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Confédération suisse
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Federal Department of Economic Affairs FDEA
State Secretariat for Economic Affairs SECO

**Disclosure of prices
and advertising for
travel deals**

**Ordinance of
11 December 1978
on the Disclosure of
Prices (PDO)**

**Fact sheet
dated 1 June 2006**

1. Legal basis and purpose

The PDO (SR 942.211) is based on the Federal Act of 19 December 1986 on Unfair Competition (UWG; SR 241). It has the aim of ensuring that prices quoted to consumers are clear and comparable with each other. The PDO is intended to prevent misleading price information (Art. 1). The duty to disclose the true price is an instrument used to encourage and uphold the principles of fair trading.

Cantonal offices are responsible for the implementation of the Ordinance (Art. 22). The Federal Department of Economic Affairs exercises supervisory control; it has delegated this task to the State Secretariat for Economic Affairs (SECO) (Art. 23).

2. When does the PDO apply?

The PDO applies to products and to the Federal Council-designated services that are offered for sale to consumers (Art. 2 para.1 let. a and c). The services to which the requirement to disclose the true price applies are listed in Article 10. In addition, the Ordinance applies to consumer advertising for all products and services (Art. 2 para. 1 let. d).

Consumers are defined as persons who purchase products or services for purposes that have no connection with their commercial or professional activities (Art. 2 para. 2).

For the travel industry, the provisions of Article 10 paragraph 1 letters n (package tours) and o (booking costs), paragraphs 2 and 3, Article 11 paragraphs 1 and 2, as well as Articles 13 to 18 of the PDO are applicable. To summarise, this means that:

- the mandatory disclosure of prices applies to:
 - package tours (see Section 4)
 - booking costs at the travel agent (see Section 6)
- The requirement to disclose the full price also applies to advertisements, where they actually quote a price, for:
 - all forms of travel such as journeys by air, rail or boat, individual or adventure tours, package tours, incl. cruises, modular tours, direct journeys (see Section 5)
 - other offers of tourist services (see Section 5)
- The requirement to disclose the booking fee in the advertising applies to:
 - travel businesses/tour operators (see Section 7.1)
 - direct advertising by travel agents and tour operators (see Section 7.2)

3. The principle of disclosing the full price

The price given to consumers must be the price that they **actually have to pay**. This is the **total price of the journey including public taxes, port and airport taxes, security charges, entry and exit taxes, fuel surcharges and other surcharges not related to the individual traveller or that are not optional**. Additional non-optional charges or charges related to the individual include cancellation insurance and travel insurance, visa fees, and possible surcharges for using a more expensive sales channel or for making payment by credit card.

4. Package tours

4.1 Application of the PDO

In the case of package tours, customers must be provided with clear and unambiguous pre-contractual information on the price, the extent of the services it covers and nature of the services offered (Art. 10 and 11 PDO).

The definition of “package tour” is that contained in the Federal Act of 18 June 1993 on Package Tours (SR 944.3). In accordance with its Article 1 paragraph 1, a package tour is the combination of a minimum of two of the following services,

agreed in advance, provided this combination is offered at a single price and the trip lasts for longer than 24 hours or includes an overnight stay:

- a. transport;
- b. accommodation;
- c. other tourist services that are not services ancillary to transport or accommodation and that represent a substantial part of the overall arrangement.

4.2 Disclosure of prices and specification

In the case of package tours, the price that actually has to be paid must be given in Swiss francs. The price that actually has to be paid is defined as the total price of a package tour including public taxes, port and airport taxes, entry and exit taxes, security charges, fuel surcharges and other surcharges not related to the individual traveller or that are not optional (Art. 10 PDO).

