



November 4, 2024

Federal Trade Commission
Office of the Secretary
600 Pennsylvania Avenue NW
Mail Stop H-144 (Annex R)
Washington, DC 20580

Re: Rytr LLC; File No. 232 3052
In the Matter of Rytr LLC – Proposed Consent Order

Dear Commissioners:

Online reviews of products and services are incredibly influential and have a significant impact on consumers' purchasing decisions. In fact, the overwhelming majority of U.S. consumers read and rely on online product reviews before making a purchase, with some reports showing that more than 90 percent of consumers in America use them.¹

Unfortunately, the tremendous importance of online reviews has made them ripe for manipulation and deception, leading to a proliferation of false and fake reviews in the marketplace.² Exacerbating the problem is the fact that it is nearly impossible for consumers, honest businesses, and even regulators to decipher which reviews are fake and which are genuine, especially as AI technology enhances the ability of disreputable businesses to easily create persuasive, fabricated reviews. This is undoubtedly a large and complicated consumer protection issue. But the breadth and complexity of the problem do not give regulators leave to simply agree to disagree and move on. To the contrary, this insidious deceptive marketing tactic will only continue to flourish if not effectively reined in by regulators.

Indeed, the central premise of modern consumer protection law is that marketplace dishonesty causes harm to consumers and businesses alike; and, if left unchecked, such behavior impairs the efficient allocation of resources in the economy. There can be no doubt that fake reviews – including those that are AI-generated – have worsened marketplace inefficiencies. As a former Commissioner noted, “Fake reviews distort our markets by rewarding bad actors and harming honest companies. The problem is growing, and the FTC should attack it.”³

Recognizing these troubling realities, and understanding that one of the central determinants of whether dishonest practices can succeed is the efficacy of law enforcement, the FTC filed an enforcement action against Rytr, LLC regarding its AI-enabled “writing assistant” that generates genuine-sounding yet wholly fabricated

reviews of products and services.⁴ The FTC’s complaint alleges that Rytr’s AI-generated reviews tool can turn elemental user input – just a product name – into “detailed reviews that contain specific, often material details that have no relation to the user’s input.”⁵ Importantly, those who purchase this AI product are not required to input any information about their experience with a product in order to fabricate a review. The result is that Rytr’s service “generates reviews that would almost certainly be false for the users who copy the generated content and publish it online,” and that the service has no or *de minimis* reasonable, legitimate use.⁶

Accordingly, Rytr is alleged to have violated section 5 of the FTC Act – not because of a theoretical possibility that its reviews tool could be used to deceive consumers, but because fabricating reviews that sound like authentic experiences of genuine, bona fide users is the very reason for which it is being bought and sold.⁷ Fake reviews can be extremely profitable for dishonest companies (and there is simply no economic incentive for consumers to buy a reviews tool to write their own honest reviews, which explains why Rytr’s marketing does not appear to target consumers, but rather companies, marketers, entrepreneurs, and others⁸). As such, the FTC’s enforcement action has culminated in a proposed consent order that prohibits Rytr from advertising or selling its AI-generated reviews tool, one of its more than 40 AI-enabled “writing assistant” services.⁹ The rest of Rytr’s services, including the company’s numerous other marketing tools that might be of use to honest businesses, such as its Social Media Ad Generator, Google Ad Generator, and AI Caption Generator,¹⁰ are unaffected by the proposed consent order, which the Commission must now decide whether or not to finalize.

Rytr’s fee-based AI-generated reviews tool does not present a deceptive marketing issue that exists in a vacuum. Rather, this case brings to light a massive, Daedalian problem that requires the implementation of practical and effective measures that are sensitive to the complexities of the deceptive practices at issue while also addressing the significant damages such practices can inflict if left unchecked. It is simply not sufficient to take a *caveat emptor* approach in the face of such guileful practices. Strong, coordinated regulatory action is paramount if the FTC is to fulfill its mission of preventing business practices that are deceptive or unfair to consumers and honest businesses alike.

TINA.org supports the FTC’s efforts in protecting consumers and honest businesses from the proliferation of false and deceptive reviews used in marketing, and urges the Commission to tackle this serious and far-reaching issue with vigor and solidarity.

