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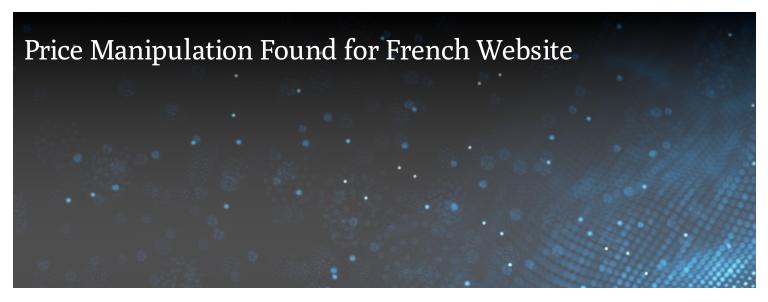
Price Manipulation Found for French Website

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Earlier this year, France's data protection authority (CNIL) and consumer protection and antitrust authority (DGCCRF) released a preliminary joint statement acknowledging that while their investigation of certain French travel websites found no evidence that they tracked user Internet Protocol (**IP**) addresses to "modulate" prices, evidence was found to demonstrate that French websites employed other ways to "modulate" said prices. The investigation, came about as a result of complaints from users that argued IP tracking was occurring and websites kept IP addresses of internet users who visited said travel websites to check tickets prices, without buying them. When same users returned, prices increased, since the website recognized the IP address. However, evidence demonstrating that other commercial ways were found to "modulate" prices was found; this included yield management software – which means that prices change on when a user visits the site – as well as behavioral marketing. As an example, prices would change on the basis of numbers of seats available, and booking fees changed at different times of the day. As some of these methods remain to be legal, investigation continues for the two authorities.

Tip: Tracking IP addresses in France to modulate prices creates issues in terms of not only protection of personal data, but also unfair commercial practice, and could subject your company to hefty fines especially if you do not obtain consent prior to storage and process them on legitimate grounds and for the purpose you specified.

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