

## ***Strategic market status investigation into Google's general search services - Proposed Decision***

### ***UKHospitality comments***

#### **About UKHospitality**

UKHospitality is the leading trade body for hospitality, representing more than 740 members and 130,000 venues across the UK. As a sector, hospitality contributes £93 billion to the economy, employs 3.5 million people and generates £54 billion in tax for the Treasury.

The body speaks on behalf of a wide range of leisure and 'out-of-home' businesses, from FTSE 100 enterprises to medium-size groups and independent single-site operators, as well as 6,000 affiliated operators.

Hospitality represented 10% of UK employment, 6% of businesses and 5% of GDP pre-pandemic.

#### **UKHospitality key points**

- We welcome the opportunity to provide comments on the proposed decision regarding the SMS market status investigation into Google's general search services, and future roadmap.
- We welcome also the ongoing engagement with the CMA following our response to the original ITC invitation to comment, including feedback from hotel companies impacted by the Digital Markets Act in their EU businesses, and evidence from smaller UK accommodation businesses on the potential impacts of changes to Google general search to themselves and their customers.
- For reference, we include our original key points from the ITC invitation to comment below.
- On an overarching point as the roadmap moves forward and interventions developed (which could lead to negative impacts as flagged), continued discussions and input from all potentially impacted parties is critical to prevent unintended negative consequences – for large and SME hotel businesses and critically their customers.
- As during this recent initial phase ahead of the proposed decision being published, UKHospitality remains willing to provide feedback and comments on future developments in this area and potential implications.

### UKHospitality standing comments

- We would highlight negative experiences for hotel operators (and customers/users) in the European Union following changes in choice architecture post-introduction of the Digital Markets Act (DMA).
- European businesses and their representatives report that unintended consequences of the Act affecting Google search functionality has led to a risk of the DMA not achieving its objective of fairness with regard to the hotel sector, and its customers.
- In particular, the reduction in the ability for customers to search for accommodation businesses via dates of stay, price and location (map) has been particularly detrimental. These are key criteria for customers.
- We are of the view that the UK digital competition regime, under the DMCC Act, has the opportunity to avoid unintended consequences as seen in the EU regime, by ensuring that features of search 'choice architecture' can be both legally compliant and also fair to business search users, and customers themselves.
- We would be very happy to discuss the above points in more detail, and take part in future meetings or workshops exploring impacts of any future interventions regarding general search on the UK hotel/accommodation sector and its customers.

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