UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Lina M. Khan, Chair

Rebecca Kelly Slaughter

Alvaro M. Bedoya Melissa Holyoak Andrew Ferguson

In the Matter of

GGL Projects, Inc., a corporation, also d/b/a Sitejabber.

DOCKET NO. C-4808

COMPLAINT

The Federal Trade Commission, having reason to believe that GGL Projects, Inc., a corporation ("Respondent"), has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

- 1. Respondent GGL Projects, Inc., also doing business as Sitejabber, is a California corporation with its principal office or place of business at 700 El Camino Real, Suite 120-1312, Menlo Park, CA 94025.
- 2. Respondent has offered for sale and sold reputation and consumer review management services to online businesses.
- 3. The acts and practices of Respondent alleged in this complaint have been in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act.

Course of Conduct

4. Respondent operates the Sitejabber.com website, which bills itself as an artificial intelligence-enabled review platform. Over 130,000 businesses across a range of industries have profile pages on Sitejabber.com, which each feature a prominent star rating of the business and purport to display real customer reviews, often numbering in the thousands. Consumers rely on such ratings and reviews when deciding whether and from where to purchase products or services, and Sitejabber represented on these profile pages that the ratings "indicat[e] that most customers are generally satisfied with their purchases." For many of Respondent's online-business clients, however, most of the ratings and reviews displayed on Sitejabber.com resulted from Respondent's "instant surveys"—feedback requests presented to customers at the time or

point of purchase, before the customers had an opportunity to actually experience the product or service purchased.

- 5. Respondent has offered its clients the ability to seek instant surveys through Respondent's business-facing platform, Jabio, which it markets as an artificial intelligence-enabled suite of tools for businesses to gather and manage customer reviews. While any business may create a business profile page that will appear on Sitejabber.com and access limited review collection features for free, businesses may also purchase additional services to collect, monitor, and publish business and product reviews. These services include automatic instant survey review requests, marketing tools, and social media sharing to publicize positive feedback, all of which Respondent markets as a way to help brands build trustworthy reputations.
- 6. Respondent has offered to clients two types of instant surveys, "Instant Feedback Surveys" and "Instant Feedback Product Reviews." These point-of-purchase surveys allowed Sitejabber to artificially inflate the number of reviews and average ratings displayed on the Sitejabber.com profile pages of its clients.

Instant Feedback Survey

7. The Instant Feedback Survey ("IFS") is an automated survey that consumers see at the point of sale after completing a transaction on a business's website. Specifically, after a customer completes the online check-out process, a pop-up or fixed box displays, typically on the order confirmation page. The survey, pictured below in Figures 1 and 2, asks the customer to "rate your overall shopping experience so far" on a 5-star scale. Those who provide a rating are then asked to "type a quick message about your shopping experience so far."

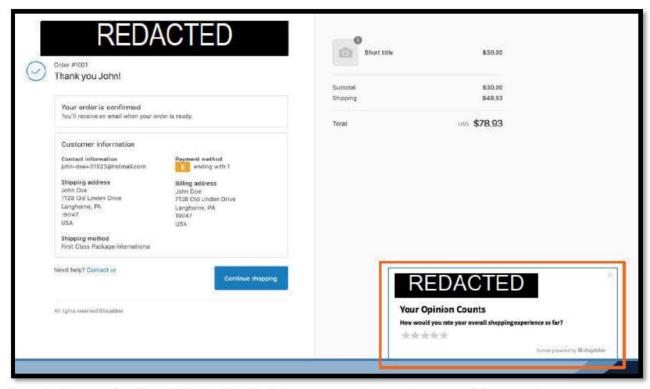


Figure 1. An example of how the Instant Feedback Survey appears to a customer completing a purchase.

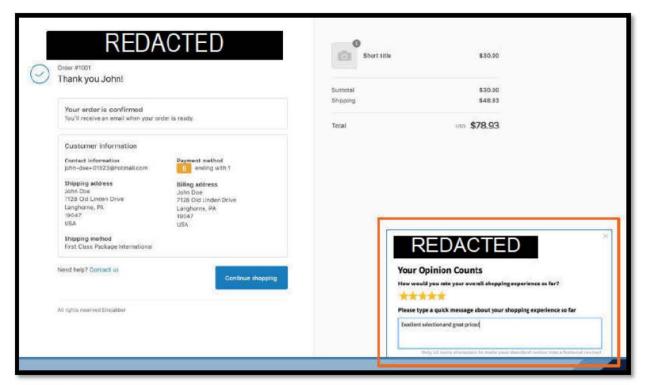


Figure 2. An example of the second question asked by the Instant Feedback Survey to a customer completing a purchase.

