

Expert Meeting on

CYBERLAWS AND REGULATIONS FOR ENHANCING E-COMMERCE:
INCLUDING CASE STUDIES AND LESSONS LEARNED

25-27 March 2015

Consumer Protection in Online Commerce

By

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Head of Digital Initiatives

Consumers International

The views reflected are those of the author and do not necessarily reflect the views of UNCTAD

The background features a light gray globe with a grid of latitude and longitude lines. Superimposed on the globe are several stylized human figures in white and light gray, holding hands in a circle, symbolizing global unity and consumer protection.

Consumer Protection in Online Commerce

Richard Bates

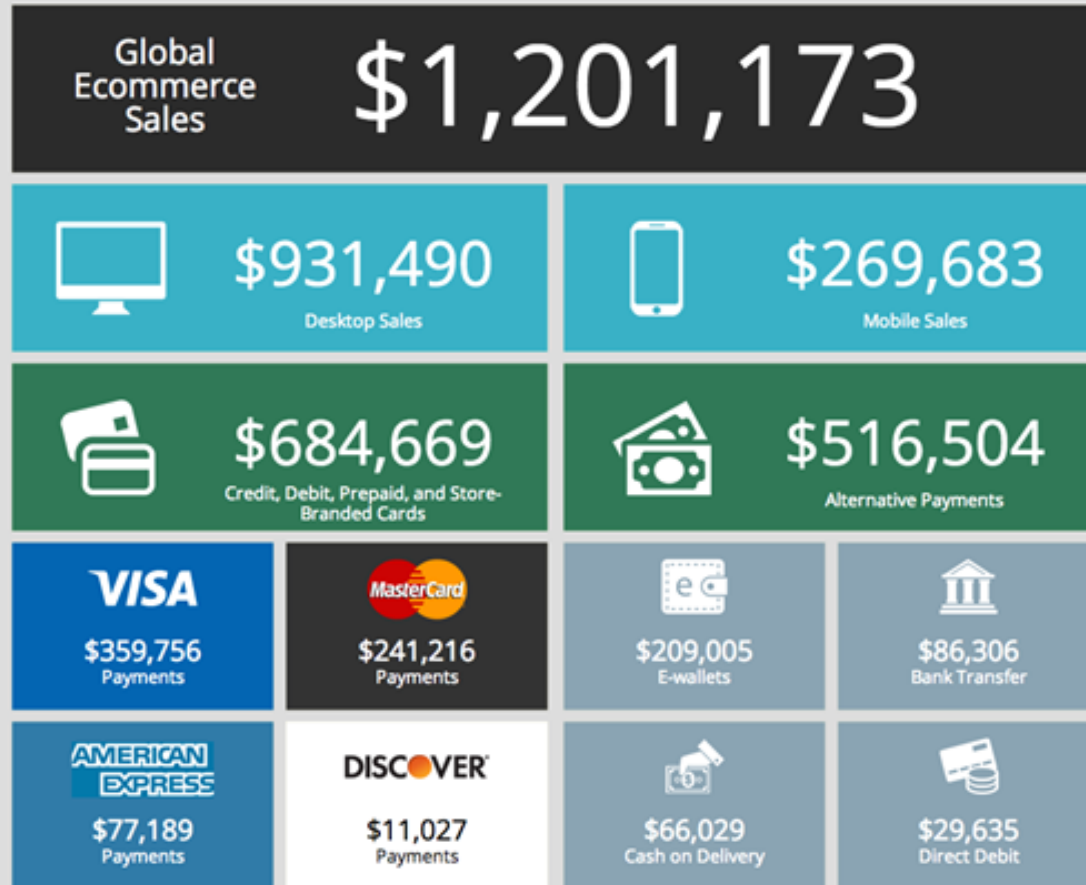
Head of Digital Initiatives

Consumers International

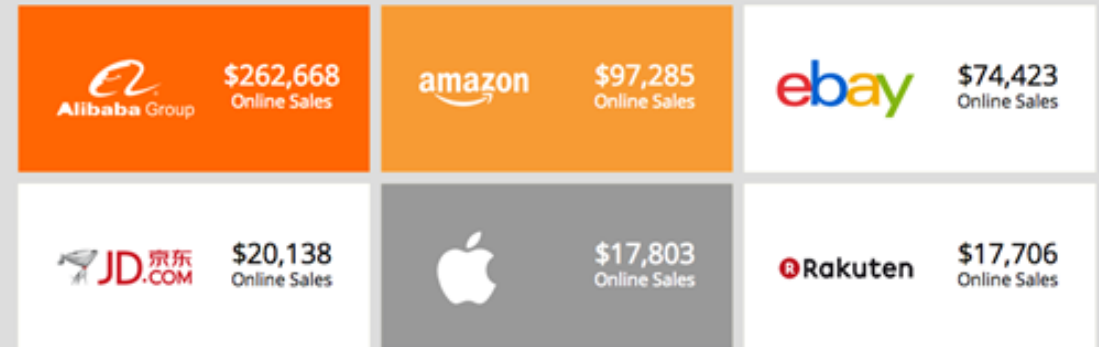
Consumer protection: outmoded and outpaced?



