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# Consumer Protection in the Spotlight: CMA Flexes Its New Enforcement Powers

On November 18, 2025 the UK Competition and Markets Authority (the "CMA") launched eight consumer law enforcement actions using its new powers under the <u>Digital Markets</u>, <u>Competition and Consumers Act 2024</u> ("DMCCA"). Its focus is online pricing practices like drip pricing and pressure selling.

The CMA has taken a three-tier approach:

- It has used the first seven months following the commencement of its consumer powers to run outreach with companies and issue guidance to seek to educate businesses and encourage changes to business practices to bring them into compliance with the new regime, after reviewing more than 400 businesses across 19 sectors;
- It has launched eight formal investigations into the most serious cases spanning ticketing, gyms, driving schools and homeware retailers for practices relating to misleading pricing and unfair commercial practices, including failure to show total prices upfront, false time-limited sales claims and automatic opt-ins to additional services; and
- It sent advisory letters to about 100 firms across 14 sectors in the UK. Sectors receiving the most letters include holidays (19 letters), live events (15 letters), parking (14 letters) and gyms (11 letters), with others spanning retail, cinemas, luggage storage, homeware, food delivery, driving schools, transport services, parcel delivery, and health and wellness.

The CMA has also published guidance to help businesses comply with the law on price transparency as part of the package.

The CMA has been clear since gaining its enhanced consumer powers under the DMCCA that it would exercise its new powers in areas where it had identified the most egregious concerns. The launch of new consumer enforcement cases had been trailed for some weeks. We expect the CMA to flex its enhanced consumer enforcement powers, leveraging powers similar to competition law enforcement (including extensive information-gathering, remedial and fining powers).

### The first CMA enforcement cases

The CMA's first cases under its new consumer protection powers relate to eight companies:

- Two secondary ticketing websites are being investigated over mandatory additional charges applied and whether those fees are shown upfront in the price customers see.
- Similarly, two driving schools are under review for how they present mandatory fees, including whether these costs are reflected in the total price shown at the start of the purchase.
- A gym is being probed over a one-off joining fee for annual memberships; specifically whether the fee is introduced partway through sign-up and omitted from advertised prices.
- Three homeware retailers are being investigated to determine whether their time-limited sales ended as claimed and whether customers are being automatically opted in to additional services.

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The parties can expect onerous information and document requests, with the CMA due to give updates on the cases in spring 2026.

The CMA's enforcement complements wider government policy initiatives, including proposals to ban ticket resale above face value, signalling a coordinated approach to tackling consumer harm, including in digital markets.

# Price transparency guidance: the CMA's playbook for "all-in" pricing

In its <u>price transparency guidance</u>, the CMA requires traders to show a clear, realistic total price. Headline prices must include all mandatory fees, taxes and charges when these can be calculated in advance, while adding compulsory charges later (drip pricing) is prohibited. Presenting only price components without a total is unlawful where a total can be provided; if a final total cannot be pre-calculated, businesses must give clear, sufficient information (e.g., price per hour, mile or kilogram) so consumers can calculate it themselves.

# The CMA's supercharged consumer powers

The **DMCCA** gives the CMA new and enhanced consumer protection powers, which we have previously <u>reviewed</u>:

- **Direct civil enforcement:** The CMA now has a direct civil enforcement route for consumer protection, meaning the authority is empowered to issue final orders without having to go to court, bringing its consumer enforcement closer to its competition toolkit.
- **Fines and sanctions:** The CMA can impose administrative fines up to 10% of global turnover for consumer law breaches, as well as penalties for non-compliance with directions, undertakings and information requests.
- **Criminal enforcement**: The CMA will reserve criminal enforcement for the most serious conduct (e.g., deceptive, aggressive or fraudulent practices, or flagrant, persistent breaches).

#### **Key takeaways**

The breadth of sectors the CMA is taking an interest in, including entertainment and ticketing, gyms, and homeware, is arguably influenced by the 2023 governmental report on online drip pricing. Enforcement is expected to intensify, with fine levels likely to increase as case law and guidance mature. To stay ahead, businesses should:

- Elevate consumer law risks to board-level visibility. The new 10% global turnover fine ceiling materially changes risk calculations.
- Ensure claims are accurate, substantiated and not misleading; avoid omitting material information in digital journeys and review pricing architecture for clarity.
- Review consent processes, opt-ins and cancellation mechanisms to ensure compliance and transparency.

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This memorandum is not intended to provide legal advice, and no legal or business decision should be based on its content. Questions concerning issues addressed in this memorandum should be directed to:

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