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## The Hungarian Competition Authority's decision will change the Privacy Policy of Google's Allo

***The Hungarian Competition Authority (HCA) has closed the procedure examining the personal data management and information practices of the chat application of Google LLC called Allo with a commitment decision. Due its business model, Google does not ask for a determined fee for the use of the application, but uses the application to manage data and utilize it with algorithms of different purpose. The procedure has shown that the nature of the compensation itself, that is, the collection and handling of data is not merely a matter of data privacy, but also an important economic information, which can affect the transactional decisions in a harmful way.***

One of the matters of the competition procedure was whether the Google Allo chat client was properly informed consumers about the application's data management and data storage and violated the prohibition of unfair commercial practices. The competition authority did not evaluate certain communications of Google products from a data protection point of view, i.e. did not verify that the data was processed in accordance with the law, but in the course of the legal aid proceedings the HCA also contacted the Hungarian National Authority for Data Protection and Freedom of Information. The HCA investigated whether the consumer had received sufficiently detailed, understandable and perceived information about data management and storage prior to installing the application in order to make the business model of Google clear.

The decision underlined that potential consumer harm lies in the lack of transparency and contradictions in the use of applications as well as in the lack of balanced information, which makes it unclear that consumers using Google's services are compensated by their own data.

As regards the information practices regarding the data handling of Allo chat, the HCA obliged Google to fulfill its voluntary commitments.

Under Google's commitment

- ▶ it will create a separate sub-page for Allo's data management on the Allo Help website that will be available on both the Allo installation process and the description of Allo in Google Play and iOS App Store;
- ▶ it formulates the sub-page in a meaningful and balanced way for consumers, i.e. without exaggerating or minimizing decision-making opportunities, rights and any obligations;
- ▶ it sends a hyperlink of the data management sub-page in Hungarian for users of the product within the Allo application;
- ▶ In the fourth quarter of 2018, it starts educational campaigns through its YouTube channel with the message that Google collects and manages personal information and recommends reviewing privacy policies and settings.

With the commitment, Google's trading and communication practices are modified not only in Hungarian, but in 44 other languages, which is clearly forward-looking or guidance for other services and businesses.

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**On our competition law and data protection event of 11 October 2018 we talked about regulatory issues and the experiences of cases with dr. András Tóth, the vice president of GVH and dr. Endre Győző Szabó, the vice president of National Data Protection and Information Authority.**

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