# Common position of national authorities of the CPC Network concerning the commercial practices and terms and conditions of Google.com

Under the Consumer Protection Cooperation (CPC) Regulation (EU) 2017/2394<sup>1</sup>, Member States' authorities<sup>2</sup> have the duty to launch coordinated investigations in cases of a reasonable suspicion of a widespread infringement of Union consumer law. CPC authorities, with the European Commission acting as the coordinator, examined the commercial and contractual practices of Google.com (as regards Google Store, Google Play, Google Ads and search, Google Flights and Google Hotels), in order to ensure the proper application of consumer protection rules. To this end, they adopted the common position here below.

This common position is without prejudice to any other legal issues or terms that national authorities may want to raise or may have raised in national proceedings.

<sup>&</sup>lt;sup>1</sup> Regulation (EU) 2017/2394 of the European Parliament and of the Council of 12 December 2017 on cooperation between national authorities responsible for the enforcement of consumer protection laws and repealing Regulation (EC) No 2006/2004, OJ L 345, 27.12.2017, p. 1–26.

<sup>&</sup>lt;sup>2</sup> The Consumer Protection Cooperation (CPC) network consists of authorities responsible for enforcing EU consumer protection laws in EU-27 Member States, including Norway, Iceland and Lichtenstein.

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# 1. OVERVIEW

The main issues identified by CPC Authorities can be summarised as follows:

- In Google Play Store and Google Store, information on the trader (e.g. identity, address) is not easily accessible or -in some cases- is missing entirely (e.g. VAT, registration number). In addition, when Google acts as a trader by offering goods and services on its platform to consumers, it should provide consumers with a) direct and effective means of communication and b) an electronic link to the ODR platform. Accordingly, Google Hotels should provide a distinction between traders and/or private hosts;
- Essential pre-contractual information (on interoperability, delivery costs and restrictions, right of withdrawal, consumer guarantees) concerning goods and services offered on Google Play Store and Google Store, must be provided in a clear way and should not be missing;
- The business model of Google Flights and Google Hotels should be presented in a clear and intelligible way to the consumers;
- The prices that appear on Google Flights and Google Hotels are not always the final ones, as they often do not include fees or taxes that can reasonably be calculated in advance. Also the reference prices used to calculate promoted discounts, are not clearly identified;
- In the search engine function, Google is expected to explain clearly how the search results are ranked and if (and how) payments may influence the ranking;
- Google should ensure the reliability of its hotel reviews, as it presents them as reliable to the consumers;
- Improvements are necessary in the takedown procedure established by Google for the removal of illegal content which is reported by Consumer Authorities;
- The standard terms of Google Store that refer to Google's power to unilaterally cancel orders and/or to unilaterally modify the price on ground of an alleged price mistake, create a significant imbalance of rights between the trader and the consumer to the detriment of the latter;
- The app version of the Google Play Store should avoid geo-blocking practices.

# 2. GOOGLE PLAY STORE

CPC Authorities analysed the Google Play Store, a web shop where consumers can, among other things, download or buy apps for the Google Android mobile operating system. This analysis is done based on the Play Store App version "24.7.28-21 (0) 366474158" in Belgium,

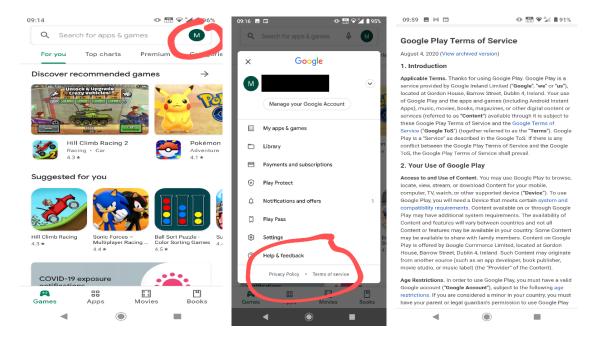
using the English language version on 15 April 2021 and/while checking the English Terms of Service, version "Ireland August, 4 2020".

# 2.1 Information on the trader

To access the information about the service provider of an app, the consumer needs to click on his profile button and then on "Terms of service".

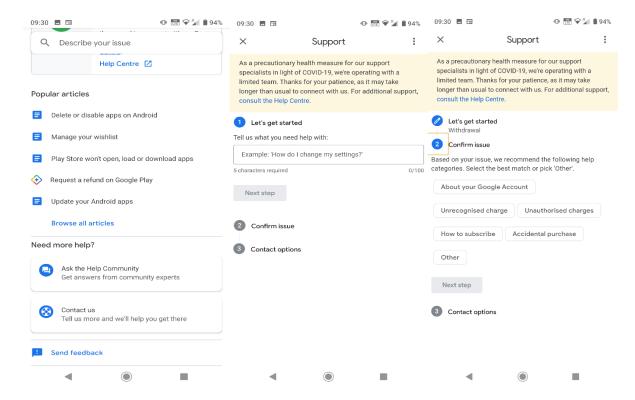
Clicking on "Terms of service" redirects to a web page where it is mentioned that the service is provided by and that the content on Google Play is offered by Google Commerce Limited, located at Gordon House, Barrow Street, Dublin 4, Ireland. [Screenshot 1]

#### Screenshot 1



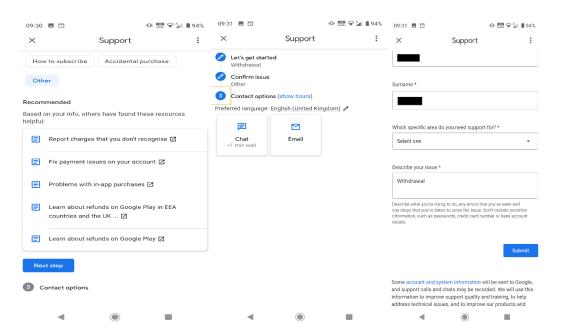
The geographic address at which the service provider is established is only mentioned in the terms & conditions. This is not considered as an easy, direct and permanent access to the information required by the eCommerce Directive. The trade register where the service provider is registered and its registration number are not mentioned at all. Also the VAT number is missing.

In order to contact the service provider, the consumer needs to click on his profile button and then on "Help & feedback". Clicking on "Help & feedback" leads to a support page. At the bottom, a "Contact us" button can be found. After clicking on it, the consumer reaches again a new page with three steps to follow. Firstly, he must mention with at least five characters what he needs help with, then based on the issue mentioned, he must click on a category proposed or on "Other" [Screenshot 2].



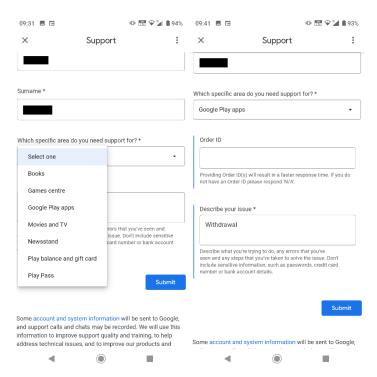
After clicking on "Other", recommendations of resources are shown and he has to click on "Next step" to continue. Eventually, he reaches the third step: the contact options. Two of them are proposed: email or chat. For both means of contact, it is required for the consumer to mention his first name and surname and which specific area he needs support for [Screenshot 3].

# Screenshot 3



After clicking on it, it is required to describe the issue and then he can finally send an email or chat to Google. The consumer must choose among pre-determined categories (as opposed to free text fields), as regards the issue he needs support with and does not have the possibility to upload an attachment [Screenshot 4].

# Screenshot 4



The number of clicks required to reach access to Google is numerous and discouraging.

The e-Commerce Directive<sup>3</sup>, the Consumer Rights Directive<sup>4</sup> and the Unfair Commercial Practices Directive<sup>5</sup> set out requirements for traders as regards to the information about their company identification and contact details (company name, geographic address, electronic mail address, company number and VAT number). This information should be provided in a clear and easily accessible way, and not be hidden in the terms of service (or missing entirely).

Although the trader is not precluded from providing consumers with other means of communication than e-mail address and telephone number, those means of communication

<sup>&</sup>lt;sup>3</sup> <u>Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the Internal Market ('Directive on electronic commerce')</u>

<sup>&</sup>lt;sup>4</sup> <u>Directive 2011/83/EU of the European Parliament and of the Council of 25 October 2011 on consumer rights, amending Council Directive 93/13/EEC and Directive 1999/44/EC of the European Parliament and of the Council and repealing Council Directive 85/577/EEC and Directive 97/7/EC of the European Parliament and of the Council 5 <u>Directive 2005/29/EC</u> of the European Parliament and of the Council of 11 May 2005 concerning unfair <u>business-to-consumer commercial practices in the internal market and amending Council Directive 84/450/EEC, Directives 97/7/EC, 98/27/EC and 2002/65/EC of the European Parliament and of the Council and Regulation (EC) No 2006/2004 of the European Parliament and of the Council ('Unfair Commercial Practices Directive')</u></u>

must enable the consumer to contact the trader in a direct and effective manner (Case C-649/17 Judgment of the Court (First Chamber) of 10 July 2019, Amazon EU). The procedure offered to consumers when they wish to contact Google Play Store is complicated and lengthy and does not seem to fulfil the abovementioned criteria.

# Legal framework:

- Directive 2000/31/EC on electronic commerce
  - Article 5(1)(a-g)
- Directive 2005/29/EC on unfair commercial practices
  - Article 5
  - Article 7(1), (2), (4)(b)
- Directive 2011/83/EU on consumer rights
  - Article 6(1)(b) and (c)

# 2.2 Electronic link to the ODR Platform

No electronic link to the ODR platform and no electronic address to be used on the platform are provided on the Google Play Store.

Under article 14 (1) of Regulation (EU) No 524/2013 (Regulation on consumer ODR<sup>6</sup>), a trader, such as Google Commerce Limited, shall provide an easily accessible electronic link to the ODR platform on its website, in addition to its e-mail address. An electronic address is necessary for the consumer to be able to lodge a complaint on the ODR platform.