- 8. Sitejabber published the information the customer provided in response to this prompt as a merchant review on the business's Sitejabber.com profile page, while the rating the customer provided contributed to the star rating displayed for that business.
- 9. In a PowerPoint presentation to potential clients, Respondent described the IFS as "[c]apturing your customers at their happiest, and while they are engaged." As Respondent touted, "[t]he Instant Feedback Survey generates an unprecedented volume of positive feedback from your customers," which "will help to keep impeccable scores on Sitejabber [...] in an automated way."

IFS Business Review Results on Sitejabber.com

- 10. Respondent did not disclose to consumers clearly and conspicuously that these IFS reviews are in fact point-of-sale reviews. Nor did Respondent disclose clearly and conspicuously when IFS reviews were incorporated into a business's Sitejabber.com rating.
- 11. Respondent used IFS results to inflate businesses' ratings and review counts, misrepresenting that IFS reviews and ratings were post-fulfillment reviews and ratings—that is, reviews and ratings from customers who actually had the opportunity to experience the product or service purchased. Presenting IFS results as post-fulfillment reviews and ratings can mislead consumers into believing that a business's high review count and high rating means thousands of customers have had positive experiences with the business's products or services, when in fact the ratings and reviews displayed primarily reflected only customers' experiences shopping on the business's websites.
- 12. For many of Respondent's clients, most reviews that were displayed on these businesses' Sitejabber profile pages were derived from point-of-sale IFS reviews that pre-dated when the customers actually received their purchases. Nevertheless, by default the Sitejabber business profile page falsely claimed that the ratings from reviewers "indicat[e] that most customers are generally satisfied with their purchases." For example, the Sitejabber profile page for one of Respondent's clients, an online furniture retailer, began with this summary:

Overview

has a rating of **4.72 stars** from 83,153 reviews, indicating that most customers are generally satisfied with their purchases. Reviewers satisfied with REDWCIED most frequently mention great selection, customer service, and free shipping. REDWCIED ranks 1st among Furniture sites.

Figure 3. The Sitejabber.com profile page for the business stated that it had a rating of 4.72 stars from 83,153 reviews, "indicating that most customers are generally satisfied with their purchases."

13. The total star rating on a business's Sitejabber.com profile page represented the average of all reviews for that business, including solicited point-of-sale IFS reviews. Respondent did not disclose clearly and conspicuously that the rating it displayed included ratings from customers who had purchased but not yet received their products. Only if a visitor to a Sitejabber.com profile page hovered over the review count would they see, in a mouseover dialog box, a breakdown of how many reviews were "Unsolicited," "Unsolicited – Verified Purchase," "Solicited - Verified Website Experience," and "Solicited – Verified Purchase." Figure 4 below shows how Respondent displayed this difficult-to-find dialog box.



Figure 4. Respondent placed difficult-to-find mouseover text that most of the reviews displayed on Sitejabber.com were "solicited" and based upon a "verified website experience."

14. In addition, Respondent did not disclose clearly and conspicuously what a "Solicited – Verified Website Experience" is. To learn the meaning of that ambiguous phrase, a website visitor had to scroll down the business profile page, find an example of a "Verified site experience" review, and hover over the phrase "Verified site experience ." If visitors did so, they would have seen the mouseover disclosure, displayed below, "This review was written by a verified customer at point of purchase, before the product or service was delivered."

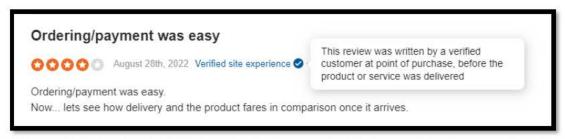


Figure 5. Respondent placed difficult-to-find mouseover text that "Verified site experience" means the review was written by the customer "before the product or service was delivered."

- 15. In many instances, Respondent's IFS reviews allowed Respondent to inflate its clients' total review counts and overall ratings with reviews that do not reflect customers' experience with its clients' purchased products.
- 16. For example, the Sitejabber.com profile for an online furniture retailer showed 83,153 reviews, with an average rating of 4.72 stars. Of these reviews, over 98% were "Solicited Verified Website Experience" reviews—that is, point-of-sale IFS reviews. By contrast, fewer

than 1% were from verified purchasers. Without the IFS reviews, the business's Sitejabber profile page would have only shown 1,443 reviews, and its average rating would have been 2.19 stars.

17. The Sitejabber.com profile page for another one of Respondent's clients, a custom window coverings retailer, shown below, boasted 101,956 reviews with an average rating of 4.81 stars. But IFS reviews made up 99.2% of these reviews. Without the IFS reviews, the business would have had only 836 reviews and an average rating of 3.98.

