Business in Focus

Guidance for Traders on Pricing Practices

This guidance is for England, Scotland and Wales

Making sure your business complies with consumer law

businesscompanion
trading standards law explained

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Introduction

In this guide, the words 'must' or 'must not' are used where there is a legal requirement to do (or not do) something. The word 'should' is used where there is established legal guidance or best practice that is likely to help you avoid breaking the law.

Guidance for Traders on Pricing Practices was originally produced by the Chartered Trading Standards Institute (CTSI) in 2018 at the request of the Department of Business, Energy and Industrial Strategy (BEIS, a predecessor of the Department for Business and Trade (DBT)) and the Consumer Protection Partnership. It replaced the 2010 Pricing Practices Guide, which was produced by the Department for Business, Innovation and Skills (BIS, another predecessor of DBT).

The guidance is designed to provide helpful, common-sense guidance to traders about pricing practices. It provides an overview of consumer protection laws that relate to pricing and associated practices for traders. Anyone who regularly sells or engages in the process of selling products* is likely to be regarded as a trader. All traders must comply with these laws when they sell any products to consumers within the United Kingdom. UK law applies to websites located outside the UK if they are offering products for sale to UK consumers.

[*The word 'product' is defined very widely in legal terms; it includes goods, services and digital content, as well as other less obvious things. See the 'Glossary' section for more information.]

The guidance covers all consumer products, from shops to restaurants to hairdressers, and includes estate agents, banking, airlines, car retailers, supermarkets, furniture retailers, and so on. It applies to all platforms used for business-to-consumer commercial practices, including all distance contracts (online, by telephone, etc) and any other medium used to sell to consumers.

Guidance for Traders on Pricing Practices focuses on the obligations required by the Digital Markets, Competition and Consumers Act 2024 (DMCCA). It does not cover all legislation that applies to traders, nor does it cover business-to-business transactions in any great detail. It is not possible to identify every fair or unfair pricing practice, and consequently the guidance focuses on the main areas of concern. The legislation in this area avoids prescriptive rules and focuses on general principles of fair dealing. The guiding principle is that traders have the responsibility for ensuring that their pricing practices do not mislead consumers.

Regulators may refer to the guidance when making enforcement decisions about a trader's pricing practices. This guidance is not statutory guidance, and a court is not bound to accept it. The decision on whether any particular pricing practice is unlawful remains to be judged by all relevant circumstances. Only a court can determine whether a trader has breached the law in a specific case.

The guidance provides examples of good practice to assist fair-dealing traders in assessing their pricing practices. It indicates, with examples, behaviour that is generally likely to comply with the law, as well as providing examples of behaviour that may not. Adherence to these recommendations will not, of itself, ensure that an act or omission complies with the DMCCA; the circumstances of each particular case will always need to be considered. Equally, a departure from these recommendations will not necessarily mean that the pricing practice is unfair. Each trader is responsible for ensuring compliance with the DMCCA and will need to consider how it ensures it has the right level of resource and expertise available to achieve this. You may wish to seek legal advice or contact your local Trading Standards service.

Guidance for Traders on Pricing Practices was reviewed and updated by CTSI in October 2025; previous versions are now withdrawn. If you have comments or observations about any aspect of the guidance, please contact CTSI at institute@tsi.org.uk. Feedback will be taken into consideration in future reviews of the guidance.

In November 2025, a link was added to the final version of the CMA guidance on price transparency.

CMA guidance

Alongside CTSI's Guidance for Traders on Pricing Practices, reference should be made to Unfair Commercial Practices: Price Transparency (CMA209), which has been issued by the Competition and Markets Authority (CMA).

Note: the CTSI guidance has not yet been fully reviewed to take account of the recently published CMA guidance.

Relevant legislation

Digital Markets, Competition and Consumers Act 2024

The most important piece of legislation in this area is the Digital Markets, Competition and Consumers Act 2024 (DMCCA), which prohibits traders from engaging in unfair commercial practices with consumers.

The DMCCA prohibits pricing practices that are false or misleading in such a way that they are likely to cause the average consumer to take a transactional decision that they would not have taken otherwise (see the 'Glossary' section for information on the legal meaning of a 'transactional decision'). A pricing practice may be unfair if it, or its overall presentation, is likely to deceive consumers, even if the information is factually correct.

The DMCCA is broad and is likely to cover all forms of representation made about the price or price promotion of a product sold by traders to consumers.

The DMCCA also prohibits misleading omissions. Information that is material to a consumer must not be omitted, hidden or presented in a manner that is unclear, untimely or in such a way that the consumer is unlikely to see it.

An invitation to purchase (for definition, see the 'Glossary' section) that omits material information is also prohibited. Material information includes the total price of the product, which includes any fees, taxes, charges or other payments that the consumer will necessarily incur if they purchase the product.