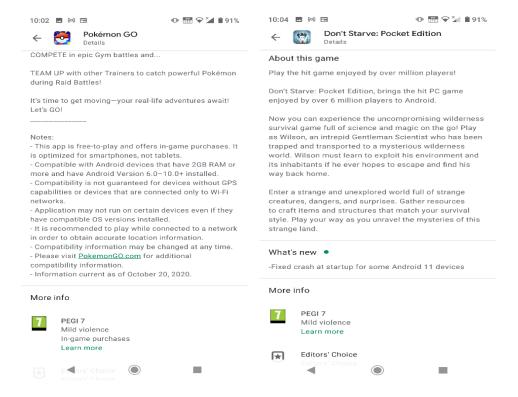
# Legal framework:

• Regulation 524/2013 of 21 May 2013 on online dispute resolution for consumer disputes Article 14

# 2.3 Information on interoperability

When selecting an app, the consumer needs to click on "About this game" or "About this app" to obtain more information. Information about any relevant interoperability of digital content with hardware and software is not always mentioned, depending on the app [for example, in screenshot 5 information on interoperability is provided for "Pokemon Go" but not for "Don't starve: pocket edition"].

<sup>&</sup>lt;sup>6</sup> Regulation (EU) No 524/2013 of the European Parliament and of the Council of 21 May 2013 on online dispute resolution for consumer disputes and amending Regulation (EC) No 2006/2004 and Directive 2009/22/EC (Regulation on consumer ODR)



However, under Consumer Rights Directive, this type of information should be provided for all apps in a clear and comprehensible way before the consumer is bound by a contract.

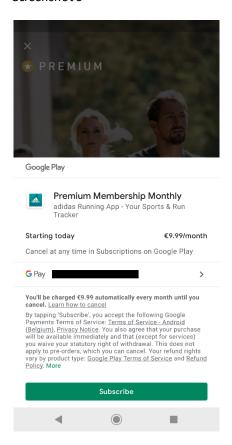
# Legal framework:

- Directive 2011/83/EU on consumer rights
  - Article 6(1)(s)

# 2.4 Exception to the right of withdrawal

When proceeding to an in-app purchase through Google Play, a window appears with a "Subscribe" button and the following statement [Screenshot 6]:

"By tapping 'Subscribe', you accept the following Google Payments Terms of Service: <u>Terms of Service – Android (Belgium)</u>, <u>Privacy Notice</u>. You also agree that your purchase will be available immediately and that (except for services) you waive your statutory right of withdrawal. This does not apply to pre-orders, which you can cancel. Your refund rights vary by product type: <u>Google Play Terms of Service</u> and <u>Refund Policy</u>."



According to the DG Justice guidance document concerning Directive 2011/83/EU<sup>7</sup>, "In relation to contracts for online digital content, Article 16(m) regulates the right of withdrawal as follows: '[Member States shall not provide for the right of withdrawal in respect of contracts as regards]: (m) the supply of digital content which is not supplied on a tangible medium if the performance has begun with the consumer's prior express consent and his acknowledgment that he thereby loses his right of withdrawal.' (...), the consumer would lose the right of withdrawal as soon as the performance of the contract has begun with his consent and acknowledgment of the loss of this right, such as at the start of the downloading or streaming of a video or audio file. If a trader provides a web link to launch streaming or downloading, the consumer would only lose the right of withdrawal after activating that link.

'Express' consent and acknowledgement for the purposes of Article 16(m) should be interpreted by analogy to the rules on express consent provided in Article 22 on additional payments for additional services. This means the consumer must take positive action, such as ticking a box on the trader's website. Expression of consent and acknowledgment by means of a pre-ticked

<sup>7</sup> https://ec.europa.eu/info/sites/default/files/crd guidance en 0.pdf

box or accepting the general terms and conditions is not likely to satisfy the requirements of Article 16(m)."

Google does not appear to comply with the above requirements since no positive action (e.g. box to tick) is required from the consumer to express his consent and acknowledgement that he loses his right of withdrawal, in case of an in-app purchase through Google Play.

# Legal framework:

- Directive 2011/83/EU on consumer rights
  - Article 16 (m)

# 2.5 Geo-blocking

CPC authorities noticed that it is impossible for consumers to access other national versions of the Play Store.

Article 3(1) of the Geo-blocking Regulation <sup>8</sup> states that a trader shall not, through the use of technological measures or otherwise, block or limit a customer's access to the trader's online interface for reasons related to the customer's nationality, place of residence or place of establishment. Even in the event of redirection with the customer's explicit consent, all versions of the online interface should remain easily accessible to the customer at all times (see Article 3(2) and Recital 20). Also an app store is considered to be an online interface according to the definition of article 2(16) of the Geo-blocking Regulation <sup>9</sup>.

Google added the option for consumers to access every other EU version of the Play Store in its browser version in May 2020. Thus other EU country specific content can be accessed by using the country selector at the bottom of the page in the browser version of the Play Store (<a href="https://play.google.com/store">https://play.google.com/store</a>), so that consumers are technically offered the possibility to change the location at the bottom of the page. However, most consumers are using the app version of the Play Store, which is currently not offering such an option.

In order to avoid a violation of article 3(1) of the Geo-blocking Regulation concerning the app version of the Play Store, Google added a link to a help page 10 in the account preferences of the Play Store app, which offers consumers a step by step manual for accessing other national versions of the Play Store by using its browser version.

The imposed adjustment in the Play Store app still does not offer an easy access to all EU versions of the Play Store. Google needs to ensure an easy and seamless access to all EU

https://support.google.com/googleplay/answer/7431675?co=GENIE.Platform%3DAndroid&hl=en)

<sup>&</sup>lt;sup>8</sup> Regulation (EU) 2018/302 of the European Parliament and of the Council of 28 February 2018 on a ddressing unjustified geo-blocking and other forms of discrimination based on customers' nationality, place of residence or place of establishment within the internal market and a mending Regulations (EC) No 2006/2004 and (EU) 2017/2394 and Directive 2009/22/EC

<sup>&</sup>lt;sup>9</sup> See also the position of the Commission in the Parliamentary Question E-000470/2021, available at <a href="https://www.europarl.europa.eu/doceo/document/E-9-2021-000470">https://www.europarl.europa.eu/doceo/document/E-9-2021-000470</a> EN.html .

<sup>&</sup>lt;sup>10</sup> (passage "Browse a nother country's Play Store"

version of the Play Store, for instance by adding a separate and visible link in the account preferences of the Play Store app, which will directly lead to the passage "Browse another country's Play Store" of the abovementioned help page; thus it will meet the obligation that all versions of the online interface should remain easily accessible to the customer at all times, as stated in recital (20) Geo-blocking Regulation.

Even though the content of other national versions of the Play Store can be browsed now, whether to grant access/download possibility to an individual app or to differentiate conditions in certain territories still depends on the circumstances applicable to the individual app at stake. Indeed, according to article 4 (1) (b) of the Geo-blocking Regulation a trader shall not apply different general conditions of access to goods or services, for reasons related to a customer's nationality, place of residence or place of establishment, where the customer seeks to receive electronically supplied services from the trader, other than services the main feature of which is the provision of access to and use of copyright protected works or other protected subject matter, including the selling of copyright protected works or protected subject matter in an intangible form.

Whether an app embodies, as main feature, the provision of services consisting in access to and use of copyright protected works or protected subject matter in an intangible form will actually depend on the specific facts at stake, such as the kind of app and the kind of service at stake. Therefore, accessibility cannot be pre-empted by a general lack of accessibility to different national versions of the appstore imposed by default by the provider of the appstore, and the applicability of Article 4, will need to be assessed on a case by case basis by the individual trader/developer in view of the characteristics of the app and of the service at stake.

# Legal framework:

- Regulation 2018/302 on addressing unjustified geo-blocking
  - Article 2(16), 3(1), 4 (1) (b)

# 3. GOOGLESTORE

CPC Authorities analysed the Google Store, a web shop where Google sells its own hardware directly to consumers.

# 3.1 Information on the trader

CPC authorities noticed that the company name of the business entity operating the Google Store (Google Commerce Limited) and its geographic address are only mentioned in the "Google Store Terms of Sale for Devices", while the company number and VAT number are entirely missing.

Moreover, the only way for a consumer to contact the trader is by logging in to his Google account. Without logging in, no contact means are available.

The European e-Commerce Directive, the Consumer Rights Directive and the Unfair Commercial Practices Directive, set out requirements for traders as regards to the information about their company identification and contact details (company name, geographic address, electronic mail address, company number and VAT number). This information should be

provided in a clear and easily accessible way and not be hidden in the terms of sale (or missing entirely).

Although the trader is not precluded from providing consumers with other means of communication than e-mail address and telephone number, those means of communication must enable the consumer to contact the trader in a direct and effective manner (Case C-649/17 Judgment of the Court (First Chamber) of 10 July 2019, Amazon EU). Means of communications that are dependent on a logging-in process, could be considered as complicated and ineffective and therefore, not fulfilling the abovementioned criteria.

# Legal framework:

- Directive 2000/31/EC on electronic commerce
  - Article 5(1)(a-g)
- Directive 2005/29/EC on unfair commercial practices
  - Article 5Article 7(1), (2), (4)(b)
- Directive 2011/83/EU on consumer rights
  - Article 6(1)(b) and (c)

# 3.2 Electronic link to the ODR Platform

No electronic link to the ODR platform and no electronic address to be used on the platform are provided on the website of Google Store.

Under article 14 (1) of Regulation (EU) No 524/2013 (Regulation on consumer ODR<sup>11</sup>), a trader, such as Google Commerce Limited, shall provide an easily accessible electronic link to the ODR platform on its website, in addition to its e-mail address. An electronic address is necessary for the consumer to be able to lodge a complaint on the ODR platform.

# Legal framework:

- Regulation 524/2013 of 21 May 2013 on online dispute resolution for consumer disputes
  - Article 14

# 3.3 Information on delivery costs, delivery restrictions and means of payment

Only when entering the checkout process, the shopping basket of the Google Store notes that: "Delivery costs will be calculated at checkout." The FAQ page (via the question mark icon on the top right) adds that: "In some regions, you might be offered free shipping if you order specific products or your order meets a minimum price." As such, the Google Store does not

<sup>&</sup>lt;sup>11</sup> Regulation (EU) No 524/2013 of the European Parliament and of the Council of 21 May 2013 on online dispute resolution for consumer disputes and amending Regulation (EC) No 2006/2004 and Directive 2009/22/EC (Regulation on consumer ODR)

inform the consumer correctly in advance about what delivery costs might apply to the purchase.

