

Questionnaire 4 – Consumer Organisations and NGOs

Background to Study

The internet has brought about significant changes in the way consumers purchase goods and services and how businesses advertise and sell such goods and services. Today, price and product **comparison websites** and **online consumer reviews** are widely used tools by consumers and businesses. If the transparency and reliability of such tools are not guaranteed, they can become a source of business risk, consumer detriment and overall, undermine consumers' trust in the market as a whole.

As a first step in addressing the issues of transparency and reliability of comparison tools, the European Commission (EC) set up a stakeholder dialogue process to identify existing shortcomings in the functioning of comparison tools and to explore ways of addressing them. The dialogue process was launched on 29 May 2012, with the organisation of a series of workshops held in Brussels (under the guise of the Multi-Stakeholder Dialogue on Comparison Tools (MSDCT)), with the participation of representatives from national and EU-level organisations.

Following this, the EC has recently commissioned a study to provide a detailed assessment of **comparison tools** covering three main areas:

- the mapping of comparison tools and third-party verification schemes
- the influence of comparison tools on consumers' decision-making and their usefulness
- improvements to be made to ensure comparison tools are reliable, transparent and user-friendly and benefit consumers.

This study is being undertaken by a consortium led by Deloitte and will focus on comparison tools in six sectors: electric and electronic appliances, fast-moving consumer goods, travel, retail financial services, electronic communications and energy sectors.

In addition to the issues relating to comparison tools, **online consumer reviews** are an area of particular concern for some sectors. These reviews allow consumers to assume a participatory role in the evaluation and comparison of products and services, however, some issues identified include: cases where paid advertising have been camouflaged as spontaneous user testimonials, cases of flooding of positive reviews organised by companies, removal of negative reviews, targeting of respectable businesses with biased negative reviews submitted by their competitors, etc.

With these issues in mind, DG SANCO has commissioned this study to focus in-depth on the use of **online consumer reviews** in **hotels**, consumers' reliance on such reviews and possible harm caused by biased presentation of reviews or fake reviews. The study is to examine the occurrence of biased or fake reviews, the sources of fake reviews (including e-reputation agencies), how the reviews are managed by the operators and actions taken to address these issues by the operators, the industry and consumer protection authorities. This study, therefore, complements the study by Deloitte, but involves a more in-depth assessment at the problem of fake reviews in the hotel sector which recently has been attracting some negative publicity.

To assist us with this study, we would be grateful if you could complete the short questionnaire below – we do not anticipate that the questionnaire should take more than 20 minutes to complete. The questionnaire is aimed at assisting us with obtaining the most up-to-date information on current



and proposed initiatives which all relevant stakeholders are taking (or intend to take) in addressing the issue of fake hotel reviews. If you require further information about the study, please do not hesitate to contact the Project Manager, Tobe Nwaogu by e-mail ([tobe.nwaogu\(AT\)rpald.co.uk](mailto:tobe.nwaogu(AT)rpald.co.uk)) and/or telephone number (+44 1508 528465). You will also find [here](#) a letter from the Commission confirming our involvement with this study.

We would be very grateful if you could provide your responses by 28 February 2014 at the latest. If you will need more time to provide a response, kindly let me know as soon as possible using the email address above.

Questions

1. Please provide the following details:

Organisation (*compulsory):	ANEC, European Consumer Voice in Standardisation
Location* (City and Country)	Brussels
Contact name	Michela Vuerich
Telephone number:	
E-mail address*:	mvu@anec.eu

2. Please indicate which of the following best describes your organisations' remit.

Consumer Organisation	<input checked="" type="checkbox"/>	Non-governmental organisation (NGO)	<input type="checkbox"/>
Other (please specify)			

3. Please indicate which of the following countries your organisation operates in.

Austria	<input type="checkbox"/>	Estonia	<input type="checkbox"/>	Italy	<input type="checkbox"/>	Portugal	<input type="checkbox"/>
Belgium	<input type="checkbox"/>	Finland	<input type="checkbox"/>	Latvia	<input type="checkbox"/>	Romania	<input type="checkbox"/>
Bulgaria	<input type="checkbox"/>	France	<input type="checkbox"/>	Lithuania	<input type="checkbox"/>	Slovakia	<input type="checkbox"/>
Croatia	<input type="checkbox"/>	Germany	<input type="checkbox"/>	Luxembourg	<input type="checkbox"/>	Slovenia	<input type="checkbox"/>
Cyprus	<input type="checkbox"/>	Greece	<input type="checkbox"/>	Malta	<input type="checkbox"/>	Spain	<input type="checkbox"/>
Czech Republic	<input type="checkbox"/>	Hungary	<input type="checkbox"/>	Netherlands	<input type="checkbox"/>	Sweden	<input type="checkbox"/>
Denmark	<input type="checkbox"/>	Ireland	<input type="checkbox"/>	Poland	<input type="checkbox"/>	United Kingdom	<input type="checkbox"/>
EU-28	<input checked="" type="checkbox"/>	EEA	<input checked="" type="checkbox"/>	Other (specify)	FYROM, Turkey		

4. In your view, how big is the problem of misleading and/or false hotel reviews (whether by businesses or consumers) in the country (or countries) where you operate?