Every 30 seconds



Major Ecommerce Companies



Spending by Category



Every 30 seconds



\$387,052



\$177,839



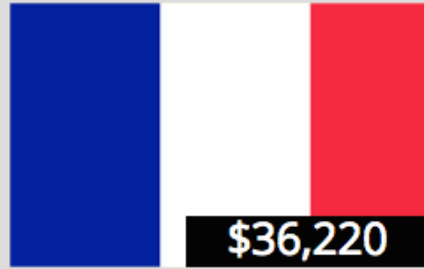
\$116,121



\$97,125



\$51,897



\$36,220



\$26,213



\$23,745



\$21,258



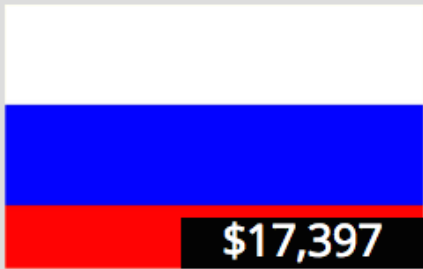
\$19,513



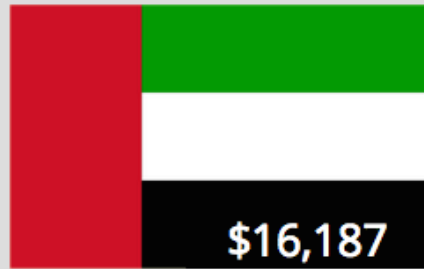
\$19,454



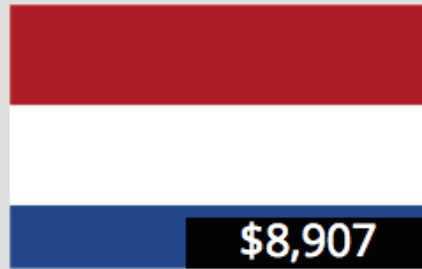
\$18,252



\$17,397



\$16,187



\$8,907



\$7,915



\$7,260



\$6,655

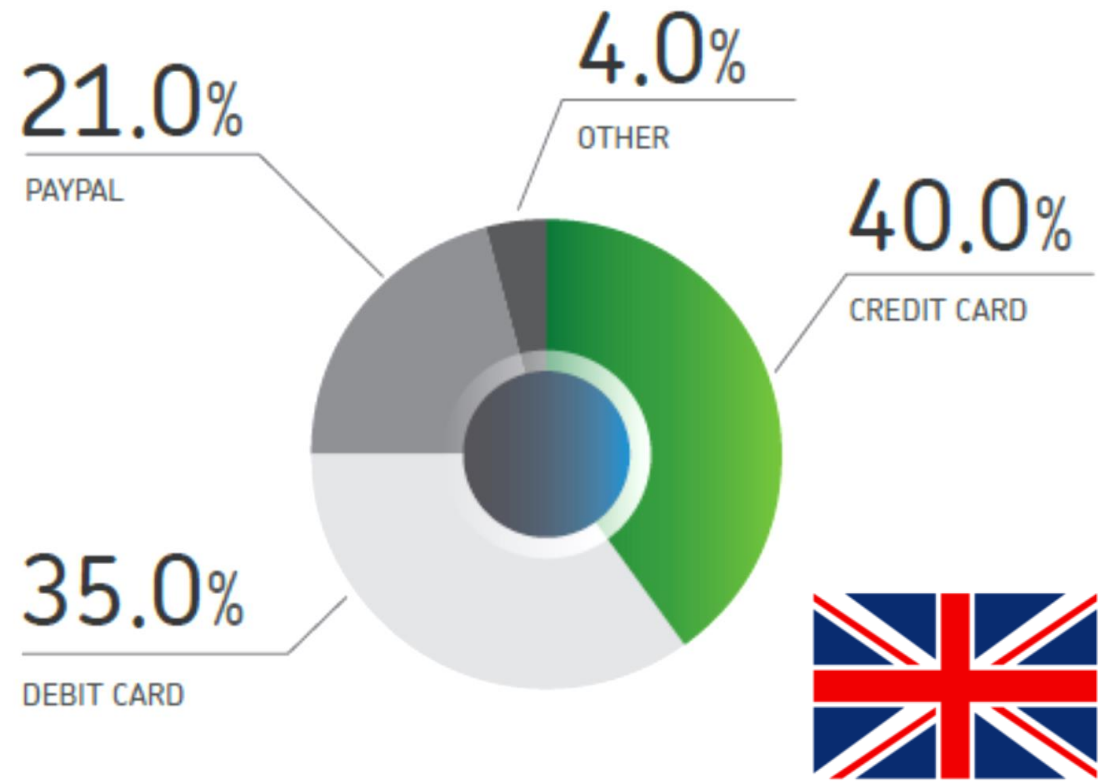
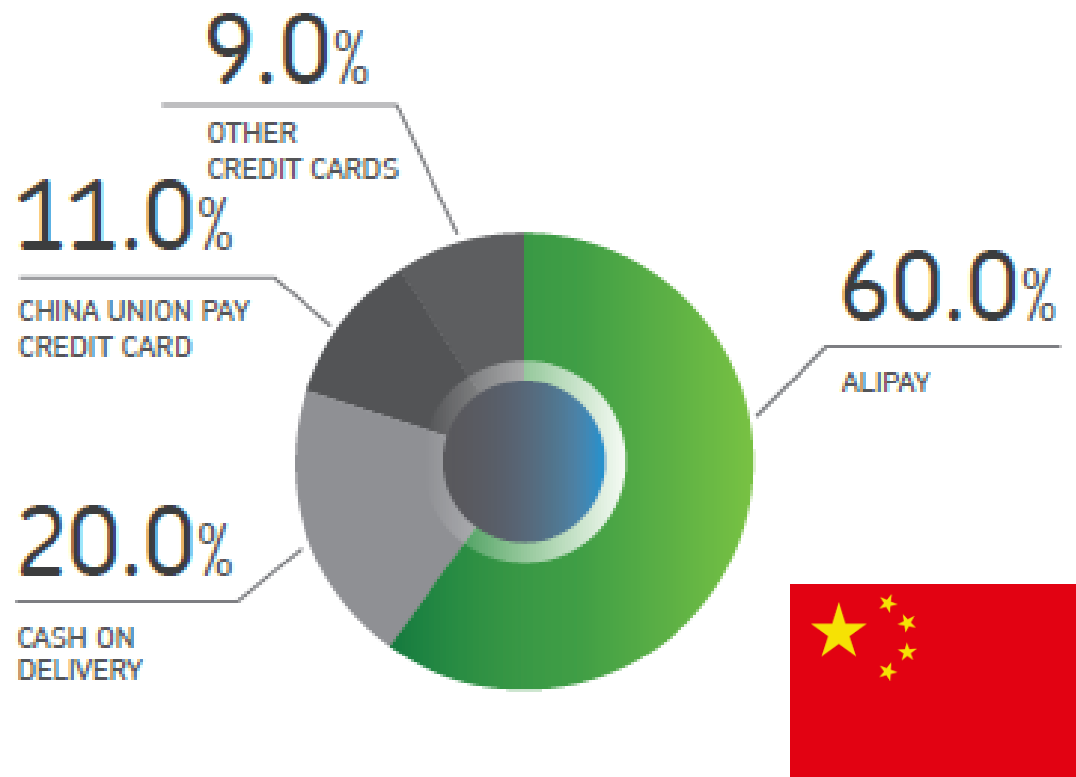


