

DECISION REGULATION IMPACT STATEMENT

# **TICKET RESELLING IN AUSTRALIA**

2018

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# GLOSSARY OF TERMS

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ACCC Australian Competition and Consumer Commission

ACL Australian Consumer Law

CAANZ Consumer Affairs Australia and New Zealand

CAF Legislative and Governance Forum on Consumer Affairs

COAG Council of Australian Governments

LPA Live Performance Australia

RIS Regulation Impact Statement

# EXECUTIVE SUMMARY

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In Australia, the live performance and sporting event industries make up an important part of the economy. According to Live Performance Australia (LPA), the peak body for the live performance industry, an estimated total of 18.78 million tickets to live performances (excluding sporting events) were sold in 2016, equating to a value of \$1.43 billion (Live Performance Australia, 2017a). According to data collected by AusStadiums, attendance at live sporting events in Australia in 2016 was around 17.3 million.

The market for tickets in Australia is large and consists of the primary ticket market where tickets are first sold by an official ticket seller and the secondary market where tickets are resold. The secondary market for tickets can be divided into two main market segments: the ticket scalping market and the ticket onselling market. There are important differences between the ticket scalping and ticket onselling segments of the market. Generally, ticket scalpers sell tickets at an elevated price with the objective of making a profit, while ticket onsellors sell tickets that they are no longer able to use at their face value with the objective of recovering their costs and ensuring that purchased tickets are not wasted. The latter is often thought of as a more legitimate practice than the former.

While the secondary market for tickets provides opportunities for people to recover the full or part of the cost of tickets they can no longer use and allows another party to benefit from the unused ticket, the secondary market also creates opportunities for consumers to be exploited when they do not have enough information to make informed purchasing decisions. Consumers who purchase tickets through ticket resale websites in the secondary market may not be aware that they are buying those tickets from unauthorised sellers for prices generally above the original face value of the ticket. Ticket resale websites can look and feel like official ticket seller websites, misleading consumers into thinking that they are buying their tickets through official channels. In addition, most resale websites do not disclose important information that can assist consumers in making informed purchasing decisions, such as the face value of the ticket being sold and the location of the ticket in the venue. Until recently, most resale websites did not disclose that they are resale websites rather than the primary ticket seller.

Further, there is evidence that the use of ticket-buying bot software is being employed by ticket scalpers. The software can infiltrate ticket selling systems to purchase large volumes of tickets at high speed for the purpose of selling them on the secondary market at inflated prices. The use of this software creates an unfair advantage to ticket scalpers over legitimate consumers seeking tickets, eroding fair access.

Broadly, ticket reselling and ticket scalping is not illegal in Australia. In some States and Territories, ticket reselling and ticket scalping are primarily regulated under 'major events' legislation that restricts, or prohibits, ticket reselling or scalping in that State or Territory. The relevant enforcement bodies include, for example, police officers in Victoria and in Queensland.

The Australian Consumer Law (ACL) and the safety net of generic consumer protections that it provides, together with existing State and Territory laws, provide a level of coverage to address issues associated with ticket reselling and ticket scalping in the secondary market. The ACL contains a number of different existing provisions that can be used to address issues associated with ticket reselling and ticket scalping. These include provisions that prohibit misleading and deceptive conduct, false and misleading representations, unconscionable conduct, bait advertising and wrongly

accepting payment. The consumer guarantees regime can also provide consumers with remedies in relation to resold tickets. In addition, some States and Territories also have in place 'major events' legislation to restrict or prohibit ticket resale and prevent ticket scalping.

The use of ticket-buying bots is not illegal in Australia, with the exception of a ban in New South Wales which commenced on 1 June 2018.

While these existing laws provide a level of coverage to address issues associated with ticket reselling, their effectiveness depends on consumers understanding their rights under the ACL (and other legislation) and being able to take action when they believe those rights have been breached.

There is scope for the Government to take action to improve the operation and efficiency of the secondary market to ensure that consumers can make more informed purchasing decisions as well as having fairer access to tickets.

The policy options analysed in this RIS are:

- **Option 1** — Status quo, with consumer education
- **Option 2** — National prohibition on ticket reselling
- **Option 3** — Restricted reselling
- **Option 4** — Improved information disclosure arrangements for ticket resellers
- **Option 5** — National ban on the use of ticket-buying bot software

A Consultation Regulation Impact Statement (C-RIS) was released for public consultation on 17 November 2017. Consultation closed on 15 December 2017. The C-RIS identified the problems that exist with the secondary ticket market and presented five options to address these problems with the policy objective of reducing consumer detriment.

Treasury, on behalf of Consumer Affairs Australia and New Zealand (CAANZ), conducted face to face consultations with key stakeholders in Melbourne (22-23 November 2017) and Sydney (1-2 December 2017). Treasury received 16 formal submissions to the consultation process and 377 informal consumer comments.

The key findings from the consultation process were:

- strong support for the continued existence of the secondary ticket market;
- strong support for stronger enforcement of the ACL;
- strong support for a national approach to ticket reselling;
- strong support for a consumer education campaign;
- some support for a cap on the price of tickets and strong support for information disclosure; and
- strong support for a ban on ticket-buying bots.

This RIS presents a baseline analysis of the qualitative costs and benefits of the five policy options, and includes a quantitative estimation of the regulatory compliance costs as set out in the Regulatory Burden Measurement Framework.

Improved disclosure arrangements for ticket resellers (**Option 4**) is the preferred policy option. This option provides the greatest net benefits to consumers, based on a qualitative assessment of the costs and benefits. It also represents an acceptable level of compliance cost to business when evaluated alongside this qualitative net benefit.

Improved information disclosure will address the information asymmetries that have been identified in the secondary ticket reselling market and ensure that consumers have access to the information that they require to make more informed consumption choices. This policy option would also ensure that consumers continue to have access to a range of ticket purchasing options and avenues to suit their wants and needs; that consumers who wish to resell their tickets for reasons other than profit are able to continue to resell their tickets; and that the market for tickets operates efficiently. Further, this policy option will not risk the creation of a black market for resold tickets. This option is a light touch, low-cost regulatory response and is similar to disclosure regimes in other international jurisdictions.

A national ban on the use of ticket-buying bots is likely to reduce bot activity and give consumers fairer access to tickets. Further work will be required to develop an enforcement and penalty regime for the ban.

Detailed analysis of the costs and benefits of each option are outlined in Chapter 3.





# 1. THE PROBLEM

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## SUMMARY

The market for tickets to live performance and sporting events in Australia is large. The market for tickets consists of a primary ticket market where tickets are first sold and purchased, and a secondary ticket market where tickets are onsold or scalped.

Ticket reselling practices can cause a number of consumer harms including consumers being misled about the tickets they are purchasing due to information asymmetries in the secondary market which prevent them from making informed purchasing decisions; exposure to the risk of ticket cancellation because of contraventions of ticket terms and conditions; and exposure to potential scams and frauds because unofficial ticket resale websites can provide a platform for deception.

In addition, consumers' fair access to tickets is being undermined by the use of ticket-buying bots.

## THE MARKET FOR TICKETS

In Australia the live performance and sporting event industries make up an important part of the economy. According to Live Performance Australia (LPA), the peak body for the live performance industry, an estimated total of 18.78 million tickets to live performances (excluding sporting events) were sold in 2016, equating to a value of \$1.43 billion (Live Performance Australia, 2017a). According to data collected by AusStadiums, crowd attendance at major live sporting events in Australia in 2016 was around 17.3 million.

The market for tickets in Australia consists of the primary ticket market, where tickets are first sold and purchased, and the secondary ticket market where tickets are onsold or scalped.

### Overview of the primary ticket market

There are various participants in the primary ticket market for tickets including artists and performers, event promoters, venue managers, ticket sellers and consumers. When tickets to events are first sold, they are sold in the primary ticket market at face value. Face value is the value printed or depicted on the ticket to indicate its official purchase price. A ticket's face value is ultimately determined and set by artists and promoters.

Promoters play an organisational role in the event, coordinating between the artist or performer and the venue, and contracting with various companies that will help put on the event such as transport and sound and lighting companies. The promoter also negotiates revenue sharing arrangements between the artist, the venue, the ticket seller and any other relevant market participants.

In Australia, official ticket selling companies, such as Ticketek and Ticketmaster, negotiate exclusive ticket selling rights with venues around the country to sell tickets to events held at those venues. Artists and promoters will negotiate with venues to host events, and the ticket seller that has the exclusive rights to sell tickets for the particular venue will be the official ticket seller for the event. Tickets sold by the official ticket seller are sold in the primary ticket market, and the ticket seller will collect a ticket processing or booking fee.

## Overview of the secondary ticket market

In addition to the primary ticket market, a secondary ticket market also exists. When tickets are sold by anyone other than the official ticket seller, they are sold in the secondary market for tickets.

Consumers value having access to a secondary ticket market for a number of reasons including convenience, time saving and avoiding ‘the hysteria’ of the ticket sales process (CHOICE, 2017, p. 10). In addition, the secondary market is also useful for ‘late movers’ who may have reason to delay their purchasing decisions. More ticket resale options can increase market efficiency because secondary markets create channels where tickets go to the consumers who value them the most (Courty, 2003, p. 85).

The secondary ticket market can be divided into two main market segments: the ticket scalping market and the ticket onselling market. There are important differences between the ticket scalping and ticket onselling segments of the market. Ticket scalpers sell tickets at an elevated price with the objective of making a profit, while ticket onsellers sell tickets that they are no longer able to use at their face value (or below) with the objective of recovering all (or part) of their costs and ensuring that purchased tickets are not wasted (Sa and Turkay, 2013, p. 628). Ticket scalpers take on a risk if tickets cannot be onsold or are onsold below the original face value of the ticket.

During the stakeholder consultation process, consumers expressed strong support for the continued existence of the secondary ticket market, with many consumers indicating that the existence of the market is important to their interests.

*I think it is vital and integral to have the secondary market for tickets open. It is handy for myself personally, as I have picked up many a bargain, and many a ticket I would otherwise not have been able to obtain.*

Consumer Comment [Mitch Rapp]

Most consumer respondents noted how much they value the secondary ticket market because they benefit from having options to resell their tickets when they can no longer attend an event.

*Ticket reselling has a useful purpose for consumers who find they have tickets but can no longer attend a concert or other event. If tickets cannot be resold then with ticket prices so high there could be meaningful financial loss to the individual. The alternative is that consumers are put off buying in the first place due to the perceived risk of loss. The potential consequence of this is that fewer tickets can be sold resulting in fewer events being staged leading to over loss to the general economy.*

Consumer Comment [Richard Brooks]

*Legitimate tickets resellers such as Ticketmaster Resale are extremely helpful for people like myself, who on occasion, cannot attend events previously booked. I myself would have lost over \$700 if I had not been able to on sell my tickets. Having a legitimate site, where tickets are uploaded and barcodes amended was a lifesaver.*

Consumer Comment [Anonymous]

Similarly, many consumers indicated that they value the secondary ticket market because it allows them to delay their purchasing decisions, as well as allowing them to obtain tickets to events that are sold out.

*Tickets for highly popular events are sold out well in advance, regardless of the secondary ticket market. Unfortunately, I cannot always know in advance which events I will be able to, or would like to, attend. Without secondary ticket sellers, I have no real way of attending those events if and when I decide to attend; finding individuals who, for whatever reason, no longer want their ticket and are willing to sell it, involves wading into the scam laden world of Gumtree and Craigslist.*

Consumer Comment [Sam Loeb]

*As a member of the public who has used an official ticket reseller outlet, I think having a secure and official forum to resell tickets is a good idea. It gives security to the purchase as you know that it will be a valid and read ticket.*

Consumer Comment [Anonymous]

## **Ticket Scalping**

Ticket scalping is the unauthorised reselling of tickets to entertainment and sporting events, at a price higher than the ticket's original face value. Ticket scalpers purchase tickets in the primary ticket market with the deliberate intention of making a profit (Senate Economics References Committee, 2014, p.1). Ticket scalpers may charge different elevated prices for each individual seat depending on its desirability in the venue (Courty, 2003, p. 88). Ticket scalpers exploit the consumers' willingness to pay, and those consumers who are not willing to pay a premium may miss out on the most attractive tickets. Ticket scalping is often seen as deceptive, unfair and unethical (Griggs, 2006, p. 291).

Generally, in order for ticket scalpers to make a profit, the official ticket seller must not have any tickets to sell at the same time in the primary ticket market (that is, the event must be sold out). The ticket scalper can make a profit when demand exceeds the available (inelastic) supply, profiting from the residual scarcity of the product. However, ticket scalpers can also make a profit if the specific/preferred tickets that consumers desire are no longer available in the primary market, such as front row tickets or tickets in sections with better views. Further, ticket scalpers can also make a profit when consumers are not aware that there are still tickets available in the primary ticket market; otherwise buyers would just make their ticket purchase through that market.

The stakeholder consultation process found that the majority of shows in Australia do not sell out in the primary market. Promoter and primary ticket seller estimates of the percentage of sell out shows in Australia varied widely between 5 per cent and 35 per cent of shows. One stakeholder noted:

*The hard truth, is that very few events in Australia sell out. There are only a handful of shows where demand vastly exceeds supply. For those events, it is understandable that fans are frustrated they were not able to buy tickets when they go on sale, but such events are the exception, not the rule.*

Confidential Submission

Further, those shows that do sell out typically do not sell out until a few days before the event. One promoter estimated that while only a small percentage of shows sell out, the majority of shows do sell more than 75 per cent of tickets. Therefore, given that shows in Australia are generally not sell-outs but are still quite popular, the profitability of scalping behaviour in the secondary ticket market generally appears to be driven by the supply of specific/preferred tickets and a lack of consumer awareness of the availability of tickets remaining available in the primary market.

Ticket scalping practices fall into two main categories. First, traditional or in-person ticket scalping and second, modern or online ticket scalping. Traditional scalping practices generally see ticket scalpers selling tickets in the secondary ticket market by standing outside event venues on the day of the event. Tickets scalped outside events are generally done so for cash payment. Modern scalping practices generally see ticket scalpers selling tickets in the secondary ticket market online where they are able to reach a wider audience of people. Modern scalping techniques rely heavily on virtual markets and online trading platforms. Online ticket reselling platforms have become increasingly prevalent in recent years, as they are generally cheap to establish and are associated with reduced transaction costs (Sá and Turkay, 2013, p. 628). eBay noted that:

*The secondary market has always existed. The internet has made it more visible, safe and competitive which helps drive down costs.*

eBay | StubHub | Gumtree Submission

The increasing prevalence of online ticket selling platforms has made it difficult to contain the activities of ticket scalpers (Senate Economics References Committee, 2014, p. 8). The stakeholder consultation process found that promoters and primary ticket sellers believe that ticket reselling has grown exponentially in the last five years. Live Performance Australia noted that:

*Feedback we receive from our Members is that ticket reselling/scalping is a major growing concern. Ticket reselling and scalping affect all types of live events – from world renowned artists performing in stadiums to local acts performing in regional venues.*

Live Performance Australia Submission

Buying a ticket from a ticket scalper, whether in person or online, typically carries with it two main risks. First, there is a risk that the ticket may not be genuine or may not be provided at all. Second, there is a risk that the ticket may be cancelled by the event organiser, as many tickets carry conditions that restrict resale or transfer. However, it is often difficult for ticket sellers in the primary ticket market to identify tickets that have been resold.

In Australia, the major ticket selling platforms used by ticket scalpers include Viagogo, TicketmasterResale, eBay and Gumtree (Senate Economics References Committee, 2014, p. 8). While ticket scalping often makes headlines in the media, especially in relation to big name and popular events, there is no clear data on how many tickets are scalped each year in Australia.

## **Ticket Onselling**

Ticket onselling is the selling of tickets, usually at their face value, that are no longer able to be used by the original purchaser. The reasons for onselling tickets are varied and include circumstances where consumers can no longer attend an event due to unexpected work or family commitments, illness, or their favourite team or artist is no longer playing in the event. The secondary ticket market provides the opportunity for people to recover, in full or in part, the cost of their ticket and allows another party to benefit from the unused ticket (Senate Economics References Committee, 2014, p. 7). As noted, consumers have indicated that they value having access to a secondary ticket market to buy and sell unwanted tickets.

*The ability to continue to resell tickets is critical to this industry – circumstances change and purchasers may no longer be able to attend. Further, people who were unavailable to make a purchase when the tickets originally went on sale have the opportunity to do so.*

Ticket onsellors use websites to resell their tickets to those willing to buy them. Sellers use online reselling platforms to connect with buyers, but the delivery of tickets is generally conducted exclusively between the seller and buyer, with the seller usually sending the ticket directly to the buyer (Schroeder et al, 2012, p. 26).

In Australia, the major ticket onselling websites are Viagogo, TicketmasterResale, StubHub (owned by eBay), Twickets and Gumtree (owned by eBay).

## **CHARACTERISTICS OF THE PRIMARY TICKET MARKET CONTRIBUTE TO THE EXISTENCE OF THE SECONDARY MARKET**

There are characteristics inherent in the primary ticket market for tickets that contribute to the existence of a secondary ticket selling or resale market, including:

- a perfectly inelastic supply of tickets coupled with circumstances where demand for tickets can exceed supply for popular events;
- ticket resellers having early or priority access to tickets through pre-sales and the like (ticket allocation and availability);
- ticket underpricing that creates opportunities for profits to be made by reselling tickets; and
- a lack of variation of prices between tickets based on quality, which provides opportunities for tickets to be resold at different prices based on the differences in quality.

### **Perfectly Inelastic Supply for Tickets**

The supply of tickets for shows and events has an important impact on the price of tickets in the primary and secondary markets. The supply of tickets depends on a number of factors, including the capacity of a venue and the number of shows that will be held.

Generally, ticket markets have a perfectly inelastic supply in the short run. A perfectly inelastic supply occurs when a change in the price of a good or service has no effect on the quantity supplied. Usually if the price of a good increases, a firm would like to supply more of the good or service. However, in the case of tickets, given entertainment and sporting venues have a restricted physical capacity, there is generally a restricted or finite supply of tickets and little capacity to increase ticket supply. When supply is perfectly inelastic and sufficient demand for tickets exists, ticket sellers and importantly ticket resellers, can increase ticket prices resulting in consumers having to pay more for tickets.

The issue of perfectly inelastic or finite supply of tickets is more serious for events that are strictly 'one show only', like sporting events such as grand finals, because the match can only be played once, and therefore there is a finite supply of tickets based on capacity at the event. This finite supply of tickets, coupled with the demand for the event, can make those tickets more valuable. Conversely, for events where there are multiple shows or viewings, such as a music concert or

theatre production, the supply of tickets becomes less inelastic over time. The less inelastic the supply of tickets over time, the less impact on price.

Artists and promoters are sometimes accused of creating artificial scarcity for events in an attempt to build hype or interest in an event. This artificial scarcity can affect the demand for events and the price of tickets. Consumer advocacy group CHOICE, in its report, *Sold Out: Consumers and the Ticket Resale Industry*, found that:

*'Currently industry practice (for many music concerts and other touring events) is to announce one show in each city to build hype and speculation on ticket sales. As a result, people can end-up buying excessively priced tickets through resale websites before second and third shows are announced (CHOICE, 2017, p. 9).'*

Through the stakeholder consultation process, promoters and touring companies indicated that it is generally not the case that artists or promoters hold shows back from announcement to build hype and speculation on tickets. One stakeholder noted that:

*The number of shows in a tour schedule is determined by a number of factors including the global schedule of the artist, expected consumer demand (based on the popularity of the artist, their social media reach, success of their past tours), and the size of the production and required touring resources. Typically, the promoter will contract the artist for a certain number of shows – as such, the promoter bears the risk for the shows and so it is not in the interests of the promoter to hold back shows.*

Confidential Submission

Another stakeholder noted that:

*The margins on shows are generally quite narrow and we take on a financial risk on additional shows that could result in us quickly running into a loss situation if those shows don't sell.*

Confidential Submission

## **Ticket Availability and Allocation**

Closely related to the supply of tickets is the availability and allocation of tickets to events. The availability of tickets to events can have an impact on the market for tickets, making ticket scalping opportunities more attractive and prevalent.

While many consumers may assume that all tickets for an event are available for general or public sale, this is not always the case. Artists and promoters may establish mechanisms to provide priority access to tickets for some segments of the market and they can withhold tickets from general sale in a number of ways. For example, artists can request that bundles of tickets are withheld from general sale so that these tickets can be sold through their fan clubs, giving fans priority access to some of the best tickets at the venue. Generally, it does not cost anything to become a member of a fan club, and therefore almost anyone can sign up to be given access to early releases of tickets, including potential ticket scalpers.

Further, promoters, ticket sellers and venues can also make deals with artists to withhold certain bundles of tickets for separate or exclusive sale to their own stakeholders. For example, venues may have deals with corporate sponsors that allow them to allocate tickets to those sponsors, or

promoters may have deals with credit card companies or hotels to allow early access to tickets as part of 'rewards' schemes and programs (Medhora, 2017). The types of tickets withheld through these separate mechanisms are generally better tickets, such as front row seats or VIP areas. All of these schemes that provide priority access to tickets create opportunities for ticket scalpers to gain access to some of the best tickets before the general public.

The stakeholder consultation process found that it is unclear what percentage of tickets are held back for priority access and never make it to general public sale, and artists, promoters and ticket sellers generally do not release this kind of information (Medhora, 2017). The views of stakeholders on ticket allocation and availability varied. Some stakeholders indicated that the vast majority of tickets did make it to general public sale. Live Performance Australia indicated that:

*Our members indicated that for many shows the majority of tickets (90-95 per cent) go on sale to the general public. However, there are also shows (particularly 'hot shows') where the proportion of tickets available to the general public is dependent upon the sponsorship and contracting arrangements with the artist.*

Live Performance Australia Submission

Other stakeholders indicated that only a small proportion of tickets make it to general public sale. eBay noted that the majority of tickets never make it to general public sale, however evidence used to support this claim was from the United States, and it is unclear if this is also the experience in Australia:

*One of the major reasons fans are having trouble accessing tickets is because large percentages of tickets never go on sale to the public. Ticket issuers, artists, promoters, venues and corporate partners frequently hold back large percentages of tickets. And most fans have no idea that the vast majority of tickets for high-demand event are not available for purchase on the date of the on-sale.*

eBay | StubHub | Gumtree Submission

Given the divergence in stakeholder views in relation to ticket allocation and availability, it cannot be conclusively determined what proportion of tickets for events in Australia make it to general public sale.

## **Ticket Underpricing**

Typically, artists, promoters and ticket sellers in the primary ticket market underprice tickets. Tickets are routinely sold for prices less than the highest price that the market can withstand. Underpricing leads to the inefficient allocation of tickets in the primary ticket market and creates gains that can be realised in the secondary market (Leslie and Sorensen, 2009, p. 2). When tickets are sold for less than the market can bear, excess demand is created, and it is this excess of demand that often supports the creation of secondary ticket markets (Schroeder et al, 2012, p. 26) (see **Box 3**).

Artists and promoters can benefit from underpricing tickets and the creation of secondary markets. In this regard, artists and promoters may be seen as being complicit in encouraging ticket scalping. Artists and promoters may underprice tickets for a number of reasons:

- **Sold Out Shows.** Underpricing of tickets ensures that more people will demand tickets to an event, making it more likely for the event to sell out. Selling tickets below the price that would limit demand to the available supply creates opportunities for ticket scalping behaviour. In



addition, sold out shows enhance the image of artists and promoters (Sa and Turkey, 2013, p. 629-30). Selling tickets quickly can also generate hype around an event and encourage others to attend (Medhora, 2017).

