

## GUIDELINE FOR TICKETS SCALPING CONTROL: THE CASE STUDY OF CONCERT TICKETS

Pawita Kakhai

Faculty of Law, Suansunandha Rajabhat University

E-mail: pawita.ka@ssru.ac.th

Surasak Meebua

Faculty of Law, Suansunandha Rajabhat University

E-mail: surasak.mee@ssru.ac.th

Tattanan Khonglamthan

Faculty of Law, Suansunandha Rajabhat University

E-mail: tattanan.kh@ssru.ac.th

### Abstract

Event ticket scalping has become a serious concern in the entertainment sector. Ticket scalping is buying tickets to resell them for more. This essay examines Thai musical ticket scalping. The article discusses scalpers' ticket-buying and selling methods and their negative effects on the industry and customers. The purpose of this article is to provide thorough ticket scalping prevention instructions. Thailand has no ticket scalping laws, which is a major obstacle. Ticket scalping can be stopped by current laws. The Thai Criminal Code and Consumer Protection Act cover seals, stamps, and tickets (Sections 258-263). Improve laws, collaborate with online platforms, undertake public awareness efforts, and let corporations self-regulate. Thailand's ticket scalping laws may not be as strict as others, but regulatory measures, technical solutions, and industry best practices can lessen the problem and safeguard customers.

**Keywords:** Ticket Scalping, Law, Jurisdiction, Thailand

### Introduction

Ticket scalping, the practice of obtaining tickets to resell at inflated prices, has become a prevalent issue in the global entertainment industry, including Thailand. This method deceives consumers and jeopardizes the integrity of the ticketing industry. The increasing prevalence of international and local music concerts in Thailand has exacerbated the problem of ticket scalping. Scalpers employ sophisticated techniques to acquire large quantities of tickets, thereby obstructing genuine fans from obtaining tickets at fair pricing (Jain, 2024 & *Avoid Fraud: How to Spot Scalper Tickets and Stay Safe*, 2024). This article analyzes the intricate issue of ticket scalping in various jurisdiction including Thailand, focusing specifically on event tickets. It analyzes the many tactics employed by scalpers, the adverse impacts on consumers, artists, and the broader industry, along with the prevailing regulatory framework in Thailand. This paper outlines a comprehensive set of regulations designed to effectively govern ticket scalping and foster a fair and transparent ticketing market.

### Research Objectives

This research aims to:

1. To analyze existing legal frameworks and regulations regarding ticket scalping in various jurisdictions.

2. To investigate the impact of ticket scalping on the concert industry, artists, and consumers. This could include analyzing economic effects, consumer harm, and the ethical implications of scalping.

3. To explore the effectiveness of current legal and regulatory measures in controlling ticket scalping. This would involve assessing the strengths and weaknesses of existing laws and identifying areas for improvement.

### **Scope of Research**

The research will examine a range of legal tools used to control ticket scalping.

### **Literature Review**

This literature review examines the existing body of research on ticket scalping, focusing on legal frameworks and regulatory approaches. Key themes explored include:

#### **Definition of ticket scalping**

Ticket scalping denotes the illicit resale of tickets, usually at prices surpassing their original face value, aimed at generating profit. This activity frequently entails acquiring tickets from authorized vendors and subsequently reselling them, occasionally employing automated software (bots) to swiftly obtain substantial amounts. Scalpers exploit high-demand events, such as concerts and sporting competitions, where ticket scarcity and resale potential can generate substantial profits. (Stuk, 2011 & *Ticket Scalping*, n.d. & *What Does Ticket Scalping Mean?*, n.d.)

#### **Mechanics of Ticket Scalping:**

**Acquisition:** Scalpers generally procure tickets via legitimate sales channels employing several techniques, including automated bots that enable them to obtain substantial amounts of tickets immediately upon their release. (Joanna, 2024 & *Ticket Scalping | Fraud Dictionary | Spotrisk*, 2023)

**Reselling:** Once acquired, these tickets are marketed on secondary platforms such as StubHub or Viagogo, frequently at rates much beyond their initial worth. (*What Does Ticket Scalping Mean?*, n.d. & *Ticket Scalping (Vic)*, n.d.)

#### **Key Ticket Scalping Characteristics**

- **Intent to Resell:** Scalpers want to profit from the high demand for events like concerts, sports, and theater by reselling tickets at inflated prices (*Security Your Event: Anti-Scalping Measures and Best Practices*, 2024; *What Is Ticket Scalping?*, n.d.).

- **Ticket resale at marked-up prices:** Scalpers often sell tickets at much higher prices, sometimes exceeding the initial price by hundreds of percent. (*Ticket Scalping*, 2024)

- **Market Dynamics:** Scalping exploits supply-demand imbalances. Scalpers anticipate swift ticket sellouts and charge extravagant resale rates at high-demand events (Joanna, 2024).

- **Secondary Market Activity:** Tickets are often resold on secondary marketplaces, with values often exceeding the initial price (*Ticket Scalping*, n.d. & *What Does Ticket Scalping Mean?*, n.d.).

- **Legal and Ethical Issues:** The activity poses legal and ethical challenges due to differing rules between jurisdictions. Some localities ban scalping or limit resale pricing, while others allow it with little control (*Securing Your Event: Anti-Scalping Measures and Best Practices*, 2024 & *Ticket Scalping*, n.d.).

- **Fan Impact:** Ticket scalping is a source of frustration for real fans due to inflated costs and limited access to tickets at face value. This damages event organizer-fan relationships

and diminishes ticketing trust (Securing Your Event: Anti-Scalping Measures and Best Practices, 2024&What Does Ticket Scalping Mean?, n.d.).