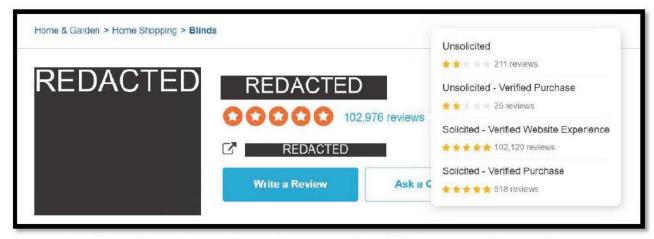


Figure 6. One of Respondent's clients had a Sitejabber.com profile with 101,956 reviews, but 99% of those reviews were point-of-sale IFS reviews that did not reflect the customer's actual experience with the product(s) purchased.

18. The Sitejabber.com profile page for another one of Respondent's clients, an online fashion retailer, displayed 27,966 reviews and an average rating of 4.4 stars. IFS reviews made up 81% of these reviews, and without them, the business would have had a rating of only 3.3 stars.

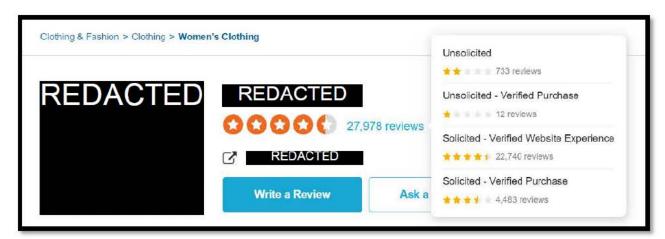


Figure 7. One of Respondent's clients had a Sitejabber.com profile with 27,966 reviews, but 81% of those reviews were point-of-sale IFS reviews that did not reflect the customer's actual experience with the product(s) purchased.

19. Respondent's inflated Sitejabber.com ratings and review counts were also displayed in Google and other search results. As depicted in Figure 8 below, when a consumer ran a search

for one of Respondent's clients, the client's Sitejabber.com profile appeared as a search result. That search result displayed the inflated rating and the inflated number of reviews from the Sitejabber profile page. It also repeated the deceptive statement that the rating "indicat[es] that most customers are generally satisfied with their purchases."

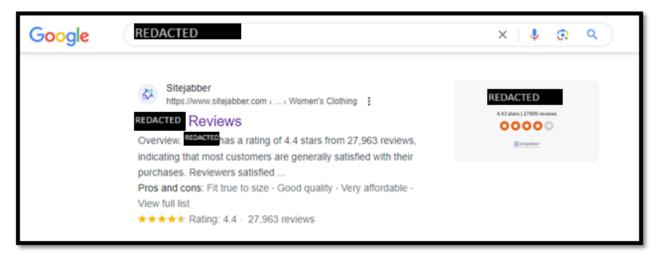


Figure 8. A Google search for Respondent's client, an online fashion retailer, would bring up its Sitejabber.com profile page, which repeated the deceptive review count and rating, as well as the statement that the business's 4.4-star rating "indicate[s] that most customers are generally satisfied with their purchases."

- 20. In an email to a client, one of Respondent's Customer Service managers explained that IFS results "are very important for search. When I search [name of company] your Sitejabber profile surfaces high and clearly displays how many reviews you've received on our platform. Higher numbers of reviews typically means a higher position in search results."
- 21. In early 2024, in response to a Commission investigation, Respondent ceased displaying IFS ratings and reviews on the main profile pages of online retailers' Sitejabber.com profiles. Instead, for such businesses, IFS reviews and ratings now appear in a separate tab labeled "Instant Feedback," with only post-fulfillment reviews appearing on the main Sitejabber.com profile pages.

Instant Feedback Product Reviews

22. Respondent also offered its clients the ability to seek Instant Feedback Product Reviews ("IFPR"). Like the IFS, this was an automated survey that consumers would see at the point of sale, when they were making an online transaction on the business's website. After a customer completed the online check-out process, a pop-up or fixed box would display, typically on the order confirmation page. As shown in Figure 9 below, the survey would ask the customer for product-specific feedback, such as "Why did you choose the [product] today?" The survey would also include a 5-star rating scale and a text box.