The DMCCA imposes a general obligation on traders not to contravene the requirements of professional diligence, which are defined by reference to the standard of skill and care that is commensurate with honest market practice or the general principle of good faith (see the 'Professional diligence' section for more details).

Other legislation

The Price Marking Order 2004 requires traders to indicate the price, quantity and unit price of specified products (primarily foodstuffs, but also some non-foods). See 'Providing price information' for more information. The Price Marking Order is due to be amended in April 2026, and this guidance will be further updated then.

The Business Protection from Misleading Marketing Regulations 2008 apply when you are selling to another business or comparing a competitor's product to your own (the latter is covered in the 'Comparison to a competitor's price' section below). More information on these Regulations can be found in 'Business-to-business marketing'.

Additionally, there are specific information requirements for traders under the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013) in relation to on-premises, off-premises and distance contracts. For more information, please see:

- 'Consumer contracts: on-premises sales'
- 'Consumer contracts: off-premises sales'
- 'Consumer contracts: distance sales'

There are also sector-specific rules on price indications in relation to, for example, hotels and package travel (see 'Displaying prices in hotels etc' and 'Package travel and holidays' for guidance on these requirements).

Alongside the legislation, there are advertising codes that are designed to address misleading, harmful or offensive advertising. The UK Code of Non-broadcast Advertising and Direct & Promotional Marketing (CAP Code) and the UK Code of Broadcast Advertising (BCAP Code) are enforced by the Advertising Standards Authority (ASA). They are considered 'established means' for ensuring compliance under section 231(4) of the DMCCA.

Glossary

This glossary contains explanations of words and expressions as they are used in this guidance.

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Average consumer
Defined in sections 246 (“Meaning of ‘average consumer’: general”) and 247 (“Meaning of ‘average consumer’: vulnerable persons”) of the DMCCA. See those sections of the Act for a full definition.

Section 246 states that the average consumer is reasonably well informed, reasonably observant and reasonably circumspect; however, this does not appear in section 247, so consumers in a vulnerable situation may not necessarily fulfil these characteristics.

The average consumer is to be treated as not knowing information in relation to a commercial practice where such information has been concealed by the trader (even if the average consumer might know the information from another source).

Where the commercial practice is directed to a particular group of consumers, or a particular group that is vulnerable to the practice, ‘average consumer’ refers to the average member of that group. See the ‘Vulnerable consumers’ section for further explanation.

Commercial practice
An act or omission by a trader relating to the promotion or supply of any of the following:

- the trader’s product to a consumer
- another trader’s product to a consumer
- a consumer’s product to the trader or another person

Consumer
An individual acting for purposes that are wholly or mainly outside that individual’s business.

Invitation to purchase
This is an important concept in the DMCCA. An invitation to purchase is a commercial practice involving the provision of information to a consumer that indicates the characteristics of a product and its price, and enables, or purports to enable, the consumer to decide whether to purchase the product or take another transactional decision in relation to the product.

Material information
Any information that the consumer needs to take an informed transactional decision.

Product
Defined widely to include goods, services, digital content, immovable property, rights and obligations. A trader agreeing to the full or partial settlement of a consumer’s liabilities, or purported liabilities, in return for the consumer meeting a demand for payment is a ‘service’ for the purposes of the DMCCA.

Professional diligence
The standard of skill and care that a trader may reasonably be expected to exercise towards consumers that is commensurate with either:

- honest market practice in the trader’s field of activity
  or
- the general principle of good faith in the trader’s field of activity

Reference price
Price promotions that aim to demonstrate good value by referring to another price that is typically higher.

Trader
A person acting for purposes relating to that person’s business, or a person acting in the name of (or on behalf of) that person for purposes relating to that person’s business.

Transactional decision
This is a very important concept in the DMCCA. It means any decision made by the consumer relating to:

- the purchase or supply of a product (including whether, how or on what terms to make the purchase or supply)
- the retention, disposal or withdrawal of a product* (including whether, how or on what terms to retain or dispose of it
- the exercise of contractual terms in relation to a product (including whether, how or on what terms to exercise such rights)

[*The term ‘withdrawal of a product’ refers to, for example, the consumer withdrawing from or terminating a service, exercising their legal cancellation rights, or withdrawing their decision to meet a demand for a payment by a trader. It could also refer to the consumer withdrawing their offer to supply their product to the trader, such as offering their car in part-exchange.]

This does not only relate to pre-shopping, but also includes decisions made during and after the sales process, and continues for the lifetime of a product.

Examples of transactional decisions include:

- whether to enter a shop
- whether to click on a weblink
- whether to purchase an item and, if so, by what method - for example, online or from a shop
- payment of deposits
- obtaining credit
- whether to repair a product or scrap it
- what remedy to seek for a defective item: rejection, repair, replacement or refund
- whether to have a motor vehicle serviced by a particular garage
- whether to purchase a mobile phone app

Enforcement

The DMCCA is enforced by Trading Standards services in England, Scotland and Wales.