- Events are employing anti-scalping methods like CAPTCHA systems, personalized ticketing, and ticket purchase limits to counteract this behavior (Securing Your Event: Anti-Scalping methods and Best Practices, 2024& Ticket Scalping, n.d.).

### **Legal Framework for Ticket Scalping**

The legal framework of ticket scalping varies significantly across different jurisdictions, with regulations ranging from outright bans to permissive frameworks. Here are some key points regarding the legality of ticket scalping:

Thailand:

Ticket scalping in Thailand is not explicitly illegal, but there are laws that could be applied to certain aspects of it which are Seals, Stamps, Tickets (Sections 258-263): This section of the Criminal Code could be relevant if scalpers are involved in forging or altering tickets and Consumer Protection Act: This law could be used to protect consumers from unfair practices, such as deceptive advertising or misrepresentation of tickets. (*Consumer Rights and Consumer Protection Act Thailand*, n.d.)

United States:

There is no federal law regulating ticket scalping; however, the BOTS Act of 2016 prohibits the use of automated software to purchase tickets in bulk for resale. (*Ticket Scalping*, n.d.)

Many states have their own laws: for instance, in New York, Alabama, Georgia, New Jersey, Pennsylvania, Illinois, and Massachusetts, scalping is illegal without a special license. Other states allow scalping but may impose restrictions or require licenses (*Ticket Scalping*, n.d.& *A Look at Scalping Laws around the World*, n.d.)

India:

There are currently no legal restrictions against individuals reselling tickets; however, organized scalping by event promoters could be considered unfair trade practices. Recent court rulings indicate that as long as the higher price is disclosed and there is no deceit involved, personal resale of tickets is generally permissible (Savan Dhameliya, 2024)

International Perspectives:

In Australia, particularly in New South Wales, scalping is illegal if tickets are resold at more than 10% above the original price

The European Union has enacted laws to prohibit the use of bots for ticket purchasing and has seen similar regulations adopted in the UK since 2018 to combat unfair practices in ticket sales

### **Concert ticket scalping impact**

Ticket scalping has a major impact on concertgoers, organizers, and the market. Some key effects:

- Consumer dissatisfaction and distrust: As many as 80% of concertgoers feel exploited by scalpers on the secondary market. Fan displeasure with high costs has eroded trust in live music (Malivuk, 2017). This sentiment is especially strong when true fans must pay scalpers much more for tickets.

- Ticket scalping may deter fans from attending future shows. 67% of those who bought tickets above value said they would attend fewer concerts (Malivuk, 2017). This attendance reduction concerns concert promoters' earnings and live events' long-term survival.

In conclusion, ticket scalping hurts the concert industry by frustrating customers, lowering attendance, changing market dynamics, abusing technology, and calling for legislative reform. Restoring trust and ensuring live music events' sustainability requires addressing these concerns.

### **Research Methodology**

This study is a Qualitative Research via Documentary Research on concert ticket scalping using secondary data generated and collected, such as books and publications (Meebua S. et al, 2023). Electronic data and the applicable law of Thailand, and Legislation: Statutes and regulations linked to ticket scalping in various jurisdictions, Case Law: Court decisions on ticket scalping cases Industry Reports: Reports and research on the effects of ticket scalping on the concert industry are examined.

### **Research Results**

Various jurisdictions have various ticket scalping regulations to protect consumers. Based on search results, below are some significant ticket scalping legal aspects:

#### General Overview

1) Lack of Uniformity: The US lacks a federal legislation regulating ticket scalping, resulting in a patchwork of state rules. Some states have tight prohibitions, while others have none (Ticket Scalping, n.d.& Concerts to Courtrooms: Legal Consequences of Unauthorized Ticket Sales, 2024).

2) State-Specific Regulations: In the U.S., states such as New York, Alabama, Georgia, New Jersey, Pennsylvania, Illinois, and Massachusetts mandate ticket reselling licenses for scalpers. Fines or jail time can follow (Ticket Scalping, n.d.). Reselling tickets for more than 10% above the original price and using automated bots to obtain tickets is unlawful in Australia, especially in New South Wales (Services, 2023)

3) International Approaches: Legislation prohibits bots from purchasing tickets in the EU and the UK since 2018 (Ticket Scalping, n.d.). Indian law does not address ticket scalping, but the Bhartiya Nyaya Sanhita (BNS) 2023 criminalizes unauthorized sales, potentially affecting organized scalping (IT, 2024&Concerts to Courtrooms: Legal Consequences of Unauthorized Ticket Sales, 2024).

4) Specific Legal Provisions: The implementation of consumer protection laws in several jurisdictions indirectly addresses ticket scalping by outlawing unfair business activities. Thailand's Consumer Protection Act bans scalping (Securing Your Event: Anti-Scalping Measures and Best Practices, 2024).

A recent change to the BNS in India has criminalized scalping, with penalties including jail for organized organizations participating (Concerts to Courtrooms: Legal Consequences of Unauthorized Ticket Sales, 2024). This is a major step toward scalping recognition and conviction.

Enforcement Challenges: Online sales and sophisticated scalper methods make enforcement difficult despite existing rules. Enforcement agencies often lack the resources to monitor and control these practices (Cianfrone & Connaughton, 2004).

### **Discussion**

The legal framework for ticket scalping is complex and varies widely across jurisdictions. While some regions have implemented strong anti-scalping laws aimed at protecting consumers and ensuring fair access to tickets, challenges in enforcement and evolving market dynamics continue to complicate the landscape. Ongoing legislative efforts



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