- **Revenues from Complementary Goods.** Accessible ticket pricing and sold out shows create demand for complementary goods that may be sold at events. Demand for complementary goods such as parking, snacks and beverages, programs and artist merchandise may be an advantageous trade-off for a ticket price reduction (Sa and Turkey, 2013, p. 230).
- **Improve Cash Flows, Short Term Liquidity and Shifting Risk.** Underpricing tickets can also improve the short term liquidity of promoters. Early ticket sales can serve as an immediate source of internal finance. In this regard, promoters may be willing to tolerate scalpers operating in ticket markets because the purchase of tickets by scalpers improves liquidity and removes the risk for the promoter that a ticket will not be sold (Sa and Turkey, 2013, p. 231).
- **Goodwill towards Consumers.** Finally, the desire to promote goodwill towards consumers is also a reason why artists and promoters underprice tickets. Pricing events at an accessible price instils goodwill for future events that the artist or promoter may hold and improves their reputation with consumers as an honest seller that is not complicit in gouging consumers (Sa and Turkey, 2013, p. 30).

The stakeholder consultation process found that artists and promoters do underprice tickets in the primary market. Generally, stakeholders noted that it is not unusual for artists and promoters to underprice tickets in the interests of balancing a commercial return with affordability to consumers. Artists and promoters typically take into account expected demand, affordability for individual events and affordability across a twelve month period (noting that when making purchasing decisions and assessing their willingness to pay, consumers typically consider their ability to afford a number of events across a year). One stakeholder noted:

*Ticket pricing for high-profile and high-value events is a key part of the strategic framework for each sport. Often the strategy attempts to find a balance between the need for a sport to achieve a commercial return on premium content so that it can fund grassroots participation programs and elite pathways development programs, whilst ensuring accessibility for fans and members. Prices also need to provide great value for money and be competitive with other sports and alternate forms of entertainment. Often this means that a large number of tickets are reserved at an affordable price so that our premium content remains accessible to fans and members.*

*In some cases revenue is not the strategic driver for ticket pricing, it is the desire to maximise the size of the crowd and derive the collateral benefits from a large, passionate supporter base. Whilst this may not drive a return in terms of ticket revenue, there are numerous beneficiaries from such a strategy including the state or city, the venue through increased food and beverage sales, surrounding businesses within a sporting precinct, merchandise sellers, event sponsors, broadcasters and most importantly supporters of the game.*

Confidential Submission

In addition, a range of other factors can play a role in determining the price of tickets, including availability of the artist (supply) and anticipated popularity of the event (demand). One stakeholder noted:



*For music events, each event organiser prices their tour based on a multitude of factors including the wish of the artist and their management, the size and strength of their fan base where each leg of the tour takes place, whether there is a new album or promotion, whether this is the last or the first tour.*

Confidential Submission

## **Lack of Variation in Ticket Pricing Across Categories**

Typically, when tickets to events are sold in the primary ticket market there is a lack of variation among ticket prices for different types of tickets. For example, tickets closer to the front of a show may not be that much more expensive than tickets seated further away from the action.

This lack of variation in ticket pricing across ticket categories creates opportunities for ticket scalpers to capitalise on the differing inherent values (as opposed to the face value) of tickets by selling more desirable tickets at a higher price because the willingness of fans to pay is generally higher for these types of tickets.

## **CONSUMERS LACK THE INFORMATION REQUIRED TO MAKE INFORMED PURCHASING DECISIONS**

The purchasing of tickets to live performances and sporting events in Australia can be a difficult and confusing process for some consumers. There can often be a lack of clarity around how and from whom consumers should purchase their tickets, how many tickets are available to a certain event and at what price those tickets are available for purchase.

In Australia, there is a range of official ticket selling companies in the primary ticket market including the most well-known providers, Ticketek, Ticketmaster, MoshTix and OzTix. As noted, these ticket selling companies typically have exclusive agreements with individual venues. If an event is booked by a promoter at a particular venue, the ticket seller who has the exclusive ticketing rights to that venue will be the official ticket seller for that event. In order for the consumer to ensure that they are purchasing tickets on the primary ticket market at their face value, the consumer needs to know ahead of the sale who the official ticket seller is for the event. Consumers hear about events in a variety of ways such as through television and radio advertising, online advertising, direct emails from artists, fan clubs, promoters and word of mouth from friends and relatives. However, when a consumer hears about an event, information about the official ticket seller may not be communicated or may be difficult to find.

It is important to know who the official ticket seller is for an event because it ensures that consumers can obtain tickets from an official ticket seller that are guaranteed to be valid for entry into the event (i.e. that the tickets are not fraudulent), that the tickets are sold at their true face value and that the tickets carry with them the full terms and conditions ascribed to those tickets at the time of their sale. Unless the consumer knows who the official ticket seller for the event is, there is a risk that they may unknowingly purchase their ticket from the secondary ticket market. Purchasing tickets from the secondary ticket market, while convenient for some consumers, can carry with it a number of risks including the risk that the consumer may unknowingly pay over and above the face value of the ticket, that the ticket may be cancelled because terms and conditions of the original sale of the ticket have been breached by the act of the ticket being onsold and the risk that the ticket may be fraudulent or fake.

It is not always easy to know who the official ticket seller for an event is before a consumer goes to purchase their tickets. While artists, promoters and venues will generally inform consumers who the official ticket seller is ahead of the ticket sale (either by providing that information while advertising the event or by providing direct links to the official ticket seller's website), consumers may not remember who the official ticket seller is or they may find out about the event through other channels where they are not informed and have to find out where to purchase tickets through their own research. Where a consumer is not aware of the official ticket seller, they may seek out this information to ensure that they purchase from the official ticket seller, or they may seek their tickets in other ways. CHOICE found that:

*'Many fans found their tickets through Google, with 66% of case studies saying they found their tickets through the search engine (CHOICE, 2017, p. 13).'*

If consumers are using internet search engines to find tickets to the events that they wish to attend, they may be led to ticket resale websites unknowingly. Ticket reselling websites often pay advertising premiums to internet search engines to ensure that their websites appear at the top of search engine results. CHOICE notes:

*'If a consumer is unaware of the official primary seller, they can be led to click on the first result — often a paid advertisement for a ticket reseller (CHOICE, 2017, p. 9).'*

Treasury, on behalf of Consumer Affairs Australia and New Zealand (CAANZ), undertook sample ticket searches to test the veracity of the claim that an internet search will lead consumers to non-official ticket reseller websites ahead of official ticket seller websites. An example of these sample searches is presented in [Box 1](#).

Treasury undertook internet searches for tickets to 100 different ticketed events being held in Australia between September 2017 and April 2018. Of the 100 internet searches conducted, 47 per cent of searches resulted in a secondary ticket seller appearing as the top result, while 59 per cent of searches resulted in secondary ticket sellers appearing as the top 5 search results. The most resulted secondary ticket seller was Viagogo, followed by TicketmasterResale and StubHub. The majority of the top results from secondary ticket sellers were paid advertisements.

This sample search suggests that consumers who do not know who the primary ticket seller is for an event, and use an internet search to find a ticket seller, are generally more likely to be directed to a secondary ticket reseller than the official ticket seller.

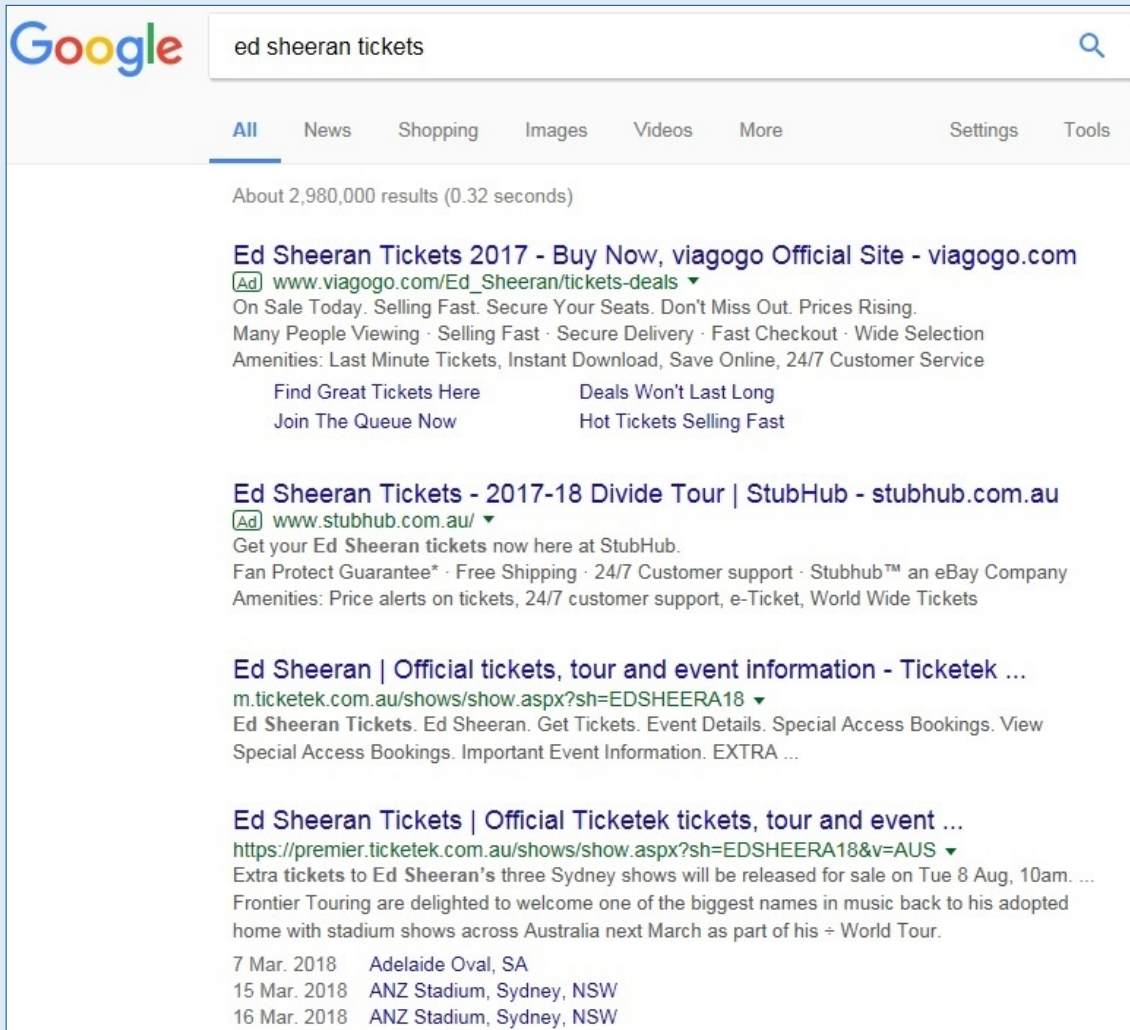
The results of this sample search can be found at [Appendix B](#).

## BOX 1: INTERNET SEARCHES AND RESULTS

Artist Ed Sheeran toured Australia in March 2018. The official ticket sellers for Ed Sheeran's shows are Ticketek (Sydney, Brisbane and Adelaide shows) and Ticketmaster (Perth and Melbourne shows).

Treasury undertook an internet search for 'ed sheeran tickets' using the search engine Google.

The first two results of the internet search produced links to secondary ticket resellers, Viagogo and StubHub, with the official ticket seller not appearing until the third and fourth results.



The screenshot shows a Google search for "ed sheeran tickets". The search results are as follows:

- Ed Sheeran Tickets 2017 - Buy Now, viagogo Official Site - viagogo.com**  
An advertisement for Viagogo. The text includes: "On Sale Today. Selling Fast. Secure Your Seats. Don't Miss Out. Prices Rising. Many People Viewing · Selling Fast · Secure Delivery · Fast Checkout · Wide Selection. Amenities: Last Minute Tickets, Instant Download, Save Online, 24/7 Customer Service". It also features two buttons: "Find Great Tickets Here" and "Join The Queue Now".
- Ed Sheeran Tickets - 2017-18 Divide Tour | StubHub - stubhub.com.au**  
An advertisement for StubHub. The text includes: "Get your Ed Sheeran tickets now here at StubHub. Fan Protect Guarantee\* · Free Shipping · 24/7 Customer support · Stubhub™ an eBay Company. Amenities: Price alerts on tickets, 24/7 customer support, e-Ticket, World Wide Tickets".
- Ed Sheeran | Official tickets, tour and event information - Ticketek ...**  
A result for Ticketek. The text includes: "Ed Sheeran Tickets. Ed Sheeran. Get Tickets. Event Details. Special Access Bookings. View Special Access Bookings. Important Event Information. EXTRA ...".
- Ed Sheeran Tickets | Official Ticketek tickets, tour and event ...**  
A result for Ticketek. The text includes: "Extra tickets to Ed Sheeran's three Sydney shows will be released for sale on Tue 8 Aug, 10am. ... Frontier Touring are delighted to welcome one of the biggest names in music back to his adopted home with stadium shows across Australia next March as part of his ÷ World Tour." Below this, it lists tour dates: "7 Mar. 2018 Adelaide Oval, SA", "15 Mar. 2018 ANZ Stadium, Sydney, NSW", and "16 Mar. 2018 ANZ Stadium, Sydney, NSW".

As noted, purchasing tickets from the secondary market does carry risks. At least until the change made by Google in February 2018 requiring ticket sellers that purchase Google 'AdWords' advertising space to make certain disclosures, when consumers reached a secondary ticket selling site, there was often little to signify that the site is not the official ticket seller and is instead a resale site. Ticket resale websites can look and feel like official ticket seller websites, misleading consumers into thinking that they are buying their tickets through official channels with all the protections that come with that purchase. For example, the design of secondary ticket selling websites often use a similar graphic user interface to official ticket selling websites, characterised by a heavy use of graphics advertising upcoming and top events, ticket sale countdown timers, venue information pages and sale screens that mimic the ticket purchase processes on official websites. A comparison of Ticketek's (official seller) home screen and Viagogo's (unofficial reseller) home screen is illustrated in **Box 2**.

This example shows how similar primary and secondary market websites can look and how easy it is for consumers to be misled into believing that they are purchasing from an official ticket seller.

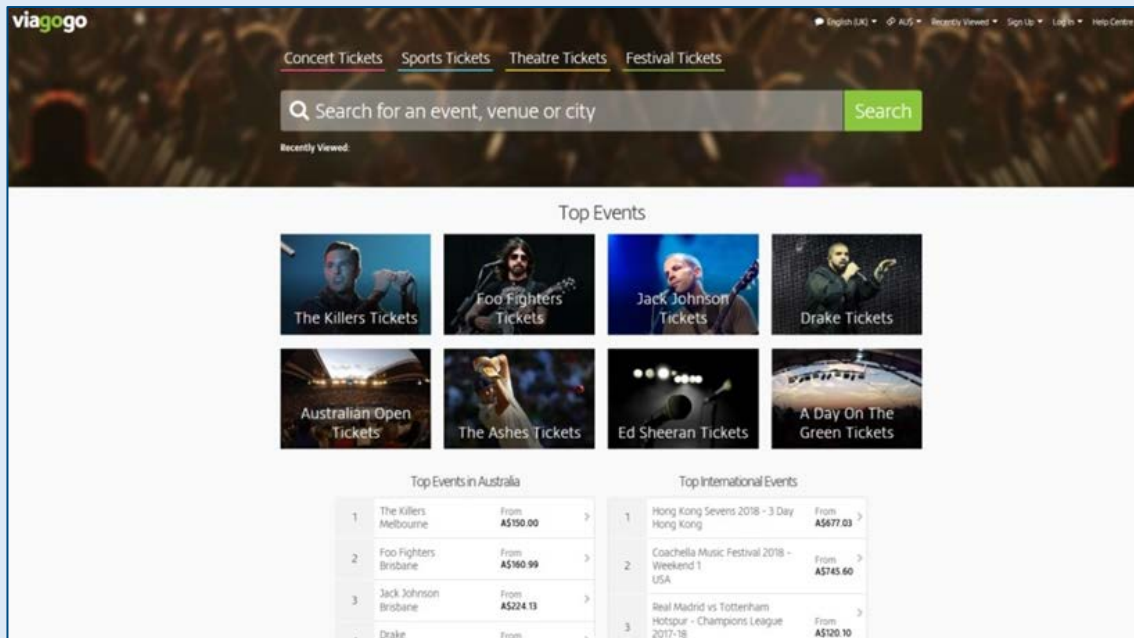
## BOX 2: COMPARING THE LOOK AND FEEL OF TICKET WEBSITES

The website of official ticket seller, Ticketek, is characterised by graphical advertising of upcoming events, a menu bar at the top of the page, a search bar to search for events, and a category bar outlining categories of events.

The screenshot displays the Ticketek website interface. At the top, it shows the user's location as NSW/ACT and navigation links for My Account, Order History, Where's My Ticket, Venues, Agencies, Accessible Seating, and Help. The Ticketek logo is prominently displayed in a blue header. Below the logo are buttons for SIGN IN and JOIN NOW, and a search bar for events or venues. A horizontal menu bar lists categories: SPORTS, CONCERTS, THEATRE & ARTS, FAMILY, COMEDY, EXPERIENCES, LAST MINUTE, and HELP. The main content area features a large banner for the 2018 FIFA World Cup Russia™ Asian Qualifier, Soccerroos v Syria, with a 'GET TICKETS' button. To the right of the banner is a text box with event details and another 'Get Tickets' button. Below the banner are several event tiles: Macklemore, 2017 Supercars Supercheap Auto Bathurst 1000, 2018 Gold Coast Commonwealth Games, The Script, Commonwealth Bank Women's Ashes - Coffs, and Paul McCartney - One on One. A promotional banner at the bottom left reads 'ONE GIFT, THOUSANDS OF EVENTS' and 'GIVE THE GIFT OF LIVE ENTERTAINMENT'. On the bottom right, there is a 'Where's My Ticket?' section with a text box and a dropdown menu showing 'SIA Mon 2 Oct, 2017' and 'Muse'.

## BOX 2: COMPARING THE LOOK AND FEEL OF TICKET WEBSITES (CONTINUED)

The website of ticket reseller, Viagogo, has a similar layout to the Ticketek website including graphical advertising of upcoming events, a menu bar at the top of the page, a search bar to search for events, and a category bar outlining categories of events.



CHOICE conducted a consumer survey as part of its research and found that 48 per cent of consumers surveyed who purchased tickets on a ticket resale website thought that they were purchasing from an official ticket seller and did not realise that the site was a resale website (CHOICE, 2017, p. 7).

The stakeholder consultation process confirmed that consumers find the ticket selling market difficult to navigate. Many consumers shared their experiences in relation to ticket resale website presenting as official ticket sellers.

*My younger brother saw a sponsored ad on Facebook saying All Time Low tickets were about to go on sale and to click on the Viagogo link to get tickets. He assumed this was the official site to get tickets from, as it seemed that Viagogo was being advertised and promoted as looking like an official ticket site for the gig.*

Consumer Comment [Anonymous]

*I was redirected to Ticketmaster Resale from Ticketmaster without me realising since I was on my iPhone I had no idea. In fact I didn't even know of the existence of the resale sites then. I wasn't clearly shown the resale price of the tickets so was pretty surprised to find my receipt showed I'd paid 5 times the original price. It took me a while to figure out what happened.*

Consumer Comment [Anonymous]

Further, secondary ticket selling websites often lack important information about the tickets that are being sold, making it difficult for consumers to make informed purchasing decisions. The types of information that are useful for consumers to make informed purchasing decisions about tickets include the face value of the ticket, the location or seat within the venue and information about the



seat that may affect the purchase decision and the consumer's willingness to pay, such as visibility or proximity to the stage. CHOICE found that:

*'The lack of transparency can often lead to disappointment and shock when the tickets received do not match what the purchaser thought they were buying (CHOICE, 2017, p. 14).*

The stakeholder consultation process confirmed that consumers desire more information about the tickets that they are purchasing, and a lack of this information can cause consumer confusion and dissatisfaction – especially in relation to price. Hundreds of consumers shared their experiences purchasing tickets in the secondary ticket market:

*We purchased two tickets to Justin Bieber through Viagogo for a total of \$545. When the tickets were able to be downloaded we found that they were only worth \$153.20 each. I feel extremely ripped off at already paying almost \$250 too much.*

Consumer Comment [Anonymous]

*My best friend and I bought tickets from Ticketmaster Resale for \$270, originally worth \$180. We were informed we'd be sitting in the front row in the block closest to the barrier on the catwalk, but found once we were there we were actually nowhere near where we were informed.*

Consumer Comment [Anonymous]

Data collected from consumer regulators indicates that the level of complaints specifically in relation to price is low.

Consumers benefit from knowing as much information as possible about a product or service before they make a purchase – this is one reason why mandatory disclosure requirements exist for some categories of products, such as financial products. When consumers have more information, they make better choices. CHOICE found that:

*'Many consumers said misleading or missing information on ticket resale websites was frustrating and they would not have made a purchase had they known the details of a ticket (CHOICE, 2017, p. 14).'*

Google's voluntary action (see the discussion of Option 4 for more detail) indicates industry awareness of the problem presented by asymmetric information in the secondary ticket market.

## **CONSUMERS CAN HAVE THEIR WELFARE REDUCED BY TICKET SCALPING PRACTICES**

The welfare impacts of ticket reselling are complex and dependent on the structure of the market, the level of competition and the supply of tickets.

To evaluate the welfare of participants in the ticket market an analysis of the impacts of ticket reselling on the consumer surplus is required. The consumer surplus is the difference between what a consumer would be willing to pay for a good or service and what the consumer actually has to pay. Consumer surplus reflects the amount of benefit, satisfaction or well-being consumers receive when they buy products and services.

Generally, the existence of ticket reselling does not reduce the overall total level of economic welfare in the market – the market may even experience some efficiency gains if competition in the market is strong. In some circumstances, consumers may be better off when resellers operate, as those who place a greater value on a ticket (as reflected by a higher price) will have access to resold tickets, whilst those who value their tickets at a lower price (and are therefore willing to sell their tickets) may be able to sell their tickets at a profit. These gains are known as ‘gains from trade’. There can be net economic gains for the economy when these ‘gains from trade’ are realised, which lead to benefits for consumers.

