

KwikChex investigations show that Trustpilot’s claims of trusted information pose a serious risk to consumers – and potentially to investors.

Summary Report

KwikChex has been carrying out in-depth research on review site Trustpilot’s claims of the degree to which consumers can trust reviews and ratings on its platform – and found that in some of the most critical areas, the published reviews and ratings are likely to cause serious harm if relied on by consumers making important decisions.

In both their marketing and information they provide to investors, Trustpilot make substantial claims of trustworthiness, including –

- *“Trustpilot – a universal symbol of trust”.*
- *“Trust is the foundation on which commerce is built. Trustpilot enables consumers to decide who they can trust and to help other consumers. “*
- *“Our focus and commitment to protecting and promoting trust online is unabating. This coming year we’re continuing to push the boundaries with new initiatives that will ensure online reviews on Trustpilot remain a trusted source of information.”*

But their claims of effective safeguarding through ‘sophisticated systems’ and expert human intervention do not stand up to scrutiny in some of the sectors where risk of harm is at its highest. These include the following categories

- Financial investment and trading
- Immigration
- Medicines and supplements
- Fraud recovery services

Particularly in areas such as cryptocurrency and forex trading, the results that consumers see are exceptionally affected by the **use of Trustpilot by criminals to deceive and rob consumers**. KwikChex research reveals that ‘bad actors’ are inundating Trustpilot with profiles of bogus businesses on which they then post fake 5-star reviews. The modus operandi of these scammers is to set up one profile after another, abandoning them when consumers start to complain, and setting up others in the same way in their place. Trustpilot is simply being overrun in these high-risk areas. In addition to the issues of standard fake reviews, some of the entities are also substantially conning and gaming the system and consumers by offering (dubious) incentives to post positive reviews – an element that is not only against Trustpilot rules, but also normally considered unlawful. **Many thousands of fake positive reviews that should have been acted upon have distorted the entire system in high-risk categories.**

Actions by Trustpilot not adequate to effectively safeguard consumers

Trustpilot makes much of the number of reviews it removes, and the warnings that it publishes when review fraud is detected, but is **not acting diligently enough to prevent serious detriment**. In fact, KwikChex investigators found instances of Trustpilot removing negative reviews from profiles that we would certainly deem as unsafe, and this adds to the effectiveness of the deceptions taking place.

In addition, **Trustpilot fails to 'follow through' with investigations when it discovers fraud – missing vital evidence of much more widespread abuse.**

Trustpilot also used to promote illegal products

Further investigations also revealed that other risks are present on Trustpilot. These include **promotion of illegal substances, offensive weapons and counterfeit documents**. Many of these sites may well be scammers, but it is concerning that Trustpilot does not detect them and act appropriately.

KwikChex has previously warned Trustpilot of these dangerous issues, but instead of tackling them effectively – including proactive and proper verification of businesses in high-risk sectors (as we specifically recommended), they have instead increased their claims of trustworthiness, which exacerbates the risk to consumers – and could potentially mislead investors / shareholders.

Trustpilot ratings also push consumers away from safer options and into danger

In a number of categories, such as currency trading / higher risk investing, KwikChex researchers also found that whilst many highly suspect 'businesses' with fraudulent and incentivised reviews and fake business profiles get easily to the top of Trustpilot's 'Best in Category' rankings, well-known and established businesses have 'poor' and 'bad' ratings. An obvious example of this is Crypto.com – sponsors of the FIFA World Cup and Formula 1 Racing, with 10 million users and 3,000 employees, which by contrast is ranked as 'poor'.

This is a trend throughout Trustpilot and extends, for example, to the likes of respected organisations and businesses; such as the UK Which? Consumer guides (ranked as 'bad'), and Money Saving Expert (ranked as 'poor'). Such organisations may not be perfect, but certainly do not deserve to have a far worse profile than the many scammers that are using Trustpilot to cheat consumers.

Instead of exaggerating trust – urge caution

KwikChex believes that with the current dangers prevailing, Trustpilot should make clear that consumers should not rely on the information on its platform when making crucial decisions. A warning such as that below would be an appropriate safeguarding.



Safeguarding Advice for Consumers

Consumers are advised that they should not make important purchasing decisions based solely on Trustpilot ratings. Positive ratings do not guarantee that a business is acting honestly and lawfully and negative ratings may not reflect the actual standards of a business. It is recommended that all consumers carry out additional due diligence prior to paying any monies to businesses featured on the Trustpilot site.

Reporting to authorities – and new laws and enforcement

KwikChex has collated considerable evidence of the abuses taking place on the Trustpilot platform, and has already reached out to relevant authorities, including in the UK, the Competition & Markets Authority (CMA), who are tasked with acting on such problems.

In addition to the issues of trust generally on Trustpilot, KwikChex will be providing specific details of businesses engaged in / benefitting from deceitful and unlawful practices.

After 20 years of increasing influence of online reviews and the exponential rise of dishonest, fraudulent behaviour, government authorities around the world are in the process of tightening the rules to try and decrease review fraud. This includes plans to make the businesses that publish reviews more responsible, and increasing penalties for businesses and individuals caught cheating the systems. Such actions are underway in many countries, including the UK, EU and US.

KwikChex believes that enforcement will be problematic, but review platforms can undoubtedly do much more to safeguard consumers and businesses – although this will of course considerably increase costs for such businesses.

Given the importance of the problems in terms of influence on purchasing decisions, it is vital that what prevails in these shake-ups is freedom of speech – and that this is not undermined by freedom of deceit.

Beyond Trustpilot

Trustpilot is a large business. Listed on the London Stock Exchange and has had increasing influence internationally. The 'open to all businesses' model and lack of genuinely strong verification has left them and consumers open to abuse.

The detailed examination of Trustpilot was prioritised by KwikChex because of its major influence and its increasing persistent and high profile use of trust phraseology – compared to the ease with which bad actors have been manipulating profiles and rankings in critical, high-risk sectors.

Hopefully, Trustpilot will work to resolve these problems, based on the KwikChex investigations. In the meantime, KwikChex will be contacting other prominent publishers of online reviews to alert them to specific review fraud and gaming.

Further information

The conclusions in this summary report have been arrived at on the basis of extensive, robust evidence, which can be made available to authorities and investigative journalists. Please email media@kwikchex.com

Assistance for affected consumers and businesses

Consumers

If you are a consumer that has suffered financial or other harm through being deceived by online reviews, you can contact KwikChex for free assistance here: <https://kwikchex.com/harm-from-online-reviews/>

Businesses

If you are a business that has suffered detriment through unfairly distorted reputation or uncompetitive, unfair practices of a competitor using fake reviews, KwikChex can investigate and assist, please contact us here: <https://kwikchex.com/business-service/>