

Pricing Practices

Dynamic pricing



WHAT are the obligations?

Dynamic pricing involves adjusting prices (upwards or downwards) rapidly and frequently in response to changing demand conditions. It typically relies on the use of algorithms or machine learning tools.

Dynamic pricing is not in itself unlawful under UK consumer law and regulators acknowledge that dynamic pricing can be consistent with effective competition and good consumer outcomes.

However, consumer law enforcers, including the Competition and Markets Authority (CMA), are **more likely to have concerns when:**

- consumers do not know that dynamic pricing is being used or how it may affect prices, so they cannot make informed choices;
- consumers feel pressured to make quick decisions because prices may rise suddenly;
- vulnerable consumers are particularly disadvantaged such that they pay higher prices than others; and
- dynamic pricing is used to obtain or maintain market power, resulting in higher prices or harm to the economy.

When using dynamic pricing, **businesses should:**

- **not mislead customers** about their prices;
- **provide consumers with all the material information** they need to make informed transactional decisions;
- explain important terms in clear language, with the support of examples where appropriate;
- **be transparent** about how prices are set and that they can change; and
- consider the impact on vulnerable consumers.

WHAT should businesses do now?

- Review your current pricing and discounting claims to determine if they are compliant.
- See the **“How to Comply” section below for compliance guidance / tips.**
- Consider training and guidance for sales / marketing and other staff involved in pricing strategies and communications.





HOW to comply?

- Businesses must consider in the context of their own pricing model and interactions with customers what information consumers need to make an informed transactional decision.
- The CMA considers the following types of information might be **material information** that a business should provide to consumers when using dynamic pricing:
 - stating that prices can change;
 - explaining what makes prices change; and
 - the range of prices (e.g. minimum and maximum amounts).
- See the **dos and don'ts** below for more tips on how to provide clear and timely pricing information.

Do	Don't
Be transparent about your pricing approach - present important information clearly and prominently	Assume customers will understand how pricing works and explain important terms
Provide consumers with all the material information they need to make informed transactional decisions (and explain important terms)	Make false or misleading statements on how prices are set
Inform customers if prices could change during the buying process, such as when they are in an online queue or at checkout, and how prices will apply (e.g. if there is only limited volume available at a particular price)	Suggest that prices are fixed or guaranteed if prices are in fact subject to change
Ensure any marketing of prices does not immediately become outdated	Pressure or influence customers into making quick decisions as a result of rapidly changing prices during the purchase process
Clearly state the final total price, including any additional charges or fees, at the appropriate stage of the purchase process (for example, at "invitation to purchase" or when clicking "buy")	Change prices when customers are in the process of paying
Consider how vulnerable customers may be impacted by your pricing approach	Use misleading language to encourage customers to pay more for an item (e.g. "Platinum Package") unless there is a justifiable explanation for the price difference



WHERE are these obligations set out?

- **The UK Digital Markets, Competition and Consumers Act 2024 (DMCC Act):** this includes provisions to protect consumers by prohibiting unfair commercial practices, including prohibitions against misleading acts or omissions, or aggressive practices.
- **CMA guidance:**
 - on 18 November 2025, the CMA published its updated unfair commercial practices guidance ([Guidance on the protection from unfair trading provisions in the DMCC Act](#)); and
 - on November 2024, the CMA opened a project to consider how dynamic pricing is used across different sectors. On 20 June 2025, the CMA published a [project update paper](#), alongside some [tips for businesses that use dynamic pricing](#).



Anything else?

- There is **increased regulatory scrutiny** of pricing practices in the UK, with the CMA issuing guidance and launching reviews:
 - alongside the dynamic pricing project referenced above, the CMA [launched an investigation](#) into Ticketmaster in September 2024 to assess whether Ticketmaster had engaged in unfair commercial practices in the UK during the sale of Oasis tickets for the band's reunion tour. Although the CMA concluded that Ticketmaster had not employed dynamic pricing, it did identify concerns in respect of the ticket sales prices. In October 2025, the CMA accepted [undertakings from Ticketmaster](#) to change its practices by providing greater transparency to customers about how tickets would be priced and to ensure that ticket labels are accurate; and
 - the CMA has taken extensive action to date in relation to secondary ticketing and the UK government [consulted](#) on the best way to bring about a fairer and more transparent ticket resale market. The UK government now plans to introduce (among other things) a price cap making it unlawful to resell live events tickets for a profit.
- As at February 2026, the Sale of Tickets (Sporting and Cultural Events) Bill is currently going through Parliament. The Bill seeks to require ticket-selling platforms to show consumers in online queues all available tickets, including their quantities and prices (including the maximum ticket price before they start the purchase process).