The Competition and Markets Authority (CMA) and a number of other bodies also enforce the DMCCA.

Professional diligence

The DMCCA requires that traders behave professionally and responsibly in the pricing of their products. You are expected to formulate pricing practices in accordance with honest market practice and the general principles of good faith in your field of activity.

This obligation is derived from both the prohibition against contravening professional diligence (DMCCA, section 229) and the due diligence defence (DMCCA, section 238) that apply to the criminal offences of engaging in misleading acts or omissions, or omitting material information from invitations to purchase.

What amounts to the exercise of due diligence in relation to a pricing practice will depend on all relevant circumstances. No prescriptive rule can be stated about what is sufficient in every case.

However, if your pricing practice is challenged, the following may be important to regulators:

- evidence of how your price promotions are communicated to consumers:
  - on price labels, signs and notices
  - oral representations
  - in publications, such as newspapers, magazines, flyers, etc
  - radio and television advertisements
  - social media and electronic media, such as websites, SMS text messaging, emails and apps
  - in any other documentary or electronic advertisements

- any terms and conditions of the pricing practice and how these are communicated to consumers
- evidence of the stock and availability of a product during a price promotion. Retain records of your prices, stock and sales histories whilst the promotional and non-promotional prices were charged, with relevant dates, locations, websites, etc, and sales volumes at the promotional and non-promotional prices
- where a comparison has been made against a competitor, record the competitor's pricing fairly, including evidence (if appropriate) that you have compared like with like - for example, website screen-shots to demonstrate the product, price and period over which a competitor has offered a product. See the 'Using reference prices' section for more guidance

Vulnerable consumers

The DMCCA requires traders to ensure that consumers are not treated unfairly, by reference to the standard of an average consumer. However, it is important to understand that the characteristics of the average consumer may include vulnerability; this is covered by section 247 of the DMCCA.

You need to take special care if you are targeting a price promotion at particular groups of consumers who may be vulnerable. This may be, for example, on the grounds of age, credulity, physical or mental health, or the circumstances that they are in. Consumers may be vulnerable for a short period because of a personal situation, such as bereavement or debt. You have a legal obligation to ensure that all such vulnerable groups are fairly treated.

Examples:

- wheelchair users may be vulnerable to pricing practices in relation to holiday destinations that claim ease of access

- the elderly may be more vulnerable to pricing practices in relation to security systems

- children may be vulnerable to advertisements in relation to toys

For more information, see our 'Consumer vulnerability' Business in Focus guide.

General requirements

There are certain general requirements that a trader should consider when pricing products for sale. In addition to the DMCCA, overlapping obligations can be found in the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 and the Price Marking Order 2004. See 'Other legislation' in the 'Relevant legislation' section for links to other guides that cover these areas.

These general requirements apply to all of your pricing practices and should be read in conjunction with the rest of this guidance.

DO indicate the total price of the product, inclusive of taxes, when you invite consumers to purchase it. If the nature of the product means that the price cannot reasonably be calculated in advance, indicate how the price will be calculated - for example, fabric on a roll is priced by the metre.

DO provide all additional freight, delivery and postal charges in or with the price. If those charges cannot reasonably be calculated in advance, tell consumers that they may be payable.

DO include all compulsory fees and charges in the price.

DO show unit prices where they are required by the Price Marking Order 2004.

DO remember that perishable products (for example, food near to its 'best before' or 'use by' date, or other products that are deteriorating, such as plants) can be reduced in price without referring to the guidance in the 'Using reference prices' section.

DON'T charge a fee for using a consumer credit card, debit card or charge card. This also apples to similar payment methods that are not card-based (for example, mobile phone-based payment methods) and electronic payment services (such as PayPal).

DON'T use a default option (such as a pre-ticked box on a website) in order to obtain a consumer's consent to an additional fee or charge.

DON'T use statements such as 'all' or 'everything' unless the statement applies to all of the products described, to everything in the store or everything in that category.

Banned practices

Certain practices are banned and are considered to be unfair and unlawful in all circumstances. There are 32 of these practices in the DMCCA, and they are listed in Schedule 20 to the Act; the 'Protection from unfair trading (criminal law)' guide has brief information on each of them.

DON'T advertise products at a specific price if you have reason to believe that they will not be available at that price in reasonable quantities, and for a reasonable period, without making this clear in the promotion.

DON'T advertise a product at an attractive price to encourage interest and then discourage its purchase in order to persuade the consumer to switch to something different - for example, by demonstrating a defective sample or by refusing to show the product, take an order or deliver the product within a reasonable time.

DON'T falsely state that a product will only be available at a particular price or available on particular terms for a very limited amount of time in order to persuade the consumer to make an immediate decision and deny them the time or opportunity to make an informed choice.

DON'T claim that you are about to cease trading or move premises when you are not.