However, ticket reselling - when ticket underpricing occurs - can also reduce the level of consumer surplus, as it is redistributed to the ticket reseller. As noted, the stakeholder consultation process confirmed that ticket underpricing does occur. When ticket underpricing occurs in the primary ticket market and ticket scalping is legal, scalpers will receive the level of surplus which is forgone by primary ticket sellers when they make the decision to underprice. Ticket reselling, and in particular ticket scalping practices, erode the consumer surplus, causing consumers to experience reduced benefits or satisfaction because of difference in what they are willing to pay and what they actually had to pay. An erosion of the consumer surplus can result in reduced consumer welfare and sees that surplus transferred to the ticket scalper, so the ticket scalper is taking some of the benefit that the consumer would have experienced had the scalper not been operating in the market. While the overall total welfare in the market has not been reduced, the distribution of that welfare has changed. Further, Phillip Leslie and Alan Sorensen note:

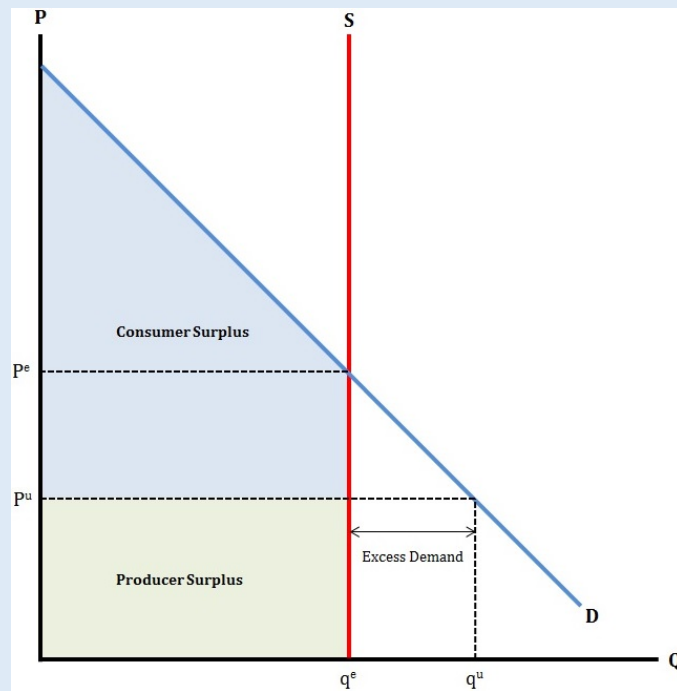
*‘Resale causes profit-seeking individuals to purchase tickets who otherwise would not have, and causes some consumers to bypass the primary market and buy in the resale market. Moreover, by providing a profit-motive for ticket buyers, resale may stimulate individuals to engage in costly rent-seeking behavior as they compete to obtain the most valuable tickets in the primary market. For these reasons, not only does ticket resale give rise to redistributions of surplus in which some individuals are made worse off, but it may also reduce overall social welfare (Leslie and Sorensen, 2009, p. 1)’.*

**Box 3** illustrates the welfare effects of ticket scalping in a ticket market where ticket scalping is legal.

### BOX 3: WELFARE EFFECTS OF TICKET SCALPING

In the market for tickets to an event where ticket scalping is not permitted, the supply of tickets is inelastic and fixed at  $S$ . The demand for tickets is downward sloping at  $D$ . The equilibrium price in the market for tickets is  $P^e$  with  $Q^e$  as the quantity supplied at that price.

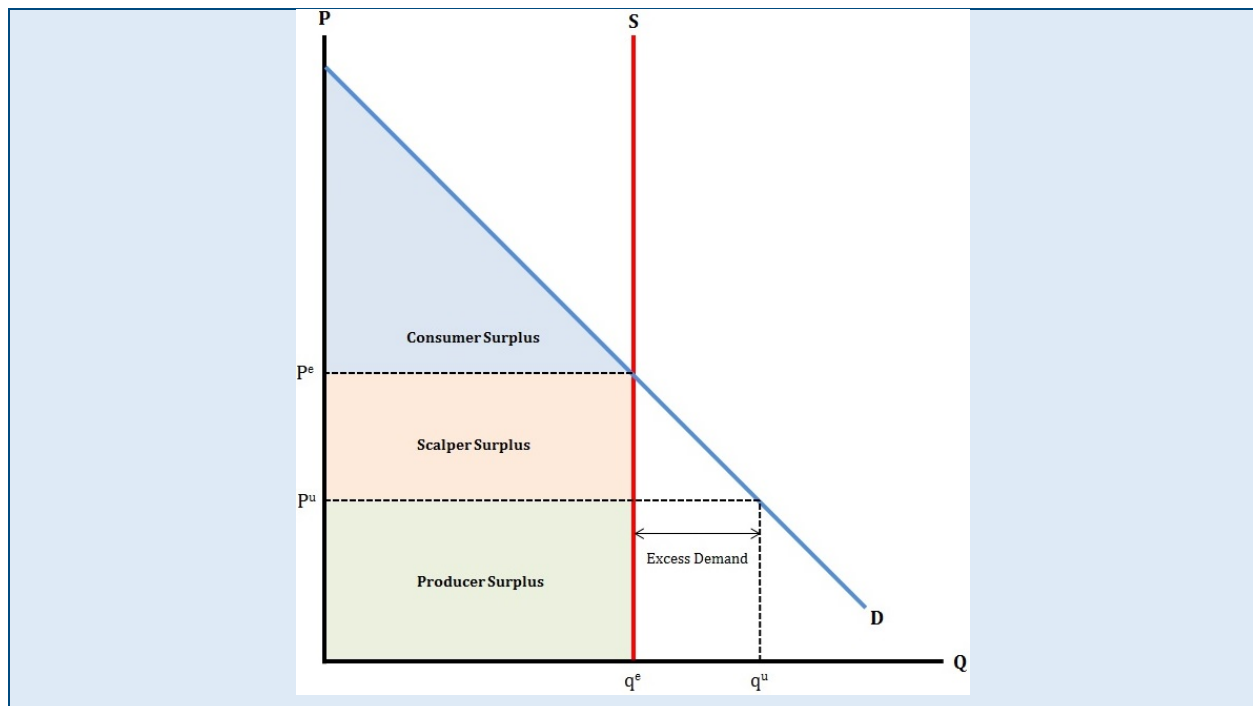
The primary ticket seller (producer) underprices their tickets at  $P^u$ , creating excess demand for tickets of  $Q^u$ . The consumer increases their consumer surplus when the ticket is underpriced and ticket scalping is not permitted, taking the portion of the producer surplus that is forgone as a result of the lower ticket price.



In the market for tickets to an event where ticket scalping *is* permitted, the supply of tickets is inelastic and fixed at  $S$ . The demand for tickets is downward sloping at  $D$ . The equilibrium price in the market for tickets is  $P^e$  with  $Q^e$  as the quantity supplied at that price.

The primary ticket seller underprices their tickets at  $P^u$ , creating excess demand for tickets of  $Q^u$ . The ticket scalper will purchase the ticket at  $P^u$ . As ticket scalpers enter the market, market forces drive up the price level until it reaches equilibrium ( $P^e$ ). Instead of the consumer taking some of the producer surplus that has been forgone, the ticket scalper takes some of the producer surplus, thereby making the consumer worse off than they would have been when ticket scalping was not permitted.





As illustrated in **Box 3**, while ticket resellers and scalpers do receive some surplus when ticket reselling is permitted, the existence of reselling within the ticket market does not reduce total welfare, rather the allocation of that welfare changes

In recent years there has been growth in the prevalence of unauthorised ticket resale websites and platforms, making it easier for ticket scalpers to operate. Online ticket resale websites provide a market for exchange, making it easy for ticket resellers and ticket scalpers to sell tickets acquired in the primary ticket market at inflated prices to consumers. The websites typically provide the online space to advertise, market and sell the ticket, and the payment mechanism to facilitate the transaction. These websites typically allow the seller to set the price of the tickets that they wish to resell. The website will often charge the seller a service fee, feed in their own booking or transaction fees or take a percentage of the final price that the ticket was sold for.

Consumers may not know that they have purchased resold or scalped tickets until the ticket arrives and they see the face value of the ticket and compare it to what they have paid, or if they are denied entry to the event on the day.

## CONSUMERS RISK THEIR TICKETS POTENTIALLY BEING CANCELLED

Tickets sold by ticket sellers in the primary ticket market are generally subject to multiple sets of terms and conditions, sometimes coming from the artist, the promoter, the ticket seller and the venue.

Since 2001 LPA has produced the LPA Ticketing Code of Practice, a voluntary industry code of practice covering the ticketing industry for live performance events. The Code provides protection for consumers in the live performance industry, and although the document itself does not carry legal

force it is reflective of legal standards as expressed in the ACL. Compliance with the Code is a condition of LPA membership. Almost all primary ticket sellers are members of LPA.

The terms and conditions of the ticket sale may include provisions that prohibit the resale of tickets or warn the purchaser that tickets may be cancelled if they have been found to have been resold. Consumers who purchase tickets from resale websites risk breaching the terms and conditions of the original ticket sale and subsequently having their ticket cancelled.

A selection of terms and conditions from official ticket sellers are outlined in **Box 4**.

#### **BOX 4: OFFICIAL TICKET SELLER TERMS AND CONDITIONS AND RESALE**

Below are excerpts from official ticket terms and conditions.

##### **Ticketek**

Tickets may not, without the prior written consent of Ticketek and the Seller, be resold or offered for resale at a premium (including via on-line auction or other unauthorised resale sites) or used for advertising, promotion or other commercial purposes (including competitions and trade promotions) or to enhance the demand for other goods or services. If a ticket is sold or used in breach of this condition, the ticket may be cancelled without a refund and the ticketholder of the ticket may be refused admission. Ticketek will use reasonable efforts to notify you of such action.

##### **Ticketmaster**

There are laws in place in certain states that prohibit resale of tickets to certain events or limit the prices at which they may be resold. As a ticket purchaser, you are responsible for complying with any such laws.

A ticket shall not be used for advertising, promotions, contests or sweepstakes, unless formal written authorisation is given by the Event Partner, provided that even if such consent is obtained, use of Ticketmaster's trademarks and other intellectual property is subject to Ticketmaster's express consent.

When purchasing tickets on a site, you are limited to a specified number of tickets for each event (also known as a 'ticket limit'). This amount is included on the unique event page and is verified with every transaction. This policy is in effect to discourage unfair ticket buying practices. We reserve the right to cancel any orders where we identify breaches of these limits, including where we know or reasonably suspect automated means have been used to purchase tickets. Use of automated means to purchase tickets is strictly prohibited.

##### **OzTix/Destroy All Lines (Ticket Solutions)**

Tickets may not, without the prior consent of the Presenter, be resold or offered for resale at a premium over the face value of the ticket (including via on-line auction sites) or used for advertising, promoting or other commercial purposes (including competitions and trade promotions) or to enhance the demand for other goods or services either by the original purchaser or any subsequent ticket holder.

The stakeholder consultation process found that primary ticket sellers do cancel tickets if they know that they have been sold in breach of the terms and conditions of the ticket, however, most sellers noted that this is rare given that it is difficult to identify resold tickets. Further, primary tickets sellers acknowledged that they may also cancel tickets at the request of the event organiser if the organiser's terms and conditions have been breached.

Live Performance Australia noted:

*The practice of cancelling tickets due to having been resold in contravention of the ticket terms and conditions varies among our Members. For many of our Members, the reality is they are unable to cancel tickets because they do not have full ticket details to perform the cancellation, the venue at which the production is being presented does not use barcode scanning technology (and therefore venue staff are unable to definitively know if a ticket is valid or invalid) and they lack the resources to monitor ticket scalping activity. Other members take a very firm stance against ticket scalping; they cancel every ticket that comes to their attention as having been resold in contravention of the ticket terms and conditions.*

Live Performance Australia Submission

The stakeholder consultation process found that ticket cancellation, though rare, could harm consumers. CHOICE noted that:

*Consumers more often than not do not know if they purchased tickets on the resale market...consumers are punished for a breach of a terms they didn't know existed...allowing cancellation for resold tickets means businesses are double dipping-venues/promoters receive the money from the original ticket sale, and the money when a consumers is given the opportunity to repurchase the ticket at the gate...consumers face greater harm than just losing the value of the ticket [as] consumers travel for gigs and have paid for transport, accommodation and incidentals and visiting consumers will be left with a poor impression of Australia if their experiences with a major venue, like the Opera House, is one where they were locked out of a performance or game without a refund or rights due to a law that is not effectively communicated to them.*

CHOICE Submission

## CONSUMERS RISK POTENTIAL SCAMS AND FRAUDS

In addition to ticket scalping and ticket onselling activity, the secondary market can also create opportunities for people to perpetrate ticket fraud and ticket scams against consumers.

Purchasing tickets from an unauthorised ticket reseller can expose consumers to the risk of fraud because the authenticity of the ticket cannot be guaranteed. In addition to authenticity issues, consumers also risk that the same authentic ticket may be counterfeited and sold multiple times. Where a ticket has been sold multiple times, the first purchaser to arrive at the event will gain entry and those who follow will be refused entry.

Media reports and anecdotal evidence from some stakeholders has asserted that the sale of fraudulent tickets is a major issue. Notwithstanding these assertions, the scale of this behaviour is unclear. In 2014, the ACCC found that fake or non-existent tickets were only a small component of the total number of scams that were reported. Money lost by these reported scams totalled \$70,993 compared to the total money lost to all scams of \$90 million (Medhora, 2017).

The stakeholder consultation process confirmed that consumers are concerned about potential scams and frauds, including fake tickets. However, few consumers reported they had been victims of such scams and frauds. One consumer noted:

*I had purchased two tickets amounting to \$900 for my girlfriend and I's anniversary present, only to be denied entry at the gate saying the tickets had already been claimed.*

Consumer Comment [Matias Salinas]

Some primary ticket sellers and promoters reported that they are often contacted by consumers who have purchased tickets through resale, seeking confirmation on the authenticity of the ticket. Primary ticket sellers and promoters also noted that where there have been ticket fraud or scams perpetrated, such as a ticket being sold multiple times, venue and event staff feel the brunt of consumer dissatisfaction. Live Performance Australia noted:

*Our smaller venue Members report there have been instances in recent times where people have turned up to their venue having bought tickets from the secondary market...in some instances, these consumers have legitimate tickets and are able to enjoy the event. Unfortunately, however, there are many instances where the ticket presented is fraudulent (usually because the same ticket has been resold multiple times).*

Live Performance Australia

## TICKET-BUYING BOTS REDUCE CONSUMERS' FAIR ACCESS TO TICKETS

A ticket-buying bot is a piece of computer software that automates the process of buying a ticket from primary ticketing websites. Ticket-buying bots can be employed by ticket scalpers to infiltrate ticket selling systems and purchase large quantities of tickets at high speed for the purposes of onselling them on resale sites and depriving consumers of the opportunity to purchase them. Ticket-buying bots are easy to find online and can typically be purchased for a few hundred dollars. Some more sophisticated ticket scalpers may write their own ticket-buying bot software.

There are several types of ticket-buying bots, and the majority are used to pick up tickets as soon as they go on sale by filling out the primary ticketing websites dropdown prompts in less than a tenth of the time that even a skilled human can do. In many cases the ticket-buying bots are not able to complete the CAPTCHA or re-CAPTCHA (a test in which the user of a website is asked to decipher a distorted image, used to protect the website against automated attacks), and this is assigned to human workers. Some ticket-buying bots are programmed to make thousands of requests on ticketing websites using thousands of different IP addresses (Common, 2016). The tickets are then immediately resold at higher prices on ticket reselling websites and platforms. In 2016, Ticketmaster alone blocked more than six billion attempts by ticket-buying bots to gain access to its websites globally, including Australia (Ticketmaster, 2017).

Ticket-buying bots cause consumer detriment because they prevent consumers from having fair access to the primary ticket market. Research from international jurisdictions such as the United States of America, United Kingdom and Canada indicates that overseas ticket resellers or scalpers use ticket-buying bots as part of an overall strategy to gain access to tickets in volume. Typically a ticket scalper studies the underlying architecture and processes of ticketing websites, researches presale requirements, and joins fan clubs or obtains presale-specific credit cards (Koebler, 2017).

While the use of ticket-buying bots does seem to have an impact on the availability of tickets in the primary market, there is no evidence to suggest that ticket-buying bots are resulting in completely sold out shows, and in most cases there are tickets still available on the primary market (CHOICE,

2017). Rather, ticket-buying bots are typically purchasing the most premium tickets (such as front rows) for the express purpose of reselling them at a higher price.

While bot activity typically targets the most desirable events and seats rather than necessarily pervading the wider market for tickets, consumers do experience detriment from fewer of these more sought-after tickets being available at the original price. Consumers expect, and are entitled to expect, fair access regardless of the relative desirability of particular event tickets.

The stakeholder consultation process confirmed that primary ticket sellers experience attacks on their ticket selling systems from ticket-buying bots:

*Ticketek deploys considerable resources to address issues arising from the use of ticket-buying bots. Bots not only obtain a large proportion of premium tickets immediately after tickets go on sale, but they also prevent consumers from purchasing tickets by placing large numbers of tickets on hold until the bot is detected or timed out of the ticketing system...evidence gathered through real-time monitoring of popular onsales, as well as other anecdotal evidence, demonstrates that tickets seemingly acquired by bots in the primary market are placed on secondary markets at inflated prices almost immediately.*

TEG Submission

*[Stakeholder] has experienced 10,000 tickets being held and the average transaction time is 3-4 minutes and yet only 300 tickets per minute are being transacted. This indicates that bots are 'holding' the tickets and then a scalper is sifting through the held tickets and purchasing only the tickets closest to the stage or those that are worth more on the resale market.*

Confidential Submission

## OTHER ISSUES

During the stakeholder consultation process, consumers also raised a range of other issues of concern to them. While these issues are not presented as being problems for the purposes of this Decision RIS, they are noted here for completeness.

### Lack of Refunds

Many consumers expressed frustration over the lack of refunds in the ticket market. Typically, primary ticket sellers will only provide refunds to consumers where an event is cancelled.

*A fairer system would be if they offered ticket refunds if you can no longer attend, or simply charge a fee similar to a booking fee for administrative fee to someone who is reselling a ticket at face value or below.*

Consumer Comment

*One of the solutions should be that if you are not 100% happy with the tickets you buy then you should be able to obtain a full refund. This applies to many offline providers where there is a cooling off period - so why shouldn't it apply online?*

Consumer Comment

The nature of the live performance and sporting industries is such that events have very high overheads and involve a high amount of risk on the part of event organisers. Typically, event organisers front all of the costs for the event. In order for events to be viable, event promoters must at least break even, therefore a certain level of ticket sales is required for the event to be viable. Once a ticket has been purchased, the event organiser needs to know that the revenue is guaranteed, therefore refunds are generally not permitted. One event promoter noted:

*Organising and promoting live events carried significant risk, with the finances fronted by the event organiser. Therefore, once a ticket has been purchased, the event organiser need to know that the revenue is guaranteed and returns are not permitted.*

Confidential Submission

## Reselling Fees

Many consumers expressed frustration at being charged 'excessive' reselling fees by ticket reselling sites.

*I bought the ticket for \$250, but when I tried to sell it for the same price, [the ticket reseller] whacked a \$100 fee on it.*

Consumer Comment

*[The ticket reseller] makes a lot of money off reselling tickets - 25% of sale. I think this is ridiculous. I wanted to sell the ticket through [the] website so it was safe, but taking 25% of the sale is criminal.*

Consumer Comment

## Timing of Payments

Some consumers noted that where they had used the services of some ticket resellers, they did not receive the proceeds from the sale until after the event had occurred.

*[The ticket reseller], although they had received the funds from the sale, would not release the funds to me until after the event. In some circumstances, like mine, this could be 9 - 12 months from the date of initial resale of these tickets. Although the sale had been transacted [and] new tickets issued to the purchaser, they held onto the proceeds of the sale. This is to the sellers detriment, as if I was to wishing to utilise these funds, I was unable to access them.*

Consumer Comment

*I resold some tickets and have been told I will receive the money paid 7-10 days after the event. I paid the money for these tickets prior to the event and had the money removed from my credit card very quickly and want to know why I am now having to wait till end of January if not February to receive my money back.*

Consumer Comment

Ticket sellers noted that withholding the proceeds of the ticket ensures safety for the buyer, allowing them to ensure that the ticket is genuine at the time of entry. If the ticket is not genuine, the buyer can raise the issue with the ticket reselling platform, who can then raise it with the seller.

## Speculative Resale

Live Performance Australia raised the issue of speculative resale as a potential problem in the secondary ticket market. Live Performance Australia noted:

*Speculative resale is the practice whereby a scalper (who does not 'own' tickets) advertises tickets at an inflated price through the secondary market and once a consumer has bought the tickets, purchases tickets from the primary market to then pass on to the unsuspecting consumer. LPA is concerned about this practice because:*

- From a consumer perspective – consumers may unintentionally pay too much for a ticket and/or may be deterred from attending any live entertainment because they believe tickets to live entertainment events are cost prohibitive. The industry is particularly concerned about the impact of this practice on consumer confidence.*
- From a commercial perspective – if tickets remain unsold in the primary market, producers/promoters are not maximising their ticket sales and may not be able to recoup the costs associated with staging the event. The flow on impact is that producers/promoters may no longer be able to stage quality events which reduces the choices available to consumers.*

Live Performance Australia Submission

## CONCLUSIONS

The regulation impact assessment process has identified several problems in the secondary ticket market that result in perceived consumer detriment. However, the regulation impact assessment process has not been able to accurately quantify the size of these problems or the consumer detriment.

In general terms, this RIS finds that when consumers participate in the secondary ticket markets they often lack the information required to make an informed purchasing decision that would maximise their utility. Falling prey to ticket scalping practices can reduce consumers' welfare and leave them worse off than if they had purchased their tickets in the primary ticket market. In addition, consumers who participate in the secondary ticket market expose themselves to risks (both knowingly and unknowingly) such as cancellation and fraud. Further, the use of ticket-buying bots can reduce fair access to tickets for consumers.

An important caveat to the identified problems in the secondary ticket market is that ticket reselling activity does offer allocative efficiency benefits where event promoters choose to underprice tickets, given that it facilitates the sale of tickets consistent with consumers' relative willingness to pay. However, while fully informed consumers can make their own choices about whether to transact in the secondary market and accept the risks involved, this RIS finds that consumers often do not have the information required to make those choices.





## 2. POLICY OBJECTIVES

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The policy objectives are:

- to reduce consumer detriment in the secondary ticket market that arises from consumers not being provided the information that they require to make an informed purchasing decision;
- to reduce the risk that consumers are advertently or inadvertently misled or deceived when they purchase tickets to events in the secondary ticket market; and
- to promote fair access to event tickets.

Reducing consumer detriment and reducing opportunities for consumers to be misled or deceived will enhance the welfare of Australians by giving them greater confidence and certainty when they choose to participate in the secondary ticket market.

The options to address the identified problems seek to improve outcomes for consumers who participate in the secondary ticket market. The options reduce the level of risk in the market, ensure that consumers are provided with the information that they require to make more informed purchasing decisions and seek to ensure that consumers have fairer access to tickets.

Consumers should be able to participate in the ticket market with confidence and certainty. They should be able to know and recognise the differences between the primary and secondary ticket markets and understand who they are purchasing their tickets from.

Consumers' understanding who they are purchasing their tickets from allows them to better identify, understand and manage the risks associated with purchasing tickets in the secondary ticket market. This includes consumers being able to make better judgements about the price of tickets they are purchasing, as well as being able to make better judgements about how they value those tickets.

In achieving these objectives, it is important that the benefit should exceed the costs.

In addition, options addressing the problem identified would also seek to provide certainty to ticket resellers operating in the secondary ticket market by outlining the manner in which tickets can be resold.



### 3. POLICY OPTIONS AND IMPACT ANALYSIS

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#### SUMMARY

There are a number of policy options to reduce consumer detriment and improve outcomes for consumers in relation to ticket reselling.

To address the problem defined, this RIS explores five options:

- **OPTION 1** – the status quo, with consumer education
- **OPTION 2** – national prohibition (ban) on ticket reselling
- **OPTION 3** – restricted reselling
- **OPTION 4** – improved information disclosure arrangements for ticket resellers
- **OPTION 5** – national ban on the use of ticket-buying bots

The options explore the gamut of interventions from outright bans and restrictions to lighter touch regulations to improve the operation of the secondary ticket market.

Undertaking a quantitative analysis of the costs and benefits of each of the five options, beyond specific and identifiable compliance costs, presents a number of challenges. The secondary ticket market in Australia is small and immature and there is no solid data on the size of the market or on how much time consumers spend engaging with the secondary market.

The analysis of impacts of each option is therefore qualitative and focuses on reflecting on the anticipated benefits and costs of each of the options. The stakeholder consultation process affirmed these anticipated impacts, as well as revealing new impacts. However, the anticipated impacts cannot be quantified with any certainty.

