



Google case: the Commission misses the opportunity to keep Google as a neutral search engine, says the hospitality industry

Brussels, 5 February 2014 – HOTREC, the business association representing the European hospitality industry, expresses its strong disappointment about the Commission's announcement that Google's new commitments would address its antitrust concerns. "Competition Commissioner Joaquín Almunia shouldn't close the respective antitrust investigation on online search and search advertising, as Google's modified commitment proposal is marginal and even counterproductive", stipulates HOTREC-President Kent Nyström. "Organic search results for hotels and restaurants must have a fair chance to be displayed by Google directly and not only via paid aggregators like Online Travel Agents (OTA), Review Sites or third party's Meta-Search Engines."

The European hospitality industry considers that Google's commitments are not sufficient to ensure that Google remains a neutral search engine. Indeed, it is crucial to ensure that organic search results are not disadvantaged compared to commercial or promoted search results (Meta-Search Providers or Google's own specialised search results). The organic Google search is the only place where individual hotels and restaurants have a fair chance to be visible and offer a direct link to their services without paying high commissions. It is therefore extremely important for consumers and providers that they stay visible.

HOTREC therefore cannot accept Google's commitments as such, and reiterates once again its request that as a general rule not more than 30% of a page, visible on any screen, should be occupied by paid services (AdWords, Rival links, Google own products), and the rest of the space should be reserved for organic search results. This would give a fair chance for the best fitting result to be clicked, as observations and studies are showing how irrelevant links further down in the results list are to users.

Anyway, the Commission should further investigate into the search engine market. "A stricter regulation is required and the Commission should start an initiative to generally ban brand bidding and keyword advertising by OTAs on external hotel names per se," claims Markus Luthe, HOTREC ExCom member and Chair of its Distribution Task Force.

What is HOTREC?

HOTREC represents the hotel, restaurant and café industry at European level. This industry includes around 1,8 million businesses, of which 99% are small and medium sized enterprises (91% of them micro enterprises, i.e. employing fewer than 10 people). These businesses make up some 59% of industry value added. The hospitality industry provides some 10.2 million jobs in the EU alone. Together with the other tourism industries, the sector is one of the largest industries in Europe. HOTREC brings together 42 national associations representing the sector in 27 different European countries.

For further information: www.hotrec.eu

PRESS CONTACT: Daniel Makay, Public Affairs Manager, +32(0)2 513 63 23, hotrec@hotrec.eu