Respectfully submitted,

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Laura Smith, Legal Director
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¹ See Aino Valtonen, *Online Reviews: Statistics That Will Blow Your Mind [2024]*, TRUSTMARY (Oct. 24, 2024), <https://trustmary.com/reviews/online-reviews-statistics-that-will-blow-your-mind/> (“93% of consumers read online reviews before making a purchase”); Survey: The Ever-Growing Power of Reviews (2023 Edition), POWERREVIEWS (2023), <https://www.powerreviews.com/power-of-reviews-2023/> (“99.5% of shoppers research purchases online at least sometimes. Nearly 87% do so regularly or always.”); Sammy Paget, *Local Consumer Review Survey 2024: Trends, Behaviors, and Platforms Explored*, BRIGHTLOCAL (Mar. 6, 2024), <https://www.brightlocal.com/research/local-consumer-review-survey/> (noting that 75 percent of consumers in 2024 “always” or “regularly” read online reviews); Kerry Bridge, *How to Get More Reviews for Your Business*, THE BAZAAR VOICE (Oct. 26, 2022), <https://www.bazaarvoice.com/blog/how-to-get-more-reviews-for-your-business/> (noting that nearly 90 percent of consumers read only reviews for local businesses before a purchase, 80 percent of consumers trust online reviews, and 40 percent rely on them to inform their purchases); Semila Fernandes et al., *Measuring the Impact of Online Reviews on Consumer Purchase Decisions – A Scale Development Study*, 68 J. RETAILING & CONSUMER SERVS. (Sept. 2022), 1, <https://www.sciencedirect.com/science/article/abs/pii/S096969892200159X> (noting that 70 percent of customers refer to online reviews before finalizing their purchase decisions); Tao Chen et al., *The Impact of Online Reviews on Consumers’ Purchasing Decisions: Evidence From an Eye-Tracking Study*, FRONTIERS PSYCH. (June 8, 2022), <https://www.frontiersin.org/articles/10.3389/fpsyg.2022.865702/full> (noting that nearly 60 percent of consumers browse online product reviews at least once a week and 82 percent of consumers read product reviews before making shopping choices); Erica Turner & Lee Rainie, *Most Americans Rely on Their Own Research to Make Big Decisions, and That Often Means Online Searches*, PEW RESEARCH CENTER (Mar. 5, 2020), <https://www.pewresearch.org/short-reads/2020/03/05/most-americans-rely-on-their-own-research-to-make-big-decisions-and-that-often-means-online-searches/> (noting that “[a]n overwhelming majority (93%) of Americans report reading customer reviews and rating at least sometimes when buying a product or service for the first time.”); BBB, *The Power of Reviews and How Consumers Rely on Them to Make Purchases*, MEDIUM (Apr. 20, 2019), <https://medium.com/@BBBNWP/the-power-of-reviews-and-how-consumers-rely-on-them-to-make-purchases-51fcbcebd376> (noting that 72 percent of consumers trust online reviews as much as personal recommendations); Greg Sterling, *Report: ‘Incentivized Reviews’ Effective for Consumers and Brands*, SEARCH ENGINE LAND (Nov. 9, 2018), <https://searchengineland.com/report-incentivized-reviews-effective-for-consumers-and-brands-307919> (noting that “88 percent of US online shoppers believe ratings and reviews to be ‘extremely or very’ important when purchasing a high-consideration product. That number drops to 42 percent for low consideration items.”) (internal quotation marks omitted); *New Data: 97% of Consumers Depend on Reviews for Purchase Decisions*, POWERREVIEWS (Mar. 19, 2018), <https://www.powerreviews.com/consumers-depend-on-reviews/> (noting that 97 percent of consumers consult product reviews before making a purchase). See also Statement of Commissioner Rohit Chopra Joined by Commissioner Rebecca Kelly Slaughter, In the Matter of Sunday Riley, Fed. Trade Comm’n, File No. 1923008 (Oct. 21, 2019), https://www.ftc.gov/system/files/documents/public_statements/1550127/192_3008_final_rc_state_ment_on_sunday_riley.pdf (“[C]onsumers rely on reviews in making purchasing decisions.”).

