

Analysis of Proposed Consent Order to Aid Public Comment
In the Matter of Sitejabber, File No. 232-3060

The Federal Trade Commission (“Commission”) has accepted, subject to final approval, an agreement containing a consent order from GGL Projects, Inc., which does business as Sitejabber (“Sitejabber”).

The proposed consent order (“proposed order”) has been placed on the public record for thirty days for receipt of comments by interested persons. Comments received during this period will become part of the public record. After thirty days, the Commission will again review the agreement and the comments received and will decide whether it should withdraw from the agreement and take appropriate action or make final the agreement’s proposed order.

This matter involves consumer reviews and ratings of businesses and products that Sitejabber collected on behalf of its clients’ businesses. It collected these ratings and reviews from consumers at the time of purchase, before consumers had an opportunity to actually experience the product or service purchased. According to the FTC, Sitejabber used these point-of-purchase results to inflate the ratings and review counts of its clients on the Sitejabber.com review platform and in Google and other search results. The complaint explains that Sitejabber also provided its clients with product review widgets that allowed them to publish, on their own websites, product-specific ratings and reviews that Sitejabber collected.

The complaint alleges that Sitejabber violated Section 5(a) of the FTC Act by misrepresenting that point-of-sale ratings and reviews reflected the experiences of consumers who had actually received and had the opportunity to experience the product or services purchased. The complaint further alleges that Sitejabber provided its business clients with the means and instrumentalities to deceive consumers that product reviews and ratings collected at the time of purchase and displayed on the clients’ websites were from consumers who had received and had the opportunity to experience the product being reviewed.

The proposed order contains provisions designed to prevent Sitejabber from engaging in these and similar acts and practices in the future.

Provision I prohibits Sitejabber from misrepresenting or assisting others in misrepresenting that the average customer rating or total number of ratings or reviews of a product, service, or business reflects the views of customers who had received the product or service purchased and had the opportunity to experience it, or that any rating or review collected at the time or point of purchase was collected from a customer who received the product or service purchased or had the opportunity to experience the product or service purchased. The provision also prohibits misrepresentations about any ratings, average ratings, or reviews that Sitejabber collects, moderates, or displays.

Provision II prohibits Sitejabber from providing others with the means or instrumentalities to misrepresent that product or service ratings or reviews collected at the point of purchase were collected from customers who had the opportunity to experience the product or service purchased.

Provisions III through VII of the proposed order contain reporting and compliance provisions. Provision III mandates that Sitejabber acknowledge receipt of the order, distribute the order to principals, officers, and certain employees and agents, and obtain signed acknowledgments from them. Provision IV requires Sitejabber to submit compliance reports to the Commission one year after the order's issuance and submit notifications when certain events occur. Under Provision V, Sitejabber must create certain records for ten years and retain them for five years. Provision VI provides for the FTC's continued compliance monitoring of Sitejabber's activity during the order's effective dates. Finally, Provision VII provides the effective dates of the order, including that, with exceptions, the order will terminate in 20 years.

The purpose of this analysis is to facilitate public comment on the proposed order. It is not intended to constitute an official interpretation of the complaint or proposed order, or to modify in any way the proposed order's terms.