The information on prices must indicate the type and unit of the service (for example, number, unit of time) or the charge rates on which the price is based (Art. 11 para. 2 PDO). The following details may be used to specify the price:

- **Destination, travel route;**
- **Duration of the arrangement** (in days or nights, weeks of 7 days or nights);
- **Time limits for the offer** (specific seasons, weeks etc.; travel dates if are limited to individual dates or days of the week);
- **Means of transport:** its features and class;
- **Meals:** (with or without breakfast, half-board, full-board);
- **Accommodation:** the location, category or level of comfort and the main amenities of the accommodation (indication of whether a single, double, or three-person room, apartment, bungalow, etc.).
- **Indication of individual-related or optional surcharges:** These include cancellation and travel insurance, visa fees, any booking fees, and possible surcharges for payment by credit card.

The requirement to indicate the total price means that for package tours, a minimum of the airport and other taxes charged by the airport of departure must be included in the total price. The airport and other taxes of the other possible departure locations may be given in a list or table to indicate where the charges are higher or lower.

Example: Mykonos, Hotel Mykonos***, Double room, Half-board, seven days/ nights, with Mykonos Air; every Monday from Zurich, 1000 CHF (incl. all surcharges). Departures from Geneva + CHF 150; from Basel + CHF 50; from Lugano - CHF 100; or

Day of departure	Airport	Surcharge/Reduction
Monday	Zürich	-----
Wednesday	Geneva	+ 150
Thursday	Basel	+ 50
Friday	Lugano	- 100

4.3 Method of disclosing prices

The prices and the related services must be indicated in a readily accessible and easily legible manner in catalogues, brochures, price lists, special offer flyers, etc. The same principles also apply to websites. In travel agencies as well as at travel fair stands, the price information must be printed, mounted or affixed everywhere that potential customers might stop and look at what is on offer.

Merely providing verbal information is not enough to comply with the provisions on the disclosure of prices.

In relation to “from prices” and “eye-catchers”, see Section 5.3.

4.4 Travel brochures from foreign operators with offers in foreign currencies

The PDO requires for package tours that the price that actually has to be paid must be indicated in Swiss francs (Art. 10 para. 1). In order to comply with the principle of comparability of prices, the following applies to travel brochures from foreign operators which contain offers in foreign currencies (for example in €, \$):

- The price list in a foreign currency in the brochure must be accompanied by a price conversion table.
- The price conversion table must present in an easily legible manner each price shown in the price list in a foreign currency with the corresponding amount in Swiss francs opposite. For example: 29 Euro = CHF 44;
159 Euro = CHF 239;
1399 Euro = CHF 2099.
- The rate of exchange used in the price conversion table, which must apply for the entire term of validity of the brochure and its price list, must be indicated on the front page of the brochure and of the price list.
For example: 1 Euro = CHF 1.50.

- Any prices indicated in CHF in advertisements relating to offers contained in the brochures must be the same as those in the price conversion table.

5. Advertisements for flights and individual and other travel deals

5.1 Principle

The requirement to disclose prices in advertisements applies to all travel deals, whether simply for flights, train or boat journeys, individual, modular or package tours, day trips, trips at home or abroad, or round trips, where the flight, tour or trip, etc., is advertised with the price, irrespective of the possible means of transport. However, the PDO does not apply to advertising that does not provide price information. On the other hand, if prices are given in the advertisement (e.g. "Paris for Fr. X"), or if a reference is made in figures to price frameworks or price limits (minimum or maximum prices, such as "Berlin from Fr. X"), then the price that actually has to be paid must be indicated and the travel deals must be specified (Art. 13 and 14 PDO). The regulations on the misleading disclosure of prices that also apply to advertising must be complied with (Art. 16 to 18 PDO).

The price that actually has to be paid is defined as the total price of a journey or an offer and includes public taxes, port and airport taxes, entry and exit taxes, security charges, fuel surcharges and other surcharges not related to the individual traveller or that are not optional.

If travel deals advertised in Switzerland can be booked in Switzerland, the price that actually has to be paid must be indicated in Swiss francs. This also applies to online offers that are directed towards Swiss customers.

An offer advertised with a price must be obtainable at the price advertised via one of the possible sales channels without any further surcharges being added. The advertising relating to the price must therefore indicate clearly where or through which sales channel the travel deal can be obtained at the price indicated.

