**EU Survey on Principles and recommendations for Good Practice in online consumer reviews and ratings - Draft HOTREC reply**

The European Commission has opened a survey to gather stakeholders’ feedback on the Principles and recommendations for Good Practice in online consumer reviews and ratings. The deadline for responses has been set to 2 November 2021 and survey results will be discussed on 24 November.

**Background**

These Principles have been produced based on th[e work of the Multi-stakeholder platform on quality of tourism accommodation in the framework of a study commissioned by the European Commission, DG GROW](https://www.hotrec.eu/policy/quality-of-tourism-accomodation-european-commission-study/).

HOTREC and HSU have both been very active within the multistakeholder platform, guiding work towards focus on online reviews, rather than EU action on the harmonisation of hotel quality ratings/hotels stars. The submission of the document outlining [10 principles relating to hotel review providers has shaped the Principles](https://www.hotrec.eu/wp-content/uploads/2021/10/D-0521-083-JL-HOTREC-contribution-to-output-paper-2nd-meeting-of-the-multistakeholder-platform-on-the-quality-of-tourism-accommodation.pdf) put forward by the consultants running the multistakeholder platform.

The [Principles for a Code of Conduct](https://ec.europa.eu/eusurvey/files/bde0e0d7-3602-4ade-8182-6e59b85b758c/65cd5824-9e61-4956-ad50-280d149fa702) are for providers of online marketplaces offering bookings, comparison shopping services, online meta search engine, reviews and ratings for all types of accommodation situated in the European Union (hereafter ‘providers’). They should be seen as guidance to providers on best practices. They should however not be seen as legal guidance.

**Next steps**

HOTREC Members are invited to:

* Provide feedback to the HOTREC draft response by Friday 29 October 16h (*note: HOTREC has requested an extension of the deadline* *to respond to the survey to at least 5 November; HOTREC will extend the deadline to comment for Members to 4 November if this request is approved and inform Members accordingly)*
* Provide their own response to the survey, based on this response if desired
* Encourage hotelier members to respond directly to the survey.

**HOTREC draft response**

**1. Do the proposed Principles contribute to enhancing the transparency, reliability and comparability of online consumer reviews and ratings?**

HOTREC welcomes the principles as an important step towards more transparency, reliability and comparability of online consumer reviews and ratings. There is of course room for further improvement:

- as a general principle, human intervention and editorial control should be privileged over artificial intelligence, especially when it comes to mitigating disputes or solving more complex cases.

- information on review sites should not be biased towards diverting users to third-party booking channels.

- Review sites should ‘by design’ encourage review writers to submit accurate information and only review facilities which have actually been used.

- Under point 1.3, it should also be clear that a ‘fake’ review can be removed by providers.

- Under point 1.7, we consider that a minimum delay of 14 days to remove illegal information is far too long. Any notification of illegal information to the platform provider should lead to its immediate removal.

**2. Do the proposed Principles add value for consumers?**

The draft principles proposed for the Code are likely to increase the reliability of reviews and scores for consumers. To further improve reliability, we would suggest:

- star symbols should not be used to for review scores (rather than merely ‘avoided’)

- notifying possible divergences between national star systems is relevant but should be very that nuanced: consumers should be led to understand that there is even if there are slight divergences, star systems can generally be considered to provide a very reliable indication of the quality of a hotel across markets.

- officially recognised star systems span from one to five stars: claims that a hotel is a ‘six, ‘seven’ or even ‘eight star’ hotel should not be reflected in the star rating display.

- Any visual content uploaded by the user which can be easily demonstrated as/is blatantly fake should immediately be removed from the platform.

- where relevant, aggregate scores should take any recent change of management into account.

**3. Do the proposed Principles generate benefits that outweigh the costs of implementation by the industry? Please explain and specify which stakeholder type bears the costs incurred (provider of online marketplaces, accommodation provider, etc.)**

We consider that online review platforms have the technical know-how and staff competences necessary to implement the proposed principles (or are in a position to easily acquire them). Implementation of the principles are likely to represent small marginal costs for review sites which are more than compensated for by more efficient processes on review sites and potentially longer mitigation processes. The principles could also reduce the potential costs and time lost by hoteliers dealing with fake, abusive or unlawful reviews.

**4. Is the guidance effective in supporting the implementation the Principles? If not, how could it be revised and improved? What other guidance would you recommend?**

The graduated steps outlined for the guidance of implementation and monitoring of the code of conduct appear appropriate and workable, but perhaps lack some ambition and detail. Website reviews impact consumers and the question of accurate online reviews generates interest in public opinion and the media, in particular specialised travel and tourism media. We consider that the ‘soft launch’ offers a good opportunity to communicate widely, broadly and ambitiously about the launch of the code, including a press release and targeted information on social networks. The time gap between the soft launch and the official launch should ideally be as a short as possible and a clear date for the official launch should be set well in advance.

**5. Do the proposed Principles leave sufficient flexibility for the development of new ways to present online consumer reviews and ratings? For example, methods that could be developed by providers of online marketplaces to enable a better consumer experience in the future?**

We find that the principles offer good guidance but do not restrict review site providers from innovating new ways of presenting and displaying reviews. They could actually lead review site providers to envisage novel display methods, foster innovation in this area, and incorporate content upload systems which favour review accuracy by design. It should clear from the principles that nothing precludes review site providers from taking more ambitious measures to improve rating procedures and displays as long as they remain in line with the basic principles of the code of conduct.

**6. Where should the Principles be made available to be most visible (European Commission website, providers of online marketplaces’ websites, other)?**

As stated above, we consider that press coverage and social network visibility regarding the launch of the principles is an important factor for their success. The draft principles should be easy to find and prominently displayed on the websites of online review site providers and any other website offering access to reviews. Where relevant, hoteliers should also have the possibility to display the principles on their own websites and be in a position to be able to raise awareness about the existence of the principles with guests.

**7. What main barriers do you foresee for the potential further development of the Principles into a possible Code of Conduct?**

We fear that the main barriers to the success of a code of conduct for online reviews is the willingness of online review site providers to support, promote and implement the principles and the potential complications for this industry’s players to reach a strong and ambitious consensus. We would also draw attention to the need for review site platforms to offer hotels some flexibility when it comes to submitting machine-readable data of accredited accommodation, as different formats for machine-readable data may exist. The practice of ‘scraping’ hotelier websites to extract data should be very much discouraged.

**8. How often should the Principles be reviewed? Does the 3-year review cycle appear realistic?**

A 3 year review cycle appears realistic and feasible. Feedback from consumers and their representative organisations may be valuable to further improve the code of conduct during future review initiatives.

**9. Do you see opportunities for peer review and monitoring of the implementation of the Principles? If yes, in which form?**

HOTREC would be in a position to contribute to the ongoing review of the principles and benchmark their success on different EU and European markets, based on feedback from the hotel sector.

**10. Please share any other feedback you would like to give on the Principles.**

It may be worth exploring the development of a similar code of conduct for review sites covering other hospitality services such as bars, restaurants and nightclubs, which may face similar problems with fake, misleading or unlawful online reviews.

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