The compliance costs for businesses are outlined beneath each option. These compliance costs estimates are based on data and assumptions drawn from extensive consultation with the primary and secondary ticket markets.

As noted, the secondary ticket market in Australia is small and immature. There are an estimated 10 firms participating in the secondary ticket market. Secondary ticket sellers estimate that the size of the secondary ticket market represents around 1 per cent of the primary market. The consultation process also revealed information about the steps that secondary ticket sellers and ticket reselling platforms would need to take to comply with the options, including ticket system redesign and ticket verification, and the time it may take to comply.

Compliance cost estimates have been calculated based on these assumptions.

## OPTION 1: STATUS QUO, WITH CONSUMER EDUCATION

Under this option, existing laws would continue to operate. Government, together with the industry, have conducted various education campaigns to warn consumers of the risks of participating in the secondary ticket market. Consumer Affairs Australia and New Zealand's education campaign ran for 6 weeks from March to May 2018.

### Existing law

Broadly, ticket reselling and ticket scalping is generally not illegal in Australia. However, the ACL, together with existing State and Territory laws, provide a level of coverage to address issues associated with ticket reselling and ticket scalping in the secondary ticket selling market.

The ACL is jointly administered and enforced by the Australian Competition and Consumer Commission (ACCC) and State and Territory consumer affairs agencies under a 'one law, multiple regulator' model. Policy on the ACL is set by CAF as part of a consultative process governed by an Intergovernmental Agreement.

### The Australian Consumer Law

In the context of ticket reselling and ticket scalping, even though these types of transactions may involve private sales through classifieds or online websites, the likelihood of there being some form of protection under the ACL will depend on whether the transactions in question could be considered to be undertaken in 'trade or commerce' or not. In the purely private (person to person) setting, where the ticket is resold at or below original cost, it is likely that the ACL would not apply at all. However, the ACL may have a role where the tickets are resold at a premium or through commercial reselling platforms.

The ACL contains a number of different existing provisions that can be used to address issues associated with ticket reselling and ticket scalping. These include provisions that prohibit:

- misleading or deceptive conduct;
- false or misleading representations;
- unconscionable conduct;
- bait advertising; and
- wrongly accepting payment.

In addition, the consumer guarantees regime can provide consumers with remedies in relation to resold or scalped tickets.

### Misleading or Deceptive Conduct

Section 18 of the ACL provides that a person must not, in trade or commerce, engage in conduct that is misleading or deceptive or is likely to mislead or deceive.

It would be reasonably open to a court to find that certain aspects of ticket reselling and ticket scalping practices could amount to misleading or deceptive conduct (or conduct that is likely to

mislead or deceive) in that the secondary ticket seller's conduct would lead (or would be likely to lead) the buyer into error. This would apply to the extent that the secondary ticket seller engages in either of the following practices:

- deliberately fails to disclose any terms or conditions of the ticket that prohibit the original ticket from being resold, and the breach of which would result in the ticket being cancelled; or
- sells the same ticket multiple times, which may lead to the ticket being cancelled, or to some of the buyers not being able to gain entry to the event.

In such cases, it is likely that the fact that a secondary ticket seller is selling the ticket would imply that the ticket could be used to enter the relevant event. If such restrictions are not disclosed prior to sale, it is likely that the secondary ticket seller may have engaged in conduct that is misleading or deceptive or that is likely to mislead or deceive.

### **False or Misleading Representations**

Sections 29 and 34 of the ACL set out particular conduct that would be considered false or misleading representations regarding goods or services, including making false or misleading representations in relation to the existence or exclusion of any terms and conditions, false or misleading representations in relation to value, sponsorship and approval or false or misleading representations in relation to price.

Depending on the circumstances of the particular transaction between a secondary ticket seller and a consumer, it may be possible that the secondary ticket seller's conduct could amount to a false or misleading representation. However, this would depend on the specific facts of the transaction, and, particularly, on whether the secondary ticket seller's statements lead the consumer to believe, for instance, that there are no conditions attached to the ticket.

The laws relating to misleading or deceptive conduct and false or misleading representations can apply to the selling platform or the individual ticket reseller, depending on who is making the representation and how the resale platform is designed.

### **Unconscionable Conduct**

Section 20 of the ACL prohibits a person from engaging, in trade or commerce, in conduct that is unconscionable within the meaning of the common law. Section 21 prohibits a person from engaging in unconscionable conduct in trade or commerce, in connection with the supply or possible supply, or the acquisition or possible acquisition, of goods or services.

Whether a secondary ticket seller has engaged in conduct that is unconscionable for the purposes of Section 21 will depend on the particular facts of the individual transaction. However, the following factors could support the view that there has been unconscionable conduct:

- the consumer may not have been able to understand documents relating to the supply or possible supply of the goods or services (such as any terms and conditions on the primary ticket seller's website that may include a prohibition on ticket resale); and
- the secondary ticket seller may have unreasonably failed to disclose to the consumer the risks arising from their intended conduct, in circumstances where the ticket seller should have foreseen that those risks would not be apparent to the customer. This would include, for instance, that the ticket could be cancelled if the secondary ticket seller sold it to the consumer.

Conversely, the following factors may support the view that the secondary ticket seller has not engaged in unconscionable conduct:

- the consumer was aware that the ticket seller is not the original ticket seller;
- the consumer was aware that the ticket is likely to include a condition that prohibits resale of the ticket, and that it is possible the ticket may be cancelled; and
- the consumer was aware of the original price of the ticket from the original sale.

### **Bait Advertising**

Section 35 of the ACL provides that a person must not, in trade or commerce, advertise goods or services for supply at a specified price if there are reasonable grounds to believe the person will not be able to offer those goods or services at that price in reasonable quantities having regard to the nature of the market and the advertisement, and the person is aware or ought reasonably to be aware of those grounds.

In circumstances in which a secondary ticket seller advertises the same ticket multiple times, it may be possible to argue that the seller has engaged in bait advertising for the purposes of Section 35. Whether a secondary ticket reseller would actually contravene Section 35 would depend on the particular circumstances of the transaction and the advertisement.

### **Wrongly Accepting Payment**

Section 36 of the ACL provides that a person must not, in trade or commerce, accept payment or consideration for goods or services if, at the time of the acceptance, the person intends not to supply the goods or services.

If a secondary ticket seller accepts payment for a ticket and does not supply the ticket or supplies a fraudulent ticket, they may be wrongly accepting payment. Similarly, if a person sells the same ticket multiple times, they cannot genuinely provide the good or service to multiple people, and may be wrongly accepting payment.

### **Consumer Guarantees**

Finally, the consumer guarantees regime, contained in Part 3-2, Division 1 of the ACL are also relevant to the issue of ticket reselling and ticket scalping.

Consumer guarantees include, among other things, that goods will be of acceptable quality, fit for any specified (particular) purpose, and match the description, sample or demonstration model. By purchasing tickets, a consumer makes known to sellers that their intention is to attend an event. If the purchased ticket is subject to terms and conditions that could result in the ticket being cancelled because it has been resold, this could amount to the ticket being no longer fit for purpose.

Similarly, if the same ticket has been sold multiple times (such that all but one of the purchasers would be prevented from attending the event), a ticket would no longer be fit for purpose. In these limited circumstances, the secondary ticket reseller is likely to have breached the consumer guarantees.

Noting the existing ACL framework, the stakeholder consultation process found that there was support for stronger enforcement of the ACL in relation to secondary ticket reselling:

*The TBA is concerned about the predatory, misleading and deceptive practices of some organisations within the ticket resale industry, particularly offshore entities conducting ticket resale through offshore websites. These websites represent themselves to consumers as authorised ticket vendors (they are not), use 'drip pricing' techniques to inflate prices and give consumers little recourse in the case of non-delivery of tickets, cancellation of tickets or other problems. These websites do not comply with Australian law.*

Ticket Brokers Association

## State and Territory Legislation

In Australia, some State and Territory jurisdictions have in place legislation that can restrict or prohibit ticket reselling and ticket scalping for certain events. Some jurisdictions have implemented legislation which permits regulation of events that are declared 'major events' or similar by the relevant Minister. In some cases, relevant laws will only cover traditional ticket scalping and not modern ticket scalping, while others cover both. Further, some legislation only applies to sporting events, not other forms of entertainment.

### Victoria

In Victoria, the *Sports Event Ticketing (Fair Access) Act 2002* was the first piece of legislation that dealt specifically with ticket scalping by attempting to control scalping activity in the physical vicinity of venues. The Act was later replaced with the *Major Sporting Events Act 2009* (MSEA).

Under the MSEA, the Minister may make a sports ticketing event declaration in respect of a sports event. Within 60 days of the declaration being made, the operator of the event must submit a ticket scheme proposal to the Minister for approval which publically declares how tickets are to be distributed and to whom and in what quantity.

Under the legislation, if the sports event has been declared and there is a condition in the proposal that prohibits the sale or distribution of a ticket by a person who is not authorised to sell or distribute tickets, then the person has contravened the Act.

To date, there have been seven successful prosecutions for ticket scalping in Victoria, with fines ranging from \$500 to \$5,000 issued, as well as costs awarded to the Victorian Government. In addition, Sport and Recreation Victoria was successful in securing an injunction against the operators of the website *Ticketfinders* to prevent them illegally selling tickets to the 2011 AFL Grand Final. Following a review of MSEA by the Department of Economic Development, Jobs, Transport and Resources the Victorian Parliament passed laws on 15 May 2018, to rename MSEA as the *Major Events Act 2009*. The new laws commenced on 1 June 2018.

The laws expand the ticket scalping provisions to apply to non-sporting major events (such as cultural events, including theatre events, concerts, gallery exhibitions and festivals). Where an event is the subject of a major event ticketing declaration, it will now be a criminal offence to advertise or resell a ticket for more than 10% above the face value of the ticket. Fines can range from \$790 up to \$475,000 depending on the nature of the offences. New authorised ticketing officers will be given equivalent powers to that available to police officers under the ticket scalping provisions of the Act, to support the Victorian Police in the enforcement of the Act.

## Queensland

In Queensland, ticket reselling is regulated under the *Major Sports Facilities Act 2001* (MSFA) and the *Major Events Act 2014* (MEA).

The MSFA applies only to events conducted at declared major sports facilities (typically major stadiums) and the MEA applies to prescribed major events (which occur over larger areas during temporary periods).

Under the MSFA it is an offence to resell a ticket to a major sports facility event for a price greater than 10 per cent above the original face value of the ticket. It is also an offence under the MSFA to purchase a ticket to a major sports facility event for more than 10 per cent of the original price. Similarly, the MEA prohibits a person from selling tickets to a prescribed major event within a controlled area or a major event area, or at a price greater than 10 per cent above the original sale price of the ticket. Although, the prohibition does not apply where the person concerned has the written approval of the major event organiser. Currently declared major sports facilities under the MSFA include the Brisbane Cricket Ground, Brisbane Entertainment Centre, Suncorp Stadium, Metricon Stadium and other venues. To date, the Townsville and Gold Coast V8 Supercars, the 2015 AFC Asian Football Cup and the Gold Coast 2018 Commonwealth Games (GC2018) have been prescribed as major events under the MEA.

Enforcement activities under the MSFA are the responsibility of Queensland Police. Penalties for contraventions range from \$65 on-the-spot infringement notices (for contravening the MSFA by purchasing a scalped ticket) to maximum fines of \$2,611 for reselling a ticket in contravention of the MSFA. However, it has become increasingly difficult for the Queensland Police to enforce ticket scalping provisions, particularly due to the growing number of online companies used to resell tickets. On the other hand, under the MEA, the major event organiser for an event is responsible for taking action to prosecute ticket scalping offenders. During GC2018, the Gold Coast 2018 Commonwealth Games Corporation (GOLDOC) was responsible for monitoring and providing primary oversight of websites in relation to ticket scalping activities. The MEA provision relating to ticket scalping was available for GOLDOC to use in the lead up to and during GC2018. GOLDOC used this provision in conjunction with the terms and conditions of its ticket sales. No formal prosecutions were taken by GOLDOC under this provision during GC2018.

## Australian Capital Territory

In the ACT, ticket reselling is regulated under the *Major Events Act 2014*. Similar to Victoria and Queensland, the legislation only covers events that are declared events. Under the Act, notice must be given for either a major event (through a Major Event Declaration) or an important sporting event (through an Important Sporting Event Notice). There are also offences under the Act if a person sells or trades a ticket to an event without written permission from the event organiser for greater than the face value of the ticket. A separate offence exists under the legislation where a person uses a ticket for the purpose of receiving a financial benefit without authorisation from the event organiser.

Since the Act was introduced, the One Day Cricket International (2014) was declared as an important sporting event. The AFC Asian Cup (2015), the Cricket World Cup (2015) and the Rugby League World Cup (2017) have been declared major events.



## New South Wales

In NSW, recent amendments to the *Fair Trading Act 1987* prohibit the resale of tickets to sporting or entertainment events in NSW, for any amount above the original acquisition cost of the ticket. These amendments commenced on 1 June 2018.

The original acquisition cost of the ticket is defined as the original supply cost (or face value) of the ticket, plus the transaction costs not exceeding 10 per cent of the original supply cost. Transaction costs include any commission, booking fees, payment surcharges and ticket delivery fees incurred by the first purchaser of the ticket in connection with the purchase of the ticket.

Further, the new laws prohibit the advertising of the resale of a ticket for an amount that is more than 110 per cent of the original supply cost of the ticket. Any advertisement must also disclose the original supply cost of the tickets, as well as the details of the location from which the ticket holder is authorised to view the event, such as the section, row and seat, as well as the admission type.

The NSW laws also aim to protect 'legitimate' resale by voiding any ticketing condition that invalidates or cancels a resold ticket where the ticket was resold for no more than the original acquisition cost. Further, the Minister is able to issue an order requiring the public disclosure of ticketing information about certain events, provided certain procedural fairness steps for event organisers have been met. When the order is made, the event organiser must give public notification of the number of tickets available for general public sale by authorised sellers.

The *Major Events Act 2009* also makes it an offence, without authorisation, to sell a ticket for admission to a major event venue or facility, which has been declared as such by the responsible Minister. The *Crown Lands Act 1989* and the *Local Government Act 1993* have prohibitions on engaging in unauthorised commercial, trade or business activities on certain public lands or community lands respectively, that would apply to the reselling of event tickets on those lands.

Additionally, the *Sydney Cricket and Sports Ground Act 1978*, the *Sydney Olympic Park Authority Act 2001*, and the *Centennial Park and Moore Park Trust Act 1983* contain prohibitions against trading that in effect prohibit ticket resale at the relevant venues. However, the prohibitions in these Acts only apply if the sale or attempted sale takes place at the venue or lands in question (that is, they do not apply to internet sales).

## South Australia

In South Australia, ticket reselling for certain events is regulated under the *Major Events Act 2013*. This legislation is similar to Victoria, Queensland and the ACT as the legislation only covers events that have been declared as major events. Major events generally generate significant benefits for the state and align with wider government and strategic priorities for tourism.

Under the Act, it is an offence to sell a ticket for a major declared event in the controlled area of the event, or to resell a ticket anywhere, for a mark-up greater than 10 per cent.

The South Australian Government has introduced a Bill, currently before the South Australian Parliament, containing similar provisions to those that commenced in New South Wales in June 2018. This includes a prohibition on the resale of tickets for more than 10% above the original supply cost of the ticket, a set of reseller disclosure requirements and a prohibition on ticket-buying bot activity.

## Perspectives on Existing Law

The stakeholder consultation process found that some sellers in the secondary ticket market are of the view that the current law is sufficient and the status quo should be maintained:

*Existing Australian Consumer Law is adequate and effective in dealing with issues that arise in the secondary market. It provides consumer protection, avenues to pursue companies that may be using misleading and deceptive tactics, and provides consumers with a clear guideline as to what is considered acceptable consumer standards.*

Confidential Submission

*People with tickets they cannot use should be able to sell them for what they are worth. Fans keen to experience an event should be free to pay a market rate for those tickets, above or below the face value. The free market is the best system for determining fair value and filling stadiums.*

eBay | StubHub | Gumtree Submission

Other stakeholders felt that the status quo was not acceptable and did not support it:

*We do not support maintaining the status quo. The fact that ticket scalping remains a significant issue faced by fans trying to access major events is an indication that the current legislative framework is not offering sufficient protection to consumers.*

Confidential Submission

Despite differing views about whether the status quo should be maintained, it was noted by most ticket sellers in both the primary and secondary markets that the existence of different laws across jurisdictions creates a large compliance burden for businesses and is confusing for consumers. There was strong support for a single national law in relation to the secondary ticket market:

*Currently, the patchwork of legislation across Australia does not serve the consumer – whether acting as a buyer or seller of tickets within or over state lines or national borders – participating in the secondary market. First, a consumer cannot be expected to understand the implications of different state law. Equally, tourists will most likely want to buy tickets to events when visiting Australia without understanding different state law. ... Secondly, consumers won't know which ticket resale website is compliant with state legislation. This especially applies to tickets bought on online websites registered and operated outside of Australia. Until each resale website selling tickets to consumers in Australia is fully compliant with each piece of legislation in each state, the consumer will be put at a disadvantage.*

Confidential Submission

*LPA recognises that there are benefits for a nationally consistent approach to ticket scalping. Currently, there exist different ticket scalping legislation in several Australian states. This inconsistency creates confusion as to what protections exist for consumers. It also places greater administrative burden on ticketing companies and event organisers to comply with different legislative requirements.*

Live Performance Australia Submission

The Australian Competition and Consumer Commission (ACCC) has had some success using existing laws to remedy problems in the ticket market, including the secondary ticket market. For example, in

2014, the ACCC worked with Ticketek and Ticketmaster to improve price transparency in relation to fees and charges and in 2017 the ACCC instituted proceedings in the Federal Court against ticket reseller Viagogo in relation to misleading consumers. These court proceedings are ongoing.

Despite a suite of national and State and Territory laws that can be used to address the problems associated with ticket reselling, State and Territory regulators note difficulties in undertaking enforcement action, particularly in relation to identifying individuals who may have engaged in contraventions.

## **Industry Led Initiatives**

Artists and performers, event promoters and primary ticket sellers are all taking significant industry-led actions to reduce opportunities for ticket reselling and scalping. These include the use of terms and conditions and codes of practice that limit resale, anti-ticket scalping technologies at the point of sale within ticket selling systems, the use of electronic tickets, holding back ticket distribution until a few days before events, using proof of purchase and proof of identity measures, allowing refunds and establishing exchange mechanisms and implementing consumer awareness programs about the secondary ticket market.

It is in the interests of artists, promoters and ticket sellers to limit ticket reselling and ticket scalping opportunities for a number of reasons including ensuring fair access and the creation of trust within their ticketing systems, maintaining the goodwill of consumers and preserving their industry reputation.

These industry-led initiatives are going some way to combatting unauthorised ticket reselling and ticket scalping.

## **Ticket Terms and Conditions and Codes of Practice**

Tickets sold by ticket sellers in the primary ticket market are generally subject to multiple sets of terms and conditions, sometimes coming from the artist, the promoter, the ticket seller and the venue. These were outlined in **Box 4**.

Ticket terms and conditions are often influenced by LPA's Ticketing Code of Practice (the Code). Both Ticketmaster and Ticketek are members of LPA and compliance with the Code is a condition of LPA membership. Whilst the Code does not currently require ticket sellers to include particular anti-scalping clauses in their terms and conditions, this is currently under revision.

Some ticket sellers in the primary market have indicated that whilst some terms and conditions give rise to a right to cancel resold tickets it is often difficult to identify tickets based on the information provided on resale platforms.

## **Anti-Scalping Technologies**

Ticket sellers in the primary ticket market have a number of anti-scalping technologies in place within their ticketing systems. Some ticket sellers have indicated that they use technologies that can detect when a purchaser is using ticket-buying bot technology, if a purchaser is using a fake or stolen credit card, or if a purchaser is purchasing tickets from a previously offending IP address. However, none of these methodologies are flawless.

Primary ticket sellers are also using technologies such as CAPTCHA and re-CAPTCHA systems which verify if the purchaser is human. These systems can slow down the purchase of tickets by genuine

buyers. However, these systems are being adapted as quickly as possible to prevent new ticket-buying bots, or software updates to existing ticket-buying bots from continuing to infiltrate systems.

In addition, it is also possible for primary ticket sellers to implement regional buying restrictions tied to credit card billing addresses (for example, tickets to a concert in Sydney only being able to be purchased by people in Australia), and some ticket websites have done this in the past. This method is useful, but can hinder genuine consumers from being able to purchase the tickets if they are not residing in the location but plan to visit.

### **Electronic Ticket Delivery**

Some ticket sellers in the primary market are putting in place electronic delivery mechanisms that make it harder to forward on resold tickets. Electronic tickets are typically sent directly to the purchaser's phone or electronic wallet. However, a screenshot can often be taken of the ticket, allowing it to be onsold. In addition, the ability of the purchaser to still opt for a paper ticket over electronic delivery reduces the usefulness of electronic tickets being used as an anti-scalping measure.

### **Hold Backs on Ticket Distribution**

In an effort to shorten the available window of time in which ticket scalpers have to receive and forward on resold tickets, ticket sellers in the primary market can make a choice to only provide tickets in the days or weeks leading up to an event. This increases the risk to ticket resellers and ticket scalpers that they will not be able to provide tickets in a timely fashion for an event and therefore can reduce the attractiveness of the practice.

### **Proof of Purchase and Proof of Identity Measures**

For some events, generally small events where fewer than 2,000 tickets are sold, ticket sellers in the primary market and venues will require the ticket purchaser to provide proof of identity or proof of purchase (such as presenting the credit card used to purchase the ticket) to verify that they are the original ticket purchaser. This measure reduces the ability of the original purchaser to onsell the ticket, as the identity and credit card information used to purchase the ticket cannot be changed.

### **Allowing Refunds and Providing Exchange Mechanisms**

Providing refunds to ticket purchasers who may no longer be able to attend an event reduces the risk that those tickets will be onsold. Refunds remove the need for authorised resale by returning tickets to the primary ticket market when they cannot be used. The terms and conditions reviewed by Treasury did not provide for refunds beyond those provided in the ACL. Official ticket sellers sometimes provide mechanisms for exchange where their tickets can be officially resold at face value to other fans.

During the stakeholder consultation process most primary ticket sellers stated that they are generally doing everything in their power to combat unauthorised ticket reselling and ticket scalping, especially deploying the mechanisms noted above.

*Our technology and the strategies we deploy are focused directly on placing the primary ticket allocation into the hands of fans.*

Confidential Submission

## Consumer Education

### Live Performance Australia Guides

LPA has developed guides to better educate consumers about where to buy official tickets and the risks of buying from the secondary ticket market.

The LPA *Safe Tix Guide* provides tips for buying tickets safely and securely. The Guide offers advice to consumers at all stages of the ticket buying process. The Guide is geared towards ensuring that consumers seek out information that will help them to make a more informed purchasing decision. Before consumers buy tickets, they are advised to: do their research, sign up for alerts from their favourite artists, be wary of internet search engine results, get organised and don't panic. During the purchasing process, consumers are advised to: check the ticket that they are buying, read the terms and conditions of purchase and pay by credit card (so that charge back facilities can be used if something goes wrong). The Guide also provides advice on what consumers should do if things go wrong (Live Performance Australia, 2017b).

The LPA *Consumer Guide to Buying and Selling Tickets in the Ticket Resale Market* provides guidance to consumers on buying and selling tickets in the secondary ticket market and aims to help consumers understand the ticket resale marketplace. The Guide provides information on the primary ticket market, how the refunds and exchanges process operates, outlines options for onselling tickets, and explains the secondary ticket market. The Guide also contains a checklist for buying tickets in the secondary ticket market (Live Performance Australia, 2017c).

