

Euronics cooperates to mitigate consequences of misleading promotions

Shopping rush: why correct price labelling is important

19 December 2022, Budapest – The Hungarian Competition Authority (GVH) has found that the Euronics retail chain advertised certain products on its website with untrue discounts. Cooperation with the competition authority – admitting to the infringement, undertaking various commitments and waiving the right to appeal – eventually reduced the fine imposed on the undertaking to HUF 1.2 million.

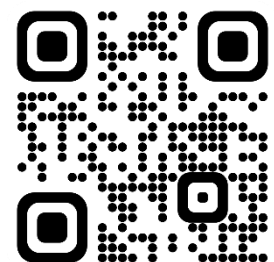
The Hungarian Competition Authority [launched proceedings at the beginning of the year](#) against Vöröskő Kereskedelmi és Szolgáltató Kft, the operator of Euronics stores in Hungary to investigate the legality of promotions advertised on the website of the retail chain at the end of last year.

The investigation revealed that certain product prices marked as 'original' had not been applied for a long enough period and therefore could not be considered as typical prices for the products in question. The false promise of savings compared to these prices was in fact misleading for the consumers.

In the course of the proceedings the operator of the retail chain cooperated with the competition authority by admitting to the infringement, waiving its right to appeal and undertaking a set of commitments to prevent future infringements and to raise consumer awareness. As for the latter, the retail chain will raise awareness of major consumer protection issues and the dangers of hidden unfair practices in internet commerce known as "dark patterns" on its website. The GVH Competition Council also took into account the fact that during the procedure unlawful price indication was proven only for a few products and for a limited period of time (a couple of days). Based on the above, the Hungarian Competition Authority imposed a fine of HUF 1.2 million on the undertaking.

In order to eliminate misleading price indications and subsequent false discounts aiming to advertise special offers for short periods, new [EU-wide rules entered into force](#) from the end of May 2022. Based on these rules which were not yet in force at the time of the investigated Euronics promotions, as a general rule, merchants should indicate the lowest price applied for the previous period of minimum 30 days as the original price when advertising discounts.

To facilitate the application of the new rules, [the GVH has prepared an educational video for merchants on the lawful practice of price indication and promotion](#) so that consumers can consider the promised discounts more easily.



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GVH Public Service and International Section

Further information:

Bálint Horváth, Head of Communication +36 20 238 6939

Katalin Gondolovics, Spokesperson +36 30 603 1170