Pursuant to Article 6(1)(e) of the Consumer Rights Directive, the trader is obliged to provide to the consumer information on the total price inclusive of taxes, as well as, where appropriate, all additional freight, delivery or postal charges and any other costs. This is also material information when making an invitation to purchase, according to the Unfair Commercial Practices Directive, and as such should not be omitted. Where these charges cannot reasonably be calculated in advance, there should be at least a clear reference to the fact that such additional charges may be payable. Nevertheless, Google does not make such reference in any of the webpages where it presents its products (and their prices) but only at the checkout process.

In addition, the Google Store does not clearly mention whether any delivery restrictions apply and which means of payment are accepted, as also required by the Unfair Commercial Practices Directive and the Consumer Rights Directive. This information should be indicated at the latest at the beginning of the ordering process. Moreover, the information that it provides on the FAQ page was found to be outdated. For example, PayPal is stated to be only available in Australia, Japan and the US. However, the PayPal payment option was found to be available for EU consumers too.

CPC authorities note that the use of the question mark on the top right of the Google Store, linking to an extensive FAQ, does not ensure compliance with the requirement to provide precontractual information to the consumer in a clear and comprehensible manner. At the bottom of the Google Store, some information pages are linked directly, which seems a more adequate way to provide the most essential pre-contractual information to consumers (e.g. delivery, payment, right of withdrawal, guarantees).

# Legal framework:

- Directive 2011/83/EU on consumer rights
  - Article 6(1)(e) and (g)
  - Article 8(3)
- <u>Directive 2005/29/EC on unfair commercial practices</u>
  - Article 5
  - Article 7(1), (2), (4) (c) and (d)

# 3.4 Information on the right of withdrawal

CPC authorities found that the Google Store does not contain the required information on the 14-day right of withdrawal. While the "Google Store Terms of Sale for Devices" refers to a "Return Page" for more information and the FAQ page (via the question mark icon on the top right) refers to the "Return a device for a refund" page, both links

(https://support.google.com/store/answer/2411741) are not working in the languages versions checked by the CPC authorities. 12

It should be noted that if the required pre-contractual information regarding the right of withdrawal is not provided to the consumer, the Consumer Rights Directive extends the 14-day period with up to 12 months from the end of the initial withdrawal period.

# Legal framework:

- Directive 2011/83/EU on consumer rights
  - Article 6(1)(h-k)
  - Article 10

# 3.5 Information on consumer guarantees

CPC authorities noticed that the Google Store does not contain the required reminder of the existence of a legal guarantee of conformity for goods.

Pursuant to Article 6(1)(1) of the Consumer Rights Directive, as part of the pre-contractual information made available to consumers, traders are required to provide a reminder of the existence of a legal guarantee of conformity for goods. The Consumer Sales and Guarantees Directive 13 establishes a minimum period of two years after the delivery of the goods where the seller has to guarantee that the goods are in conformity with the contract.

In its "Google Store Terms of Sale for Devices", Google only refers to the manufacturer (commercial) guarantee and not the (seller') legal guarantee. It states that: "If you are a consumer, nothing in this section affects your legal rights." Also in the "Hardware Warranty Center" in the FAQ, the consumer is only informed about the manufacturer guarantee: "Just tell us which device or accessory you have and we'll tell you who to contact for warranty claims. Nothing in this section affects your legal rights." However, such legal notices are not sufficient to provide for the required reminder of the existence of a legal guarantee of conformity for goods.

Furthermore, Google states that: "Unless otherwise required under applicable laws, Google may only provide repair or replacement for Devices that are located in a supported country, as described in the Country Availability Page." Again, such an exception cannot be applied for the legal seller guarantee. While Google can offer an additional commercial guarantee subject to conditions that it sets, it needs to clearly distinguish such commercial guarantee from the legal one and inform consumers correctly on the rights stemming from the legal (seller's) guarantee.

# Legal framework:

• Directive 2011/83/EU on consumer rights

<sup>&</sup>lt;sup>12</sup> At least in English, Dutch, French, German, Spanish and Italian.

<sup>&</sup>lt;sup>13</sup> From 1 January 2022, the Consumer Sales and Guarantees Directive 1999/44/EC will be repealed and replaced by <u>Directive (EU) 2019/771</u> on certain aspects concerning contracts for the sale of goods.

- Article 5
- Article 6(1)(1)
- Directive 2005/29/EC on unfair commercial practices
  - Article 6 (1), (g)
- <u>Directive 1999/44/EC on certain aspects of the sale of consumer goods and associated guarantees</u>

# 3.6 Geo-blocking

The Geo-blocking Regulation<sup>14</sup> puts in place the "shop like a local" principle, without actively obliging web shops to deliver goods in all EU member states. Article 5 of the Geo-blocking Regulation provides for non-discrimination for reasons related to payment. Therefore, within the range of payment means accepted, a trader cannot apply for reasons related to a customer's nationality, place of residence or place of establishment, the location of the payment account, the place of establishment of the payment service provider or the place of issue of the payment instrument within the Union, different conditions for a payment transaction. As such, the Google Store cannot demand, for example, a German physical address of the card owner for payments with a credit card whose brand is otherwise accepted.

CPC authorities received consumer reports about practical payment restrictions when trying to use the Google Store in another country version. For example, when a Belgian consumer wanted to buy on the German Google Store, he needed to provide a German physical address for the credit card owner address. As such, it was practically impossible for non-German consumers to pay by credit card on the German Google Store. The issue was resolved as regards the German Google Store, since Google added the option of payment with a credit card from another Member State. Nevertheless, it is still not possible for consumers when ordering from the German Google Store, to add an address outside of Germany as the invoice address. The company is asked to clarify whether it inteds to adress this remaining issue and whether the same solution has been implemented in all EU/EEA versions of Google Store.

# Legal framework:

- Regulation 2018/302 on addressing unjustified geo-blocking
  - Article 5

# 3.7 Unfair contract terms: power to unilaterally cancel orders and change price mistakes

CPC authorities noticed that Google reserves itself the right to cancel any orders "for any other valid reason that may be specified from time to time" in its "Google Store Terms of Sale for

<sup>&</sup>lt;sup>14</sup> Regulation (EU) 2018/302 of the European Parliament and of the Council of 28 February 2018 on addressing unjustified geo-blocking and other forms of discrimination based on customers' nationality, place of residence or place of establishment within the internal market and amending Regulations (EC) No 2006/2004 and (EU) 2017/2394 and Directive 2009/22/EC

Devices". This term is formulated differently, depending on the Member State version the CPC authorities checked. For example, in the Belgian Terms of Sale (French language version):

"[...] Dans les 30 jours suivant votre commande, nous vous enverrons un second e-mail confirmant, soit l'expédition, soit le refus de celle-ci. Votre contrat avec Google prend effet au moment où vous passez votre commande, mais est sous condition de l'envoi, par Google, d'un second e-mail confirmant l'expédition de votre Appareil. Google se réserve en effet le droit de refuser votre commande pour cause de manque de disponibilité ou pour tout autre motif valable pouvant être spécifié de temps en temps. Google peut par exemple refuser votre commande si vous ne résidez pas dans un pays à partir duquel l'achat d'Appareils sur le est permis ou si vous commandez un nombre d'Appareils supérieur au nombre maximal autorisé. [...]"

Terms must always be drafted in plain, intelligible language. Adding the option to cancel orders for "any other valid reason that may be specified" is too vague and creates legal uncertainty for the consumer.

Moreover, while the agreement is binding on the consumer, the provision of services by the seller or supplier is subject to a condition whose realization depends on his own will alone. Therefore, it grants a significant power to the seller/supplier to the detriment of the rights of the consumer.

The "Google Store Terms of Sale for Devices" also gives Google the right to unilaterally modify the price on ground of an alleged price mistake even after the consumer makes an order, unless the payment method has already been charged:

"We try very hard to make sure there are no mistakes in the prices that appear on the Google Store. In the unlikely event that a mistake happens, you agree that Google will not be bound by that incorrect price, unless your credit card, debit card or other payment method in your Google Payments account has already been charged. If a mistake is discovered and you haven't been charged yet, we will let you know the correct price and you will be given the option to continue with your order at the correct price or cancel it."

Depending on national contract legislation of the Member State, a trader should be able to cancel an order based on an obvious price mistake. However, the power to cancel any orders under the guise of an alleged price mistake seems too far-reaching as it could apply to any case, no matter how small the price difference is and no matter how obvious is the mistake. Due to its broad formulation, this term enables the seller or supplier to alter the terms of the contract unilaterally even without a valid reason which is specified in the contract. As a result the term creates an unreasonable imbalance on the rights of the two parties, to the detriment of the consumer.

Because of the power that the company retains for itself and the lack of clarity, the above terms can be considered as a breach of the Unfair Contract Terms Directive. As such, Google should clarify the reasons for cancellation of orders and define limits to the scope of its power to correct price mistakes.

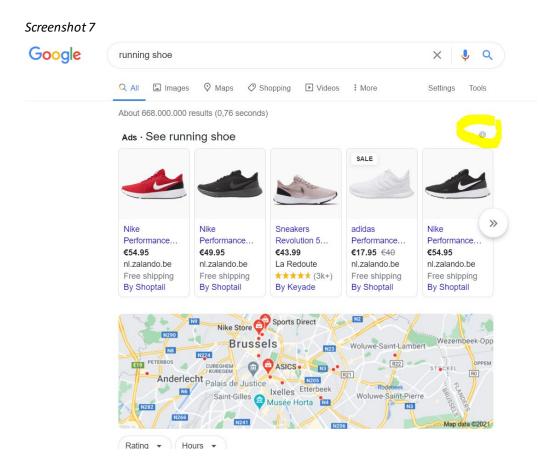
# Legal framework:

- <u>Directive 93/13/EEC</u> on unfair terms in consumer contracts
  - Article 3
  - Article 5
  - Annex 1(c) and (j)

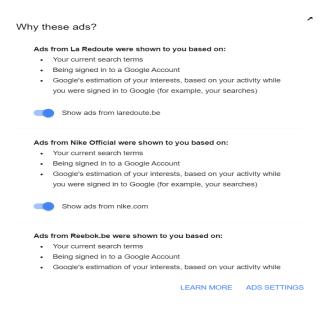
# 4. GOOGLE ADS AND SEARCH

# 4.1 Transparency of search results

When a consumer makes a generic search on Google.com, a webpage with the search results appears. On top of this webpage there are pictures of relevant products with hyperlinks, with the indication "ads" and the information symbol (i) [Screenshot 7]



If the consumer clicks on the information symbol, a pop up window will appear with the title "Why these ads" [Screenshot 8]



If the consumer clicks on the hyperlink at the bottom of the window "LEARN MORE" he will be redirected to the "Ads Help" webpage where Google explains "Why you're seeing an ad" and "Paid for by" disclosures [Screenshots 9 and 10]

# Screenshot 9

# Why you're seeing an ad

When you see an ad from Google's network, you can see more details:

- Google services, like Google Search, YouTube, or Gmail: Click Info (i) > Why This Ad.
- Non-Google websites and apps that partner with Google to show ads: Click AdChoices
- For some ads on Google's network, you can click Paid for by to learn additional information about the
  advertiser.

