

The tourism market can be relaunched with fairer practices thanks to a GVH proceeding

18 May 2021, Budapest – IBUSZ has already started fulfilling its commitments made as a result of the competition supervision proceeding initiated due to the allegedly misleading price display practices of the undertaking. In the future, the travel agency will maintain its fair advertising practices introduced in the meantime; therefore, organised trips can return with fairer competition when the pandemic situation subsides thanks to the proceeding of the Hungarian Competition Authority (GVH).

The proceeding of the GVH was launched due to the fact that the advertisements of IBUSZ Utazási Irodák Kft., published on its website, social media pages, and its shop windows, displayed only the participation fees instead of the full prices of the offered air travel packages, which is, incidentally, a common practice on this market. When a trip was organised, certain obligatory fee items were added to these prices (e.g. tourist tax and duties), which misled consumers and made it more difficult to compare different offers.

Undertakings can choose from two different legal practices when it comes to advertising their prices: on the one hand, they can display the full price payable at the time of the first contact, that is when they catch the attention of the consumer. This practice makes comparing prices as easy as possible, which means that this method is the most favourable for consumers. The other option is to disclose all additional fee components, which are unavoidable during the calculation of the final price, in a clearly visible manner, in the same way and with the same emphasis as the base price, also stating the exact legal title under which they are incurred. This can make the final sum and the exact price components included clear to consumers as well.

In the course of the GVH proceeding, IBUSZ voluntarily amended its practices concerned, joining the initiative of the Association of Hungarian Travel Agencies (MUISZ) regarding the display of full prices. With the purpose of self-regulation, the undertaking launched a campaign under the slogan *‘Tokkal vonóval’* (*‘Everything but the kitchen sink’*) and now only communicates its full prices to consumers; furthermore, as an agency, it no longer promotes offers and advertisements that do not let consumers know the full price.

Taking the current market recession caused by the pandemic into consideration, the GVH accepted the forward-looking commitment of the undertaking. Based on this commitment, the undertaking will continue to maintain its communication practices concerning the clear disclosure of prices, which it launched voluntarily, and demand the same from its partners in the case of brokered packages. In addition, the undertaking implemented a consumer information campaign between the end of last year and this spring, provided targeted training to its sales personnel, and developed, as well as

implemented an internal compliance programme, which will effectively help avoid similar infringements in the future.

The official registration number of the case is: **VJ/34/2019**.

GVH Press Office