



CMA Proposed Decision dated 24 June 2025 [Proposed decision report: SMS investigation into Google's general search and search advertising services | CMA Connect](#)

- Fruugo uses Google as the main driver of traffic to the Fruugo.com platform.
- Background on Fruugo and its operating model can be found in the attached CMA meeting minutes.
- Fruugo acknowledges the arguments articulated in the Proposed Decision for designating Google with Strategic Market Significance. Importantly, Fruugo also acknowledges that, "*A finding that Google has SMS does not imply that it has acted anti-competitively or that the CMA should intervene*".
- Fruugo would welcome more transparency and governance with respect to search advertising costs and placement auctions data in line with the concerns outlined in section 1.10 (b). Our ability to understand campaign behaviour was severely curtailed following the introduction by Google of P-Max to replace SmartShopping. For example, we do not know how well our audiences perform, nor the effectiveness of our Ads on different surfaces. Nor can we influence how our money is spent within the campaign by targeting surfaces that we believe will perform more effectively. We have very limited visibility of campaign performance beyond whether or not we are achieving target ROAS.
- When addressing the key areas of concern highlighted in section 1, it is important to consider that Google promotes an expeditious consumer experience, allowing prompt access to search match product display pages and affording consumers the opportunity to checkout at speed if they decide to proceed with a purchase. Elongating the consumer checkout experience by interjecting additional third parties, such as CSSs, is detrimental to both the consumer experience and to online marketplace platforms such as Fruugo. We do not consider the Comparison Shopping Services to be a specialised search platform since they provide no added value to the consumer.
- Fruugo does not agree with the position taken in section 4.11 (b) that the following Google products are 'out of scope of the relevant digital activity.' 4.11(b) : "*advertising sold through Google Ads which does not constitute search advertising (such as video advertising on YouTube)*". It is our view that these should be within scope. Any paid advertising through Google Ads is designed to target potential customers at any point during their purchase journey, either directly (e.g. Search results) or indirectly (e.g. YouTube ads) with a view to improving the targeting performance of Google's algorithms.
- With respect to Section 4 and Google's Gemini AI Assistant, we would welcome greater granularity and transparency from Google (and indeed from all UK AI search assistants) with respect to how their AI Search tools locate search results so that companies can optimise product listings and give their products the best opportunity to be identified within such results.
- We consider section 5.87 to be poorly worded and to therefore warrant further attention and clarification. This section suggests that only Comparison Shopping Services can use shopping adverts when in fact anyone can. The role of the CSS is to "host" the Google merchant centre for which we pay them a monthly fee. However, we still pay Google for advertising our products and the CSS plays no role in determining which products are

advertised (Google's algorithms take care of this via our PMax campaigns).

- Fruugo considers it important to moderate the statements outlined in section 5.91. Whilst return on advertising spend is a factor, it is not the most important factor. Fruugo seeks to maximise our retailers' sales whilst at the same time maximising our profit. The reason we use Google is because most people use Google to search the internet as the Proposed Decision Report articulates. That is why we focus most of our spend on Google rather than on other providers. We would rather spend £100 and have a ROAS of 4.00 than spend £1 and have a ROAS of 10.00.
- With respect to section 5.97 : we agree that CPC in GB has remained relatively stable since 2020. However, it is our experience that CPC across all countries has increased over the same period. There are complex variables but Fruugo has experienced significant click inflation and more reasonable and proportionate click costs would be welcome.
- We agree with the points articulated at section 5.98. The mix effect between CPC on desktop and mobile is another variable that impacts the overall CPC figure.
- We agree with the points articulated in section 5.104. Bing operates on a much smaller scale and has even adopted many of the tools that are used by Google Ads including smart-campaigns. It has always felt as though Bing is imitating Google but has never innovated and appears content to ride on the coattails of Google.
- Fruugo's position is that the CMA should take a different approach to the EU to CSSs and that increased governance and scrutiny of Google should not create a natural correlation with greater prominence of CSSs.
- We do not believe that the CSSs provide any additional value to the consumer and risk. It is our view that they will simply introduce more friction into the customer experience in the event that they are allowed to appear in search engine results pages alongside actual vendors and marketplaces such as ourselves.

Kind regards

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