

New rules on pricing information

What

New rules on how pricing information is displayed in force from **6 April 2025** under the Digital, Markets, Competition and Consumers Act 2024 (the [DMCCA](#)). Aim is to tackle 'drip pricing' – the practice of introducing (dripping) additional costs as consumers proceed with a transaction.

Who

The new regime will impact most businesses.

Overview

"Total price" of a **product** must be set out prominently in all **invitations to purchase (ITPs)**. Total price includes all payments that the consumer will necessarily incur. Genuinely optional delivery fees must also be prominently set out. Limited exceptions.

Further consultation

Further consultation on some of the more complex aspects of the regime to take place in summer 2025, with final guidance on those aspects expected in autumn 2025. Further consultation will cover application to fixed-term periodic contracts and might also cover how complex pricing models and complex delivery charges are to be dealt with.

Obligations

1. Total price

"Total price" of **product** must be set out in all **ITPs**. Includes all fees, taxes, charges or other payments the consumer will necessarily incur. Examples include mandatory admin fees, booking fees, service charges, joining fees, and cleaning charges. Does not include payments which are genuinely optional.

2. Exception – not calculable

If, owing to the nature of the **product**, the whole or any part of the total price cannot reasonably be calculated in advance, the **ITP** must set out how the price (or that part of it) will be calculated (in such a way that it enables the consumer to calculate the total price). Must be set out with as much prominence as the total price. Examples include prices based on weight/amount of **product** purchased.

3. Mandatory delivery fees

"Total price" must include mandatory delivery fees. Where delivery charges vary (eg they apply per order rather than per product or depend on weight/size/location), regard should be had to [draft CMA guidance](#) and [CAP advice](#). Might form part of further consultation.

4. Optional delivery fees

Delivery fees (including taxes) not included in the total price but which the consumer may choose to incur (or, where they cannot reasonably be calculated in advance, the fact that they may be payable) must be set out in **ITP**.

5. Prominence

Information described in 1-4 above must be set out in a way that is clear, timely, and likely to be seen by the consumer. Consider font size, positioning, colour, and overall prominence. If click-throughs are needed, try to limit to one.

6. Limitations

In determining compliance with obligations 1–5 above, consideration is given to any limitations resulting from the means of communication used. Includes limitations of space (eg size of packaging) or time (eg duration of radio ad). Any steps taken by the business to overcome those limitations by providing information by other means (such as QR codes, hyperlinks or encouraging website visits) will also be considered, including how effective they are in ensuring consumers have access to the required information in a way that is clear, timely and likely to be seen.

Impact for complex pricing models

Much of information about application of new regime to complex pricing models did not make it from [draft guidance](#) to [final guidance](#). This might form part of the further consultation. Specific advice should be sought and regard had to draft guidance. Realistic indicative pricing likely to be acceptable. If click-throughs are needed, try to limit to one.

Impact for fixed-term periodic contracts

Further consultation on application of new regime to fixed-term periodic contracts (such as gym memberships and telecoms contracts) will take place in summer 2025.

Sanctions

Potential for fines of up to £300,000 or 10% of worldwide turnover, if higher, for breaches. To start, the regulator (the CMA) will only take enforcement action against pricing which clearly breaches the rules in line with [guidance](#).

Possible actions

- Identify internal stakeholders and practices affected
- Review how pricing information is displayed in all ITPs by reference to section 230 of the [DMCCA](#) and the [guidance](#)
- Update information to reflect total price, and genuinely optional delivery fees
- Ensure all ITPs are identified and comply
- Train marketing and other teams and establish internal compliance/review mechanisms
- Track what the CMA/regulators/ASA are doing/saying on pricing to help guide practices
- Watch for further consultation in summer 2025 and subsequent guidance in autumn 2025; consider inputting into further consultation

Key definitions

Invitation to purchase (ITP)

- A commercial practice involving the provision of information to a consumer (a) which indicates the characteristics of a **product** and its price, and (b) which enables, or purports to enable, the consumer to decide whether to purchase the **product** or take another transactional decision in relation to the **product**
- Covers such things as pricing in adverts, text messages, online product listings, banner adverts, and on products in shops
- An **ITP** can exist even if only limited pricing information is given (eg a lowest price or part of a total price); product characteristics can be

indicated through text, image or otherwise (eg a single product image or the product itself)

- An **ITP** does not need to include an actual opportunity to purchase
- No **ITP** if promoting brand only (and not promoting a product)
- Often more than one **ITP** during a customer's purchasing journey – all must comply

Product:

Any physical and non-physical product (including goods, services, and digital content)

2650+ people
1250+ lawyers
350+ partners
27 offices
17 jurisdictions

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