\$3,829



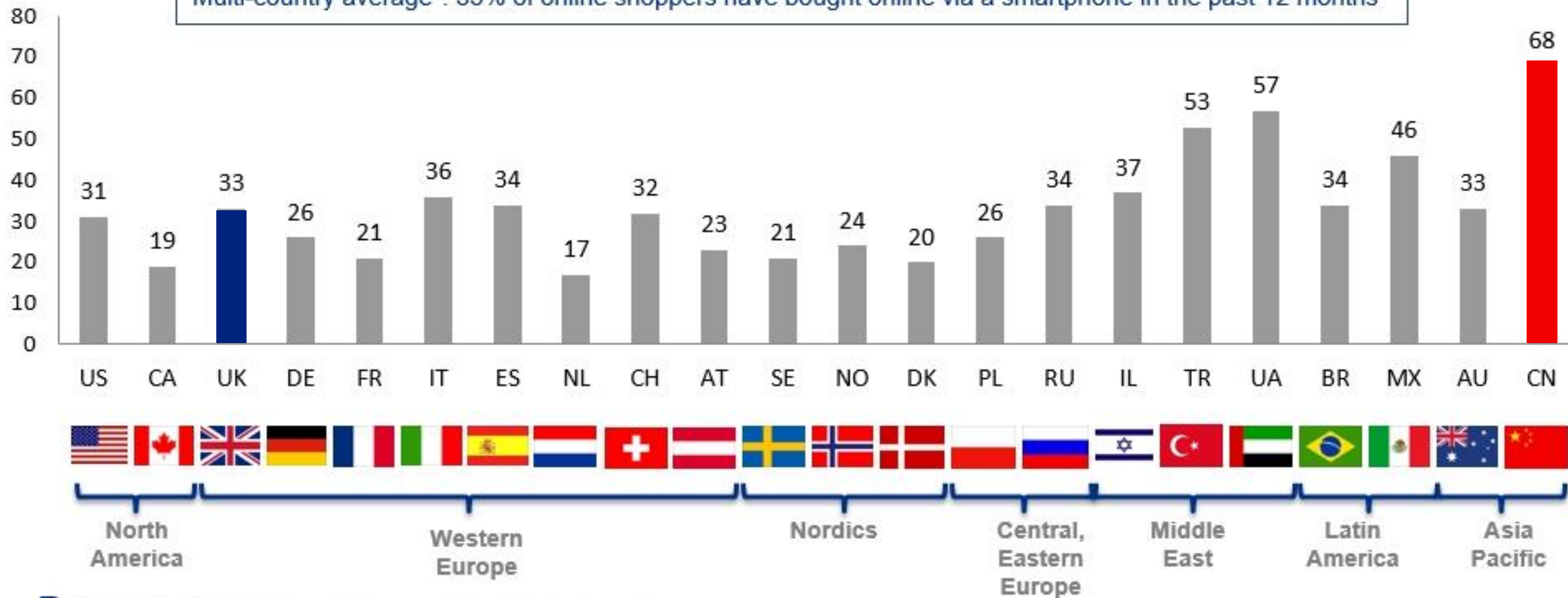
\$2,976

Variation in preferred payment methods



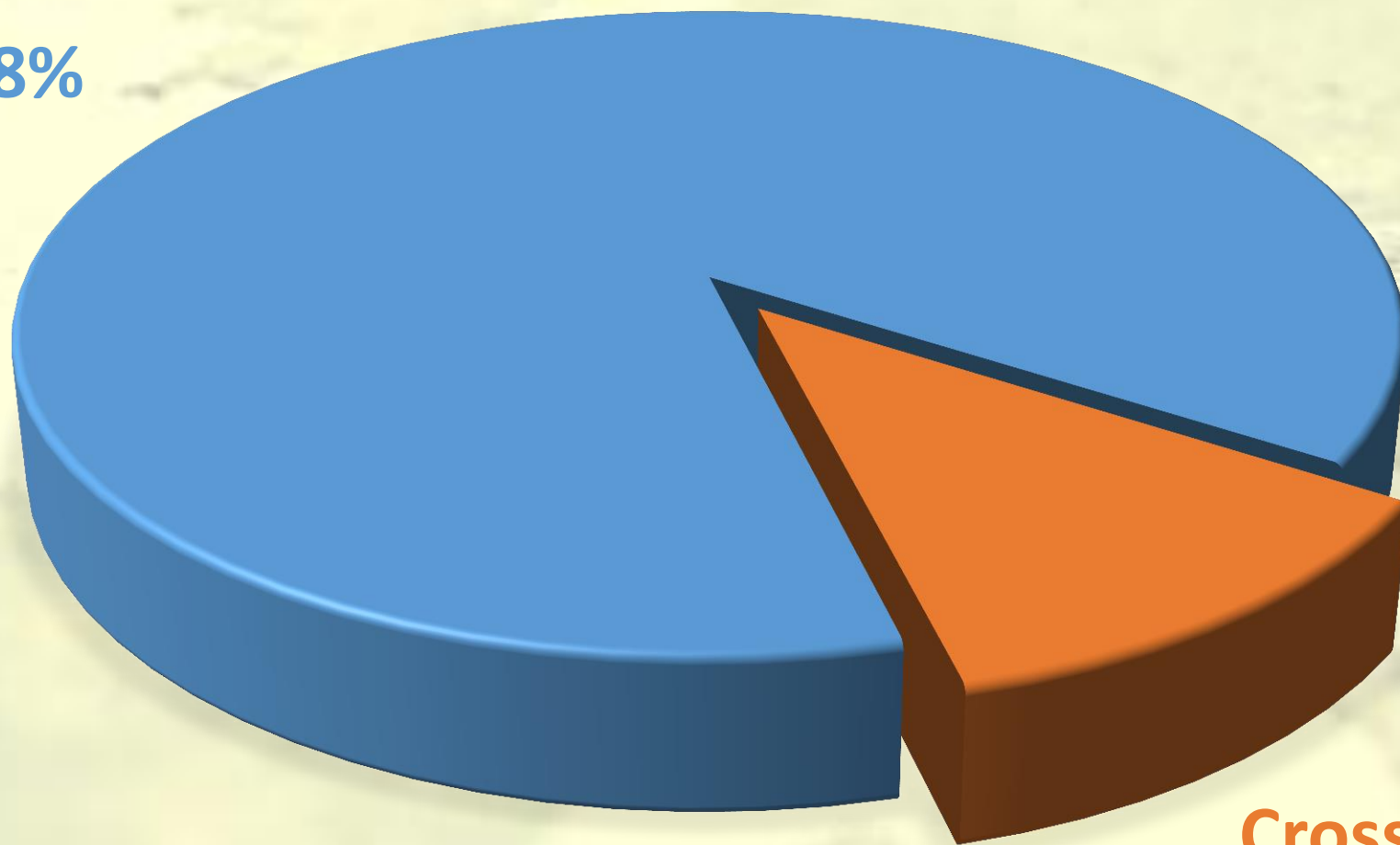
Consumers purchasing via smartphone

Multi-country average*: 33% of online shoppers have bought online via a smartphone in the past 12 months