### Official Ticket Seller Advice

Some ticket sellers in the primary ticket market also provide advice to consumers on the risks of purchasing tickets in the secondary ticket market.

Ticketek produces a fact sheet about ticket resale and ticket scalping. The fact sheet is distributed to all major venues as part of Ticketek's consumer education program. The fact sheet warns consumers about ticket scalping and the risks associated with purchasing from the secondary ticket market. The fact sheet outlines the benefits of purchasing tickets from an official ticket seller and also provides information to consumers on how they can lodge a complaint in the event that they find themselves the victim of ticket resale or fraud.

### Consumer Affairs Australia and New Zealand (CAANZ) Education Campaign

On 31 August 2017, CAF Ministers directed CAANZ officials to develop a consumer education campaign as an interim measure to improve consumer understanding and awareness of the secondary ticket market. The campaign ran for 6 weeks from March to May 2018.

The stakeholder consultation process found that there was broad support from stakeholders, especially primary ticket sellers, for continued consumer education.

*Education can lead to better audience satisfaction which has a direct cost benefit to promoters, venues and ticketing agencies, provided it is framed in the correct way. Balanced and factual education initiatives will assist the government and industries in managing consumers expectations, and ensuring that those who are legitimately affected can seek out the appropriate recourse under the ACL.*

*LPA Members believe that consumer education is important and necessary. It will require a large campaign to reach infrequent ticket buyers (who are at most risk of being misled or ill-informed about the secondary ticket market).*

Live Performance Australia Submission

CAANZ's Education and Information Advisory Committee is currently evaluating the CAANZ education campaign.

## Impact Analysis

### Benefits

If the status quo is maintained, consumers benefit from still being able to access tickets to events through the secondary ticket market. Access to the secondary market provides consumers with a wider range of purchase options. Further, consumers' understanding and awareness of the risks associated with purchasing tickets in the secondary ticket market is enhanced as a result of the consumer education campaign, allowing them to make more informed purchasing decisions.

Under the status quo, the existence of the secondary market would continue to provide a benefit in terms of improving allocative efficiency in the ticket selling market. This is because ticket resale can help to ensure that tickets are distributed to those who value them the most, because they allow potential buyers to indicate how much they want to go to an event, or their willingness to pay.

Consumers and secondary ticket sellers will not face any additional compliance costs as a result of maintaining the status quo and industry will continue to take industry-led actions to combat ticket reselling practices where necessary.

### Costs

The costs associated with maintaining the status quo result from the identified policy objectives not being met. Notwithstanding the improved awareness generated by an information campaign, maintaining the status quo will result in many consumers remaining confused about the market for tickets and continuing to be potentially exposed to detriment.

Consumers need and want to know whether they are buying from the primary or secondary ticket market. Consumers often find it difficult to identify who the official ticket seller is for a particular event, and may not know how to go about finding this out without the use of a search engine that can provide misleading results.

This is mitigated by the fact that the major ticket resale sites operating in Australia have complied with the policy Google introduced in February 2018. This policy obliges resale sites that buy Google 'AdWords' advertising space to disclose that they are resale sites and that prices may be above the face value (see the discussion of Option 4 for more detail on this Google policy).

However, under the status quo, consumers will continue to lack all the information that they require to make an informed purchasing decision. Ticket resale websites often lack important basic information about the tickets offered for sale; in particular, critical information such as the face value of the ticket and the fact the ticket is being resold. The voluntary action by Google does not presently

extend to displaying the face value, and importantly, there are risks associated with relying into the future on platforms voluntarily disclosing the fact of being a resale site.

If the status quo is maintained, consumers will continue to experience detriment from their participation in the secondary ticket market and their exposure to risk remaining. Consumers will also continue to have their fair access to tickets undermined by the use of ticket-buying bots.

While this RIS identifies existing consumer laws capable of applying to some practices in the secondary market for tickets, there are limitations on their potential effectiveness in this context. The current law can address circumstances where consumers are given incorrect information, or information is withheld from them to create a false impression. However, this does not fully address the identified problems about consumers lacking full information to make informed purchasing decisions on resale sites and ticket-buying bots undermining fair access. In particular, the current law does not prohibit using a bot to buy multiple tickets with the intention of reselling them for a higher price.

Further, if the status quo is maintained, there will continue to be inconsistencies in ticket reselling legislation across jurisdictions. As noted, the existence of different laws across jurisdictions creates a burden for businesses and is confusing for consumers. Businesses can incur costs from having to establish and operate separate webpages and verification processes for different jurisdictions, including in relation to staff training. Consumers can experience detriment when they buy a ticket for an event in one jurisdiction based on their expectations from experience in another jurisdiction. However, it is also the case that under the change options in this RIS, differing State and Territory requirements could continue to overlay a baseline level of regulation applying across Australia.

**Compliance Costs**

Maintaining the status quo would represent no change to the current regulatory environment. Therefore, there are no additional compliance costs associated with maintaining the status quo.

**Net Impact**

There is no net benefit resulting from maintaining the status quo.

**Summary Table of Benefits and Costs**

BENEFITS	COSTS
<ul style="list-style-type: none"> <li>Consumers are still able to purchase tickets on the secondary market.</li> </ul>	<ul style="list-style-type: none"> <li>Despite the education campaign, the majority of consumers will continue to be confused about the ticket market because of the limited reach of the consumer education campaign.</li> </ul>
<ul style="list-style-type: none"> <li>No additional compliance costs are incurred by sellers in the primary and secondary ticket markets as a result of increased regulation.</li> </ul>	<ul style="list-style-type: none"> <li>Consumers continue to lack all the information that they require to make an informed purchasing decision.</li> </ul>
<ul style="list-style-type: none"> <li>Consumers’ understanding and awareness of the risks associated with purchasing tickets in the secondary ticket market will be enhanced through consumer education if they come into contact with the education campaign.</li> </ul>	<ul style="list-style-type: none"> <li>Consumers continue to experience detriment from their participation in the secondary ticket market and their exposure to risk continuing.</li> </ul>
<ul style="list-style-type: none"> <li>Industry would continue to take industry-led actions to combat ticket reselling practices.</li> </ul>	<ul style="list-style-type: none"> <li>Consumers continue to have their fair access to tickets undermined by the use of ticket-buying bots.</li> </ul>





## OPTION 2: NATIONAL PROHIBITION ON TICKET RESELLING

The ticket reselling market can play an important role by enabling consumers to on sell tickets that they no longer need and to connect consumers who have a ticket with another consumer who places a greater value on the ticket.

In 2004, De Atley estimated that the secondary ticket market in the United States alone was worth around \$12 billion (De Atley, 2004). While it is expected that that market has grown significantly since 2004, there is no readily available or reliable data on its current size or value. Nevertheless, this figure does suggest that the secondary market is valuable, with gains to be made by ticket resellers and ticket scalpers. The value of the secondary ticket market in Australia is unclear, as there is no firm data available to confirm its size and value. However, at present it appears that the Australian market is still small, with only a handful of resale services operating. This is expected to grow as the market matures.

However, while the secondary market plays an important role, some ticket reselling practices can cause a number of consumer harms including being misled or deceived about the tickets that they are purchasing due to information asymmetries in the secondary market which prevent them from making informed purchasing decisions; exposure to the risk of ticket cancellation because of contraventions of ticket terms and conditions; and exposure to potential scams and frauds because unofficial ticket resale websites provide a platform for deception.

These problems could be partially overcome by shutting down the secondary ticket market entirely. Under this option, the practice of ticket reselling, even at face value, would be completely prohibited or banned. This option would make the act of ticket reselling illegal and the resale of tickets under any circumstances an offence, with penalties applying. This option would attempt to shut down the entire secondary ticket market and remove the ability to resell, even at face value.

Ticket reselling (generally without the consent of the event organiser) is prohibited in some international jurisdictions, notably Spain and France. As noted, ticket reselling and scalping is generally not illegal in Australia. However, there are certain circumstances where ticket scalping activity may be illegal under State or Territory legislation. For example, Victoria and New South Wales both have laws that make it an offence to resell tickets to certain events. In the case of Victoria, the Minister needs to deem the event a 'major event' before the resale action can be considered an offence. In the case of New South Wales, unauthorised ticket sales at a major event venue or facility are prohibited, however the Minister must declare what is a major event venue or facility, and the prohibition does not apply to online based sales. If Commonwealth legislation were to be introduced prohibiting ticket reselling, this legislation would likely override existing State and Territory laws.

A prohibition or ban on ticket reselling would need to apply to both in-person and online sales for it to be effective. Enforcement of in-person ticket reselling is likely to be a more straightforward task than enforcement of online ticket reselling. As noted, the costs of establishing online ticket reselling platforms is low and these websites can generally be established outside Australia, making enforcement difficult. The United Kingdom's *Independent Review of Consumer Protection Measures Concerning Online Secondary Ticketing Facilities* (the Waterson Review) found that:

*'It is now relatively easy for a UK seller and a UK buyer to complete a ticket resale transaction for a UK event over a ticketing platform owned by a multinational company with no presence in the UK. As a result, some jurisdictions have been reviewing their*

*regulatory legislation on “touting” or “scalping” to reflect the borderless reality of the internet. While in others, such as Germany, event organisers seek injunctions against online exchanges for breaches of their own ticketing terms and conditions. It follows from this that simply banning the operation of secondary sites in the UK would not solve perceived problems with the secondary ticketing market; any more than the banning of secondary ticketing sales in France means that such sales do not take place; they do (Waterson, 2016, p. 119-120)’.*

In addition, given that several sellers in the primary market have established their own resale platforms, this implies that there is tacit approval of such activities to a certain degree.

The stakeholder consultation process found that there was very little support for a prohibition on ticket reselling, with many acknowledging that a prohibition would punish consumers.

*[This] measure would likely have the perverse outcome of unfairly penalising genuine consumers who may have a change of plans or circumstances that mean their tickets are no longer usable and could legitimately be transferred to another party.*

Live Music Office Submission

While some primary ticket sellers expressed provisional support for a prohibition, all acknowledged that a prohibition is not a viable solution. Similarly, secondary ticket sellers did not support a prohibition as it would put them out of business. Secondary ticket resellers also noted that a black market would be created if a prohibition was introduced, or ticket resellers would move offshore and out of the reach of regulators.

*An outright prohibition on ticket resale will simply move the market underground, where consumers will have significantly less protection in the event that something goes wrong. Aside from an outright ban being the harshest and most unrealistic possible anti-resale measure introduced in the world, it would be entirely unenforceable, given jurisdictional issues associated with overseas resale platforms, and significant enforcement costs. ... The TBA would point to the example of the London Olympic Games in 2012, wherein major resale bans were legislated for by the British Government. The ultimate result was a compliance cost of some £20 million, with no appreciable reduction in ticket resale.*

Ticket Brokers Association of Australia Submission

*Belgium implemented legislation in 2013 that strictly prohibited consumers from reselling tickets at a higher price than the original sale price...Belgium has also seen a huge increase in rogue websites purporting to sell tickets and the consequential instance of fraud against the consumer. The legislation has placed the risk squarely at the feet of the consumer to identify that resale is illegal and that they are purchasing from an offshore website, which they either do not know or do not care about – they just want the ticket to see their favourite act.*

Confidential Submission

Further, as noted previously, most consumer respondents noted how much they value the secondary ticket market because they enjoy having options to resell their tickets when they can no longer attend an event, and would not support a prohibition.

## Impact Analysis

### Benefits

The benefits associated with this option are that consumers will be less exposed to the risks involved in purchasing tickets in the secondary ticket market — that is, the risk that they are purchasing fraudulent tickets and the risk that their ticket may be cancelled because of ticket reselling. In essence, consumers would have more confidence that they are purchasing tickets from official ticket sellers because these sellers will legally be the only sellers that can provide tickets to events. Considering the impracticability of monetising the value of confidence and certainty in this context, the benefits of this increased confidence and certainty are unquantifiable.

A prohibition on ticket reselling would also ensure that consumers are only paying face value for their tickets. Evidence provided by industry suggests that the average uplift on resold tickets is around \$86.00. With a ticket resale market selling around 350,000 tickets per year, the savings to consumers could be in the order of \$30.1 million if a prohibition is introduced.

However, a prohibition on ticket selling will not *completely* remove the risks associated with ticket resale, as it is likely that a ban would not shut down the secondary market entirely. Instead, the activity is more likely to be forced into the black market or move offshore where consumers have no protections at all.

In addition to reducing the risks associated with ticket reselling, a prohibition on ticket reselling would result in a nationally consistent approach to ticket resale, providing consumers and ticket sellers across Australia with greater clarity and certainty. States and Territories have different laws in relation to ticket resale which can result in reselling behaviour simply being conducted across state borders out of the reach of the authorities. Considering the impracticability of monetising the value of clarity and certainty in this context, the benefits of a nationally consistent approach are unquantifiable.

### Costs

The costs associated with this option are that consumers would have less choice in relation to ticket purchase. As noted, consumers value having access to a secondary ticket market for a number of reasons including convenience, time saving and avoiding ‘the hysteria’ of the ticket sales process (CHOICE, 2017, p. 10). In addition, the secondary market is also useful for ‘late movers’ who may have reason to delay their purchasing decisions. More ticket resale options can increase market efficiency because secondary markets create channels where tickets go to the consumers who value them the most (Courty, 2003, p. 85). Further, the Waterson Review found that a large proportion of tickets sold on secondary resale sites were actually priced below their face value, offering a useful service to ticket sellers and consumers alike, and allowing more people to attend an event (Waterson, 2016, p. 136). Considering the impracticability of monetising the value of consumer choice in this context, the costs associated with consumers having less choice are unquantifiable.

A prohibition on ticket reselling would prevent consumers who genuinely need to onsell their tickets (because they can no longer attend an event) being prohibited from doing so. This would result in these consumers suffering losses that they cannot recoup or partially recoup. The operation of a secondary ticket market allows these consumers to at least obtain some recompense and also allows other consumers who may value the tickets to attend. Given the difficulty in identifying the volume of ticket resales that occur because a person genuinely can no longer attend an event, as well as the

subjectivity of the benefit a consumer derives from being able to buy a resold ticket they could not otherwise obtain, the costs associated with losses from being unable to resell tickets is unquantifiable.

Further, a prohibition on ticket reselling may cause consumers to delay their ticket purchase until closer to the day of the event, until they are certain that they can attend. A lack of early sales may result in certain events being cancelled and this could affect the financial viability of the live event industry. Similarly, it could have an impact on the cash flows of primary ticket sellers.

A prohibition of ticket reselling would also likely create a black market for tickets, and would see ticket reselling and ticket scalping behaviour move into the black market or offshore where consumers have no protections at all. An act is considered to be part of the black market economy if it violates formal rules imposed by government. There are a range of problems associated with the operation of black markets including underreported economic activity, lost tax revenues, welfare loss, corruption in society and unfair competition.

The potential development of a black market reflects the importance of the secondary market to consumers – consumers genuinely value access to the secondary market.

The operation of a black market increases the risk of fraud to consumers. At present, consumers who engage with sellers in the secondary ticket market are protected by the ACL (where the seller is 'in trade or commerce') and have access to a range of remedies should they experience detriment as a result of a breach of the law. If ticket reselling were to be prohibited and move into a black market, consumers would be exposed to risks with no avenues for recourse and no access to justice. In addition, consumers currently also have access to other remedies such as credit card chargebacks that can be used in the event that a promoter or event 'goes bust'. However, if ticket reselling was prohibited, these avenues would no longer be available as a remedy.

A further source of costs associated with a prohibition on ticket reselling is the resources that would be required to put in place a stronger enforcement regime. Regulators would need to dedicate resources to efforts to prevent ticket resale activity resurfacing in the black market, and to detect it and take action when it does.

### **Compliance Costs**

A prohibition on ticket reselling would make the practice illegal, therefore the secondary market for tickets is shut down and resale businesses can no longer operate. If resale businesses are not permitted to operate, they will face no compliance costs.

### **Net Benefits**

A prohibition on ticket reselling will partially address the identified problem. A prohibition will ensure that consumers are provided with correct ticketing information in the short term because only official ticket sellers will be permitted to operate. Consumers will also not experience reductions in their welfare in the short term because they will not be paying an uplift above the face value. A prohibition on ticket reselling will also reduce the risks that consumers face from potential fraud and scams.

However, it is expected that the benefits associated with a prohibition of ticket reselling will ultimately not significantly outweigh the costs of a prohibition. While consumers will experience savings in the short term by not paying an uplift on the price of tickets, a prohibition will not stop

ticket reselling behaviour because ticket resellers will move their operations into black markets where consumers would have no access to consumer protections. The costs of consumers not having access to consumer protections are thought to be sizeable.

### Summary Table of Benefits and Costs

BENEFITS	COSTS
<ul style="list-style-type: none"> <li>Consumers face less risk when buying tickets to events because they can only legally purchase them through the primary ticket market.</li> </ul>	<ul style="list-style-type: none"> <li>Consumers have less choice in who they purchase their tickets from.</li> </ul>
<ul style="list-style-type: none"> <li>A nationally consistent approach to ticket resale is adopted, providing consumers with greater clarity.</li> </ul>	<ul style="list-style-type: none"> <li>Consumers who genuinely need to onsell their tickets cannot do so and therefore suffer losses.</li> <li>Consumers may delay their purchase until closer to the event until they are certain that they can attend. A lack of early sales may result in certain events being cancelled and the event industry suffering losses.</li> </ul>
	<ul style="list-style-type: none"> <li>A black market for tickets would likely be created.</li> <li>Resources would be required to put in place a stronger enforcement regime.</li> </ul>

## OPTION 3: RESTRICTED RESELLING

As discussed in Option 2, the ticket reselling market plays an important role that is valued by consumers. However, certain practices in the market can result in consumer dissatisfaction. The nature of ticket markets is that there is an inelastic or limited supply of tickets because of the physical capacity of venues. When there is a limited supply, the willingness to pay of consumers changes in line with their preferences to see an event. The stakeholder consultation process confirmed that consumers are willing to pay more for tickets to events that they highly value. The stakeholder consultation process confirmed that the primary cause of consumer dissatisfaction typically arises not when the consumer completes the transaction – because they have confirmed their willingness to pay by completing the sale – but when the consumer *discovers* that they have paid more than the face value of the ticket, resulting in feelings of being “ripped off”. At the time of purchase, the consumer is willing to pay the inflated ticket price as illustrated by their purchase decision. Therefore, consumers’ own perceptions of their willingness to pay shift with the discovery of this additional information.

A secondary cause of dissatisfaction amongst consumers is not being able to acquire the *best* tickets at a price that matches their willingness to pay, despite other tickets still being available in the primary market.

A recent survey of consumers conducted by CHOICE indicated that the vast majority of consumers that were surveyed indicated they had paid more than the face value of the ticket, with only a small amount of consumers indicating that they had paid less than the face value (CHOICE, 2017, p. 7 and 18). Some secondary ticket sellers noted that not all tickets sell above the face value on the secondary market and those that do sell above the face value were not experiencing huge markups:

*On StubHub.com approximately 50 per cent of all tickets are sold at or below face value.*

eBay | StubHub | Gumtree Submission

*The average uplift [on our platform] is around \$86.00 above the face value.*

Confidential Submission

Some parts of the entertainment industry have expressed concern about inflated and expensive ticket prices and the impacts of this on consumers. In particular, some artists and event promoters have noted that inflated ticket prices reduce fair access for genuine fans. This has led to some artists supporting ticket reselling platforms that only resell tickets at the face value or at the face value plus a small mark-up, such as Twickets. Further information on face value selling is in **Box 5**.

### BOX 5: 'TWICKETS' AND THE FACE VALUE TICKET SELLING MODEL

Twickets is a fan-to-fan ticket trading platform that enables users to buy and sell spare tickets to events at no more than face value. The site brands itself as a safe and secure place for fans to exchange tickets. Twickets partners with some of the biggest names in music, who endorse the company's mission to combat hiked-up prices and unethical resellers.

To prevent ticket scalping, the site moderates and checks through every ticket posted for sale to ensure that it is not listed above the face value. The site also posts information such as the venue, the section and the row of the seat associated with the ticket.

Twickets users list their ticket on the site by selecting the ticket type and face value from an extensive database of events. The site allows the seller to add an additional fee of up to 15 per cent to cover the original booking fee and transaction costs. The seller can then select the delivery option that they would like to offer buyers, including post, drop and collect, meet up and download. The site allows the seller to choose an option that will ensure that the buyer receives the ticket on time and urges sellers to deliver tickets to buyers promptly.

Payment occurs through PayPal or a bank account transfer, depending on the event. The site provides a guarantee around the transaction.

Twickets does not charge transactions fees to sellers of tickets, however booking fees are sometimes applicable to the buyer.

Restricted reselling and price caps or ceilings are often presented as a solution 'to avoid consumers being exploited by those with no interest in music or the artist, other than making an excessive profit' (Waterson, 2016, p. 148). The purpose of a price ceiling is to protect consumers of a certain good or service by establishing a set maximum price in a market. In the case of tickets, this set price would be the face value of the ticket. As previously noted, the face value of a ticket does not reflect the true value of the ticket, as event promoters and primary ticket sellers actively engage in the practice of underpricing. The true value of the ticket therefore, lies in the price that someone is willing to pay for it.

Advocates of restricted reselling have argued that 'a cap would reduce the prevalence of touts, brokers, professional sellers in the market and particularly the incentive to invest in 'bot' technology to acquire the most lucrative seats at high demand events' (Waterson, 2016, p. 148).

The stakeholder consultation process found strong consumer support for restricted reselling:

*Personally I think that legislation should be put in place that limits the cost of the tickets being resold to a maximum value of their original price. That is, no one should make a profit on the resale of tickets. The resale of tickets should only be for people who for one reason or another can no longer attend the event. The price should be no greater than the cost originally paid.*

Consumer Comment

*My feeling is that all scalpers/reseller websites should be banned and that selling a ticket unless through the original source at the original price should be made illegal and mean that the ticket becomes void or worthless.*

Consumer Comment

*I completely agree with stopping the practice of onselling tickets at a profit. I support an avenue where people who genuinely cannot attend an event can resell their tickets for face value including booking fees, but not with any sort of mark-up.*

Consumer Comment

Similarly, some primary ticket sellers, promoters and sport and entertainment industry representatives were also in favour of restricted reselling:

*The majority of members do not support the ability to profiteer from ticket resale. Some members believe capping the resale price to the face value of the ticket will be simpler and more transparent; allowing for some mark-up would cause confusion. Other members are sympathetic to allowing the recovery of any associated costs.*

Live Performance Australia Submission

*We support this approach because whilst a national prohibition would be not only unworkable and also have unintended consequences, having no limit on resale prices has been found to have impacts not only on consumers but also on venues and artists. It is our experience that as inflated tickets appear on the secondary market that this interferes with the normal operation of venues, as subsequent customer complaints and issues arise. Artists may be unfairly impacted by heavily inflated prices as they miss out on legitimate income generated from their work.*

Live Music Office Submission

Some ticket resellers have publicly stated their beliefs that price caps are not a solution and do not work. In April 2017, StubHub, a ticket resale website owned by eBay, warned the Government of Ireland that measures to limit ticket prices in the market would be easily avoidable. StubHub noted that price caps do not work because ‘they drive resale onto the streets and other parts of the internet where this is no consumer protection’ (Flynn, 2017). Similarly, ticket reseller Viagogo, in testimony to a 2014 Senate Committee on Ticket Reselling, also noted that ‘the concept of imposing price caps, while well intentioned, just results in sellers reverting to selling their tickets in places where price caps cannot easily be enforced, and where the chances of consumers having a bad experience are high (Senate Economics Committee, 2014, p. 31)’.

