

ONE HUNDRED SIXTEENTH CONGRESS  
**Congress of the United States**  
**House of Representatives**

COMMITTEE ON ENERGY AND COMMERCE

2125 RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515-6115

Majority (202) 225-2927  
Minority (202) 225-3641

July 9, 2019

Mr. Jeff Bezos  
President, Chief Executive Officer and  
Chairman of the Board  
Amazon  
410 Terry Avenue N  
Seattle, WA 98109

Dear Mr. Bezos:

We are writing regarding a concerning problem of fraudulent and deceptive product ratings and reviews on Amazon's online marketplace that can be harmful to both consumers and to businesses that play by the rules. Online reviews significantly affect consumers' shopping decisions and it is important that Amazon proactively protect consumers from such misleading and harmful behavior. To that end, we would like to better understand the steps Amazon takes to deter and remove fraudulent and deceptive product ratings and reviews, and whether Amazon financially benefits from the sale of products promoted in this manner.

Surveys have found that 82 percent of adults say they sometimes or always read online reviews before making new purchases.<sup>1</sup> Other reports state that more than two-thirds of regular review readers believe that reviews are "generally accurate."<sup>2</sup> Yet, according to recent reports, consumers should be skeptical when they encounter products with glowing online reviews because many are fake.<sup>3</sup> For example, a recent study identified thousands of fake reviews with

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<sup>1</sup> Pew Research Center, *Online Reviews* (Dec. 19, 2016) ([www.pewinternet.org/2016/12/19/online-reviews/](http://www.pewinternet.org/2016/12/19/online-reviews/)).

<sup>2</sup> *Why You Can't Really Trust Negative Online Reviews*, New York Times (June 13, 2018) ([www.nytimes.com/2018/06/13/smarter-living/trust-negative-product-reviews.html](http://www.nytimes.com/2018/06/13/smarter-living/trust-negative-product-reviews.html)).

<sup>3</sup> *Buyer Beware: Scourge of Fake Reviews Hitting Amazon, Walmart and Other Major Retailers*, CBS News (Feb. 28, 2019) ([www.cbsnews.com/news/buyer-beware-a-scourge-of-fake-online-reviews-is-hitting-amazon-walmart-and-other-major-retailers/](http://www.cbsnews.com/news/buyer-beware-a-scourge-of-fake-online-reviews-is-hitting-amazon-walmart-and-other-major-retailers/)).

obvious signs of fraud across dozens of popular tech categories on Amazon.<sup>4</sup> Among other things, the study found that unknown brands dominated search results in these categories, often with tens of thousands of unverified, positive reviews.<sup>5</sup> Some products contained hundreds of five-star, unverified reviews posted for a single product on the same day, many of which contained positive reviews for completely unrelated products.<sup>6</sup>

Other reports describe a massive spike in blatantly fake reviews in the last several months, particularly with respect to inexpensive, off-brand electronics products such as headphones, chargers, and cables.<sup>7</sup> These products frequently dominate the front page of Amazon's search results and many include labels describing the products as "Amazon's Choice."<sup>8</sup> The use of the "Amazon's Choice" label on these products is of particular concern because your company's website promotes these products to consumers as "highly rated, well-priced products available to ship immediately." In fact, recent reports suggest that Amazon does not perform any oversight or due diligence on such products and that many are of poor quality or even defective.<sup>9</sup>

Fake reviews also hurt competitors who play by the rules. Sellers know that product reviews drive sales and they are willing to pay a steep cost for any edge in the market. According to a recent investigation by *BuzzFeed News*, unscrupulous businesses pay as much as \$10,000 per month to generate positive reviews that will trick consumers into buying their products and improve their overall ratings and search rankings.<sup>10</sup> These fraudulent reviews can crowd out genuine comments and put honest sellers at an unfair disadvantage.