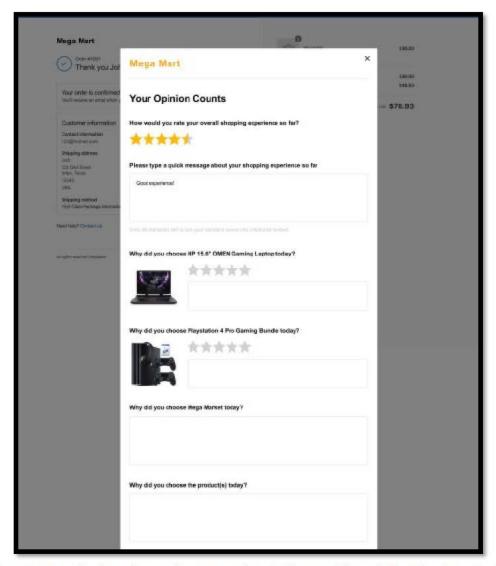


Figure 9. The Instant Feedback Product Review was a point-of-sale survey that asked purchasers to provide a product-specific review before they had received the product.

23. Respondent used the feedback obtained from the IFPR to create product-specific ratings and reviews that were displayed on its clients' Sitejabber profiles under a "Products" tab. Figure 10, below, shows how this appeared on a business's profile page.

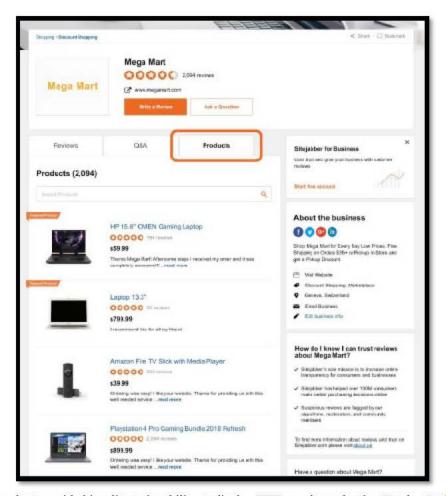


Figure 10. Respondent provided its clients the ability to display IFPR results under the "Product" tab of the Sitejabber.com profile page.

- 24. Respondent also provided its clients with product review widgets that allowed them to publish IFPRs directly on their own websites as product reviews and ratings. In some instances, Respondent's clients used the IFPR ratings and reviews in this manner.
- 25. IFPR ratings were also displayed in Google's paid product search results. The average star-rating displayed did not disclose that the rating may include reviews obtained at the point of sale, before the customer has received the product. Figure 11, below, shows how IFPR ratings appeared in Google search results for products sold by one of Respondent's clients, an online jewelry retailer.

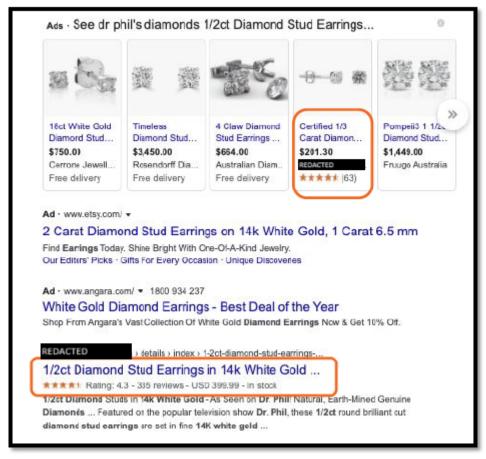


Figure 11. The IFPR results for the jewelry retailer's products that displayed in Google search results.

26. In early 2024, in response to a Commission investigation, Respondent ceased offering its clients the ability to seek IFPRs and to display them on the clients' websites. Respondent also removed existing IFPR reviews and ratings from Sitejabber.com profile pages.

Count I False Representations

- 27. In numerous instances in connection with offering for sale or sale of reputation and consumer review management services, Respondent represented, directly or indirectly, on the Sitejabber website and in descriptions appearing in Google and other search results, expressly or by implication, that ratings and reviews displayed were from customers who had received the product or service purchased and had the opportunity to experience the product or service purchased.
- 28. In fact, in numerous instances in which Respondent made the representation set forth in Paragraph 27, many or most of the ratings and reviews displayed were from customers who had not yet received their purchases or who have not yet had the opportunity to experience the product or service purchased.

Count II Means and Instrumentalities – Instant Feedback Product Reviews

- 29. In numerous instances in connection with offering for sale or sale of reputation and consumer review management services, Respondent provided its business clients with Instant Feedback Product Reviews to display on their websites, which allowed them to misrepresent that the reviews and ratings are from customers who had received their purchases.
- 30. By furnishing others with the means to engage in the deceptive practices described in Paragraph 29, Respondent provided the means and instrumentalities for the commission of deceptive acts or practices.

Violations of Section 5

31. The acts and practices of Respondent as alleged in this complaint constitute unfair or deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

THEREFORE, the Federal Trade Commission this 30th day of December, 2024, has issued this Complaint against Respondent.

By the Commission.

April J. Tabor Secretary

SEAL: