

businesscompanion

trading standards law explained

Introduction

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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.

Overview and definitions

Part 4, Chapter 1 of the Digital Markets, Competition and Consumers Act 2024 (DMCCA) replaces the 'unfair commercial practices' elements of the Consumer Protection from Unfair Trading Regulations 2008 (CPRs)*, as of April 2025. The Act covers the same main elements that were in the CPRs (although some of the wording and definitions have changed) and it introduces rules covering fake reviews and new concepts such as 'drip pricing'.

[*For the time being, consumers' rights of redress are still covered by the CPRs; information on these rights can be found in '[Protection from unfair trading \(consumers' rights of redress\)](#)'.]

In summary, Part 4, Chapter 1 of the DMCCA covers the following:

- misleading actions
- misleading omissions
- aggressive practices
- acting without professional diligence

For the above practices to be possible offences under the DMCCA, they must be likely to affect the 'transactional decision' of the 'average consumer'.

The Act contains two commercial practices that are prohibited regardless of whether they are likely to affect an average consumer's transactional decision. These are:

- omission of material information from an invitation to purchase (this includes drip pricing)
- engaging in one of the 32 banned practices listed in Schedule 20 to the Act (including a new specific practice covering fake reviews). Fake reviews are covered in detail in this guide; information on all 32 banned practices can be found in '[Protection from unfair trading \(criminal law\)](#)'.

The Act covers unfair commercial practices. A 'commercial practice' is defined in the Act as:

"an act or omission by a trader relating to the promotion or supply of:

- (a) the trader's product to a consumer
- (b) another trader's product to a consumer, or
- (c) a consumer's product to the trader or another person;"

Traders whose actions impact on consumers, either directly or indirectly, are covered by the Act. The definition of 'trader' is broad, covering a trade, business, craft or profession, as well as public bodies and others whose activities are carried out for gain or reward. The Act covers traders that buy from consumers (or accept goods in part exchange), as well as those that supply goods to consumers.

Business-to-business and consumer-to-consumer transactions are not covered; however, businesses that label or describe products (for example, manufacturers) that they sell to a business (such as a retailer) will be covered where their actions affect the ultimate consumer.

According to the Act, a 'consumer' is an individual who is "acting for purposes that are wholly or mainly outside the individual's business".

The first step, therefore, is to consider whether you are a trader and whether consumers may be affected by your actions. For help with deciding whether you are a trader according to the law, please see ['Am I in business?'](#)

There are three types of 'average consumer' depending on the circumstances, so it is important to consider the type of consumer you are selling to. This may be because of the type of product you are selling, or how you are selling it. Generally, the average consumer is considered to be reasonably well informed, reasonably observant and reasonably circumspect. However, if your practices are directed at a particular group of consumers (for example, a club or society), then the average consumer is the average member of that group.

The Act also considers the effect of commercial practices on vulnerable consumers, who may be more susceptible to unfair practices. There are many reasons for which a consumer could be considered to be vulnerable. These include:

- their age
- their physical or mental health
- their credulity
- the circumstances they are in

Misleading actions, misleading omissions and aggressive practices, as well as failing to act with professional diligence, only breach the Act if, as a result of the practice, they are likely to cause the average consumer to take a transactional decision that they would not have taken otherwise.

The definition of 'transactional decision' is broad. It covers any decision made by the consumer relating to the:

- purchase or supply of a product (which covers goods, services and digital content)
- retention, disposal or withdrawal of a product
- exercise of a contractual right in relation to a product

A transactional decision includes decisions that a consumer makes before, during or after a transaction (if there is one) takes place. This covers more than just a decision to buy or not to buy; it also covers, for example, the amount that a consumer is willing to pay, or whether to buy from you or another trader. It

includes decisions such as whether to:

- visit a shop
- make a phone call to a trader
- click on a link on a website
- buy a product
- sell a product to a trader or someone else
- exercise a cancellation right
- request a refund, repair or replacement
- pay a debt

> The elements of unfair commercial practices

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