Paid fake reviews are also unfair or deceptive practices that violate the Federal Trade Commission Act. Earlier this year, the Federal Trade Commission settled charges against a

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<sup>4</sup> *Flood of 'Fake' Five-Star Reviews Inundating Amazon, Which? Finds*, *The Guardian* (Apr. 16, 2019) ([www.theguardian.com/technology/2019/apr/16/flood-of-fake-five-star-reviews-inundating-amazon-which-finds](http://www.theguardian.com/technology/2019/apr/16/flood-of-fake-five-star-reviews-inundating-amazon-which-finds)).

<sup>5</sup> *Id.*

<sup>6</sup> *Id.*

<sup>7</sup> *Amazon Flooded with Millions of Fake Reviews in 2019*, *Review Meta* (Mar. 28, 2019) ([reviewmeta.com/blog/amazon-flooded-with-millions-of-fake-reviews-in-2019/](http://reviewmeta.com/blog/amazon-flooded-with-millions-of-fake-reviews-in-2019/)).

<sup>8</sup> *Id.*

<sup>9</sup> *"Amazon's Choice" Does Not Necessarily Mean a Product Is Good*, *BuzzFeed News* (June 14, 2019) ([www.buzzfeednews.com/article/nicolenguyen/amazons-choice-bad-products](http://www.buzzfeednews.com/article/nicolenguyen/amazons-choice-bad-products)).

<sup>10</sup> *Some Amazon Sellers Are Paying Upwards of \$10,000 A Month to Trick Their Way to the Top of The Marketplace*, *BuzzFeed News* (Apr. 24, 2019) ([www.buzzfeednews.com/article/leticiamiranda/amazon-marketplace-sellers-black-hat-scams-search-rankings](http://www.buzzfeednews.com/article/leticiamiranda/amazon-marketplace-sellers-black-hat-scams-search-rankings)).

company that paid for fake Amazon reviews.<sup>11</sup> While that lawsuit is a start, it is hardly enough to address this problem. Amazon can and should do more to protect consumers from these deceptive practices and we would like to better understand what measures your company is taking to address this issue. We therefore request a written response to the following questions no later than July 30, 2019:

1. How does Amazon identify, prevent, and respond to fraudulent or deceptive product reviews? If Amazon's processes have evolved over time, please describe how they have changed.
2. What are Amazon's policies with respect to sellers that solicit, purchase or otherwise encourage fraudulent or deceptive product reviews?
  - a. How are these policies enforced?
  - b. Does Amazon ban sellers who violate these policies from operating on Amazon's online marketplace? If so, please state the number of sellers Amazon has banned in the past six and 12 months, respectively.
3. What steps has Amazon taken within the last 12 months to prevent or remove fraudulent or deceptive product ratings and reviews?
4. Please identify the ten product categories with the highest number of deceptive or fraudulent product reviews, as determined by Amazon, and state the number of deceptive or fraudulent product ratings or reviews found for each such category in the past 12 months.
5. Please describe Amazon's consumer outreach efforts to help consumers identify and report products with deceptive or fraudulent reviews?
6. How does Amazon determine whether to label a product as "Amazon's Choice"?
  - a. What steps does Amazon take to ensure that such products have legitimate, non-deceptive product ratings and reviews?
  - b. Does Amazon take any steps to independently verify the quality of products labeled "Amazon's Choice." If so, please describe.
  - c. How does Amazon promote products labeled "Amazon's Choice" and to what extent are such products promoted differently from other products on Amazon's

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<sup>11</sup> Federal Trade Commission, *FTC Brings First Case Challenging Fake Paid Reviews on an Independent Retail Website*, (Feb. 26, 2019).

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marketplace? For example, do such products receive higher rankings in search results or preferential placement in recommendations to customers?


- d. Does Amazon receive different financial compensation for sales of products labeled "Amazon's Choice" compared to other products on Amazon's online marketplace? If so, please describe.

Thank you for your attention to this matter, and we look forward to receiving your response. If you have any questions, please contact Lisa Goldman with the Committee Staff at (202) 225-2927.

Sincerely,



Frank Pallone, Jr.  
Chairman



Jan Schakowsky  
Chair  
Subcommittee on Consumer  
Protection and Commerce