# Reasons you might see an ad

- Your info:
- Info in your Google Account, like your age range and gender
- Your general location
- · Your activity:
- · Your current search query
- · Previous search activity
- · Your activity while you were signed in to Google
- Your previous interactions with ads
- Types of websites you visit
- Types of mobile app activity on your device
- · Your activity on another device
- · Other info:
- The time of day
- Info you gave to an advertiser, like if you signed up for a newsletter with your email address

# Paid for by

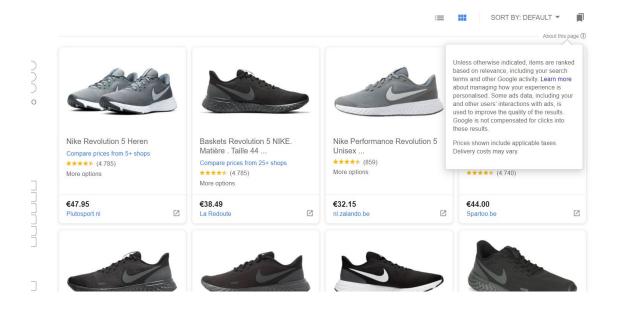
For some ads on Google's network, you can see more details about the advertiser by clicking the **Why this Ad** icon in the corner of the ad and then clicking **Paid for by**.

The Paid for by disclosures provide additional information about the advertiser who paid for the ad, including the advertiser's name and some biographical details. Some of this information may be required by law.

You can click the View more ads link in the Paid for by disclosure to see additional ads paid for by the advertiser and details about those ads in the Political Advertising on Google Transparency Report

Finally, in the Google page that sorts the results "by default", there is again an information symbol which - when clicked - opens a pop-up window with Google's explanation on how items are ranked [Screenshot 11].

#### Screenshot 11



Whenever consumers make searches – and unless they are informed otherwise - they will ordinarily expect natural search results to be included and ranked based on relevance to their search queries and not based on payment by third party traders. Consumers expect search engines to display 'natural' or 'organic' results relevant for their search query based on sufficiently impartial criteria. The Unfair Commercial Practices Directive (UCPD) does not ban business practices whereby inclusion or ranking in whole or in part is based on payment from another trader, but requires the trader to clearly distinguish "paid for" search results from natural search results.

In particular, Article 6(1)(c) and Article 7(2) prevent traders from misleading consumers on the motives for commercial practices, the nature of the sales process and direct or indirect

sponsorship or approval of traders or products<sup>15</sup>. Furthermore, according to Article 6(b) of the eCommerce Directive, Google should always indicate who the actual trader is behind the advertisements.

It should be noted that during a mini sweep on fake administrative websites, CPC authorities signaled that the name of the actual traders appeared in only half of the cases. Moreover, when prices are displayed in the search results Google should also ensure that consumers are informed about the final prices of the products. In the same sweep, CPC authorities found in 80% of the cases that the price displayed in the initial invitation to purchase was not presented in a clear and intelligible manner.

# Legal framework:

- Directive 2000/31/EC on electronic commerce
- Article 6(b)
- Directive 2005/29/EC on unfair commercial practices
  - Article 6(1) (c)
  - Article 7(2)
  - Annex I, point 22

See also for future reference the Enforcement and Modernisation (Omnibus) Directive 2019/2161/EU Article 3, applicable in the Member States of the European Union as of 28 May 2022.

# 4.2 Takedown of infringing content

In line with the main principles provided by in the E-commerce Directive (Directive 2000/31/EC), and in particular its Articles 5 and 14, Google shall provide effective means to signal infringing content and remove those, including for CPC Authorities. As such, Google provided CPC authorities with a "content removal request by government entity" form per <u>link.</u> [Screenshots 12, 13]

# Screenshot 12

# Content removal requests by a government entity Government entities may use our online form to request the removal of content that violates the laws of their country. Submitting requests via the web form ensures the quickest and most efficient investigation of your complaint, and will allow our team to review your request more quickly than other forms of communication, such as email, fax or a letter sent by post. Please note we need the full page URLs for us to process your complaint. The full page URLs can be found by cutting and pasting the URL out of the browser bar while on the page in question. For each URL that you provide, please identify the exact content that you claim is unlawful according to the laws of your country. Note that a copy of each legal notice that we receive is sent to the Lumen project ② for publication and annotation. Lumen will redact the submitter's personal contact information (i.e. phone number, email and address). You can see an example of such a publication at https://www.lumendatabase.org/notices/5838 ②. We may also publish similar information from your notice to our Transparency Report. Find out more about the Report. Click one of the buttons below to be directed to the form where you can submit your request.

<sup>&</sup>lt;sup>15</sup> Guidance on the implementation/application of directive 2005/29/EC on unfair commercial practices p. 120-121, <a href="https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52016SC0163&from=EN">https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52016SC0163&from=EN</a>



Google worked closely with CPC authorities in the context of the rogue trader action, where several notice and action procedures were initiated. CPC authorities also used this process as a follow-up to the mini sweep on fake administrative sites, but also on other issues.

Nevertheless, Google's response to the CPC Authorities' requests has not generally been expeditious in spite of the fact that the notices from CPC authorities, in accordance with the form agreed with the provider, provided full information to identify the location of the alleged illegal content, as well as a clear explanation of the grounds justifying the removal, coming from a strongly reliable source such as an administrative authority. As such, Google's takedown procedure (dedicated to Government authorities) could be considered as not fully compliant with the company's obligations to remove content expeditiously upon request in order not to be considered liable for the consumers' law infringements at stake. Based on the experiences so far, improvements should be made in terms of reaction time and efficiency, *i.e.* the speed of which infringing content is removed from the platform by Google. In cases where Google does not react expeditiously to a duly substantiated notice, the company could therefore be liable for the consumer infringement at stake.

Finally, Google should take all necessary measures to ensure the respect of the enforcement power of CPC Authorities "to order a hosting service provider to remove, disable or restrict access to an online interface" in cases pursuant to article 9 (4) (g) (ii) of the CPC Regulation 16.

# Legal framework:

- Directive 2000/31/EC on electronic commerce
  - Article 5
  - Article 14
- Regulation (EU) 2017/2394 (CPC Regulation)
  - Article 9 (4) (g) (ii)

-

<sup>&</sup>lt;sup>16</sup> Regulation (EU) 2017/2394 of the European Parliament and of the Council of 12 December 2017 on cooperation between national authorities responsible for the enforcement of consumer protection laws and repealing Regulation (EC) No 2006/2004 (Text with EEA relevance)

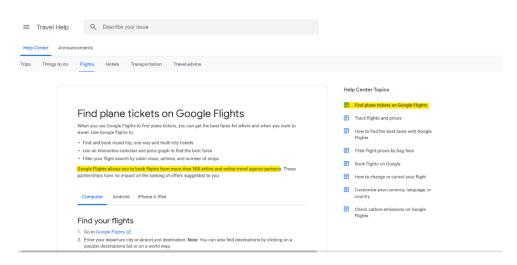
# 5. GOOGLE FLIGHTS

CPC Authorities analysed the Google Flights platform, using the English language version on 6, 7 and 8 April 2021 and checked the English Terms of Service, country version: Belgium, effective 31 March 2020.

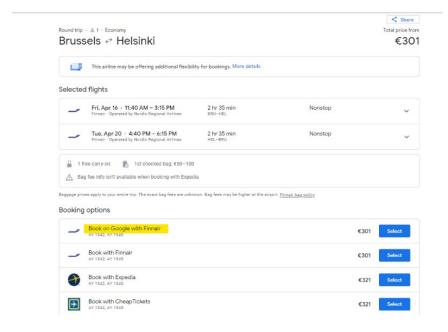
# 5.1 Transparency of the business model

Looking at the section dedicated to Google Flights on the Google Travel's Help Center, consumers would see a first subsection called "Find plane tickets on Google Flights" where it is stated that Google Flights offers consumers to book flights from more than 300 airlines and online travel agency partners without clearly mentioning Google's role in the process [Screenshot 14].

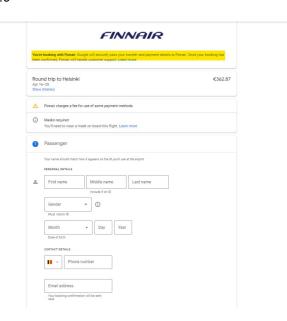
#### Screenshot 14



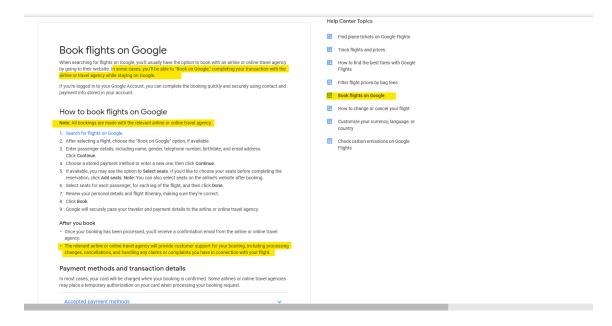
In addition, the website offers different ways to book a flight (on the partner's website or directly on Google). Consumers might believe that they book the flight on Google, as no information is directly provided on Google's role and Google's booking offers appear at the top of the list [Screenshot 15]. Selecting this offer, the consumer is redirected to a new Google's page where, on the top, it is stated discretely that Google will securely pass the consumer traveller and payment details to the airline and that once the booking has been confirmed, the airline will handle customer support [Screenshot 16]. The role as an intermediary is never mentioned in the booking process.