DON'T describe a product as 'free' or similar if the consumer has to pay any more than the unavoidable cost of responding to your offer, collecting the product or paying for delivery. See the 'Use of 'free'' section for more guidance.

Price promotions

If you wish to promote your products by making claims in relation to price, you should spend time and effort ensuring that the claim is transparent and not unfair. The guiding principle is that the promotion should not, in any way, mislead, deceive or take advantage of consumers. Consumers should be able to have confidence that they can rely on the information you provide when making their decision to purchase.

The average consumer is described in the DMCCA as having the characteristics of being:

"(a) reasonably well informed,
(b) reasonably observant, and
(c) reasonably circumspect".

However, even well-informed, observant and circumspect consumers can be deceived by unfair and misleading practices.

The DMCCA does not just apply to the decision to purchase a product. It extends to other transactional decisions, such as the decisions a consumer makes about payment terms or the exercise of other contractual rights. This may also include decisions that do not have a direct financial consequence, such as entering a shop. You should consider the impact that any pricing promotion might have on all of the decisions that consumers may take.

Consider:

- who is the promotion aimed at?
- what will that person understand it to mean?
- is that different to the actual position?

Is your pricing practice unfair?

For each pricing promotion, you should ask yourself:

is any information (however it is given) false?

- even if the information is factually correct, will it, or the way in which it is presented, deceive or be likely to deceive?
- is information that a consumer needs to know omitted, hidden, given in a manner that is unclear or untimely, or provided in such a way that the consumer is unlikely to see it?

If any of your answers are 'Yes', or if you have any doubts, you should change your pricing promotion.

Getting it wrong

It is important for traders to get pricing right. Getting it wrong could:

- create the illusion of savings that do not exist or have been exaggerated
- generate confusion amongst consumers
- generate legal claims for compensation
- result in a complaint to the Advertising Standards Authority
- lead to civil or criminal enforcement action being taken by regulators, with fines and negative media exposure
- generate adverse publicity by consumers sharing negative stories about price promotions in the press or on social media

Does your promotion contain false information?

Your price promotion should not contain false information about the price.

The following are examples of practices that may breach this requirement:

- advertising a price promotion for a product that is not, in fact, available at the advertised price
- comparing your current price to a reference price that is not genuine (see the 'Using reference prices' section for further guidance)
- comparing your own price to the higher price of a competitor or to a recommended retail price (RRP), but presenting the higher price as your own previous price
- excluding a compulsory charge from your headline price (see the 'Additional charges' section for further guidance)
- claiming a discount that is not, in fact, given to the consumer - for example, '10% off all main courses' when the price is not adjusted accordingly at the till
- claiming a discount for all of your products when all products are not, in fact, included in the offer - for example, '10% off all package holidays booked before end of September' when holidays to Spain are excluded

Is your pricing practice deceptive, even if it is factually accurate?

Consumers must be able to trust the information you have provided them with. Your pricing practice must not contain information that might deceive consumers or that is presented in such a way that might deceive consumers, even if the information is factually accurate.

Care should be taken to ensure that better-value offers based on size are not unfair, due to smaller packs offering the same or better value also being available to be purchased from you. For more guidance, see the 'Volume offers' section.

If you become aware that your competitor has lowered their selling price, but you take no steps to withdraw or amend the pricing practice, the promotion might become unfair. For more information on comparing your prices to other traders' prices, see 'Comparison to a competitor's price' in the 'Using reference prices' section.

Have you told consumers what they need to know?

The DMCCA prohibits misleading omissions; therefore, it is important that you do not mislead consumers by leaving out important information or presenting it in a way that hides or disguises it.

Your pricing practice can, therefore, be considered unfair if it does any of the following, and this is likely to cause an average consumer to take a transactional decision that they would not have taken otherwise:

- omits material information
- hides material information
- provides material information in a manner that is unclear or untimely, or in such a way that the consumer is unlikely to see it

The DMCCA defines 'material information' as the "information that the average consumer needs to take an informed transactional decision".

Use of additional text

You must ensure that the presentation of your offer is transparent and clear. You should consider how consumers are likely to understand it, having regard to its overall presentation.

In particular, you should consider the prominence and clarity of any additional text, in comparison to the headline text or main message. Any additional information relating to price should be set out with as much prominence as the total price.

You should ensure that the headline or prominent message is truthful, clear and consistent with other information you provide. It should not need explanatory text to make it comply, particularly if that text is not prominent. Consider how the offer is expressed; a simple offer can be communicated in straightforward terms using direct language. If your offer is more complex, you should take care to ensure that it is presented in a way that consumers will fully understand.

Additional information should not contradict the headline claim. It must be given in a clear, intelligible, unambiguous and timely manner. Including material information in the small print in a manner that is not clear and prominent may mean that you do not meet that requirement.

Material information might be:

- qualifying statements - for example, 'Wednesdays from 6 pm'
- important conditions of the offer - for example, 'minimum two diners'
- relevant exclusions - for example, 'set menu only'

If you operate a website or use other digital communication, you should use technology so that information is communicated to consumers in a way that is transparent and timely.