EU Domestic vs Cross-border ecommerce

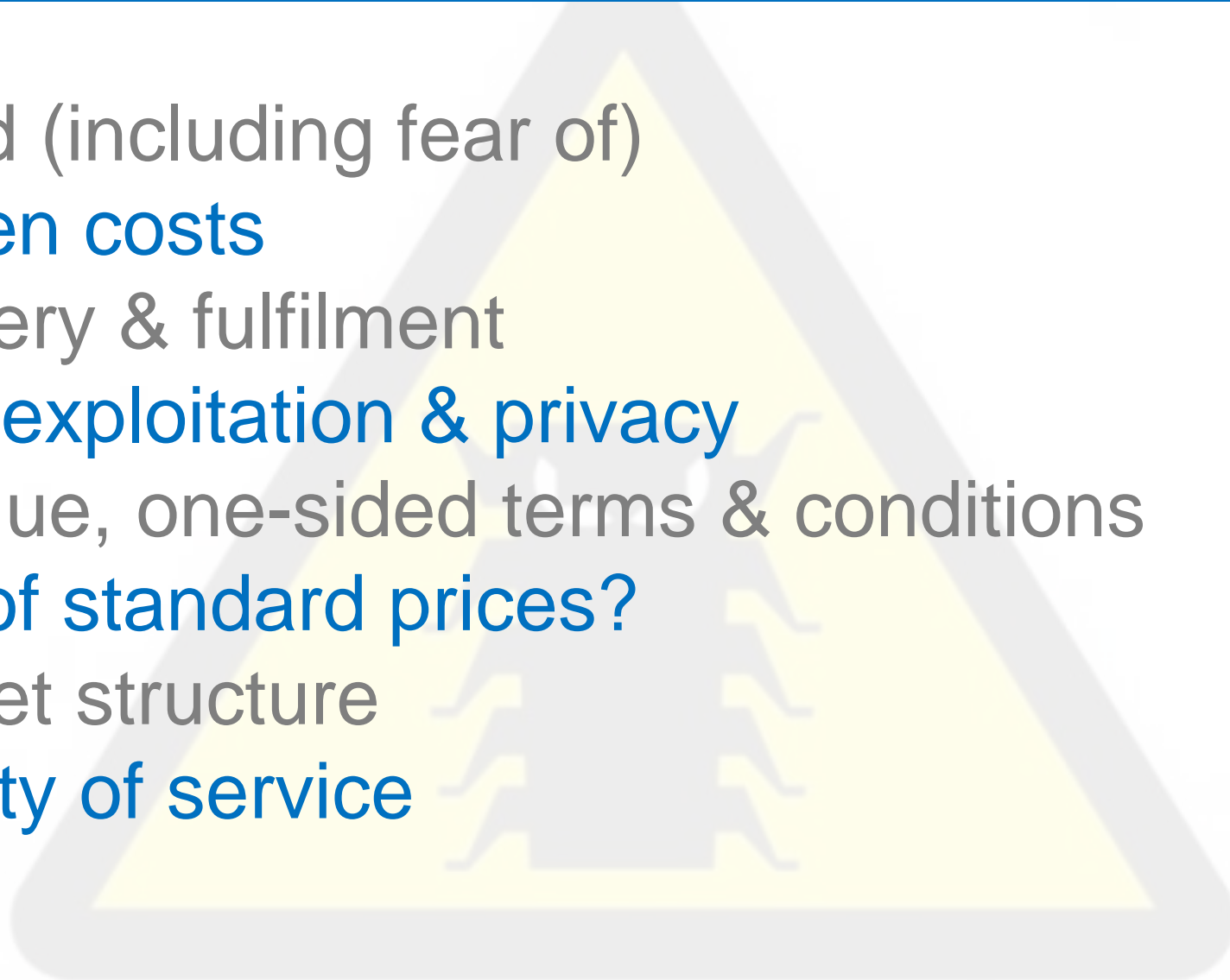
Domestic 88%



Cross-border 12%

Digital detriments (a flavour)

- Fraud (including fear of)
- Hidden costs
- Delivery & fulfilment
- Data exploitation & privacy
- Opaque, one-sided terms & conditions
- End of standard prices?
- Market structure
- Quality of service