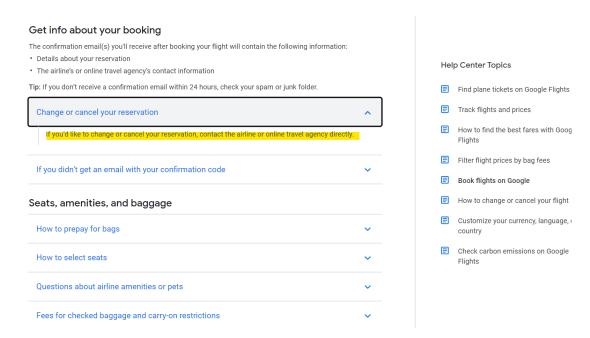
#### Screenshot 16



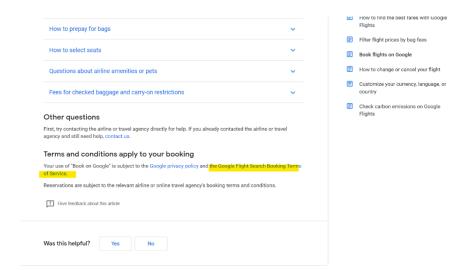
To explain the booking process, more information is provided on Google Travel's Help Center, on how to "Book flights on Google" in the fifth subsection. In a note, Google Flights states that "all bookings are made with the relevant airline or online agency" [Screenshot 17], it also invites the consumer who wants to change or cancel his flights to contact the airline or online travel agency directly [Screenshot 18]. However, it might not be clear enough for consumers that Google is acting as an intermediary, as this information is buried in the whole click-through process.



#### Screenshot 18

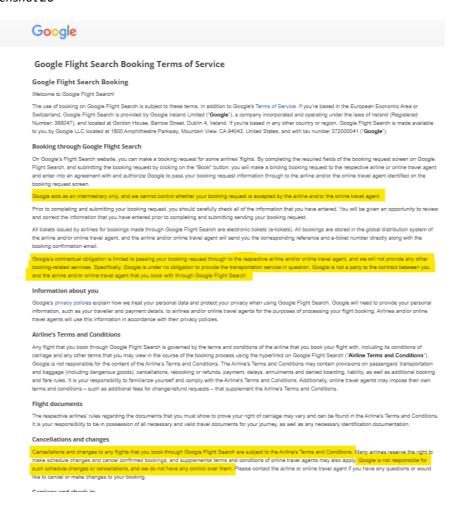


Consumers need to click through the specific "Booking terms of service" to find out more [Screenshot 19].



Finally, in one of these specific terms, it is indicated that Google Flights acts only as an "intermediary" [Screenshot 20].

#### Screenshot 20

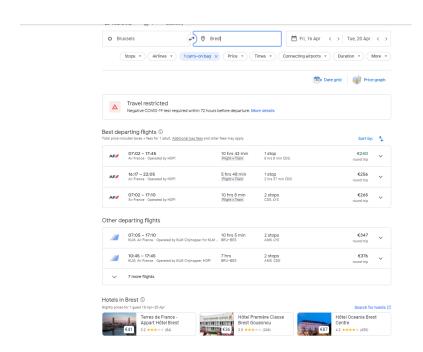


25

To conclude, Google's role as an intermediary is material information within the meaning of Article 7 of the UCPD and should be presented in a clear and comprehensible manner. Nevertheless, Google's presentation of its role on Google Flights' services is confusing. In particular, the terminology of the initial screen "book flights on Google" would suggest to the average consumer that Google is actually selling the flight and that it is not just an intermediary.

Finally, it is important that Google explains what is the role of Google Flights in the purchase of flight tickets, since, depending on its involvement in the booking process, it may fall under the scope of the Package Travel Directive<sup>17</sup> (and would then have to comply with its requirements), in particular as a trader facilitating linked travel arrangements. In this regard, it is to be noted that when a consumer books a flight ticket on Google Flights, he is invited several times to buy additional services (such as accommodation) at different stages of the booking process (from the beginning of the research to the end of the booking when receiving confirmation) [Screenshot 21].

#### Screenshot 21



# Legal framework:

- Directive 2005/29/EC on unfair commercial practices
  - Article 5(2)

<sup>17</sup> <u>Directive (EU) 2015/2302 of the European Parliament and of the Council of 25 November 2015 on package travel and linked travel arrangements, amending Regulation (EC) No 2006/2004 and Directive 2011/83/EU of the European Parliament and of the Council and repealing Council Directive 90/314/EEC</u>

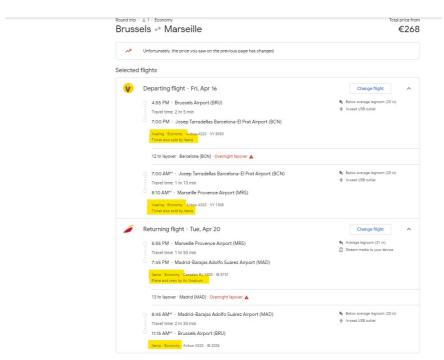
- Article 6(1)(f)
- Article 7(1),(2) and (4)(b)
- Directive (EU) 2015/2302 on package travel and linked travel arrangements
  - Article 3 (5) (a)

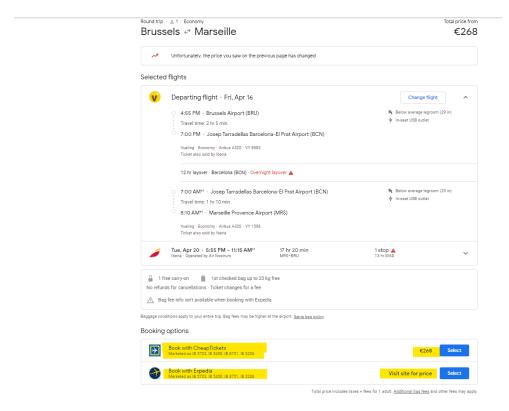
# 5.2 Information on the trader

Google Flights proposes to the consumer several booking offers either directly on the airline's website or through another intermediary. Given the complex business model of Google Flights, which could be difficult to grasp for the average consumer, consumers might be easily confused about the identity of the trader from whom they purchase their tickets. Sometimes, the airline company does not appear as a seller, even if Google Flights mentions that the consumer can buy ticket from it.

As an example [Screenshots 22 and 23], the ticket for a flight from Brussels to Marseille seems to be sold by Vueling and the flight seems to be operated by this company, too. However, it is also indicated that Iberia is also selling the same ticket. The ticket for the returning flight seems to be sold by Iberia but the flight to be operated by Air Nostrum. Futhermore, consumers are not invited to book via Vueling, Iberia, or Air Nostrum, but on other intermediaries' websites (in our example on CheapTickets and Expedia). These practices can cause confusion and mislead consumers as to the identity of the trader who sells the tickets and on the carrier that performs the service.

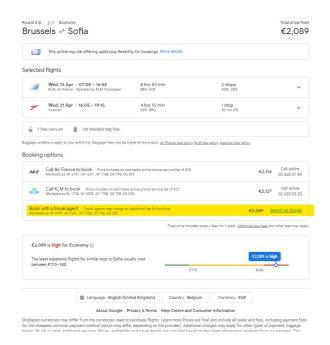
# Screenshot 22





In addition to the available booking options, Google Flights also presents prices available from travel agencies without indicating the identity of these agencies and invites the consumer to find them by searching on Google [Screenshot 24].

# Screenshot 24



Based on the above it can be concluded that Google Flights does not provide clear information upfront on who the real providers of the tickets are, while the way it presents available ticket options can mislead consumers on the identity of the trader supplying the travel / transport service.

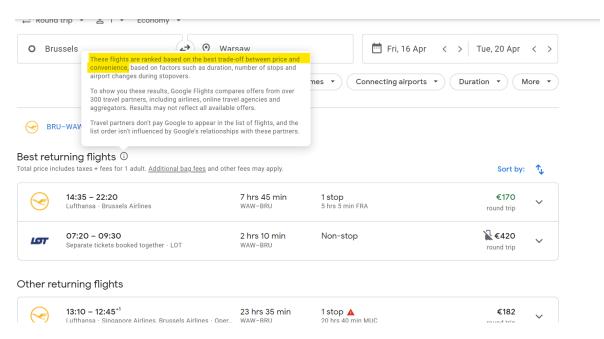
# Legal framework:

- Directive 2005/29/EC on unfair commercial practices
  - Article 5
  - Article 6 (1) (b) (d) (f)
  - Article 7(1), (2), (4)(b)

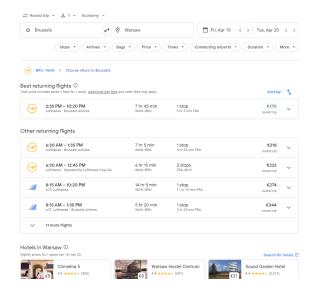
# 5.3 Information on the price

Ranking the different offers, Google Flights claims that it offers the best trade-off between price and convenience [Screenshot 25].

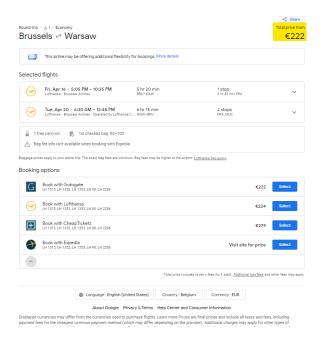
#### Screenshot 25



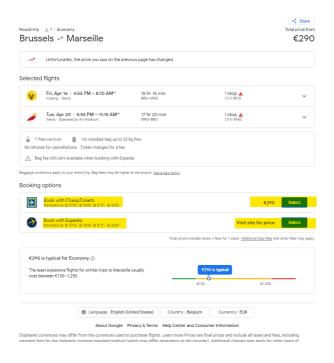
However, when booking a flight after selecting an offer, the consumer will understand that the price mentioned by Google is a "price from", depending on partners' offer [Screenshot 26 and 27].



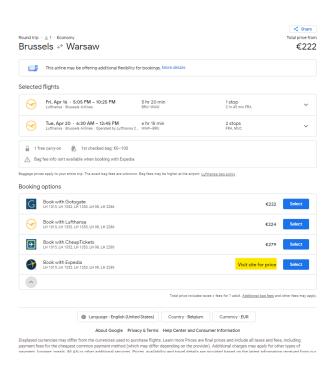
# Screenshot 27



Regarding these offers, it appears that for some partners, like Expedia, the total price is often not mentioned, but the consumer is invited to visit the website of the trading partner in order to see the total price [Screenshot 28 and 29].