Additional text that is likely to make a difference to the consumer's decision should be prominent and close to the price, headline or main message. You should not delay telling consumers about additional charges or other material information when it is possible to do so from the outset.
It may amount to an unfair practice if your technology requires that consumers take extra steps, such as clicking on a link or scrolling down a page, to obtain material information - for example, additional costs. You should consider carefully whether it is possible to provide consumers with material information about the price and additional costs without the need to visit other web pages or to follow links.

For more information on the use of additional text, see the Committee of Advertising Practice's guidance on small print and footnotes.

Using reference prices

Reference pricing refers to price promotions that aim to demonstrate good value by referring to another, typically higher, price.

Four examples of reference pricing:

- 'was / now' prices, which compare an advertised price to a price that the trader has previously charged for the product

- after-promotion prices or introductory prices, which compare the current advertised price to a price that the trader intends to charge in the future

- recommended retail prices (RRPs), which compare an advertised price to a price recommended by the manufacturer or supplier

- external reference prices, which compare an advertised price to a price charged by another trader for the same product

Including a reference price in an offer can create a point that consumers use as a base for estimating the value of the product and might reduce the effort consumers put into shopping around and comparing prices. It follows that reference pricing calls for a high level of trust and integrity. It is unlikely that consumers will have made a record of the reference prices in order to determine for themselves whether the claimed price reduction is genuine.

Any price advantage claimed must not be misleading or unfair. It is important to be clear and not to make unfair price comparisons. If your proposed pricing practice explicitly or by implication indicates a saving against another price, you must be able to satisfy yourself that the quoted saving is genuine and, therefore, is not unfair.

Ask yourself whether the average consumer would think that it is a fair comparison.

Below is a non-exhaustive list of issues that should be considered when determining whether a price reduction is genuine.

1. How long was the product on sale at the higher price, compared to the period for which the price comparison is made?

2. How many, where and what type of outlets will the price comparison be used in, compared to those at which the product was on sale at the higher price?

3. How recently was the higher price offered, compared to when the price comparison is being made?

4. Where products are only in demand for short periods each year, are you making price comparisons with out-of-season reference prices?

5. Were significant sales made at the higher price prior to the price comparison being made or was there any reasonable expectation that consumers would purchase the product at the higher price?

Issues to be considered regarding sale prices

Issues to be considered	More likely to comply	Less likely to comply
How long was the product on sale at the higher price, compared to the period for which the price comparison is made?	The price comparison is made for a period that is the same or shorter than the period during which the higher price was offered	The price comparison is made for a materially longer period than the higher price was offered
How many, where and what type of outlets will the price comparison be used in, compared to those at which the product was on sale at the higher price?	The retailer makes a price comparison against a reference price that has been offered in the same store as the price comparison is made	A retailer charges £3 in store A and £2 in store B, and then claims 'Was £3, now £1.50' in store B, referring to a reference price in a store where that price was never charged
How recently was the higher price offered, compared to when the price comparison is being made?	A travel agent refers to a selling price that was charged less than two months ago with no intervening prices and, therefore, gives a genuine indication of the current value of the holiday	A website refers to previous selling prices that were charged many months ago and, therefore, no longer represent a genuine indication of the current value of the item
Where products are only in demand for short periods each year, are you making price comparisons with out-of-season reference prices?	An online trader reduces its prices in order to generate sales where demand has fallen away when the sales season for a product has passed	A trader offers the product at a higher price when the product is out-of-season and then lowers the price in time for the expected product demand
Were significant sales made at the higher price prior to the price comparison being made or was there any reasonable expectation that consumers would purchase the product at the higher price?	The retailer can provide evidence to show significant sales at the higher price or that this was a realistic selling price for the product	A retailer repeatedly uses a reference price, knowing that it had not previously sold a significant number of units at that price

It is important that price comparisons are genuine. Examples of price comparisons that may not be genuine include the following:

- during the period that the product was sold at the higher price, different types of discount were offered - for example, multi-buy
- the higher price is not the last price that the product was sold at - for example, there have been intervening prices
- a series of price claims made against a reference price, where each subsequent claim does not offer a greater discount

Price comparison examples that may not be genuine

Examples of price comparisons that may not be genuine	More likely to comply	Less likely to comply
During the period that the product was sold at the higher price, different types of discount were offered - for example, multibuy	An online retailer offers a product for sale with the price claim of 'Was £500, now £350' for a month. For the preceding month the product was priced at £500 with no price promotions or other price reductions	An online retailer offers a product for sale with the price claim of 'Was £500, now £350' for a month. For the preceding month the product was priced at £500 with a volume promotion operating at the same time - 'Buy 2 get 10% off'
The higher price is not the last price that the product was sold at - for example, there have been intervening prices	A sofa is offered for sale at £500 immediately before the price promotion 'Was £500, now £350' is advertised	A sofa is offered at £500 and then reduced to £350, with no claim of saving. A number of weeks later, the product is labelled as 'Was £500, now £350'
A series of price claims are made against a reference price, where each subsequent claim does not offer a greater discount	A coat is offered at 'Was £150 now £99', then a further reduction is made and the item is advertised as 'Was £150, was £99, now half price £75'	A coat is offered at 'Was £150 now half price £75'; subsequently, the same item is advertised as 'Was £150, now £99'