The stakeholder consultation process found that ticket brokers, corporate and hospitality services and secondary ticket sellers do not support restricted reselling:

*There will be a vastly reduced business case to staying in the secondary ticket market. A cap on resale reduces the business case for legitimate marketplaces as sellers will sell from offshore websites where there is no cap and the buyer will follow the ticket inventory offshore.*

Confidential Submission

While restricted reselling practices are not common, there is some evidence of their use in international jurisdictions such as South Africa, New Zealand, Norway and parts of the United States. New York State’s reselling restriction laws are some of the oldest in the world and are outlined in detail in **Box 6**. The New York experience illustrates the failure of price caps to prevent ticket scalping behaviours. Restricted reselling laws and price caps have been instituted in some Australian jurisdictions — Victoria, Queensland, South Australia, New South Wales and the Australian Capital Territory — however, these generally require a major event to first be declared before the reselling restrictions apply.



## BOX 6: RESTRICTED RESELLING LAWS IN NEW YORK STATE

From 1920 to 2007, the US state of New York had in place strong anti-scalping measures in the form of restricted reselling laws. In the early years of the policy, reselling was capped at \$US2.00 above the face value of the ticket, this eventually rose to 20 per cent and later 45 per cent (Schneiderman, 2006, p. 7). In addition, the resale restriction was required to be printed legibly on each ticket:

*If the venue to which this ticket grants admission seats 6000 or fewer persons, this ticket may not be resold for more than 20% above the price printed on this ticket, whereas if the venue to which this ticket grants admission seats more than 6000 persons, this ticket may not be sold for more than 45% above the price printed on the face value of this ticket (Schneiderman, 2006, p. 7).*

Despite the resale restrictions, the laws were largely ignored. Further, the New York Attorney General found that the laws were difficult to enforce and inconsistently enforced, with underground ticket scalping flourishing (Schneiderman, 2006, p. 7).

In 2007, the State repealed its long standing reselling restrictions, citing a failure to prevent ticket scalping behaviour, the practical inability of undertaking meaningful enforcement, and a recognition that free market industry solutions could more effectively combat problems that arise from ticket scalping. The repeal of the laws allowed ticket resellers and ticket scalpers to operate openly and sell tickets at whatever prices consumers were willing to pay. The hope of the repeal was that allowing greater competition in the resale market would see a decrease in secondary prices. In addition, it was hoped that the repeal would also see increases in tax revenue, as a formal licencing system for resellers was introduced. The licencing system required various disclosures of tickets sold, the posting of a \$25,000 bond to cover counterfeit tickets, and the payment of an annual \$5,000 registration fee (Schneiderman, 2006, p. 7-9).

In 2016, a report by the New York State Attorney General found that the repeal of the reselling restrictions had not worked. Instead, competition-driven savings intended to benefit fans had instead been converted into profits by ticket scalpers. The report recommended reintroducing some form of restricted reselling. However, the report notes the difficulties of enforcing restricted reselling laws.

In June 2018, new ticket resale laws were introduced in New York which impose requirements for online resale marketplaces to disclose that the website is for the secondary resale of tickets and that the price may exceed the established price. The new laws also provide that any ticket reseller who knowingly uses bots or other ticket purchasing software may lose their license and be barred from licensure as a ticket reseller for up to three years. This applies in addition to the existing prohibition on the use of bots.

In the United Kingdom, the Waterson Review examined the issue of a cap on resale prices at a particular level and concluded that there was no convincing evidence that a price cap is an appropriate solution. The Review concluded that:

*The history of price caps in other spheres is not a propitious one, particularly where the set of sellers is not well defined; people find a way around them...there is an increased likelihood of sellers moving abroad in order to circumvent the cap...it would be of limited effect since there are rapidly changing routes to market, including social networking sites, some of which are based in other jurisdictions, meaning any legislation would be extremely difficult to police or future-proof (Waterson, 2016, p. 22-23).*

Similarly, the Waterson Review also cautioned against the setting of price caps with an additional premium, as it can legitimise and encourage the mark-up.

*Finally, suppose a price limit were imposed at say 10% or 20% of the full face value ticket cost including face value and fees. This is a substantial margin for any business, albeit less than the mark-up on the current secondary ticketing sites. Imposing a mark-up limit in the absence of primary ticketing market controls in effect legitimises through legislation the operator who makes multiple purchases from the primary site in order to themselves operate a secondary ticketing site charging the full mark-up, plus whatever fees are allowed by the legislation. This would not alleviate the concerns of an event organiser who opposes secondary ticketing sales on moral grounds. It would not have a substantially different effect on the market from the case where a primary operator chooses a particular secondary ticketing partner and imposes restrictions on it directly (Waterson, 2016, p. 151).*

Waterson also noted the difficulties that arise in enforcing price caps:

*Most importantly, there is a question of who would enforce the cap and what resources they would employ. Merely declaring there to be a cap is not sufficient. Price caps in Britain are most often enforced by dedicated, substantially staffed regulators dealing with a clear set of established companies subject to their regulation. My feeling is that such a body would only be merited in circumstances where very substantial and sustained evidence of (the potential for) market manipulation was present. It would also exonerate the primary market from complicity in creating the circumstances behind a substantial secondary ticketing market (Waterson, 2016, p. 22-23).*

### **3(a) Face Value**

Under this option, ticket reselling would be restricted to the selling of the ticket at the face value only. The face value is the value printed or depicted on the ticket to indicate its official purchase price. Under this option, there would be nothing preventing the sale of the ticket for less than the face value. The Ticket Brokers Association noted that it is not always clear what the face value of the ticket is, as not all types of tickets have the face value clearly printed on the ticket:

*Adding to the confusion is the fact that member's seasons tickets (e.g. ANZ Stadium, AFL members tickets) often have \$0 as the face value, despite members spending up to several thousand dollars annually on a membership.*

Ticket Brokers Association Submission

Restricting resale of the ticket to the face value would require individual sellers in the secondary ticket market to ensure that their tickets are not advertised or sold for amounts above the face value. In addition, businesses that facilitate the resale of tickets in the secondary market, such as ticket reselling platforms, would also need to ensure that tickets are not advertised or sold on their sites for amounts above the face value.

Ensuring that tickets are not sold for amounts above the face value of the ticket would require the ticket reselling platform to be able to verify the face value of each individual ticket sold, since ticket prices to a single event can vary based on seating arrangements. It is unclear what may be the best mechanisms for verifying the face value of tickets, though there may be several methods of verification including obtaining the information from the primary ticket seller or their website, requiring the ticket seller to verify the face value of the ticket through some kind of authentication measure (such as providing proof of purchase or a receipt), or simply relying on the seller to include the correct face value when registering the ticket for sale. Verifying the face value of the ticket to

ensure that it is sold for no more than the face value will likely create compliance costs for ticket reselling platforms.

The compliance cost estimates in this RIS assume verification would occur by the platform requiring the individual reseller to input the face value and an individual employed by the platform operator then checking this against publicly available information or photo evidence submitted by the user.

The stakeholder consultation process did not result in firm conclusions as to the question of verification, with some stakeholders noting difficulties while other held a view that verification would be an easy and straight forward process:

*Given that the face value of an event ticket can change at any time (i.e. event organisers retain the contractual right to 'dynamically price' or otherwise vary ticket prices and ticket categories) it would be difficult for administrators of resale platforms to, firstly, verify what is the actual face value of the ticket, and secondly, whether the face value has been accurately represented by the seller.*

Ticket Brokers Association Submission

*[Stakeholder] recommends that the face value of the ticket should be verified by the secondary platform. Price verification is not unduly onerous – ticket prices are often well advertised on the primary ticket (whether physical or digital) and on the authorised promoter, ticket seller and artist websites. Verification could be achieved by reviewing any of these sources.*

Confidential Submission

### **3(b) Face Value Plus 10 Per Cent**

Under this option, ticket reselling would be restricted to selling the ticket at the face value plus a 10 per cent premium. The addition of a 10 per cent premium is designed to cover the costs associated with reselling the ticket, such as postage and handling. The 10 per cent premium would be an absolute cap, so if postage and handling costs were greater than 10 per cent of the face value, these would not be covered. During the stakeholder consultation process, some stakeholders noted difficulties with a 10 per cent premium above the face value:

*The sales commission alone charged by Viagogo, Ticketmaster Resale and StubHub is close to 25 per cent of the sale value. This means that a consumer who can no longer attend an event, and who lists their ticket for sale, will be unable to recoup their investment even if they list their tickets at face value or at an arbitrary 10 per cent premium.*

Ticket Brokers Association Submission

*A 10 per cent cap may not be sufficient to cover delivery of hard tickets, in some cases, particularly low-value tickets. Signature on delivery is considered ideal to assist in ensuring the buyer receives what they paid for, and to reduce instances of others receiving tickets which they have not paid for. For example, a pre-paid Parcel Post envelope with signature on delivery is \$11.45, while express is \$14.30. Given the above, restricted reselling can lead to a higher amount of transactions happening in person. One of the benefits of online resale transactions is that it reduced the need for people to meet up to exchange tickets for money. In person transactions can lead to other types of criminal behaviour such as theft and assault.*

As with the option to limit the resale of tickets to the face value, this option would also require ticket reselling platforms to ensure tickets are not advertised or sold for amounts above the face value plus a 10 per cent premium. This option raises the same verification issues as with face value only selling.

There are several international jurisdictions that cap the resale value of the ticket to the face value plus a premium including New Zealand and parts of the United States. The Canadian province of Ontario has introduced a new Ticket Sales Act, which commenced on 1 July 2018, but has suspended the portion of this law that would have imposed a price cap on resold tickets of 50 per cent above face value.

In addition, New South Wales has recently legislated to restrict ticket reselling to the face value of the ticket plus transaction costs up to a maximum of 10 per cent. Details of this new law are outlined in **Box 7**.

#### **BOX 7: NEW SOUTH WALES TICKET RESELLING LAWS**

On 1 June 2018, new laws commenced in New South Wales restricting ticket reselling to NSW events.

The laws introduce price limits in the secondary ticket market and include a prohibition on the resale of tickets above the original acquisition cost of the ticket (including any transaction costs not exceeding 10 per cent). The law also includes a prohibition on the publication of an advertisement for ticket resale above the original ticket sale price plus 10 per cent. In addition, the law also includes a prohibition on event organisers cancelling tickets on the basis that they were resold if the tickets are resold below the restricted price level.

The 10 per cent price restriction only applies to tickets for sporting or entertainment events in NSW that are subject to terms and conditions that limit the circumstances in which a ticket may be resold or that prohibit resale altogether. This aims to ensure that tickets to amateur and local event tickets are not covered.

Under the law, artists, promoters, venues and ticketing agencies will be provided with the ability to take court action against anyone who breaches the prohibition. In addition, New South Wales Fair Trading will also be able to take enforcement action to investigate and address any alleged breaches.

## **Impact Analysis**

### **Benefits**

The benefits associated with restricted reselling options are that consumers wishing to buy tickets to events are still provided with a range of options, including purchasing in the secondary market, and those consumers who need to onsell their tickets for genuine reasons (such as no longer being able to attend the event) are permitted to do so and still have avenues available to do so.

In the absence of reliable estimates of the costs to consumers of using alternative channels (i.e. the black market that a resale ban would generate), and in light of the subjectivity of the benefit a consumer derives from buying a ticket priced above face value, the benefits associated with consumers having ongoing access to the secondary ticket market are unquantifiable.

Further, consumers may benefit from restricted reselling regulations in the short run because they will be protected from being exposed to inflated or excessive ticket prices. However, importantly, consumers will only be protected until such time as a black market for resold tickets is created. As with a prohibition on ticket reselling, restricted reselling at face value could result in savings to consumers in the order of \$30.1 million.

## Costs

Restricted reselling practices also reduce market efficiency. Ticket reselling practices can improve allocative efficiency in the ticket selling market – ticket resellers can help to ensure that tickets are distributed to those who value them the most, because they allow potential buyers to indicate their willingness to pay. A cost associated with restricted reselling options is that restricted reselling will likely result in market inefficiencies, with tickets not necessarily being allocated to those consumers who value them the most (those consumers who have the greatest willingness to pay). Rather, tickets will likely go to those consumers who move to purchase tickets early during the sales period. Late movers may miss out on tickets, even when they may value those tickets more highly than first movers. Again, this reduction in market inefficiency will only persist until the creation of a black market.

Restricted reselling practices may also reduce competition in the secondary ticket market. If potential profits are reduced by the introduction of a price cap, the incentive to enter the ticket resale market will be reduced. Competition in the secondary ticket market gives consumers options in relation to the purchase of tickets and creates more dynamic markets where resellers can compete on price. In their submission to the consultation process, StubHub noted that:

*Reputable resellers provide an element of competition in the marketplace and are fulfilling consumer demand...a competitive secondary market provides additional access points for fans to attend live events.*

eBay | StubHub | Gumtree Submission

Where restricted reselling is put in place, ticket reselling platforms are in the best position to ensure that their sellers follow the law. They can make changes to their ticket selling platforms to ensure that tickets are not sold above the terms of the restricted resale. As a result of this, ticket selling platforms in the secondary market would face increased compliance costs.

As with a prohibition on ticket reselling, restricted reselling options will not stop the practice of ticket scalping. If a price cap were applied to the secondary ticket market, it will result in the creation of a black market due to the existence of excess and unfulfilled demand for particular classes of tickets. If this were to occur, consumers would lose access to the consumer guarantees in the ACL.

*If a consumer makes an informed decision to purchase a ticket that is above face-value there is no public policy reason as to why they should not be able to do that. Whether they choose to pay that price will depend on whether they want to go to the event. If the secondary ticket-market is in effect banned or unduly restricted, this will force sales 'underground' in which case consumers will not have any protections that are currently available to them.*

eBay | StubHub | Gumtree Submission

Further, this option would likely not prevent ticket reselling platforms from including additional fees and charges associated with the ticket sale, such as booking fees, and existing booking charges may be increased as ticket resellers move to protect their profits.

### Compliance Costs

Restricted reselling is estimated to generate a total compliance cost of \$20.2 million over 10 years. This consists of a one-off system and platform redesign costs of \$99,000 and ongoing ticket information verification costs of \$20,064,000 over a 10 year period.

Under this option, ticket resale websites will need to redesign their sites to allow users to input the face value of the ticket into a web form and to allow the ticket system to include a 10 per cent mark up on that face value to cover postage and handling costs. It is also assumed that in order to ensure that they are compliant with the law to only resell tickets at face value (plus 10 per cent), these sites would need to verify the face value that individual ticket resellers have inputted into the ticket reselling system. This would require a person employed by the ticket reselling platform to verify the face value of the ticket (on the primary ticket seller website or viewing photo evidence submitted by the user).

### Net Benefits

Restricted reselling laws will partially address the identified problem. Restricted reselling laws are unlikely to contribute to more informed consumers, however they will go some way to ensuring that consumers experience smaller reductions in their welfare in the short term because they will not be paying an uplift above the face value. Restricted reselling laws are unlikely to reduce the risks that consumers face from potential fraud and scams.

It is expected that the benefits associated with restricted reselling will ultimately not significantly outweigh the costs associated with such a restriction. While consumers will experience savings in the short term by not paying an uplift on the price of tickets, the effectiveness of restricted reselling laws are questionable and can be easily avoided by ticket resellers moving their operations into black markets or offshore where consumers would have no access to consumer protections. The costs of consumers not having access to consumer protections are thought to be sizeable.

### Summary Table of Benefits and Costs

BENEFITS	COSTS
<ul style="list-style-type: none"> <li>Consumers are still able to purchase tickets on the secondary market.</li> </ul>	<ul style="list-style-type: none"> <li>Restricted reselling may result in market inefficiencies, with tickets not necessarily being allocated to those consumers who value them the most.</li> </ul>
<ul style="list-style-type: none"> <li>Consumers who genuinely need to onsell their tickets can still do so.</li> </ul>	<ul style="list-style-type: none"> <li>Restricted reselling where a mark-up or premium is used can legitimise and encourage charging up to the full mark-up level.</li> </ul>
<ul style="list-style-type: none"> <li>Consumers may be able to increase their level of consumption of events over time.</li> </ul>	<ul style="list-style-type: none"> <li>A black market for tickets would be created.</li> </ul>
<ul style="list-style-type: none"> <li>Consumers are somewhat protected from paying 'inflated' or 'excessive' ticket prices until such time as a black market is created.</li> </ul>	<ul style="list-style-type: none"> <li>Secondary ticket reselling platforms face compliance costs associated with updating their websites to put in place mechanisms that prevent sale at prices above the face value or face value</li> </ul>

plus 10 per cent.

- Secondary ticket resellers face compliance costs associated with verifying face values.
- Resources would be required to put in place a stronger enforcement regime.

## OPTION 4: IMPROVED DISCLOSURE ARRANGEMENTS FOR TICKET RESELLERS (PREFERRED OPTION)

The purchasing of tickets to live performances and sporting events in Australia can be a difficult and confusing process for some consumers. There can often be a lack of clarity around how and from whom consumers should purchase their tickets, how many tickets are available to a certain event and at what price those tickets are available for purchase. The secondary ticket market creates opportunities for consumers to be exploited when they do not have enough information to make informed purchasing decisions.

In order to make more informed purchasing decisions, consumers would benefit from the disclosure of certain types of information. Under this option, ticket reselling platforms would be required to disclose the fact of being a resale site (rather than the official or original seller) and the face value of tickets being resold. Additionally, information about seat location and any restrictions on a ticket could also be mandated, depending on the final design of the proposed policy.

Firstly, a disclosure by the ticket reseller that they are indeed a reseller is a useful piece of information for consumers to know. As noted, anecdotal evidence suggests that most consumers who purchased tickets through ticket resale websites before early 2018 were not aware that they are buying those tickets from unauthorised sellers for prices generally above the original face value of the ticket. Ticket resale websites can look and feel like official ticket seller websites, misleading consumers into thinking that they are buying their tickets through official channels. Therefore, it may be useful to require ticket resellers to prominently disclose that they are not an official ticket seller before they enter into transactions with consumers. Examples of potential reselling site disclosures are outlined in [Box 8](#).

### BOX 8: EXAMPLES OF POTENTIAL DISCLOSURES

Below are examples of potential disclosures for ticket reselling platforms:

**WARNING: THIS SITE IS NOT AN OFFICIAL TICKET SELLER.  
THIS SITE IS A TICKET RESALE SITE.**

\*

**THIS SITE IS A SECONDARY TICKET RESELLER.**

\*

**THIS SITE IS NOT AN OFFICIAL TICKET SELLER. THIS SITE IS A  
TICKET RESALE SITE.**

Secondly, a disclosure about the characteristics of the ticket is also useful information for consumers to know, such as the face value of the ticket.

Google updated its advertising policies as they apply to secondary ticket sellers in February 2018. In its submission to the stakeholder consultation process Google noted:



*In November 2017, Google announced a global policy change that will help protect buyers of event tickets from unclear information or unexpected fees and negative experiences, and, ultimately, benefit legitimate resellers of event tickets. The change, which will take effect from early February 2018, requires event ticket resellers to be certified by Google before they can place ads on Google platforms.*

Google Submission

The changes made by Google primarily focus on requirements for information disclosure. Google has also publicly indicated its intention to make a second set of changes, which would require resellers to display the face value of tickets alongside the reseller's price so that purchasers can make an informed decision. Importantly, the changes outlined by Google only apply to ticket resellers when they use Google's paid advertising services like AdWords. Further information on Google's new requirements for secondary ticket sellers is outlined in **Box 9**.

#### **BOX 9: GOOGLE'S NEW APPROACH TO ADVERTISING OF EVENT TICKETS ON GOOGLE PLATFORMS**

To be certified, resellers must demonstrate they meet the following requirements:

- Resellers must not imply that they are the primary or original provider of event tickets and must disclose to customers that they are a reseller.
- Disclosures are required to be prominently viable and clearly explained in the top 20 per cent of the reseller's website, including the home page and any ad landing pages. The provisions also apply to mobile applications.

An effect of this change is that resellers cannot use the word 'official' in ads placed on Google platforms, or include the artist or venue name in the Uniform Resource Locator (URL) of a website linked to an advertisement.

- Resellers must tell customers that prices may be higher than the face value of tickets (the price offered by the primary provider), and prices must be broken down to show the value of fees and taxes included in the price during checkout and before the customer provides payment information.

The major ticket resale sites operating in Australia have complied with the February 2018 Google policy change. **Box 10** illustrates how secondary ticket sellers have met the disclosure requirements in the Australian marketplace.

## **BOX 10: EXAMPLES OF STATEMENTS USED BY RESELLING PLATFORMS TO COMPLY WITH GOOGLE'S RESALE POLICY**

Below are some examples of the statements being used by major secondary ticket sellers in the Australian market following the change to Google's ad policies. All statements are displayed at the top of website landing pages.

### **Viagogo**

"We're the world's largest secondary marketplace for tickets to live events. All tickets are fully protected by our guarantee. Prices are set by sellers and may be below or above the face value".

### **Ticketmaster Resale**

"Our marketplace includes resale tickets. Prices are set by the ticket seller, and may be above or below face value".

### **StubHub**

"StubHub is the world's top destination for ticket buyers and resellers. Prices may be higher or lower than face value."

### **Ticket Blaster**

"Secondary Ticket Marketplace | Prices may be above or below face value".

### **Queen of Tickets**

"Queen of Tickets is an Australian based company engaged in the secondary resale of tickets to concerts and sporting events. Ticket prices may be higher or lower than the original purchase price."

Note that Ticketmaster Resale only displays this statement when the user accesses the site via an AdWords advertisement (on other sites – e.g. Viagogo – the statement appears regardless of how the user accessed the site).

Requiring the disclosure of certain information is aimed at reducing information asymmetries in the secondary ticket market and providing consumers with the information that they require to make an informed purchasing decision. For example, if a consumer is advised of the original face value of the ticket alongside the price that the ticket reseller is selling the ticket for, then they can make a more informed judgement about the inherent value of the ticket and also their own willingness to pay.

The stakeholder consultation process found that there is strong support for improved information disclosure:

*For consumers to make an informed decision about their purchase, these websites should clearly indicate to a consumer that they are a ticket resale website...disclosure arrangements should be applied to a wide range of platforms, such as advertising, social media, search engines and to claims on resale websites.*

CHOICE Submission

*Information pertaining to the non-official status of a ticket reseller should be easily visible and clearly explained in the top 20 per cent of the reseller's website including the home and landing page...additional disclosure should also be made such as section, row (or range of rows) but not seat number, as they can be readily identified by event organisers and may be cancelled. Disclosure of any restrictions should also be mandatory.*

*We strongly support improved information disclosure arrangements for ticket resellers. The use of specious websites and opaque marketing techniques that present to consumers as primary ticketing agencies are recognised as having the effect of either advertently or inadvertently misleading and deceiving consumers.*

Live Music Office Submission

As with restricted reselling practices, government mandated information disclosure requirements in the secondary ticket market are not common. The United Kingdom provides the best example of how information disclosure can be used to reduce information asymmetries in the secondary ticket market, and equip consumers with the information that they need to make more informed purchasing decisions. Further information on the UK's duty to provide information is outlined in **Box 11**.

#### **BOX 11: DUTY TO PROVIDE INFORMATION IN THE UNITED KINGDOM**

The United Kingdom's *Consumer Rights Act 2015* (CRA) contains provisions that deal with the issue of secondary ticket reselling.