# Screenshot 29

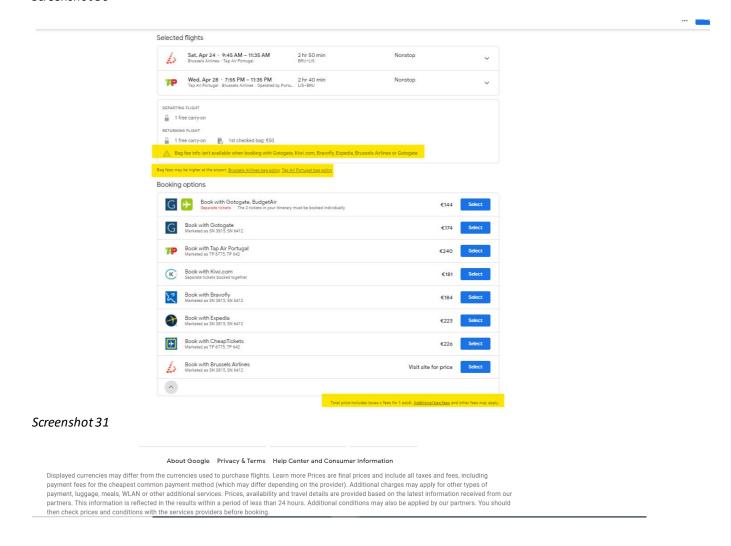


In addition, it is unclear to the consumer what is included in the prices that are presented in the search results. Google Flights creates confusion for the consumer by providing conflicting information, as in the same webpage it assures that the total price contains taxes and fees for a

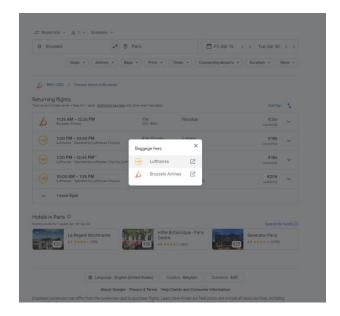
person, while it also states that additional baggage fees and other fees can be applied (without providing any further details) and simply indicates that baggage fee information is not available when booking with certain travel agents. [Screenshot 30]

Only when the consumer scrolls down the webpage, he will find some additional information on taxes and additional charges that may apply, but again this information is formulated in a vague and unclear way. [Screenshot 31].

#### Screenshot 30



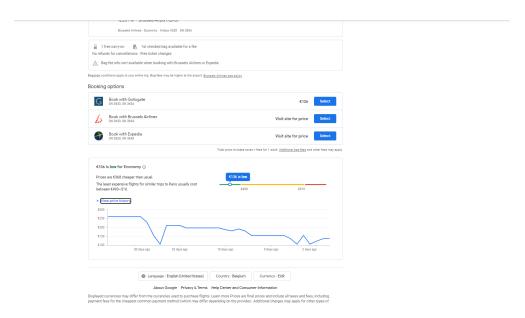
More generally, it is not possible for consumers to compare the offers including baggage fees (for checked baggage). They need to visit the page of each airline in order to get this information, following the hyperlinks offered by Google Flights. [Screenshot 32].

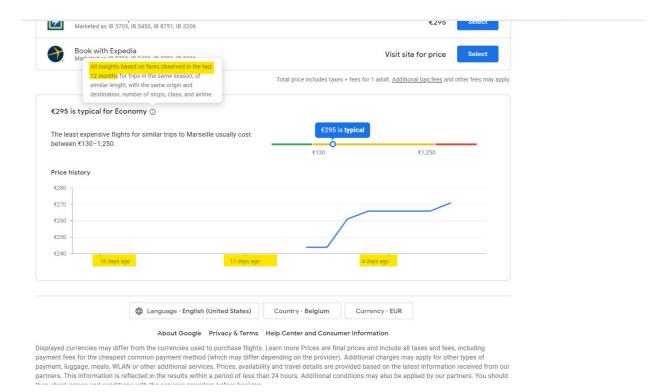


Google Flights also offers a "price evaluation" tool, recommending consumers when to make a decision on purchasing. Given that the prices are changing every hour on Google Flights and that the range used for recommendations is very wide, the reliability of this service is questionable, while it can influence consumers heavily [Screenshot 33].

Its reliability is even more questionable since Google Flights indicates that the tool is based on fares observed in the last 12 months while, for some offers, it indicates the price evolution through the last week [Screenshot 34].

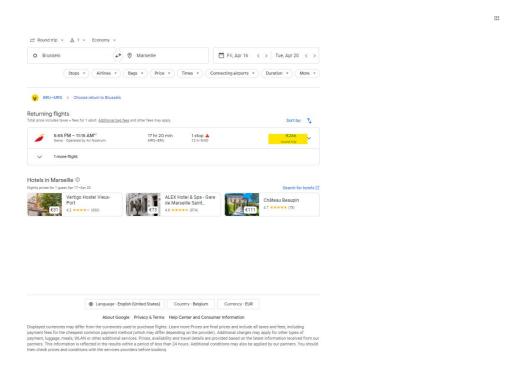
# Screenshot 33

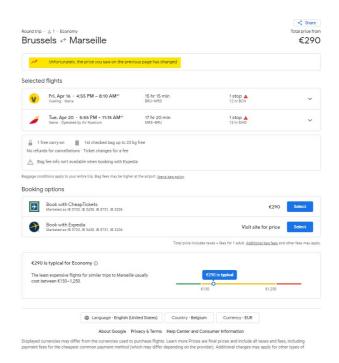




Furthermore, Google Flights does not provide the correct breakdown of the price timely. The price may change just by loading a new page [Screenshot 35 and 36].

# Screenshot 35





Following the above, Google Flights gives the impression to the consumer that he will benefit from a good trade-off, while - in reality - the prices shown are not complete (they do not include fees and taxes) and they do not include a reliable breakdown. The consumer can be even more misled if he consults the "price evolution" tool. The consumer can only see the total price if he selects an offer and gets redirected to the website of a Google Flights' partner. These practices could be considered as infringing the provisions of the Unfair Commercial Practices Directive.

Finally, it should be noted that when a consumer chooses a flight, the information that Google presents can include statements such as "no refund available" [Screenshot 24]. This statement can be considered as misleading, since there always is a right for a refund of some taxes and fees, while in cases that the flight is cancelled by the airline a full refund can be applicable.

# Legal framework:

- Directive 2005/29/EC on unfair commercial practices
  - Article 6 (1) (d) and (g)
  - Article 7 (2), (4)(c)

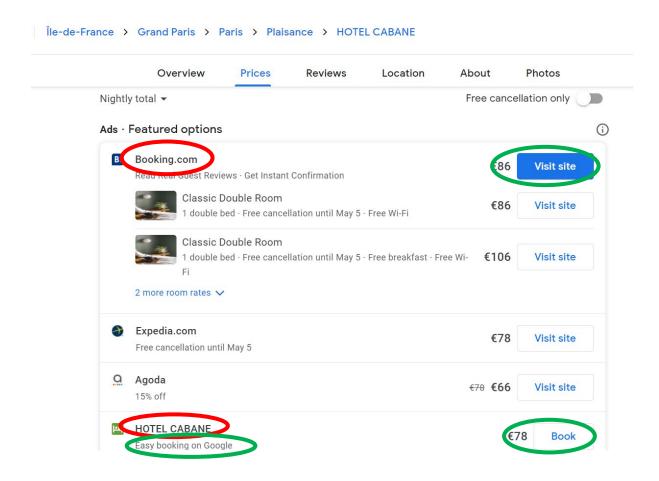
# 6. GOOGLE HOTELS

CPC Authorities analysed the Google Hotels platform, using the English language version on 25 April 2021 and checked the English Terms of Service, country version: Belgium, effective 31 March 2020.

# 6.1 Transparency of the business model

Google operates a complex business model in this area. It mainly functions as a metasearch engine (comparison tool) that shows offers of individual hotels/chains and intermediaries. Nevertheless, it also functions as an agent, that allows users to complete their booking without leaving the Google environment [Screenshot 37].

# Screenshot 37



Google, on the other hand, presents itself as offering a service, which is neither for providing accommodation nor a broker service [Screenshot 38].

# How Google Hotels works

Google Hotels allows you to find accommodations from all relevant properties that Google has knowledge of, as well as more than 200 professional online travel agencies, hotels, and aggregators with whom Google has relationships. These relationships have no impact on the ranking of offers suggested to you.

There is no guarantee that all accommodations are shown, since Google may be unaware of the existence of some lodging options. Furthermore, the ability to display prices or availability for a given lodging require a direct or indirect relationship with it.

Google is remunerated when users click on a specific booking offer and are redirected to the company/agency's website or initiate the submission of their booking information on Google.

Not all accommodation booking offers are included, as a partnership with Google is required. Some booking offers might not show up when rooms are sold out or unavailable, when the partner isn't providing the relevant information to Google, or when the partner does not participate in the ads above a certain bidding amount.

The Book on Google option allows users to complete the hotel booking process without leaving Google (i.e., without requiring users to navigate to the hotel's website to complete the booking). As part of this interface, users enter certain information, including their credit card information, on Google. Google then encrypts the information and passes it to the online travel agency, hotel, or aggregator which, in turn, processes the payment and completes the booking on its own systems. The payment transaction is thus made between users and the online travel agency, hotel, or aggregator. Google does not receive or keep money from users, and Google is not an accommodation service provider or broker.

As stated also above under 5.1, the disclosure of Google's role as an intermediary is material information within the meaning of Article 7 of the UCPD and should be presented in a clear and comprehensible manner. The absence of such information, or simply providing information in the small prints /contract terms after several clicks is not sufficient to enable consumers to take an informed transactional decision and it is therefore likely to deceive consumers.