After-promotion price
You can make a comparison against a price that you will subsequently charge for a product. However, this type of pricing practice is likely to be considered unfair if the price is not subsequently increased to the advertised after-promotion price at the end of the promotional period, or the reference price did not meet the guidance in the 'Using reference prices' section.

Introductory price
Traders must consider carefully the use of 'new' or 'introductory price' in price promotions. You should assess what consumers in your particular sector would consider as new and, therefore, how long the claim can be made before the new or introductory price becomes the normal selling price. The claim 'new' could be used for a longer period where the product is rarely purchased, compared to a regularly purchased product.

This type of pricing practice is likely to be considered unfair if the price of the product is not in fact increased at the end of the promotional period.

Recommended retail price (RRP)
A recommended retail price (RRP) is a price that a manufacturer or supplier has independently recommended. The use of RRPs is contentious and there have been calls to prohibit the practice completely. Traders must take extra care when using RRPs to ensure that they do not mislead consumers.

When making comparisons to an RRP, you should clearly and prominently tell consumers that the higher price is an RRP, rather than a price that you have charged. The initials RRP have historically been used in the UK, and their meaning is likely to be understood by most consumers. You should avoid using other abbreviations unless you can be sure that consumers will have a clear understanding of their meaning in the context of the sale.

An RRP must not be false; it must not be created purely in order to present the appearance of a discount. An RRP must represent a genuine selling price. You should not recommend your own RRP or influence the price at which your third-party supplier or manufacturer sets the RRP.

Traders using RRPs should consider obtaining substantiation from their suppliers or manufacturers that the RRP represents a genuine selling price. The use of RRPs as a reference price without such substantiation leaves the business open to the risk that the RRP is not genuine and may be considered misleading.

Further guidance on the use of RRPs is available from the Committee of Advertising Practice:

> "… marketers should be aware that while it is acceptable for them to quote RRPs if they are genuine, such price comparisons are likely to mislead if the RRP differs significantly from the price at which the product or service is generally sold."

Comparison to a competitor's price
Comparisons that you make to a competitor's price must comply with both the requirements of the DMCCA and the Business Protection from Misleading Marketing Regulations 2008. The price comparison must not be false or mislead consumers, and they must be given any material information in a way that is clear, transparent and timely.

A fair comparison may be made between the price of a product that you sell against the same product being sold by a competitor. Such comparisons can be helpful to consumers who are looking for the best price for that product.

You can also make comparisons with products that, whilst not identical, meet the same needs or are intended for the same purpose. You should set out any material differences between your product and the competitor's product clearly and transparently. This is unlikely to be achieved if material differences are not a prominent part of the presentation of the price comparison to consumers. You should not selectively focus on elements of a competitor's price that are unrepresentative and give an overall impression that is misleading.

The basis of any comparison you make against your competitor should be objective rather than subjective. The comparison must objectively compare one or more material, relevant, verifiable and representative features of the product. You should consider providing simple mechanisms through which a consumer can verify the comparison - for example, online, by email, by telephone or in writing.

If you operate in a particularly price-sensitive sector, where prices frequently change, you should take care to ensure that your price comparison does not become misleading, due to your competitor's price changing. You should monitor the position and take prompt action to withdraw claims, if necessary.

You must not compare the price of your product against the price of a product with a designation of origin (for example, a Cornish pasty), unless your product has the same designation of origin (Business Protection from

Misleading Marketing Regulations 2008, regulation 4(g)).

If you wish to make a comparison based on prices in specific locations, care needs to be taken to establish whether there are local price variations. If the prices you wish to use are based on information made available centrally by your competitor (for example, online), you should check for local variations.

You should not make general claims, giving the overall impression that all of your products are cheaper, if it is only true for selected items. If you make a claim that your prices are generally lower, you should explain why it is a fair and suitable comparison - for example, by telling consumers that the basket of products chosen is based on a typical weekly shop.

It is important that you keep clear documentary records of any price comparisons you have made against a competitor's price. You should identify your competitor, their product and the circumstances in which they offered the product at the price you are comparing against. In some instances, it may also be important to provide technical evidence to demonstrate that your product is not materially different to the competitor's product.