Section 90 of the Act imposes obligations on ticket resellers to provide certain information about tickets. The provisions apply where a person resells a ticket for a recreational, sporting or cultural event in the United Kingdom through a secondary ticketing facility. The seller or operator of the facility must ensure that the person who buys the ticket is given specific types of information. The specified information that is required includes the seat or standing area in the venue where the event will be held, information about any restrictions which limit the use of the ticket to certain persons and the face value of the ticket. This information must be provided in a clear and comprehensible manner.

Section 91 of the Act also contains provisions that protect consumers from their tickets being cancelled by the event organiser if they have purchased those tickets through a secondary resale mechanism. Under the law, the event organiser cannot cancel the ticket merely because the ticket has been resold unless there are terms in the original contract for the sale of the ticket providing for cancellation in circumstances where the ticket has been resold.

In May 2016, the UK's laws relating to secondary ticket resale were independently reviewed by Professor Michael Waterson. The Waterson Review concluded that the information provisions are not as effective as they could be:

*Evidence of complaints of missing information suggests that the CRA secondary ticketing provisions are not being well observed by the secondary ticketing facilities and the design of the online facilities. The rules seem not to be sufficiently well or broadly understood by stakeholders in the market, or where they are understood by secondary sites, are only patchily applied. The consumer survey confirms that, as yet, the provisions appear to have only limited impact upon problems being experienced (Waterson, 2016, p. 57).*

*Ordinary consumer sellers are wary of providing the full details of the tickets because they fear having the tickets cancelled (Waterson, 2016, p. 58).*

Professor Waterson noted that the ineffectiveness of the provisions was related to a lack of compliance and enforcement action:

*Ticketing resale platforms are seemingly not insisting on compliance with the CRA information requests by those posting tickets for sale. This can be seen from a routine check of the sites, but also from evidence submitted by stakeholders (Waterson, 2016, p. 58).*

*There is therefore scope for greater enforcement of the legislation facilitated by greater central coordination and funding for dedicated enforcement action (Waterson, 2016, p. 58).*

As with restricted reselling, the information that is required to be disclosed needs to be able to be verified, and similarly it is unclear what may be the best mechanisms for verifying the disclosed information. As with restricted reselling, there may be several methods of verification including obtaining the information from the primary ticket seller or their website, requiring the ticket seller to verify the disclosure information through some kind of authentication measure (such as providing proof of purchase or a receipt), proof of the ticket, or simply relying on the seller to include the correct information when registering the ticket for sale. Verifying the disclosed information will likely create compliance costs for ticket reselling platforms.

The stakeholder consultation process canvassed views on the issue of verification. There were differing views on which party should have the responsibility for verifying ticket information.

*Reliance should be on the seller, not the marketplace, to disclose ticket information. This is because they are best placed to advise of its specifics, given they selected the ticket for purchase in the first instance and there are so many variables that could impact the ability of a marketplace to accurately monitor. Reliance on the platform to monitor could perhaps increase costs for the business, which will likely have to be passed onto the seller.*

Confidential Submission

*The obligation should be placed on both [the ticket seller and the ticket selling platform], but the ticketing platform should have sufficient excusatory justification if they have taken reasonable steps to verify the information as correct.*

Ticket Brokers Association Submission

## Impact Analysis

### Benefits

The benefits associated with improved information disclosure requirements are that consumers wishing to buy tickets to events are still provided with a range of options including purchasing in the secondary market and those consumers who need to onsell their tickets for genuine reasons, such as no longer being able to attend the event, are permitted to do so and still have avenues available to do so.

In the absence of reliable estimates of the costs to consumers of using alternative channels (i.e. the black market that a resale ban or price cap would generate), and in light of the subjectivity of the benefit a consumer derives from buying a ticket priced above face value, the benefits associated with consumers having ongoing access to the secondary ticket market are unquantifiable.

Importantly, improved information disclosure requirements reduce information asymmetries in the secondary ticket market and ensure that consumers are provided with the information that they require to make more informed purchasing decisions. When consumers are more informed, they can participate more confidently in the secondary ticket market. The disclosure of information on secondary ticket resale sites could potentially reduce the amount of time consumers need to spend transacting in the ticket market overall, because they will immediately know that they are on a secondary ticket resale site and what the difference from face value is, and can make a decision about whether they are comfortable purchasing from the seller for that price.

It should be noted that Google's policy change in February 2018, and major ticket resale sites' subsequent compliance with this policy change, means that legislating a requirement to disclose that the site is a resale site would reduce the size of the potential benefit of Option 4. However, Option 4 would ensure consumers see this warning regardless of whether they accessed a site via a Google AdWords advertisement.

In the absence of reliable estimates of the average amount of time a consumer would save from being able to make an informed decision early (without having to research and compare other sites), and in light of the subjectivity of the benefit a consumer derives from buying a ticket priced above face value, the benefits associated with this saved time are unquantifiable.

## Costs

Individual secondary ticket sellers face costs associated with inputting the required information. This could be realised in the form of the additional time that it takes an individual ticket reseller to register their ticket on a ticket reselling platform.

Importantly, secondary ticket reselling platforms will face compliance costs associated with updating their websites to put in place mechanisms that allow the individual secondary ticket sellers to input the required information. This will likely require website redesign and updating, or changes to other back-end systems. Further, secondary ticket reselling platforms face compliance costs associated with verification of the information that is required to be disclosed. These costs are discussed further below.

The stakeholder consultation process canvassed views on the compliance costs associated with information disclosure.

*We do not view compliance with the information disclosure requirements as burdensome and would simply require some minor implementation to be made to a relevant seller website. We view any compliance costs as negligible and would be absorbed as operational costs, with no requirement to be passed onto consumers.*

Ticket Brokers Association Submission

*Compliance costs would be significant as significant technology solutions would be required...there is potential that there will be an additional cost to the consumer. There could conceivably be additional fees needed to cover various disclosure levels within the resale process.*

Confidential Submission

When Google announced changes to its advertising policies as they apply to secondary ticket sellers and associated disclosure requirements, secondary ticket sellers were given four months to comply.

**Compliance Costs**

Information disclosure is estimated to generate a total compliance cost of \$20.2 million over 10 years. This consists of a one-off system and platform redesign costs of \$99,000 and ongoing ticket information verification costs of \$20,064,000 over a 10 year period.

Under this option, ticket resale websites will need to redesign their sites to include disclosure statements and to allow the face value of the ticket (and potentially other information about the ticket, such as the section and row) to be inputted into the ticket selling system. It is also assumed that in order to be compliant, the ticket resale site would need to verify the details that individual ticket resellers have inputted into the system.

As explained above, under Option 4 resale websites would be required to disclose the fact of being a resale site and the face value of tickets being resold. Information about seat location and any restrictions on a ticket could also be mandated, depending on the final design of the proposed policy. However, the compliance cost estimates are not sensitive to whether these additional disclosures are mandated, given that resale sites would be verifying each individual ticket in any case.

**Net Benefit**

Improved information disclosure laws will partially address the identified problem. Improved information disclosure will contribute to consumers making more informed and better purchasing decisions for themselves and their own needs. In addition, improved information disclosure is likely to reduce the risks that consumers face from potential fraud and scams because consumers will be more informed about who they are buying from, and can make judgements about how willing they are to buy tickets from non-official sellers. However, improved information disclosure may not significantly reduce total consumer expenditure on tickets as there will still be consumers willing to purchase resold tickets in the secondary market at a premium.

It is expected that the benefits associated with improved information disclosure will outweigh the costs associated with improved information disclosure. Improved information disclosure will allow consumers to still experience the benefits of the secondary market in a more informed way and does not result in the creation of a black market for tickets. This means that consumers will still have access to consumer protections when things go wrong in transactions with sellers.

**Summary Table of Benefits and Costs**

BENEFITS	COSTS
<ul style="list-style-type: none"> <li>Consumers are still able to purchase tickets on the secondary market.</li> </ul>	<ul style="list-style-type: none"> <li>Secondary ticket sellers face costs associated with inputting the required information.</li> </ul>
<ul style="list-style-type: none"> <li>Consumers who genuinely need to onsell their tickets can still do so.</li> </ul>	<ul style="list-style-type: none"> <li>Secondary ticket reselling platforms face compliance costs associated with updating their websites to put in place mechanisms that allow secondary ticket sellers to input the required information.</li> </ul>
<ul style="list-style-type: none"> <li>Information asymmetries in the secondary ticket market are reduced and consumers are provided with the information that they need to make a more informed purchasing decision.</li> </ul>	<ul style="list-style-type: none"> <li>Secondary ticket reselling platforms face compliance costs associated with verification of the information that is required to be disclosed.</li> </ul>
	<ul style="list-style-type: none"> <li>Resources would be required to put in place a</li> </ul>

stronger enforcement regime.

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## OPTION 5: NATIONAL BAN ON USE OF TICKET-BUYING BOTS

Ticket-buying bots cause consumer detriment because they impact consumers' fair access to the primary ticket market. This bot activity means there are fewer tickets available to consumers at the original price.

As described in the problem section of this RIS, while consultation indicated bot activity typically targets the most desirable events and seats rather than necessarily pervading the wider market for tickets, consumers do experience detriment from fewer of these more sought-after tickets being available at the original price. Consumers expect, and are entitled to expect, fair access regardless of the relative desirability of particular event tickets.

Research from overseas jurisdictions such as the United States of America, United Kingdom and Canada indicates that overseas ticket resellers or scalpers use ticket-buying bots as part of an overall strategy to gain access to tickets in volume (Koebler, 2017). While precise figures are impossible to obtain, it is believed that ticket-buying bots can account for as much as 30 per cent of the traffic to primary ticketing sites in the moments after a major event goes on sale (Rolfe, 2017).

Under this option, the use of ticket-buying bots to purchase tickets from the primary market would be banned.

The stakeholder consultation process found that there is strong support for a ban on the use of ticket-buying bots.

*Many LPA Members support a ban on the use of ticket-buying bot software because the only purpose of this technology is to beat consumers out of fair access to tickets and to profiteer from any tickets acquired using bot technology.*

Live Performance Australia Submission

*eBay, StubHub and Gumtree strongly support the paper's recommendation to outlaw the use of automated ticket buying bots. The use of bots provides an unfair advantage in securing tickets over the average fan and drives demand for the purpose of tickets from scalpers.*

eBay | StubHub | Gumtree Submission

*By introducing a national ban on ticket-buying bots, our view is that a considerable amount of consumer frustration stemming from the inability to acquire tickets from certain events would be avoided...TEG is supportive of banning ticket bots as we do not believe there is a legitimate use for the technology.*

TEG Submission

The New South Wales ban makes it an offence for persons to engage in any prohibited conduct in relation to the use of a ticketing website. A person engages in prohibited conduct if they use software that enables them to circumvent the security measures on a ticketing website. Further information on the New South Wales ban on ticket-buying bots is outlined in **Box 12**.



### **BOX 12: NEW SOUTH WALES BAN ON TICKET-BUYING BOTS**

On 1 June 2018, new laws commenced in New South Wales banning the use of ticket-buying bots in the State as part of a legislative package to address ticket scalping.

The legislation provides that a person engages in prohibited conduct in relation to the use of a ticketing website if the person uses any software to enable or assist the person to circumvent the security measures of the website and to purchase tickets in contravention of the terms of use that are published on the website (*Fair Trading Act 1987* (NSW) s 58K).

There are two enforcement options available under the new prohibition. Under Part 5-2 of the Australian Consumer Law operating in NSW, NSW Fair Trading or any person can apply to a court to grant an injunction preventing a person contravening the new ticket scalping provisions or requiring them to refund money. A person who has suffered loss or damage because of a breach of the new provisions will also be able to recover damages or compensation, and a court will be able to make a range of other orders such as requiring community service or publishing certain information.

NSW Fair Trading is able to act directly under the *Fair Trading Act 1987* (NSW) to enforce the requirements and seek penalties of up to \$22,000 for an individual or \$110,000 for a corporation.

Some stakeholders felt that, given the sophisticated nature of ticket-buying bots, enforcement by organisations with specialist skills may be more appropriate than consumer law regulators:

*[Stakeholder] submits that, given the evolving technology involved in ticket buying bots and associated practices, a dedicated body familiar with cyber-crime would be best placed to implement and enforce the proposed regulations.*

Confidential Submission

The consultation process indicated stakeholders recognise the need for strong enforcement of a ban on ticket-buying bots:

*Scalpers using bot software can be located anywhere in the world, and it is likely they will be adept at masking their online identity. Software development is also likely to be faster and smarter than any preventative measures that can be developed.*

CHOICE Submission

*While we acknowledge that enforcement may be difficult due to the nefarious nature of bot activity (including where bots are hosted offshore and access ticketing systems through a multitude of IP addresses), legislative reform to ban their use is welcomed.*

TEG Submission

In 2016, the United States of America legislated to ban the use of ticket-buying bots:

### BOX 13: US BETTER ONLINE TICKET SALES ACT 2016

The Better Online Ticket Sales Act was enacted on 14 December 2016.

The Act prohibits the circumvention of security measures, access control measures or any technological measures on an internet website or online service of a ticket issuer that is used to enforce posted event ticket purchasing limits or to maintain the integrity of posted online ticket purchasing order rules for a public event with an attendance capacity exceeding 200 persons.

The Act also prohibits the sale of or offers to sell an event ticket in interstate commerce obtained through such a circumvention violation if the seller participated in, had the ability to control, or should have known about the violation. Violations of the Act are treated as unfair or deceptive acts or practices under the Federal Trade Commission Act.

Although it is early days, anecdotal evidence suggests that the ban has had only a minor deterrent effect and enforcement of the ban remains a challenge.

A ban on ticket-buying bot activity commenced in the United Kingdom in July 2018. Made under section 106 of the *Digital Economy Act 2017* (UK), *The Breaching of Limits on Ticket Sales Regulations 2018* (UK) makes it an offence for a person to use software that is designed to enable or facilitate completion of any part of an online purchasing process with intent to obtain tickets in excess of a sales limit, with a view to any person obtaining financial gain. A person guilty of this offence is liable to an unlimited fine in England and Wales, and to a fine of up to £50,000 in Scotland.

## Impact Analysis

### Benefits

A national ban on the use of ticket-buying bots would create a disincentive effect for ticket scalpers to use the technology because they risk being caught and prosecuted (or having civil action taken against them).

A national ban on the use of ticket-buying bots would aim to provide consumers with fairer access to tickets in the primary market by reducing the number of tickets purchased by ticket-buying bots. The benefits associated with fairer access to tickets are unable to be quantified. While consultation revealed bot activity occurs widely in the case of premium or high-profile events, it is not possible to reliably estimate the prevalence of bot activity or how effective a ban would be. The **Implementation** section at the end of this RIS discusses how enforceability will be addressed.

Consultation indicated that amateur or casual users of bot technology are thought to be responsible for a significant proportion of bot attacks (although not the majority). Ready-made ticket-buying bots and instructions on how to create them are openly available online, making it easy and relatively inexpensive for these casual users to access the technology. A ban could deter this activity and make it harder to access the necessary tools. This indicates a ban could make a significant and immediate impact on bot activity, even though enforcement against professional or organised operators could take longer to produce results.

Although some of the benefits associated with eliminating the amateur segment of ticket bot users could be undermined if more sophisticated bot users take over that segment of the market, consultation indicated that amateur bot users are disruptive to primary ticket sellers and eliminating this portion of the market would assist primary ticket sellers in their efforts to prevent bot activity.

Consultation indicated that primary ticket sellers spend millions of dollars every year on combatting ticket-buying bot activity. Any reduction in the incidence of bot attacks holds the prospect of reduced costs for primary ticket sellers.

A further benefit of a ban is that it would allow ticket sellers in the primary market to report ticket-buying bot users to a law enforcement agency, which would build on existing efforts by primary sellers to deflect bot activity. There may also be circumstances where a primary seller could take action under the new law against bot activity it identifies.

## Costs

The costs associated with a national ban on the use of ticket-buying bots relate to enforcement. It is likely that significant additional enforcement resources would be required to ensure compliance with the ban, especially given that many bot users would be operating outside Australia. On a theoretical level, the use of ticket-buying bots can be viewed as improving efficiency in the market for tickets, in the sense that tickets will be sold to those with the highest willingness to pay for them. However, there is an important distinction with the similar observation made in relation to **Option 3 – Restricted Reselling**.

The impact assessment of Option 3 described how tickets might not necessarily go to those consumers with the greatest willingness to pay (instead likely going to those consumers who move to purchase tickets early during the sales period); but this issue does not arise under **Option 5**. Where the secondary market for tickets operates without bot activity, tickets can be sold to those with the highest willingness to pay, without an unfair and unnecessary transfer from the consumer to the bot user.

## Compliance Costs

A ban on the use of ticket-buying bots would make the practice illegal; therefore ticket-buying bot users would no longer be permitted to operate. If ticket-buying bot users are not permitted to operate, they will face no compliance costs.

## Net Benefit

A ban on the use of ticket-buying bots directly targets the identified problem posed by this activity. A ban on ticket-buying bots would likely reduce the prevalence of the activity and result in fairer access to tickets at their original price on official ticket selling platforms.

This option, implemented together with **Option 4 – Improved Information Disclosure**, would generate benefits for consumers in terms of informed decision-making and fairer access to tickets. It is acknowledged that the costs relating to enforcement resources and the degree of enforceability of a ban, the latter of which can also be characterised as the probability of realising the anticipated benefits, are uncertain.

Further work will be required to determine the design of an enforcement and penalty regime. It will be important to design this in a manner that maximises enforceability, while supporting this with an appropriate level of enforcement resources, in order to ensure the identified qualitative benefits of a ban are fully realised. By managing these enforcement challenges in the implementation of a ban, the qualitative benefits of promoting fair access to tickets are likely to outweigh these costs.

## Summary Table of Benefits and Costs

BENEFITS	COSTS
<ul style="list-style-type: none"><li>• Making ticket-buying bot activity unlawful would create a deterrent effect to using the technology.</li></ul>	<ul style="list-style-type: none"><li>• Identifying ticket-buying bot users is a difficult and expensive process requiring additional enforcement resources.</li></ul>
<ul style="list-style-type: none"><li>• Likely to reduce the use of ticket-buying bots and give consumers fairer access to tickets because they no longer have to compete with ticket-buying bot technology.</li></ul>	
<ul style="list-style-type: none"><li>• Allows ticket sellers in the primary market to report ticket-buying bot users to a regulator.</li></ul>	
<ul style="list-style-type: none"><li>• Possible reduction in the costs that primary ticket sellers incur combatting bot attacks.</li></ul>	

## 4. CONSULTATION

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### SUMMARY

The consultation process was conducted throughout November and December 2017. Written submissions were received from 16 organisations. Consumers also put forward their views on the preferred options.

### Consultation Process

Treasury, on behalf of Consumer Affairs Australia and New Zealand, undertook an extensive public consultation process. The objective of the consultation was to gather additional evidence and data on the extent of the problem, and to seek views on the benefits and costs of the five proposed policy options.

The consultation process commenced on 17 November and concluded on 15 December. It consisted of targeted face-to-face meetings with key stakeholders (including primary ticket sellers, secondary ticket sellers, promoters and touring companies, industry associations and consumer advocates), a formal written submission process and a comment facility for consumers to share their experiences with ticket resale.

While there was a high level of consumer engagement — as indicated by the volume of consumer comments received — and interest from event organisers and primary ticket sellers, there was a lower than expected level of engagement from stakeholders operating in the secondary ticket market.

The consultation process received:

- 16 formal submission from event organisers, promoters and touring companies, primary ticket sellers, secondary ticket sellers, industry associations and consumer advocates; and
- 377 consumer comments via [www.treasury.gov.au/consultation](http://www.treasury.gov.au/consultation)

Treasury conducted 10 face-to-face meetings with key stakeholders in Melbourne, Sydney and Canberra and 5 teleconferences with key stakeholders.

A list of non-confidential submissions is at **Appendix A**.

## Key Findings

The consultation process has resulted in the following key findings:

**Strong support for the continued existence of the secondary market.**

**Strong support for stronger enforcement of the ACL.**

**Strong support for a national approach to ticket reselling.**

**Strong support for a consumer education campaign.**

**Some support for a cap on the price of resold tickets and strong support for information disclosure.**

**Strong support for a ban on ticket-buying bots.**

## Detailed Findings

**There is strong support for the continued existence of the secondary ticket market.**

- There was very little support from consumers for **Option 2 – Prohibition on Ticket Reselling**. Most consumer respondents indicated that they value the secondary ticket reselling market. They believe that ticket resellers provide a vital service because they feel that it is important that consumers have options to resell their tickets when they are no longer able to attend an event due to things like illness or work commitments. Similarly, many consumers indicated they value the secondary market because they are able to obtain tickets to events that are sold out that they really want to go to.
- Some promoters and touring companies supported **Option 2 – Prohibition on Ticket Reselling**. There was a strong view that ticket scalpers and resellers should not make money off the back of the labour of the artist or sportspersons. However, those in support of a ban acknowledged the difficulties associated with this option and that it would be unrealistic to expect a ban in the absence of introducing a refund policy. Most acknowledged that refund policies are not viable in the entertainment and sporting industries because of the narrow margins and large overheads associated with these events.
- All primary ticket sellers noted that the ticket resale market has been growing and ticket reselling has become more widespread over the last five years. However, the views of primary ticket sellers were divergent on what should be done to address the issues associated with ticket reselling and consumer detriment. Some primary ticket sellers supported **Option 2 – Prohibition on Ticket Reselling**, noting moral and ethical objections similar to promoters and touring companies. However, like promoters and touring companies, those in support of a ban acknowledged the difficulties associated with this option and that it would be unrealistic to expect a ban in the absence of introducing a refund policy. Other primary ticket sellers acknowledged that the secondary market is here to stay and that in the absence of a legitimate and regulated secondary market, a black market would be created because consumers will always have a need for ticket resale services.
- All secondary ticket sellers strongly supported the continued existence of the secondary ticket market. Secondary ticket sellers emphasised the importance of the secondary market to

consumers. However, the views of secondary ticket sellers were divergent on the appropriate policy responses to improve outcomes for consumers.

- Some secondary ticket sellers outright rejected any moves to impose further regulation on the secondary ticket market, arguing that the ticket market should be a free and open market, guided by supply, demand and the willingness of consumers to pay. Many secondary ticket sellers acknowledged that further regulation or government intervention in this market may see them move their operations offshore, out of reach of the scope of any legislation and enforcement action. These secondary ticket sellers noted that a move offshore would be bad for Australian consumers making it more difficult for them to buy and sell tickets on the secondary market.

### **Strong support for stronger enforcement of the Australian Consumer Law.**

- Consumer advocates generally expressed a view for better enforcement of existing laws under the Australian Consumer Law, especially in relation to the misleading and deceptive conduct of some sellers in the secondary market and in relation to fees and drip pricing. There was a view that if these existing laws were being enforced, many of the issues consumers face in the secondary market would go away.
- Promoters and touring companies supported better and stronger enforcement of the existing Australian Consumer Law.

### **Strong support for a national approach to ticket reselling.**

- All stakeholders expressed a preference for a nationally consistent approach to ticket reselling, noting that Australian consumers transact across borders and travel across borders to attend shows.

### **Strong support for a consumer education campaign.**

- All stakeholders expressed support for a consumer education campaign, noting the challenges of any campaign being able to reach all consumers. Primary ticket sellers noted that they are undertaking their own consumer education exercises.