It is not a problem	<input type="checkbox"/>	There are isolated cases	<input type="checkbox"/>	It is a minor problem	<input type="checkbox"/>	It is a growing problem	<input checked="" type="checkbox"/>	It is a major problem	<input type="checkbox"/>
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5. Are you aware of cases where **businesses** have suffered financial loss or other damage as a result of misleading and/or false hotel reviews? If YES, please provide details below.

Yes	<input type="checkbox"/>	If YES, please provide details	
No	<input type="checkbox"/>		
Not applicable	<input type="checkbox"/>		

6. Are you aware of cases where **consumers** have suffered financial loss or other damage as a result of misleading and/or false hotel reviews? If YES, please provide details below.

Yes	<input type="checkbox"/>	If YES, please provide details	Especially in absence of an EU harmonised hotel star/rating categorisation, consumers rely a lot on review websites both to collect information on the accommodation they are considering as well as a tool where to complain about a service they are dissatisfied with. A matter of concern is the damage consumers encounter when their
No	<input type="checkbox"/>		
Not applicable	<input type="checkbox"/>		

			<p>complaint is not handled, or they are only complaining on a review site, ignoring the correct procedures to escalate complaints.</p> <p>(see also the 2014 ANEC Research study on ‘European cross-border travel and tourism - Learning from consumer experiences and complaints’ mentioned below and ANEC respective Position paper)</p>
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7. Are you aware of any data (or studies) relating to misleading and/or false hotel reviews and/or problems arising from these? If YES, please provide details below?

Yes	x	If YES, please provide details	<p>ANEC study ‘European Cross-Border Travel and Tourism - Learning from Consumer Experiences and Complaints’ (January 2014) http://www.anec.eu/anec.asp?p=recent-research-reports&ref=07-01.01-01, through a consumer survey we collected consumer experiences with travel and tourism services. 19.8% of the respondents that experienced a problem said they posted a comment in a review website. It confirms evidence that consumers are putting greater trust in their peers rather than more traditional sources, in their decision making. However this means complaints are often not escalated further.</p> <p>Our colleagues at the UK consumer organisation National Consumer Federation NCF carried out a study on Trust Schemes Report and especially look at consumer detriment and effective management of consumer feedback on review sites also including hotels’: <i>Trust schemes for consumers: What ‘good’ looks like</i> http://www.ncf.info/content/consumer-trust</p> <p>The 2012 report, ‘<i>In my honest opinion</i>’ by the UK consumer watchdog ‘Consumer Focus’ http://www.consumerfocus.org.uk/publications/in-my-honest-opinion-consumers-and-the-power-of-online-feedback we also quote in ANEC study looks at:</p> <ul style="list-style-type: none"> • consumer attitudes toward user feedback • how much people use and rely on online feedback • people’s awareness of the potential downsides and their concerns about using these services <p>Our Swedish member consumer magazine called Råd & Rön has addressed online reviews in an article http://www.radron.se/artiklar/sa-maktig-ar-du-pa-natet/ (in Swedish) which explains how Swedish consumer trust reviews and how Tripadvisor and Pricerunner deal with suspicious commentaries. Pricerunner in particular verifies IPs and email addresses if needed and dealers need to have pricerunner’s permission to contact a consumer who made a review. For (google) translated version of the Swedish article: http://tinyurl.com/m2oy2vq</p>
No			
Not applicable			

8. Has your organisation taken any specific actions against businesses to address the problem of fake hotel reviews? If YES, could you please provide more details about the action your organisation took; for example, who was the action aimed at, timeframe, nature of penalty involved (e.g. warnings, injunctions, administrative decisions, fines, etc.)?