In making a price comparison against the price of a competitor, you must observe the following rules:

- you must not deliberately mislead consumers into believing that your product is made by a particular manufacturer, when it is not (this is one of the practices that are banned in all circumstances; see 'Banned practices' above)
- you must not create confusion between you and your competitor
- you must not create confusion between your products' trade marks, trade names or other distinguishing marks, and those of your competitor
- you must not discredit or denigrate the trade mark, trade name or other distinguishing mark, products, activities or circumstances of a competitor
- you must not take unfair advantage of the reputation of a trade mark, trade name or distinguishing mark of a competitor or of the designation of origin of competing products
- you must not present products as imitations or replicas of products bearing a protected mark or trade name

For more information about comparing to a competitor's price, see the Committee of Advertising Practice's quick guide to comparative advertising.

Comparison with prices in different circumstances

It may be possible to make a fair price comparison against the price of a product that has been sold in different circumstances. However, it is very important that any material differences in the circumstances are communicated to consumers in a way that is transparent, fair and prominent. Features that differentiate the circumstances must be clear and not hidden in the small print. Any material information must be provided in a clear and timely manner, and should be clearly visible to the consumer.

The comparison must be readily understandable and relevant to the consumer it is directed towards. The differences between the circumstances must still allow for a fair comparison to be made. The overall impression given to consumers must not be misleading, even if the information provided is correct.

Additional text may be useful to ensure that the pricing practice can be clearly understood by the average consumer, as long as it is provided in a clear and timely manner, and in such a way that the consumer is likely to see it (see the 'Use of additional text' section).

Other types of price comparisons

Examples of pricing practices	More likely to comply	Less likely to comply
Comparing pricing models that are not like-for-like	The website claims ‘Save 50% on airport parking’, and also states ‘... when you book in advance, compared to the turn-up-and-pay price’ in a clear, intelligible, unambiguous and timely manner	The website claims ‘Save 50% on airport parking’ with no further details on the basis of the 50% savings claim
Comparing products in different conditions	A car retailer advertises the price of a second-hand car and claims a saving against a higher price that was the price of the car when new. The origin of the higher price is clearly stated alongside the savings claim	A car retailer advertises the price of a second-hand car and claims a saving against a higher price that was the price of the car when new. This information is not provided

Time-limited offers

It is a breach of the DMCCA to deprive consumers of sufficient opportunity or time to make an informed choice, by falsely stating that a product is only available on those terms for a limited time. This is one of the practices that are banned in all circumstances; see ‘Banned practices’ above.

It is particularly important that traders do not contravene this provision where a consumer is likely to feel under pressure because of the circumstances of a sale - for example, a sale made in a consumer’s home.

Where a product will genuinely only be available on particular terms for a limited time, and consumers need to act quickly to take advantage of the offer, the date the offer ends is very likely to be material information. Therefore, it should be provided in a manner that is clear, timely and easily visible.

Once the end date for any pricing promotion has been published (for example, in-store, in the press, TV advertising or online), any change to the end date is likely to be scrutinised carefully by regulators to assess whether the originally publicised time limit was genuine. You should avoid changing the end date unless circumstances arise that could not reasonably have been foreseen at the time that the price promotion commenced.

If there is any delay between a consumer ordering a product and receiving it, you should make it clear whether the price promotion applies if the time limit expires after a consumer has ordered the product, but before the delivery of goods or commencement of a service.

Volume offers

Volume offers are price promotions that aim to demonstrate good value by reference to the volume, weight or amount of the product purchased, or the purchase of a combination of different products.

The following are examples of volume offers.

Multi-buys. This is where the consumer gets a discount by purchasing more than one unit of a product - for example:

- buy one, get one free
- three for the price of two
- two for £3

Combination offers. This is where a discount is given when the consumer purchases a specified combination or basket of products - for example:

- meal deal: sandwich, drink and crisps for £5

Linked offers. This is where the consumer is offered a free or discounted product if they purchase another product - for example:

- half price MOT with your car service

Extra for the same price. This is where the consumer is given more for the same price - for example:

- 50% extra free
- bigger pack - better value

You should not use this type of price promotion unless the consumer is genuinely getting better value because of the offer. Care must be taken to ensure that any volume offer is not made to be unfair because better value was being offered before the volume promotion or for the same product elsewhere in your business.

The risk of these price promotions being unfair is increased if they are not easy to understand. You must ensure that the price promotion provides all of the material information that the consumer needs to understand it, and that this information is provided in a clear, intelligible, unambiguous and timely manner. You should not take advantage of the fact that many consumers will not calculate for themselves whether your price promotion actually offers better value - for example, the price of a combination offer should be cheaper than the total cost of buying the same items separately.

Pre-printed value claims on-pack (such as 'Bigger pack - better value') should be objectively accurate and justifiable.

Use of 'free'

You must not use the term 'free', or similar phrases, unless the consumer pays nothing other than the unavoidable cost of responding to the commercial practice and collecting or paying for delivery of the item. This is another of the practices that are banned in all circumstances; see the 'Banned practices' section for more information.

