# businesscompanion

# trading standards law explained

# **Reviews and endorsements**

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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.

#### This guidance is for England, Scotland and Wales

Businesses, media agencies or individuals that publish opinions (whether online or otherwise) must make sure that content that has been paid for (or otherwise 'incentivised') is clearly identifiable. Otherwise, the business, media agency and the person publishing the content might break the law.

# **Digital Markets, Competition and Consumers Act 2024**

Part 4, Chapter 1 of the Digital Markets, Competition and Consumers Act 2024 (DMCCA) is concerned with preventing unfair trading practices. Under section 225 of the Act, practices are deemed to be 'unfair' if they are listed in Schedule 20. The practice listed in paragraph 13 of Schedule 20 concerns fake consumer reviews and consumer reviews that do not reveal that they have been paid for or incentivised in some other way (for example, by giving a discount, a 'freebie', etc).

A 'consumer review' is any review of any of the following:

- a product. This includes goods (such as clothing or cosmetics), services (such as holidays or music concerts) and digital content (for example, music downloads)
- a trader
- any other matter relevant to a 'transactional decision'\*

[\*An explanation of what the term 'transactional decision' means can be found in 'Protection from unfair trading (criminal law)', along with other information on Part 4, Chapter 1 of the DMCCA.]

You are not permitted to submit, or to commission someone else to submit or write:

- a fake consumer review (one that claims to be, but is not based on, a person's real experience)
- a consumer review that hides the fact that it has been incentivised (where someone has been commissioned to submit or write the review, but this is not clear from the contents of the review or where it is published)

Publishing consumer reviews or 'consumer review information' in a misleading way is also prohibited.

Consumer review information covers information that is derived from, or is influenced by, consumer reviews. It can include such things as overall ratings (five stars etc) review counts (for example, '90 people have given a five-star review') and rankings ('first' for customer approval etc).

Misleading examples would include:

- suppressing negative reviews
- cherry-picking good reviews

You must also take reasonable and proportionate steps to prevent and/or remove from publication:

- fake consumer reviews
- consumer reviews that do not reveal that they have been incentivised
- consumer review information that is misleading

The offering of services to traders to do any of the activities outlined above or to facilitate them is also banned. An example would be a business or individual recruiting people willing to write fake reviews, or offering services to help suppress adverse reviews; or an individual working alone to provide similar services.

#### **Further information**

Paragraph 13 is a new banned commercial practice under the DMCCA, and covers a number of different activities. For more detailed information on it, please see <u>Fake Reviews: Guidance on the Prohibition Under Paragraph 13 of Schedule 20 to the Digital Markets, Competition and Consumers Act 2024</u>, which has been produced by the Competition and Markets Authority (CMA).

The CMA has published <u>guidance for businesses</u> on how they can comply with the law on online reviews and endorsements. Please note that this guidance was published before the DMCCA came into force.

# **Trading Standards**

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

# In this update

Changes made to reflect the coming into force of the Digital Markets, Competition and Consumers Act 2024 (Part 4, Chapter 1: 'Protection from unfair trading').

Last reviewed / updated: April 2025

# Key legislation

• <u>Digital Markets, Competition and Consumers Act 2024</u>

### 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.

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