Yes		If YES, please provide details	<p>We can share the following experience:</p> <p>One of our UK members is a fire and security expert. He uses review sites as a way of promoting better fire safety especially in hotels. He reported to us he generally gives the hotel the chance to reply to his concerns</p>
No			
Not applicable			

			<p>before posting the review and if feels that they are going to put things right he will not post the review but if they do not respond, his review will be posted.</p> <p>If his concerns are very serious he also notifies the fire service and he always posts photos so there is very little doubt.</p> <p>He reported one occasion where the hotel was so bad that their solicitors tried to silence him and stop him posting the review and he is aware that they used the same tactics against other guests that tried to post unsatisfactory reviews.</p> <p>He explained it is difficult to protect against fake reviews but they can usually be identified, because they tend to stand out from the majority of reviews.</p>
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9. Did your action concern a breach of EU legislation, or are you aware of breaches of EU legislation relating to misleading and/or false hotel reviews? If YES, which of the following legislation was breached?

Yes	
Directive 2005/29/EC on Unfair Commercial Practices	
Directive 2006/114/EC on Misleading and Comparative Advertising	
Other (please specify)	
No	

10. E-reputation companies aim to assist companies with managing their online reputation in a number of ways. This may involve action to promote and increase the visibility of positive reviews, or, to move negative comments and reviews down search engines. Are you aware of E-reputation companies assisting hotel businesses with online reviews?

<i>I am aware of E-reputation companies assisting businesses with hotel reviews</i>		<i>Please provide additional details</i>	
<i>I am aware of E-reputation companies, but not in the hotels sector specifically</i>			
<i>I am not aware of E-reputation companies</i>			

11. Has your organisation taken any specific actions in general to protect consumers from being misled by misleading and/or false hotel reviews (e.g. awareness campaigns, publishing guidance to businesses on how reviews are to be managed, etc.)?

Yes		<i>If YES, please provide details</i>	
No			
Not applicable			

12. In your view, how effective have these specific actions been in combating fake hotel reviews posted online? Please answer below.

Very effective		Effective		Uncertain		Not effective	
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13. In your view, what measures must website operators take to ensure that hotel reviews are trustworthy and not abused?

	YES	Yes, but not	NO
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		compulsory	
They must take measures to verify the identity of reviewers			
They must take measures to verify that reviewers actually stayed in the hotels they are reviewing	x		
They must take measures to verify the information provided by consumers in reviews	x		
They must take other additional measures (please specify)	They should show the correct unbiased data of judgements		

14. In your view, what are the best approaches (i.e. best practice) for hotel review websites to adopt in terms of:

Verifying the identity of reviewers	Ensure privacy and data are protected
Ensuring that reviewers actually stayed in the hotels they are reviewing	Ensure privacy and data are protected
Verifying the information provided by consumers in reviews	<p>The consumer key issues are:</p> <ul style="list-style-type: none"> - Clear/transparent information – about ownership of site, impartiality, what reviews are based on. - Structure of reviews – is there any structure to the feedback template? - Are consumers being asked relevant/useful questions? -Verification of reviews – processes need to be in place to ensure that reviews are genuine
Other (please specify)	- Dealing with complaints/abuse.

15. In your view, what specific additional action is needed to address problems arising from misleading and/or false hotel reviews? Please indicate a maximum of three actions.

Introduction of accreditation schemes for websites		More active monitoring and enforcement online by authorities	x
Introduction of voluntary standards for websites	x	National/EU wide awareness campaigns for consumers on fake reviews	
Development of 'best practice' guidance document for review website operators		Industry or sector-specific initiatives (e.g. led by industry associations)	
No action is required		Company specific initiatives	
Other (please specify or clarify your answer)		<p>There is a need for European regulation, or standardisation, of consumer review sites.</p> <p>France has a standard on Online reputation NF Z74-50, on the basis of which ISO recently proposed an international committee on "Online reputation". ANEC will possibly get involved to ensure that key consumer issues are taken into account. Possibly at the European level more than a</p>	

	voluntary standard could be achieved.
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16. Are you aware of any measures taken (or in the pipeline) to tackle the problem of misleading and/or false reviews in other countries (including in non-European countries)?

Yes	x	If YES, please provide details	UK, business codes of practice and involvement of consumer organisations in trust schemes See the study <i>“Trust schemes for consumers: What ‘good’ looks like”</i> http://www.ncf.info/content/consumer-trust
No			
Not applicable			France has a standard on Online reputation NF Z74-50, on the basis of which ISO recently proposed an international committee on “Online reputation”.

17. Would you be interested in participating in a workshop to explore in more detail (alongside other policy makers and stakeholders) how to address the problems arising from fake reviews in the hotel sector.

Yes	x	No	
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Thank you very much for answering our questions.