

The President of the GVH is calling for a transparent rating system in the food delivery sector

27 October 2021, Budapest – The Hungarian Competition Authority (GVH) has conducted a comprehensive sweep in order to assess the options provided by Hungarian online takeaway and food delivery platforms for consumers to express their opinions. The GVH recommends that restaurant ratings should be made more transparent.

While the traditional form of the catering industry faced a decrease in turnover due to the pandemic, Hungarian consumers spent more than ever before on food ordering last year and this trend has continued in 2021 as well. The list of undertakings engaged in food delivery is also constantly expanding; in addition to restaurants, we are now able to order home delivery from numerous confectioneries, breakfast shops, undertakings serving people with food intolerances or selling alcoholic beverages, and even from gas stations providing food and beverages.

In September 2021, the GVH conducted a comprehensive sweep in order to assess the way in which food delivery platforms available in Hungary provide consumers with the option to express their views.

The sweep identified a number of issues. For example,

- on the majority of platforms, the rating criteria and methodology are not available for users,
- it is not clear how many opinions certain scores are based on,
- only a single platform published a policy containing the rating methodology; however, even the contents of this were not fully in line with the rating process,
- in the majority of cases, there is no option at all to review the platform itself,
- text-based review, if there is an option to submit it at all, is not displayed on any of the
 platforms and it is not clear in what manner these are incorporated into the rating
 process,
- in certain cases, customers can subsequently edit their already submitted rating (even on multiple occasions), which raises the question whether they are being influenced or not.

On the majority of the platforms, the case handlers of the GVH did not find information on whether they employ a moderator, i.e. they subsequently edit or delete already submitted rating, and if so, what principles and criteria they apply during this process. The investigation revealed a case where the rating submitted did not appear next to the name of the reviewed restaurant.

Based on these results, the GVH supports the undertakings concerned with <u>public recommendations available on its website</u> in order to ensure that they possess a clear and transparent rating system that is able to maintain consumer trust. In some cases, the distorted display of ratings can even be considered an unfair commercial practice aiming to mislead customers, thus be subject to sanctions imposed by the Authority.

'The Hungarian Competition Authority is committed to protecting consumer rights; therefore, we support the undertakings concerned in the development and dissemination of fair commercial practices with preventive recommendations' said Csaba Balázs RIGÓ, President of the GVH.

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