

Q&A on resale of tickets

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What problems do consumers face when they buy tickets on the secondary market?

Consumers all over Europe have reported problems when buying tickets to cultural and sports events on some unauthorised reselling websites.

These problems include:

- Overpaying for the tickets
- Not being allowed to enter the venue in cases when organisers impose a restriction for tickets bought on unauthorised websites. Unauthorised reselling websites do not inform consumers about the existence of such restrictions and instead continue to sell tickets to the concerned events.
- Never receiving the ticket or receiving a wrong one (ticket to a different event, in a different ticket category etc.)
- Wrongly thinking that the ticket is bought with the official seller (resale of tickets websites often appear as a first result of the online search)
- Not being able to buy tickets for their face value (tickets disappearing almost instantly from the primary market only to re-appear minutes later on the unauthorised reselling websites for much higher prices)
- Serious lack of transparency (no information on the initial price of the ticket, on seat location, or on restrictions on use)
- Hidden fees added only at the end of the booking process (e.g. booking fees, handling/delivery fees etc.)
- Problems with contacting the consumer service
- Problems with enforcing the guarantee schemes advertised by the unauthorised ticket reselling websites

What should consumers do?

We recommend consumers only buy their tickets from the authorised sellers and resellers.

An authorised reseller is a website which has received clearance from the official event organisers to resell tickets. In cases where event organisers only accept certain resale channels, they indicate this on their websites. Buying tickets from an unauthorised reseller carries risks, like not being able to access the venue or unfair conditions imposed. Consumers should always check if there are restrictions for tickets bought on the unauthorised secondary market.

- Check whether the website is an authorised seller for the event they are interested in. Consumers should always pay attention to this. Often unauthorised reselling websites appear at the top of search results (due to paid placements).
- Be careful with unclear statements made on websites.
- Don't get swayed by sentences like "only a few tickets left", "selling fast", "20 other people viewing this event", "less than 2% of tickets left for this event" and similar statements, which are often cons.
- Check if there are specific rules to access a venue, for example, if a ticket has to be accompanied by proof of identity of the name on the ticket or if the event organiser is applying any entry restrictions for the tickets bought at the unauthorised reselling websites.

Unfortunately, it is often very difficult for consumers to effectively enforce their consumer rights in case of problems with tickets they have bought from unauthorised sellers on the secondary market. They should in any case alert their local consumer organisation if they experience any issues.

Which reselling websites operate in the EU?

There are numerous websites reselling tickets to European consumers: Viagogo, StubHub or Mywayticket¹ to name just a few. Some of them operate across the EU while some others only in a specific country.

How do unauthorised reselling websites operate?

Unauthorised resale of tickets websites usually claim that they only list tickets from individual consumers who cannot attend the event. In practice, sellers on these sites are often professionals who list hundreds of tickets for inflated prices, which they acquire either by using a specialised, automatic software (bots) or with the use of multiple credit cards.²

As a result, thousands of tickets appear on unauthorised reselling websites only minutes after the official sales open. In some cases, tickets are being sold before they are officially on sale or before the event itself is confirmed.³

¹ These websites have already been investigated in the past by the consumer authorities in Italy and/or UK, which discovered at the time that some of their practices breach consumer protections laws. For more information see: <https://en.agcm.it/en/media/detail?id=92f3ad3e-c98a-4ee5-8c76-be74d027ea5e> and <https://www.gov.uk/cma-cases/secondary-ticketing-websites#undertakings-offered-by-stubhub-getmein-and-seatwave>

² There were several media reports about the dubious practices of these websites, see for example a recent TV report by ZDF (in German): <https://www.zdf.de/politik/frontal-21/kartenkauf-bei-viagogo-100.html>.

³ see <https://www.marktwaechter.de/pressemeldung/marktwaechterwarnung-fake-tickets-bei-viagogo>

What are the current national and EU rules that regulate the resale of tickets?

There are specific rules in a number of countries⁴ which prohibit or restrict the resale of tickets in one way or another. For example, the reselling of tickets at more than face value (e.g. in Denmark or Belgium) is banned. But in most countries, there are no specific rules in place.

At EU level, several directives are applicable that can provide protection for consumers buying tickets on the secondary market, for example: the use of unfair commercial practices, unfair contract terms or an obligation for traders to provide precontractual information are covered by specific EU directives.⁵

In a recent reform of the EU consumer protection rules⁶, which was part of the European Commission's New Deal for Consumers, legislators agreed for the first time to introduce a specific EU-wide rule related to the resale of tickets. After its formal adoption and entry into force⁷, this new directive will introduce an EU ban to resell event tickets which were acquired by the use of automated software. This is a very good first step to tackle some of the problems related to the resale of events tickets but more EU wide rules might be still needed in the future.

Should the resale of tickets be banned?

No. Consumers who cannot attend an event should be able to resell their ticket to another person.

However, the current situation where big companies are making huge profits on re-selling tickets to consumers at excessively inflated prices is unacceptable.

