

Google's general search services: proposed conduct requirements

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.

UKHospitality key points – proposed

- We welcome the opportunity to provide comments on the proposed conduct requirements.
- We welcome also the ongoing engagement with the CMA during this process overall, including receiving feedback from hotel companies impacted by the Digital Markets Act in their EU businesses, and over the course 2024-5 meeting our UK members and receiving feedback on potential implications of changes to search (especially from smaller operators).
- Our comments are overall views across the four proposed conduct requirements.
- Practicality, especially for business end users of search services, should be a key consideration alongside transparency – as seen in the EU, if processes become impractical and overly complex this can be detrimental to businesses and their customers.
- Customer experience is vital to our sector – and this includes the ability to easily and seamlessly find and book directly with hotels, restaurants and other leisure services. Again, as we saw in the EU the customer journey was negatively impacted due to changes made by the Digital Markets Act when it came to search. This is particularly true when elements such as maps, booking dates, indicative prices are removed from initial searches. The UK system should not replicate this and instead retain (and allow for innovation in) ease of use for customers which in turn positively impacts direct bookings with individual hospitality and hotel businesses.
- On the technical elements, impacts of changes such as Category 1 Fair Search rankings should be properly reviewed and impacts analysed before going ahead with further changes. A more balanced sequencing of changes will help prevent unintended consequences (including looking to

the EU, and the results of the DMA review there, to help inform UK thinking and avoid potential negative impacts to businesses.

- Growth is a key UK Government and CMA objective. The proposed conduct requirements should reflect this and not act as a regulatory barrier to business growth (impede the ability for customers to find and book directly with hotel businesses) and also allow for the development of AI search services which may again boost the ability for customers to book directly and new ways for hotels and other hospitality businesses to gain visibility with potential customers and guests.

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. We value the engagement of the CMA over