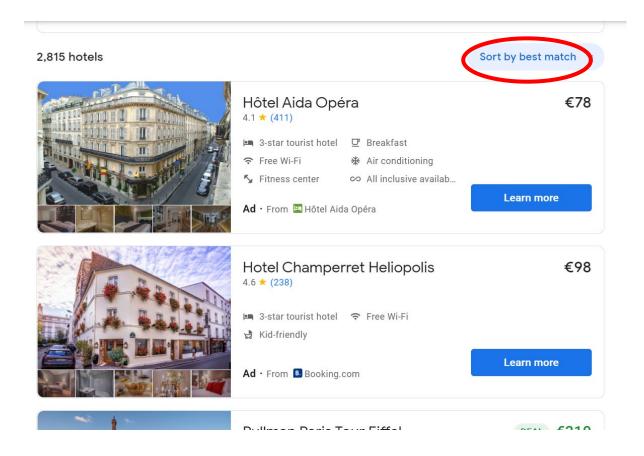
#### Legal framework:

- Directive 2005/29/EC on unfair commercial practices
  - Article 5(2)
  - Article 6(1)(f)
  - Article 7(1), (2) and (4)(b)

# 6.2 Transparency of search results

On the first use of Google Hotels, Google requires consumers to give their consent to the use of their data by Google even when they are offline.

When consumers enter their search criteria, several offers are displayed on the results page. On the top of the list of results, it is indicated that the sort order is "sort by best match" [Screenshot 39] without any further explanation or hyperlinks.



The only explanation of how the "best match" ranking works, can be found on the webpage of Google Travel's Help Center, under "How Google Hotel Works" 18, where it is stated that "Results can be viewed according to various ranking options, namely by "Best Match" (a default order aiming to give the best trade-off between popularity, ratings, relevancy, and convenience, based on factors such as user ratings, current price level compared to averages, user reviews, or location), by "Lowest Price," and "Highest Rating," the latter considering the average ratings given by users".

Moreover, on the webpage of Google Travel's Help Center under "Search for hotels in Google" it is stated: "Personalize your search results. Your results may be personalized by your browsing activity and recent Google searches, as well as travel confirmations sent to your Gmail. Learn how to change your search and app activity and personalized search results."

 $<sup>^{18}\</sup>underline{https://support.google.com/travel/answer/9355722?hl=en\#:^:text=As\%20part\%20of\%20this\%20interface,booking\%20on\%20its\%20own\%20systems$ 

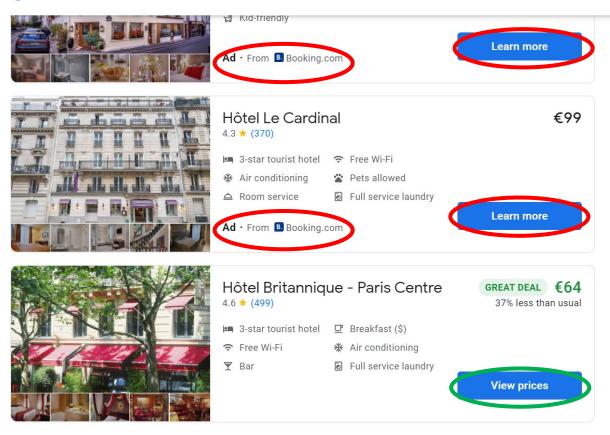
<sup>&</sup>lt;sup>19</sup> https://support.google.com/travel/answer/6276008?hl=en&ref\_topic=7687750

Therefore, it is impossible for consumers to have a clear understanding of how the default ranking system of Google Hotels works, unless they search in detail the different webpages of Google Travel's Help Center.

In addition, Google does not indicate that payments may affect the ranking of search results, even though on the search results page ("sort by best match" option) the sponsored listings appear on top by default [Screenshot 40].

Screenshot 40



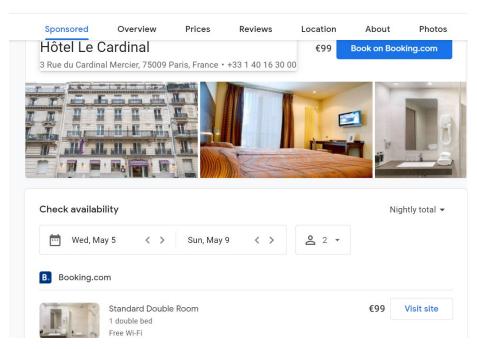


The elements that differentiate those advertisements from the other listings are a) the indication "Ad from xxx" and b) the text of the selection tab which states "Learn more" instead of "View prices".

When clicking on the advertisement (ad), the consumer sees only the offers of the advertiser and not a comparison of all available offers from different providers, as is the case for the other listings [Screenshot 41]. As a result, consumers can easily believe that only the advertised offer is available for the selected accommodation.

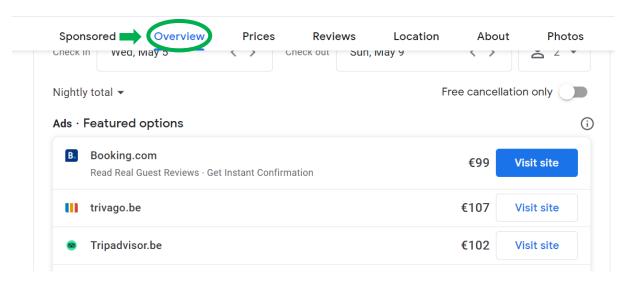
### Screenshot 41





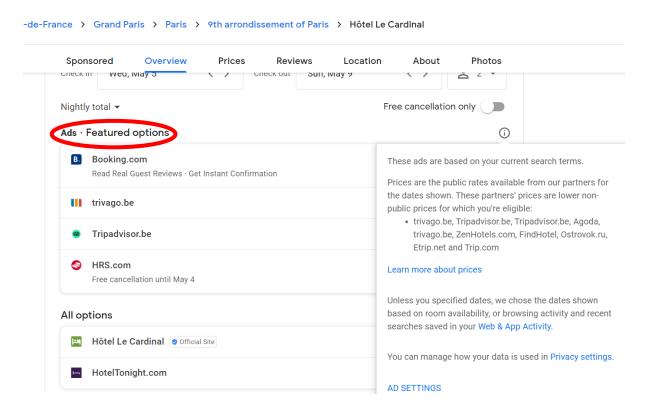
In order for the consumer to see all available offers (and not only the advertisements), he should select the "overview" tab (instead of "sponsored") on top of the webpage of the listing [Screenshot 42].

de-France > Grand Paris > Paris > 9th arrondissement of Paris > Hôtel Le Cardinal



On the "overview" webpage, the offers that are available from sponsors appear on the top (with the indication "Ads – Featured options"). The consumer needs to click on the information icon (i), in order to receive a more detailed explanation of how the ads work [Screenshot 43].

#### Screenshot 43



Consumers expect search engines and comparison tools to display 'natural' or 'organic' results relevant for their search query based on sufficiently impartial criteria. Moreover, criteria used for the rankings should be clearly and prominently indicated. The Unfair Commercial Practices Directive (UCPD) does not ban business practices whereby inclusion or ranking in whole or in part is based on payment from another trader, but prevents (particularly, in Article 6(1)(c) and Article 7(2)) traders from misleading consumers on the motives for commercial practices, the nature of the sales process and direct or indirect sponsorship or approval of traders or products <sup>20</sup>. In order for consumers not to be misled, they must be informed about how the search results are ranked and if (and how) payments made by the accommodation provider or intermediary to Google have influenced the position of an accommodation. This information should be presented in a clear way and not in the form of vague statements that appear sparsely across different webpages.

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<sup>&</sup>lt;sup>20</sup> Gui dance on the implementation/application of directive 2005/29/EC on unfair commercial practices, p.120-121, http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52016SC0163&from=EN

It is noted that Google often indicates that a listed accommodation is an "x-star tourist hotel" [Screenshot 40]. Considering the outcome of the recent investigation by the DGCCRF (FR) that revealed Google's misleading practices on its hotels star classification<sup>21</sup>, it is not clear whether the company has generally changed its policy and aligned the criteria for this type of classification with the existing official standards.

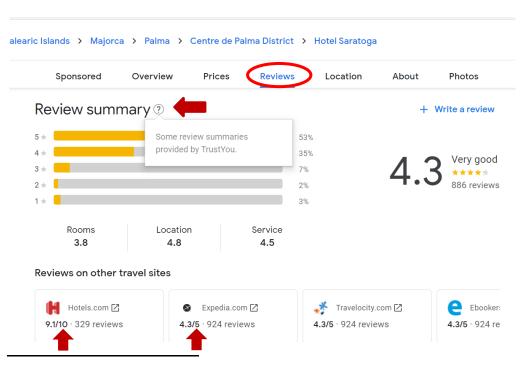
### Legal framework:

- Directive 2005/29/EC on unfair commercial practices
  - Article 6(1)(c)
  - Article 7(2)

# 6.3 Reliability of online reviews

In order to see the available reviews on a selected accommodation, the consumer must choose the "Reviews" tab on top of the accommodation's webpage.

On the webpage that opens, Google presents a "Review Summary" with an average reviews score, as well as some review scores from other websites (which often have different scales, e.g out of 5, or out of 10). Nowhere on this webpage does Google provide any information on the source of its reviews. The only extra information is a text stating "Some reviews summaries provided by TrustYou", which opens when the consumer clicks on the questionmark symbol (?) next to the "Review Summary" [Screenshot 44].



<sup>&</sup>lt;sup>21</sup> https://www.economie.gouv.fr/files/files/directions\_services/dgccrf/presse/communique/2021/cp-dgccrf-google-etoiles.pdf

If a consumer wants to be informed on the source of Google reviews, he has to visit the hotel section of Google Travel's Help Center, choose "How Google Hotel Works" <sup>22</sup> and scroll down, in order to find the part which is dedicated to "Reviews".

Therein, Google states that it gathers voluntary reviews through various points within Google Search and Maps. Some of these reviews may be sourced through Google Opinion Rewards, which does compensate the reviewer. Moreover, Google also states that it gathers reviews from third-party review providers, who can provide an arbitrary selection of reviews (both positive and negative), and they may have compensated reviewers for giving their opinions.

The only check conducted by Google is through an automated system to remove spammy or inappropriate language reviews, which is not applied to the reviews gathered from third-party review providers. Google also takes down users' reviews that are flagged to it, in order to comply with legal obligations.

It should be noted that search results can be viewed according to (only) three available ranking options, one of which is "by Highest Rating". Therefore, it is important that Google ensures the credibility and thruthfulness of user reviews, since it uses them as a criterion for ranking.

