

agencies range from the size of Airbnb, Booking.com and VRBO down to operators who market a few tens of properties. 3.14 of the guidance does include 'agents' within the broad definition of traders, though there is no explicit definition of this term. And part g of 9.11 explicitly says that where agents act on behalf of another person then that other person's contact details need to be provided (subject of course to the principles of context and limitations of the means of communication). This means that s.230 of the DMCC Act could require the information of the owner (including the owner's contact details) to be presented at the invitation to purchase stage on the agency booking website. This leads to the following practical issues:

1. Owners who instruct agencies to market their property do so because they do not wish to have consumer facing engagement. They have specifically appointed the agent to answer queries on their behalf and manage the booking process, has been common practice in the travel industry and is also expected by the consumer.
2. Making contact details of owners accessible, including email addresses, would result in each individual owner's email becoming the target of harvesting bots and result in: a. A large increase in spam for the owners undermining their confidence in the industry which is vital for the UK economy (particularly in rural and coastal communities); and b. The increased risk of scam holidays with malicious actors claiming to be the owners of the properties through spoofed email addresses.
3. If agents are required to disclose the exact address of the property on the public facing website, this would provide criminals with both the exact property address and the days and nights when it is not occupied as the calendar will also be available.
4. Furthermore, if owner details are provided at the invitation to purchase stage, a consumer may contact the owner to make a direct booking. This would damage the integrity of the agent/owner relationship and goes against the owner's wishes to utilise agency services to market their property. The agent will have invested significant sums of money in generating the enquiry yet will not be paid any commission if the guest contacts the owner direct.

Reviews refer to "the owners/the hosts", the Terms and Conditions are always clear that bookings are taken as agent. Consumers know they can contact the agent with queries, and it has been an established practice that is well understood by consumers and by property owners for decades. There are also significant limitations to displaying the owners' details on each and every booking website their properties are marketed on, as referred to above, namely:

- 1) The online security of the consumer being exposed to scam holidays
- 2) The online security of the owner being exposed to unsolicited spam emails
- 3) The physical security of the property and the owner's belongings

4) The commercial injustice of agents investing in generating enquiries to be cut out of the booking process.

And finally, agents will already have processes in place to overcome those limitations by providing information by other means, for example through their owner customer service teams with more widely monitored emails and telephone numbers. We ask that the guidance is updated to confirm that, in these circumstances, the context of the situation, the limitations of marketing a property on multiple websites and the measures in place to provide information via customer service teams is an example whereby s230(8) would apply and the agent would not be required to provide the contact details of the owner at the invitation to purchase. Requiring agency suppliers to provide full contact information about their property owners at the stage of invitation to purchase is contrary to the interests of agents, owners, and ultimately consumers themselves.