In promotions where an item is described as 'free', traders should be able to show that:

- the free item is genuinely additional to or separable from what is being sold

- if the consumer complies with the terms of the promotion, the free item will be supplied alongside what the consumer is paying for

- the stand-alone price of what is being sold is clear and is the same with or without the free item

Receiving the free product can be conditional on the purchase of a product, provided that this is made clear - for example:

- the claim 'Free wallchart when you buy Thursday's paper' is legitimate if the paper is sold without a wallchart on other days for the same price
- a claim of 'Free travel insurance for customers who book their holiday online' is legitimate if customers who book the same journey by telephone are offered the same price, but not offered free insurance

The product must, however, be truly free. The cost of the free product should not be recovered by reducing quality or composition, or inflating the price of the product that is to be paid for. You should not describe a part of any package as 'free' if it is already included in the package price.

You should not exaggerate the value of any free product to persuade consumers to make qualifying purchases.

You should not describe a service as free if it is not free for consumers that choose not to enter into an agreement with you after receiving the service - for example, you should not use the terms 'free valuation' or 'free call-out' if there is a one-off charge for a consumer who decides not to proceed with a subsequent purchase or agreement.

For more information on the use of 'free', see the Committee of Advertising Practice's guidance on the use of 'free' claims in advertising.

Additional charges

This section contains further detailed guidance on additional charges; it should be read in conjunction with the general requirements.

Examples of additional charges:

- fixed compulsory charges, which all consumers have to pay
- charges for a component of the product that is compulsory, but where there is a range of possible charges for that compulsory component
- additional charges for an optional product

Compulsory charges that are fixed
Additional charges should be included in the up-front price if they are compulsory. A failure to include compulsory charges in the up-front price may breach the DMCCA.

Examples of fixed compulsory charges:

- a non-optional administration fee that must be paid for a service
- a set cover charge at a restaurant
- mandatory insurance cover required for hiring a car
- service charges for theatre tickets
- compulsory per-night hotel charges

Compulsory charges that may vary
Compulsory charges may vary in accordance with the consumer's choices or circumstances. Even if the charge may vary, it is still compulsory if the consumer must always pay something extra for it - for example, a delivery charge might depend on the consumer's location or the size / weight of the product. If there is a fixed mandatory delivery charge, this should be included in the total price.

Where a compulsory charge may vary, you should alert consumers to the charge at the outset. You should give information about how it will be calculated in a clear and timely manner, while still allowing the total cost to be easily and readily calculated by the average consumer as soon as possible.

Examples of compulsory charges that vary:

- a charge for a component part of bespoke furniture that may vary according to the material used, such as the fabric chosen
- a charge for delivery that is compulsory, but varies according to location

Optional charges
It is not necessary to include an optional charge within the up-front price. However, the charge must be genuinely optional. Charges that are, in reality, an unavoidable part of the main purchase are not optional. You should ask the question whether the average consumer would consider 'optional' to be a fair description of the charge. Where a charge is optional, it should still be presented to the consumer clearly.

Examples of optional charges:

- when booking a flight, a charge for hiring a car at the destination
- when buying a product, a charge for gift wrapping

'Up to' and 'from' claims

Care should be taken that general notices such as 'Up to half-price sale' or 'From 50% off' are not misleading; they must reflect the reality of the offer. You should only make such a claim if the maximum reduction quoted applies to a significant proportion of the range of products that are included in the promotion.

A prominent general claim of a maximum discount such as this should represent the true overall picture of the price promotion. The 'up to' and 'from' claims are essential to the understanding of the pricing practice; therefore, they should be shown clearly and prominently.

Subscriptions

If your agreement with a consumer requires that repeat payments are made (such as a monthly subscription), the extent of the consumer's financial commitment should be set out clearly and prominently from the outset, and the consumer's express consent to these additional payments should be secured before they are charged. You should not mislead consumers about the extent of their future commitment in order to secure an agreement. If you initially offer a product that is free or heavily discounted, you must inform consumers clearly and prominently of any additional payment obligations that will be incurred, including the duration of any contract.

Legislation etc

The laws featured in this guide / update information

Trading Standards

For more information on the work of Trading Standards services - and the possible consequences of not abiding by the law - please see 'Trading Standards: powers, enforcement and penalties'.

In this update

Link added to the Competition and Markets Authority's Unfair Commercial Practices: Price Transparency (CMA209), which was published in November 2025.

Last reviewed / updated: November 2025.

Key legislation

- Price Marking Order 2004
- Business Protection from Misleading Marketing Regulations 2008
- Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013
- Digital Markets, Competition and Consumers Act 2024

Please note

This information is intended for guidance; only the courts can give an authoritative interpretation of the law. The guide's 'Key legislation' links may only show the original version of the legislation, although some amending legislation is linked to separately where it is directly related to the content of a guide. Information on changes to legislation can be found by following the above links and clicking on the 'More Resources' tab.