When publishing user reviews, a platform operator is required to provide truthful information on the main characteristics of its services in accordance with Articles 6(1)(b) and 7(4)(a) of the UCPD. Google should not mislead its users as to the origin of the reviews: it should avoid creating the impression that reviews posted through it originate from real users, when it cannot adequately ensure this and should inform consumers accordingly. If, *a contrario*, Google insists that its reviews originate from users, it should take reasonable and proportionate steps which—without amounting to a general obligation to monitor or carry out factfinding (see Article 15(1) of the e-Commerce Directive)—increase the likelihood for such reviews to reflect real users' experience<sup>23</sup>.

### Legal framework:

- Directive 2005/29/EC on unfair commercial practices
- Article 6 (1)(b)
- Article 7 (4)(a)
- Directive 2000/31/EC on electronic commerce
- Article 15(1)

 $^{22}\underline{https://support.google.com/travel/answer/9355722?hl=en\#: ``:text=As\%20part\%20of\%20this\%20interface, booking\%20on\%20its\%20own\%20systems, visited on 25.4.2021$ 

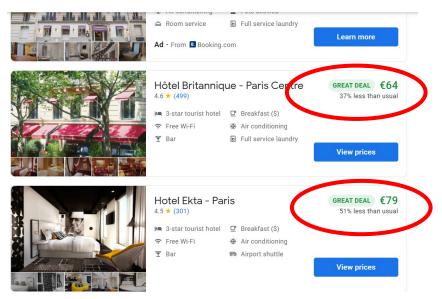
http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52016SC0163&from=EN

 $<sup>^{23}</sup>$  Guidance on the implementation/application of directive 2005/29/EC on unfair commercial practices p.126-127,

# 6.4 Presentation of price advantages

Some of the search results presented to the consumer are indicated as "Great deal" (or "Deal") with a static text as follows "x % less than usual" [Screenshot 45].

### Screenshot 45



The UCPD requires that price comparisons that are presented as an advantage represent a genuine saving for consumers. Traders should not mislead consumers on the manner in which the price is calculated, or the existence of a specific price advantage, as required by article 6(1) (d) UCPD. To this end, Google should provide details about what the standard rate price refers to via an appropriate access route. In this connection, CPC authorities would like to emphasise that the reference rate must be a price that a consumer would have genuinely had to pay in circumstances matching their search criteria. Recommended retail prices which are not implemented - and references to previous prices which would not have been applicable to the circumstances of the booking - are contrary to the Unfair Commercial Practices Directive (see for instance Article 6(1)(d)), as they can give consumers the impression that they are being offered a price significantly lower than the usual, than is really the case<sup>24</sup>.

## Legal framework:

- Directive 2005/29/EC on unfair commercial practices
  - Article 6 (1)(d)

<sup>24</sup> Guidance on the implementation/application of directive 2005/29/EC on unfair commercial practices p. 55, http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52016SC0163&from=EN

# 6.5 Identification of traders and/or private hosts peers

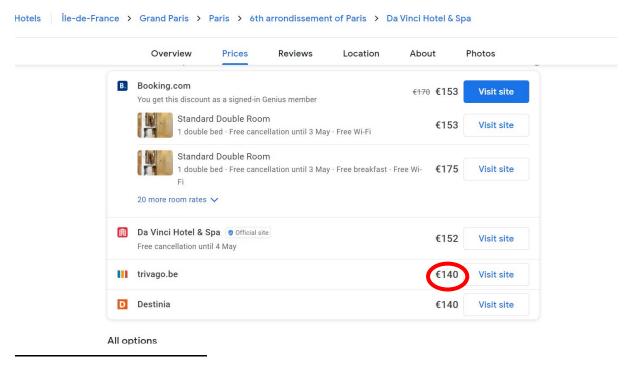
When searching for an accommodation, the majority of accommodations presented are owned by professional providers, but there are also accommodations provided by private hosts. There is no distinction between the two. It should be noted that under Articles 6(1)(f) and 7(1),(2), (4)(b) of the UCPD a commercial practice is misleading if it is likely to deceive consumers on the nature and identity of the trader or if it omits such type of characterisations. The distinction is important for consumers as it has implications for the question of whether the transaction is subject to consumer protection rules. To comply with the UCPD, this information should be clearly disclosed<sup>25</sup>.

### Legal framework:

- Directive 2005/29/EC on unfair commercial practices
- Article 2(b)
- Article 5
- Article 6
- Article 7

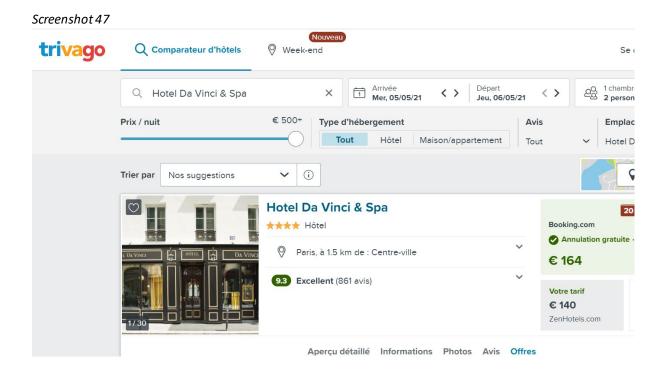
# 6.6 Information on the price

Google Hotels displays the prices offered by acommodation providers, by intermediaries and by other metasearch engines [Screenshot 46].



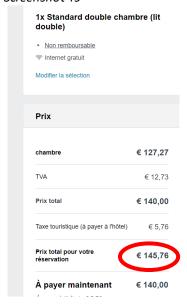
<sup>&</sup>lt;sup>25</sup> Guidance on the implementation/application of directive 2005/29/EC on unfair commercial practices, p.119 <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52016SC0163&from=EN">http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52016SC0163&from=EN</a>

However, it is often the case that the prices shown on Google Hotels are not the final prices that the consumer will be asked to pay. For example, in Screenshot 46, Trivago.be appears to offer the selected accommodation at the price of 140 euros. Should the consumer click on "Visit site" he will be redirected to Trivago.be [Screenshot 47] and from there redirected to zenhotels.com [Screenshot 48]. When proceeding with his booking in zenhotels.com, he will realise that the originally diplayed price did not include the city tax and that the total price amounts to 145.76 euros [Screenshot 49].

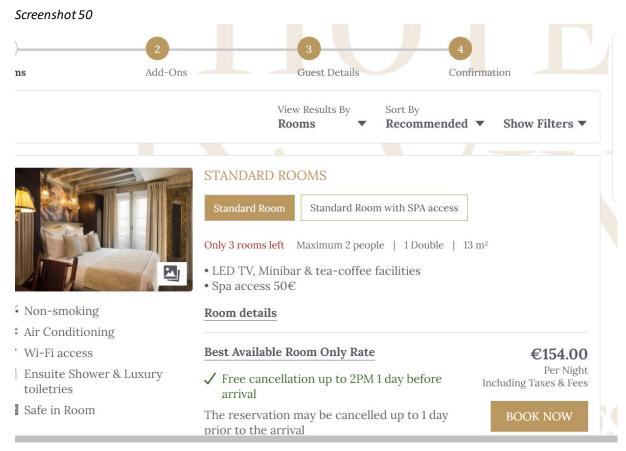




#### Screenshot 49



Accordingly, as shown in Screenshot 46, the price offered by the accommodation itself (DaVinci Hotel & Spa) is that of 152 euros. However, when the consumer clicks on "Visit Site", he is redirected to the website of the hotel, where the lowest available price (including taxes) amounts to 154 euros [Screenshot 50].

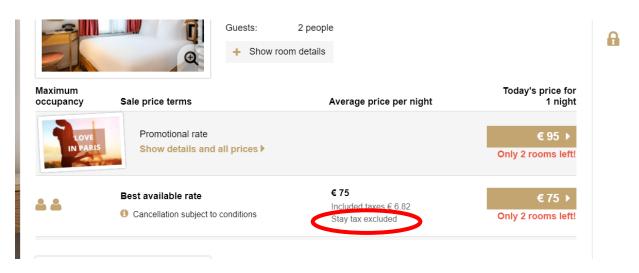


Finally, there are cases where the price presented in the search results does not include extra charges (such as the stay charge) but this information is provided to the consumer only after he is redirected to the website of the hotel (e.g. Hotel Rose Bourbon) [Screenshots 51 and 52]

### Screenshot 51



#### Screenshot 52



Article 7(4)(c) of UCPD, requires traders to provide the total (or final) price at the very moment consumers are presented with an invitation to purchase or - where the nature of the service means that the price cannot be reasonably calculated in advance - the manner in which the price is calculated. The final price must include all applicable charges and taxes (e.g. V.A.T. or local tax) which are unavoidable and foreseeable when the offer is published. Thus, as soon as it is possible for the price elements to be combined, only one price must be displayed. When such charges cannot reasonably be calculated in advance, consumers should be properly informed that these may be payable and be provided with the criteria that is used to

calculate the variable charges, if appropriate<sup>26</sup>. Therefore, whenever offers are displayed on a search page of the trader with a price per night, either as the result of a specific or general search, the omission to disclose service, cleaning or other applicable fees or taxes that can reasonably be calculated in advance, can constitute an unfair commercial practice within the meaning of the Unfair Commercial Practices Directive. It should be noticed that, as explained in the UCPD Guidance, the way the information is presented can have a significant impact on how consumers respond. Given its importance for the consumer's purchasing decision, information about the full price and main characteristics of the service should be clearly and prominently displayed.

It should be noted that even in the case of comparison tools, they should display prices that are actually available, otherwise they could be in breach of Articles 6 and 7 UCPD and, according to the circumstances, several provisions of the black list in Annex I UCPD <sup>27</sup>.

### Legal framework:

- Directive 2005/29/EC on unfair commercial practices
- Article 6 (1) (d)
- Article 7(2), (4)(c)

 $^{26}$  Guidance on the implementation/application of directive 2005/29/EC on unfair commercial practices p. 138-139,  $\frac{\text{http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52016SC0163\&from=EN}}{\text{http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52016SC0163\&from=EN}}$ 

<sup>&</sup>lt;sup>27</sup> Guidance on the implementation/application of directive 2005/29/EC on unfair commercial practices, p.124 <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52016SC0163&from=EN">http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52016SC0163&from=EN</a>