### **Some support for a cap on the price of resold tickets and strong support for information disclosure.**

- While there was strong support for the continued existence of the secondary market, the vast majority of consumers were of the view that the sale price should be capped to the face value of the ticket or the face value plus a small mark-up to cover costs (**Option 3 – Restricted Reselling**). Many consumers shared their stories of being faced with exorbitant prices and felt that scalping behaviour is unfair and causes detriment to true fans and enthusiasts. Further, the majority of consumers who shared their experiences with ticket resale complained about the additional fees. They felt that these fees were too high and result in them not being able to fully recover the cost of the ticket.
- Consumer advocates were generally in favour of light touch regulation, with a preference for **Option 4 – Improved Information Disclosure**. Consumer advocates noted the importance of protecting consumers from having tickets cancelled by the primary ticket seller if the ticket is

resold. In addition, consumer advocates noted that any new laws should apply to all reselling platforms including social media websites.

- Some promoters and touring companies also supported **Option 4 – Improved Information Disclosure** to improve consumer awareness and decision making. Many promoters and companies believe that ticket reselling sites are misleading and deceptive and would benefit from greater transparency.
- Primary ticket sellers who do not have ticket resale platforms and who expressed concern that a ban on ticket resale is unrealistic generally offered their support for a combination of **Option 3 – Restricted Reselling** and **Option 4 – Improved Information Disclosure**. Primary ticket sellers acknowledged that many consumers who purchase tickets on resale platforms are unaware that they are not purchasing from the official ticket seller. In light of this, it was acknowledged that **Option 4 – Improved Information Disclosure** would go some way to improving consumer awareness and decision making.
- Some secondary ticket sellers noted that they are already complying with some of the proposed policy options. One secondary ticket seller noted that it already practices **Option 3 – Restricted Reselling**, and does not allow tickets to be sold on its site for more than the face value plus 10 per cent. The ticket seller noted that this was primarily an ethical and moral decision. Another secondary ticket seller noted that it also practices **Option 3 – Restricted Reselling** but with a 20 per cent mark-up allowed. This seller noted that a mark-up below 20 per cent would see it unable to recover its operating costs. Another secondary ticket seller also noted that a mark-up of 10 per cent would be too low to cover its operating expenses.
- Some secondary ticket sellers noted that they already comply to a degree with **Option 4 – Improved Information Disclosure**. These secondary ticket sellers were of a view that the disclosure of information assists consumers to make informed decisions. There was also a view that providing this information improves the reputation and trustworthiness of the secondary ticket seller.
- A variety of other industry associations, including those representing artists and venues, also expressed support for government intervention in the secondary market. There was a mix of support for **Option 3 – Restricted Reselling** and **Option 4 – Improved Information Disclosure**.

### **Strong support for a ban on the use of ticket-buying bots.**

- Consumers and consumer advocates strongly supported **Option 5 – Ban on Ticket Buying Bots**.
- Promoters and touring companies strongly supported **Option 5 – Ban on Ticket Buying Bots**.
- All primary ticket sellers strongly supported **Option 5 – Ban on Ticket Buying Bots**. Primary ticket sellers shared information on the measures that they use to prevent ticket-buying bots infiltrating their systems – some sellers are more successful than others. All primary ticket sellers acknowledged that battling ticket-buying bots is not a fight that they can win alone and that laws, similar to those that have been introduced in the United States and United Kingdom, would be welcomed in Australia.
- All secondary ticket resellers that participated in the consultation process strongly supported **Option 5 – Ban on Ticket Buying Bots**.



## 5. CONCLUSION

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The market for tickets to live performance and sporting events in Australia is large. The market for tickets consists of a primary ticket market where tickets are first sold and purchased, and a secondary ticket market where tickets are onsold or scalped.

Ticket reselling practices can cause a number of consumer harms including consumers being misled about the tickets they are purchasing due to information asymmetries in the secondary market which prevent them from making informed purchasing decisions; exposure to the risk of ticket cancellation because of contraventions of ticket terms and conditions; and exposure to potential scams and frauds because unofficial ticket resale websites provide a platform for deception. In addition, consumers' fair access to tickets can also be undermined by the use of ticket-buying bots. The secondary market exists for legitimate reasons. The problem is not the existence of the secondary market, but rather the consumer harm that arises from how the market operates.

Broadly, ticket reselling and ticket scalping is not illegal in Australia. However, the ACL, together with existing State and Territory laws, provide a level of coverage to address issues associated with ticket reselling and ticket scalping in the secondary market. While these existing laws provide a level of coverage to address issues associated with ticket reselling, their effectiveness depends on consumers understanding their rights under the ACL (and other legislation) and being able to take action when they believe those rights have been breached to find a remedy.

The policy objective is to reduce consumer detriment in the secondary ticket market that arises from consumers not being provided the information that they require to make an informed purchasing decision that would benefit them. The policy objective is also to reduce the risk that consumers are both advertently or inadvertently misled or deceived when they purchase tickets to events in the secondary ticket market. Reducing consumer detriment and reducing opportunities for consumers to be misled or deceived will enhance the welfare of Australians by giving them greater confidence and certainty when they choose to participate in the secondary ticket market.

This paper has outlined a number of options that could be pursued to achieve the policy objective. The options to address the identified problems seek to improve outcomes for consumers who participate in the secondary ticket market. The options reduce the level of risk in the market, ensure that consumers are provided with the information that they require to make more informed purchasing decisions and seek to ensure that consumers have fairer access to tickets.

- **Option 1** maintains the status quo and outlines no new government action. Under this option, existing laws would continue to operate, with government having conducted an education campaign in March – May 2018 to warn consumers of the risks of participating in the secondary ticket market.
- **Option 2** would make the act of ticket reselling unlawful, with penalties applying. This option would effectively shut down the entire secondary ticket market and remove the ability to resell, even at face value.
- **Option 3** outlines options for restricted reselling. Under option 3(a) ticket reselling would be restricted to the selling of the ticket at the face value only. Under option 3(b) ticket

reselling would be restricted to selling the ticket at the face value plus a 10 per cent premium.

- **Option 4** would require ticket reselling platforms to disclose information including that they are a resale site, and information about the ticket itself, such as the face value.
- **Option 5** would introduce a national ban the use of ticket-buying bots.

The preferred policy option is Option 4 – Improved Information Disclosure.

This option provides the greatest net benefits to consumers, based on a qualitative assessment of the costs and benefits. It also represents an acceptable level of compliance cost to business when evaluated alongside this qualitative net benefit.

Option 4 is expected to be the most effective option to meet the policy objective of reducing consumer detriment in the secondary ticket market that arises from consumers not being provided the information that they require to make an informed purchasing decision that would benefit them. The benefits associated with improved information disclosure will outweigh the costs. Improved information disclosure will allow consumers to still experience the benefits of the secondary market in a more informed way and does not result in the creation of a black market for tickets. This means that consumers will still have access to consumer protections when things go wrong in transactions with sellers.

## 6. IMPLEMENTATION

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### Legislative and Governance Forum on Consumer Affairs

The Legislative and Governance Forum on Consumer Affairs (CAF) will meet in August 2018 to discuss an appropriate policy response to the issues raised in this Regulation Impact Statement, and vote on a preferred option.

### Transitional Periods

Following the passage of legislation, a transitional period of three months would be an appropriate transitional period for improved information disclosure arrangements. When Google announced its changes to its advertising policies to require resale sites to disclose the fact of being a reseller, the sites were given four months to comply. The major sites operating in Australia are now compliant with this aspect. While this Google policy only applies when the consumer accesses the site via a Google AdWords advertisement, most (but not all) of the sites currently display the statement regardless of how the consumer accesses the site.

Following the passage of legislation, it would be appropriate for a ban on the use of ticket-buying bots to come into effect immediately.

### Compliance and Enforcement

If obligations are made under the ACL to improve information disclosure, existing regulators would be responsible for any compliance and enforcement activity. The Australian Consumer Law is administered and enforced jointly by the ACCC and the State and Territory consumer protection agencies, with the involvement of the Australian Securities and Investments Commission on relevant matters. Regulators would be responsible for providing guidance to affected businesses and consumers.

Where State and Territory legislation provides for additional obligations beyond what is proposed here, those additional obligations could continue to operate concurrently with the new national baseline level of disclosure.

A national ban on the use of ticket-buying bots would need to be accompanied by a strong enforcement capability. It is acknowledged that there are enforcement challenges associated with a ban, as it can be difficult to identify the user of a ticket-buying bot. If a ban is instituted, ticket sellers in the primary market should be able to report ticket-buying bot activity to the regulator and share any information about the identity of the ticket-buying bot user with the regulator.

There are several options for implementing a national ban in Australia. Recognising that bot attacks typically originate overseas, there is scope for criminal offences to allow for extradition and mutual assistance where the offence is of a particular severity.

For instance, an offence of using a ticket-buying bot, if backed by a maximum penalty of imprisonment for a period exceeding 12 months or a fine exceeding 300 penalty units, could support a formal request for assistance by overseas authorities.

There may also be scope for private actions where parties could seek an injunction against, or compensation from, an operator of ticket buying-bots, as the New South Wales arrangements now provide.

Depending on how a ban on ticket-buying bots is legislated, an appropriate regulator would need to be identified and would be responsible for compliance and enforcement activity. The precise form and location of a legislated ban will be determined at the law design stage of the policy's implementation.

## **Monitoring**

Should CAF agree to Option 4, CAANZ will monitor the implementation of the policy and its effectiveness once operational.

Similarly, should Option 5 proceed, the Treasury will monitor the implementation and effectiveness of the policy.

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# APPENDIX A — LIST OF NON-CONFIDENTIAL SUBMISSIONS

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Australasian Performing Right Association Limited | Australasian Mechanical Copyright Owners Society Limited

CHOICE

David Kellam

Google Australia

Live Music Office

Live Performance Australia

eBay | StubHub | Gumtree

TEG Pty Limited

Ticket Brokers Association





## APPENDIX B — SAMPLE INTERNET SEARCH RESULTS

Artist	Main Official Ticket Sellers	Search Result 1	Search Result 2	Search Result 3	Search Result 4	Search Result 5
Pricilla Presley	Ticketmaster, Ticketek	Viagogo	Ticketek	Ticketmaster	Ticketmaster	Ticketmaster
The Script	Ticketek and MoshTix	Viagogo	StubHub	Frontier Touring	Ticketek	Ticketmaster
The Killers	Ticketmaster, Ticketek	Viagogo	StubHub	Ticketek	Frontier Touring	Ticketmaster
Foo Fighters	Ticketmaster, Ticketek	Viagogo	TicketmasterResale	StubHub	Ticketmaster	Frontier Touring
Drake	Ticketmaster, Ticketek	TicketmasterResale	AMEX	Viagogo	StubHub	Ticketek
Dan Sultan	Ticketmaster, Ticketek, MoshTix, OzTix, NTix	Viagogo	Frontier Touring	Dan Sultan	Dan Sultan	Moshtix
Mac Miller	Ticketek	Viagogo	Frontier Touring	Ticketek	Music Feeds	Ticketmaster
The Vamps	Ticketmaster, Ticketek	Viagogo	TicketmasterResale	Frontier Touring	Ticketek	Ticketmaster
Midnight Oil	Ticketmaster, Ticketek, Ntix, TicketLink	Viagogo	Frontier Touring	Ticketek	Ticketmaster	TicketmasterResale
Migos	Ticketmaster, Ticketek, OzTix, MegaTix	Frontier Touring	Ticketek	Viagogo	Ticketmaster	Ticketmaster
Glack	Ticketek, Ticketmaster MoshTix	Viagogo	Frontier Touring	Twitter	Ticketmaster	Ticketek
Andy Grammer	Ticketmaster, OzTix, Ticketek	Viagogo	Frontier Touring	Ticketmaster	Andy Grammer	Songkick
Ne-Yo	MoshTix	Frontier Touring	Ticketmaster	MoshTix	Viagogo	Songkick
Anna Netrebko and Yusif Eyvazov	Ticketmaster, Ticketek	Frontier Touring	Ticketek	Ticketmaster	Ticketmaster	Ticketmaster
Melvins	OzTix, Ticketek	Viagogo	Frontier Touring	Oztix	Songkick	Ticketmaster
Tex Perkins	Ticketek	Frontier Touring	Ticketmaster	Ticketek	Songkick	Tex Perkins
Lorde	Ticketmaster, MoshTix	Viagogo	Frontier Touring	Ticketmaster	Ticketmaster	Ticketmaster
Paul Kelly	Ticketmaster, Ticketek, OzTix	Frontier Touring	Ticketmaster	Paul Kelly	Ticketek	Songkick
Vance Joy	Ticketmaster, Ticketek	TicketmasterResale	Frontier Touring	Ticketek	Ticketmaster	TicketmasterResale
Shawn Mendes	Ticketek	Viagogo	Ticketek	Frontier Touring	Viagogo	Ticketmaster
The Temper Trap	Ticketek, OzTix	Frontier Touring	Ticketmaster	Temper Trap	Temper Trap	Ticketek
Harry Styles 2017	Ticketek, Ticketmaster	Stubhub	Frontier Touring	Frontier Touring	Ticketek	Ticketek
John Farnham	Ticketmaster	Ticketmaster	Ticketmaster	John Farnham	John Farnham	Music Feeds

Artist	Main Official Ticket Sellers	Search Result 1	Search Result 2	Search Result 3	Search Result 4	Search Result 5
alt-J	Ticketek, Ticketmaster	Ticketmaster	Frontier Touring	Ticketek	Viagogo	alt-J
Paul McCartney	Ticketek, Ticketmaster	Stubhub	TicketmasterResale	Ticketek	Frontier Touring	Viagogo
KC and The Sunshine Band	Ticketek	Frontier Touring	Ticketmaster	Ticketek	Music Feeds	Songkick
Muse	Ticketek	Viagogo	Ticketek	Ticketek	Frontier Touring	Viagogo
The xx	Ticketmaster, MoshTix	Stubhub	Frontier Touring	MoshTix	Ticketmaster	The xx
Armand Van Helden / Symphonica	Ticketmaster	Ticketmaster	Ticketmaster	The Music	Skiddle	Ticketmaster
Walker Stalker Con	MoshTix	Frontier Touring	MoshTix	Walker Stalker Con	Walker Stalker Con	Walker Stalker Con
Rise Against	Ticketek, Ticketmaster	Frontier Touring	Ticketek	Ticketmaster	Music Feeds	Rise Against
Veruca Salt	Ticketek, MoshTix	Frontier Touring	Ticketek	Ticketmaster	Ticketmaster	Moshtix
Ed Sheeran	Ticketek, Ticketmaster	Viagogo	Ticketek	Ticketek	Frontier Touring	Viagogo
James Blunt	Ticketek, Ticketmaster	Viagogo	Frontier Touring	Ticketmaster	TheMusic	Ticketek
Harry Styles 2018	Ticketek	TicketmasterResale	Frontier Touring	Ticketek	Ticketek	Viagogo
Alanis Morissette	Ticketek, Ticketmaster	Stubhub	TicketmasterResale	Viagogo	Ticketek	Ticketmaster
All We are	OzTix	SongKick	All We Are	OzTix	Stereo Board	Facebook
Ben Folds	Ticketmaster	Ben Folds	Sydney Opera House	Chugg Entertainment	Ticketmaster	Canberra Theatre
Don Broco	Destroy All Lines (OzTix)	Ticketmaster	MoshTix	Oztix	Songkick	Don Broco
Elton John	Ticketmaster, MoshTix	Viagogo	Ticketmaster	Viagogo	Chugg Entertainment	Moshtix
Fat Nick	Destroy All Lines (OzTix)	OzTix	SongKick	The Music	Viagogo	Ticketmaster
Feist	Ticketmaster	Ticketmaster	Ticketmaster	Ticketmaster	Music Feeds	Chugg Entertainment
Knuckle Puck	Destroy All Lines (OzTix),	SongKick	Knuckle Puck	Music Feeds	Ticketmaster	See Tickets
Laneway Festival	MoshTix	Laneway Festival	Laneway Festival	Laneway Festival	Ticketbooth	Moshtix
Lime Cordiale	OzTix, Eventbrite, MoshTix, Ticketek	Lime Cordiale	Lime Cordiale	Metro Theatre	Songkick	Facebook
Miss May I	Destroy All Lines (OzTix)	Destroy All Lines	Ticketmaster	Ticketek	Songkick	Miss May I
Mitski	MoshTix	MoshTix	MoshTix	SongKick	Music Feeds	Ticketmaster
Neil Hilborn	Destroy All Lines (OzTix)	Destroy All Lines	MoshTix	Ticketmaster	Ticketmaster	See Tickets
Never Shout Never	Destroy All Lines (OzTix), MoshTix	MoshTix	SongKick	Ticketmaster	Music Feeds	StubHub
Noname	OzTix, Ticketek, MoshTix	Viagogo	Ticketmaster	Ticketek	MoshTix	SongKick

Artist	Main Official Ticket Sellers	Search Result 1	Search Result 2	Search Result 3	Search Result 4	Search Result 5
Old Crow Medicine Show	Ticketek, Ticketmaster	Viagogo	Ticketmaster	Ticketmaster	Old Crow	Ticketek
One OK Rock	Destroy All Lines (OzTix)	Viagogo	Destroy All Lines	Destroy All Lines	OzTix	Viagogo
Pennywise	Destroy All Lines (OzTix)	Ticketek	Ticketmaster	Ticketmaster	Destroy All Lines	Music Feeds
Robbie Williams	Ticketek, Ticketmaster	Ticketek	Ticketmaster	Ticketmaster	Chugg Entertainment	Viagogo
SIA	Ticketek	Ticketek	Ticketek	Ticketmaster	Ticketmaster	Chugg Entertainment
The Acacia Strain	Destroy All Lines (OzTix)	Ticketmaster	SongKick	OzTix	Bands In Town	Ticketmaster
The Dillinger Escape Plan	Destroy All Lines (OzTix)	Destroy All Lines	OzTix	Ticketek	Ticketmaster	Songkick
The Maine	Destroy All Lines (OzTix)	Ticketmaster	OzTix	Destroy All Lines	The Maine	Ticketek
Todd Terje	Ticketek, Ticketmaster	Ticketek	Tickemaster	Ticketmaster	Ticketmaster	Ticketmaster
Ugly Kid Joe	Destroy All Lines (OzTix)	Destroy All Lines	Ticketmaster	Chugg Entertainment	OzTix	OzTix
Nirto Circus	Ticketek, Ticketmaster	Nitro Circus	Ticketmaster	Ticket Direct	Ticket Direct	Ticketek
Fall Out Boy	OzTix	Viagogo	Ticketmaster	Music Feeds	Fall Out Boy	Viagogo
Leroy Sanchez	Ticketmaster, OzTix, SeatAdvisor	Ticketmaster	Ticketmaster	Leroy Sanchez	Select Touring	Songkick
The Beautiful Girls	OzTix, Ticketek, MoshTix, Ticket Booth, Eventbrite	Viagogo	Ticketmaster	SongKick	OzTix	Select Touring
David Duchovny	Ticketek, Ticketmaster, OzTix	Viagogo	Ticketmaster	The Music	David Duchovny	Songkick
At The Drive In	Ticketek, Ticketmaster, OzTix	Ticketmaster	Ticketek	Music Feeds	Songkick	At The Drive In
Me First and the Gimme Gimmes	Ticketek, OzTix, Eventbrite	Viagogo	Ticketmaster	Select Touring	Ticketek	The Music
Mayday Parade	Ticketek, OzTix, Ntix	Select Touring	Ticketmaster	Ticketek	Mayday Parade	OzTix
Angus and Julia Stone	Ticketmaster	Ticketmaster	Ticketek	Secret Sounds	Viagogo	Gumtree
Aled Jones	Ticketmaster	Ticketmaster	Ticketmaster	Live Nation	City Recitatl Hall	QPAC
Against The Current	Ticketmaster, Ticketek, Eventbrite	Viagogo	Ticketmaster	Ticketek	Live Nation	Against The Current
Nazeem Hussain	TryBooking	Ticketmaster	Nazeem Hussain	Live Nation	MoshTix	Viagogo
Bill Nye	Ticketmaster	Viagogo	Ticketmaster	Ticketmaster	Live Nation	Sydney Opera House
Michael Ball and Alfie Boe	Ticketek, Ticketmaster	Ticketmaster	Ticketmaster	Live Nation	Ticketmaster	Ticketek
Northlane	Ticketmaster, Ticketek, OzTix	OzTix	OzTix	Ticketmaster	Ticketek	Facebook
The Chainsmokers	Ticketek, Ticketmaster	Stubhub	Viagogo	Ticketmaster	Ticketmaster	Live Nation

Artist	Main Official Ticket Sellers	Search Result 1	Search Result 2	Search Result 3	Search Result 4	Search Result 5
Less Than Jake	Ticketmaster, Ticketek, OzTix	Ticketmaster	Live Nation	Music Feeds	Less Than Jake	Less Than Jake
Kathy Griffin	Ticketmaster, Ticketek	Viagogo	Ticketmaster	Live Nation	Kathy Griffin	The Music
Tonight Alive	Ticketmaster, MoshTix, OzTix, TicketBooth, EventBrite	Viagogo	Ticketmaster	Live Nation	Songkick	Facebook
Khalid	Ticketek, Ticketmaster, OzTix	Live Nation	Twitter	Ticketmaster	Ticketek	Viagogo
Stevie Nicks	Ticketek, Ticketmaster	Ticketmaster	Ticketek	Live Nation	Ticketmaster	Stevie Nicks
Blackbear	OzTix, Ticketmaster	OzTix	Live Nation	Ticketmaster	Songkick	Viagogo
Cat Stevens	Ticketek, Ticketmaster	Viagogo	StubHub	Ticketek	Ticketmaster	Ticketmaster
Jack Johnson	Ticketmaster	TicketmasterResale	Ticketmaster	Ticketmaster	Ticketmaster	Sydney Opera House
The Weeknd	Ticketek, Ticketmaster	Viagogo	Ticketek	Ticketek	Live Nation	Ticketmaster
Run The Jewels	Ticketmaster	TicketmasterResale	Ticketmaster	Ticketmaster	Ticketmaster	Live Nation
Four Year Strong	OzTix, Eventbrite, Ticketek, Ticketmaster	Viagogo	Ticketmaster	Oztix	Four Year Strong	Songkick
Adam Devine	Ticketmaster	Live Nation	Ticketmaster	Ticketmaster	Ticketmaster	The Music
Bruno Mars	Ticketek	Viagogo	Ticketek	Ticketek	Viagogo	TicketmasterResale
Niall Horan	Ticketek	Ticketek	Twitter	Ticketmaster	Viagogo	Songkick
Fifth Harmony	Ticketek, Ticketmaster	Ticketek	Ticketmaster	Music Feeds	Viagogo	Fifth Harmony
Take That	Ticketek, Ticketmaster	Ticketek	Ticketmaster	Take That	Take That	Viagogo
Lionel Richie	Ticketek	Ticketek	Ticketmaster	Ticketmaster	AIS	News.com.au
Katy Perry	Ticketek	Ticketek	Music Feeds	Ticket Merchant	SBS News	TEG Dainty
Queen	Ticketek, Ticketmaster	Viagogo	TicketmasterResale	Ticketek	Ticketek	Ticketmaster
NRL Grand Final	Ticketek	Viagogo	NRL	Ticketek	Wide World of Sports	Lifehacker
Melbourne Cup	Ticketek	Viagogo	Flemington	Flemington	Flemington	Ticketek
Socceroos v Syria	Ticketek	Socceroos	Socceroos	Ticketek	Viagogo	Ticketmaster
Rugby League World Cup	Ticketek	Rugby League World Cup	Rugby League World Cup	Rugby League World Cup	Ticketek	Ticketmaster