Advertisements, catalogues, brochures, posters, advertising on internet homepages or in e-mails, as well as in advertising banners on the internet are self-contained advertising media. Accordingly, in each individual advertising medium, without exception, the offers must include an indication of the total price, contain a specific of the arrangement and be understandable in their own right.

5.2 Specification

In advertisements, travel deals must be described in such a way that the essential information for customers, such as the destination, duration of the arrangement, time limit for the offer, means of transport, meals, accommodation (medium-class hotel, double rooms, etc.) and excursions can clearly be seen. In the case of offers for flights, a clear indication must be given of whether the price relates to a return ticket or an individually bookable one-way flight.

Possible surcharges due to individual traveller requirements or options must be indicated in an easily legible manner. Such surcharges may include cancellation and travel insurance, visa fees, any fees charged for providing advice, sleeping car or couchette costs, or any surcharge for payment by credit card.

Examples:

- “Book your flights to Rome on the internet for CHF 99; Internet address www...”
- “Flights to Rome for CHF 99 if you book online (for bookings via our Callcenter 0844 11 cents/min.; bookings at our airline desk are subject to an additional charge of CHF 30.– ; bookings at a travel agent may include a booking fee charged by the agent).”

- “Take the night train to Berlin for CHF 120. Available at any station ticket office. Additional charge for extras such as reclining seat, sleeping car, etc.”

As Swiss airports charge varying rates of airport taxes for flights from Switzerland, advertisements must clearly indicate the airport to which the price including airport taxes relates. If the advertisement is also intended to apply to flights from other national airports, reference can be to this by indicating the relevant surcharge.

Example:

- “Barcelona for 139 CHF from Geneva. Offer also available at a maximum additional cost of CHF 40 from Zurich, Basel, Bern and Lugano.”

5.3 “From prices” and eye-catchers

In relation to “from prices”, the offer available at the “from price” must be described precisely and in exactly the same way as all other price offers that do not contain a “from price”. The “from price” is normally only the lowest possible price for a journey, which is tied to certain conditions, such as a limited number of seats at this price, limited flight dates and times, early booking, one-way flights, etc. In terms of the PDO, “from prices” are permitted only if the spe-

cial conditions under which the “from price” applies are clearly indicated. The services included in the “from price” must be indicated without having to search for them. This can be done by making the conditions tied to the “from price” (in particular flight dates) and the services included in the price a direct part of the eye-catcher or at the very least by including such details in a price table on the same page. In the case of eye-catchers in advertising banners, on internet homepages or in e-mails, the conditions must appear in the same window as the eye-catcher.

This applies to each journey or tourist service that is advertised with details of its price.

5.4 Advertising media

The foregoing principles apply irrespective of the advertising media used to offer travel deals with an indication of the price. The media may be catalogues, advertisements, brochures, flyers, billboards, radio, Teletext, TV, telephone, e-mail or internet.

6. Fees for advice and services at the travel agent (Art. 10 para. 1 let. o)

The fees for advice, services, booking, or orders are the charges paid for advice or for

the booking of a journey at the travel agent (making arrangements, providing advice, making reservations, etc.). The level of the fee depends on the individual travel agent or booking office.

Travel agents or booking offices issue a price list for the services they charge separately for. This price information must be easily accessible to customers and easily legible (see also Section 4.3 “Method of disclosing prices”). The same conditions with regard to transparency also apply to websites.

7. Fees for advice and services in advertisements (Art. 13 PDO)

7.1 Travel businesses / Tour operators

The price advertising of travel businesses or tour operators that offer their products through travel agents must give notice in the relevant advertising medium (catalogues, brochures, advertisements, TV, Tele-text, internet, etc.) that if a booking is made through a travel agent an extra fee may be charged (e.g. “booking through a travel agent may be subject to a booking fee”, “additional advisory fee possible”, etc.).

7.2 Direct advertising by travel agents and / or tour operators

Travel agents and/or tour operators that offer their services exclusively and directly to consumers must publish the price that actually has to be paid in their advertising, i.e. either the final price including specific advisory or service fees and any other surcharges, or the tour price alone if no additional fee is charged.