Consumers should also have a real chance to buy a ticket from the primary seller for the face value. Unfortunately, this is often impossible due to tickets disappearing almost instantly from the primary market in order to be resold minutes later for much higher prices on unauthorised ticket reselling websites. A solution, already used in some countries, is to restrict the field of action of resellers, e.g. by allowing ticket resale at no more than the original seller's price of the ticket.

In some countries there are websites which allow a fair resale of event tickets for not more than the price initially paid for them.

⁴ For an overview of the national laws in place regulating the resale of tickets in some of the EU countries, see the following page prepared by the network of the European Consumer Centres: <https://www.europe-consommateurs.eu/en/news-and-alerts/sports-and-events/the-resell-of-tickets-in-the-eu-forbidden-or-allowed/>

⁵ Unfair Commercial Practices Directive (2005/29/EC), Unfair Contract Terms Directive (1993/13/EC), Consumer Rights Directive (2011/83/EC).

⁶ Proposal for a Directive on Better Enforcement and Modernisation of Consumer Protections Rules (COM(2018) 185 final).

⁷ We expect this directive to be applicable across the EU from 2021, after its transposition into the national legislation.

What are the authorities doing in response to existing consumer problems in this sector?

There are consumer authorities that are investigating the issue. Some of them have already issued fines against specific websites⁸ or brought them to court.⁹

However, part of the problem is that these companies can move their offices from one country to another to avoid legal action. This has been the case for the most infamous of these reselling websites - Viagogo.

Viagogo is not respecting a UK court order secured by the Competition and Markets Authority. The UK authority has announced that it will take new legal action to ask the court to find Viagogo in contempt which could lead to heavy fines or prison sentences¹⁰. In the meantime, Viagogo has moved to Switzerland and on to the US.

From January 2019, national authorities working together at European level will have stronger powers and will be able to fine or even close down websites following an investigation.

BEUC and its members, national consumer organisations, are calling for the network of national consumer authorities (the CPC network) to launch a formal coordinated enforcement action and effectively stop ongoing breaches of EU consumer protection law by Viagogo.

What else are consumer groups up to on this issue?

In Belgium, consumer group Test Achats/Test Aankoop launched a *collective* action against eight reselling websites based in the Netherlands in 2017 for compensation (action is still pending) and one action to ask compensation for an individual consumer against Viagogo (the final court decision is in favour of the affected consumer).

In Germany, the Consumer Advice Centres of Bavaria and of Baden-Württemberg launched two injunction cases against Viagogo (actions are still pending). BEUC member vzbv has also commissioned a legal study on the topic of the resale of tickets, which was published in 2018.¹¹

In Switzerland, a consumer group Fédération Romande des Consommateurs (FRC) filed a criminal complaint against Viagogo, based on Swiss unfair competition law. In 2018, they launched an awareness raising campaign¹² with well-known partners such as FIFA, UEFA, Fnac or EBU (organiser of the Eurovision contest). Their campaign laid the foundation for the co-ordinated campaign that we are launching on 6th June.

In Italy, consumer group Altroconsumo filed a complaint to the Italian Consumer and Competition authority which resulted in a €1.7 million fine against Ticketone (which is a primary seller) and against Seatwave, Viagogo, Ticketbis and Mywayticket (secondary sellers).

⁸ <https://en.agcm.it/en/media/detail?id=92f3ad3e-c98a-4ee5-8c76-be74d027ea5e>

⁹ <https://www.gov.uk/cma-cases/secondary-ticketing-websites>;
<https://www.seco.admin.ch/seco/en/home/seco/nsb-news/medienmitteilungen-2017.msg-id-68311.html>

¹⁰ <https://www.gov.uk/cma-cases/secondary-ticketing-websites>

¹¹ <https://www.marktwaechter.de/pressemeldung/verbraucherfrust-beim-online-kauf-von-eintrittskarten>

¹² <https://www.frc.ch/be-careful/>

In Denmark, consumer group Forbrugerrådet Tænk is currently supporting an awareness campaign¹³ launched by the Danish national consumer authority to warn consumers about buying event tickets from resellers. This campaign is a follow-up to their previous campaign launched in 2018, where they built an alliance with over 100 Danish venues, festivals, sport and concert organisers and authorised ticket sales agencies.

In the UK, consumer group Which? conducted extensive research on this topic and shared the evidence with its national authority.

In Australia, consumer group CHOICE published a report "Sold out: consumers and ticket resale industry"¹⁴ in 2017.

Who started this campaign?

Swiss consumer group Fédération Romande des Consommateurs (FRC) started its awareness campaign of the problems related to the secondary market for tickets in October 2018. After receiving many complaints from consumers in this area, the organisation decided to launch a big campaign with organisers of large cultural or sporting events to warn consumers of the risks of the secondary ticket market. Their partners include FNAC, UEFA and the European Broadcasting Union.

All the material used by BEUC's members was developed by FRC.

¹³ <https://kum.dk/temaer/billetblind/>

¹⁴ https://d3c7odttnp7a2d.cloudfront.net/assets/4593/Ticket_Resale_Industry_Report_2017_Final.pdf