² See TINA.org Comment on FTC Reviews and Endorsements ANPR, P214504 (Jan. 9, 2023), available at https://truthinadvertising.org/wp-content/uploads/2023/01/1_9_23-TINA-Fake-Reviews-Comment.pdf; TINA.org Comment on FTC Reviews and Testimonials NPRM, R311003 (Sept. 29, 2023), available at https://truthinadvertising.org/wp-content/uploads/2023/09/9_29_23-TINA-Comment-to-FTC-re-Fake-Reviews-Proposed-Rule.pdf.

³ Statement of Commissioner Rohit Chopra Joined by Commissioner Rebecca Kelly Slaughter, In the Matter of Sunday Riley, Fed. Trade Comm’n, File No. 1923008 (Oct. 21, 2019), https://www.ftc.gov/system/files/documents/public_statements/1550127/192_3008_final_rc_statement_on_sunday_riley.pdf.

⁴ See Complaint, *In the Matter of Rytr, LLC*, No. 232-3052, available at https://www.ftc.gov/system/files/ftc_gov/pdf/2323052rytrcomplaint.pdf.

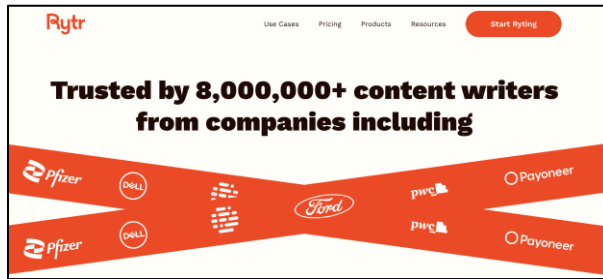
⁵ *Id.*

⁶ *Id.*

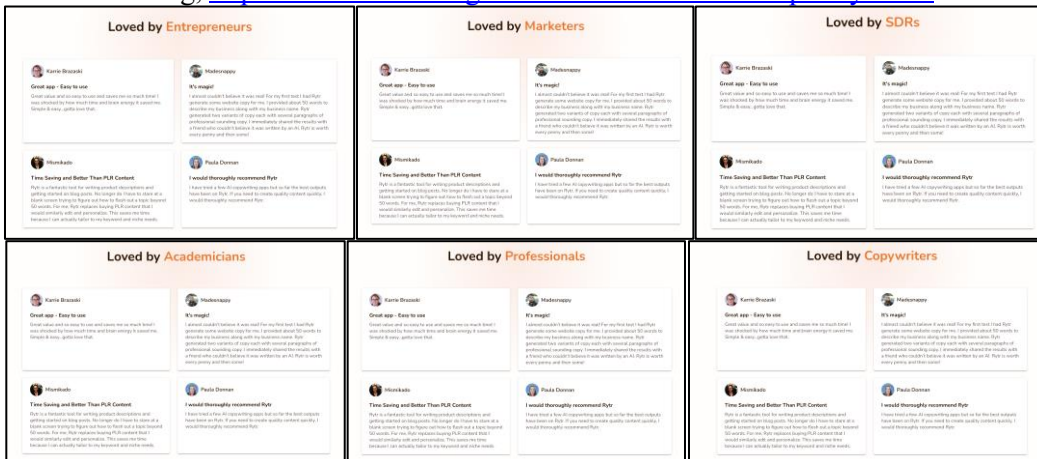
⁷ *Id.*

According to the FTC’s Guides Concerning Use of Endorsements and Testimonials in Advertising, which address the application of section 5 of the FTC Act to the use of such advertising tactics, reviews must come from “bona fide users” of the reviewed product and reflect the users’ honest opinions, findings, beliefs, or experience. Guides Concerning Use of Endorsements and Testimonials in Advertising, 16 C.F.R. § 255.1(a), (c) (2023), available at <https://www.ecfr.gov/current/title-16/chapter-1/subchapter-B/part-255>. Generating a made-up experience based on bare bones information is a far cry from an honest review from a bona fide user.

⁸ See also Rytr.me (“Trusted by 8,000,000+ content writers from companies including...”)



See also Archive.org, <https://web.archive.org/web/20231020215905/https://rytr.me/>.



⁹ See Agreement Containing Consent Order, *In the Matter of Rytr, LLC*, No. 232-3052, available at https://www.ftc.gov/system/files/ftc_gov/pdf/2323052rytracco.pdf.

¹⁰ Rytr Use Cases, <https://rytr.me/use-cases/>.