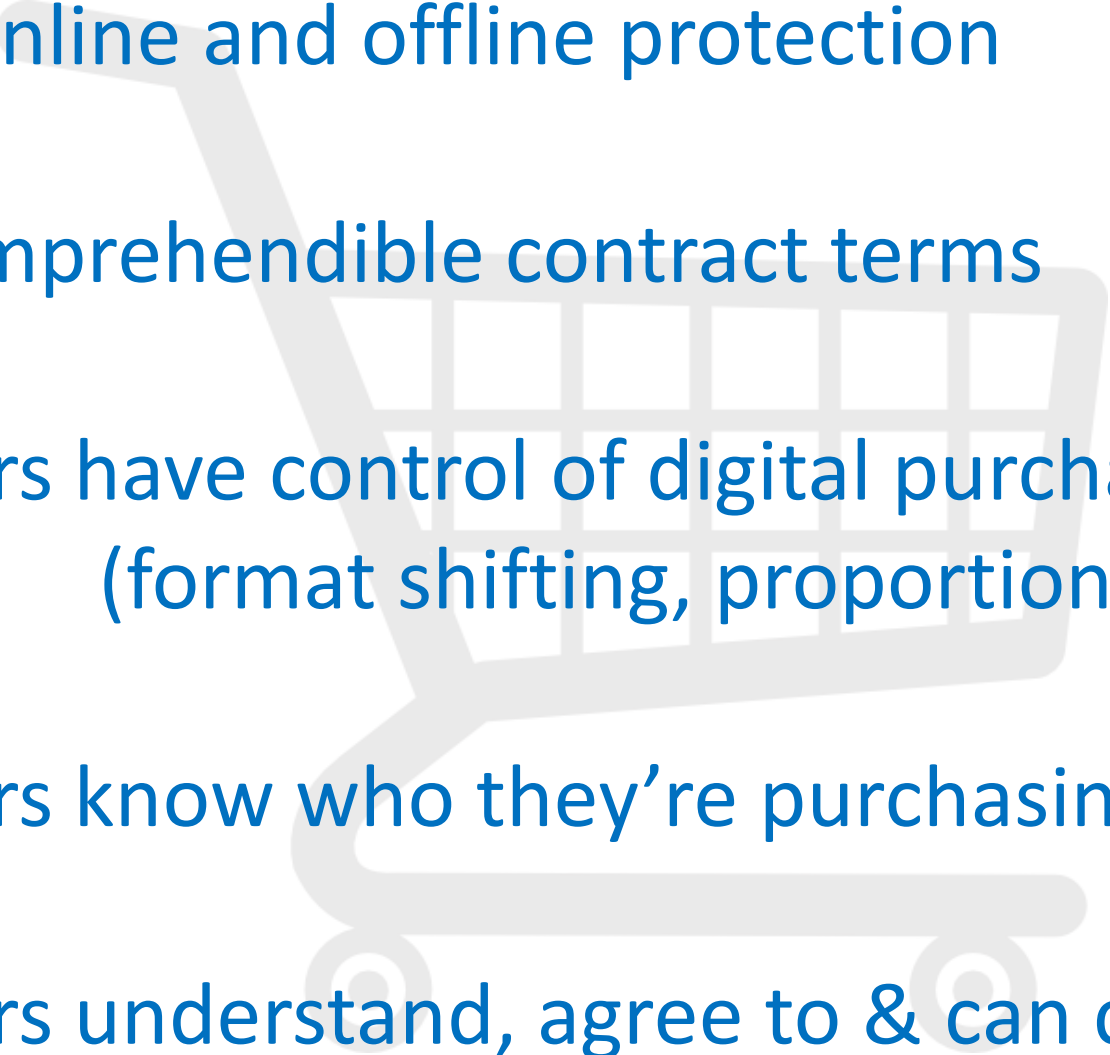


The march of technology....has increased the difficulties of the consumer along with his opportunities; and it has outmoded many of the old laws and regulations and made new legislation necessary.

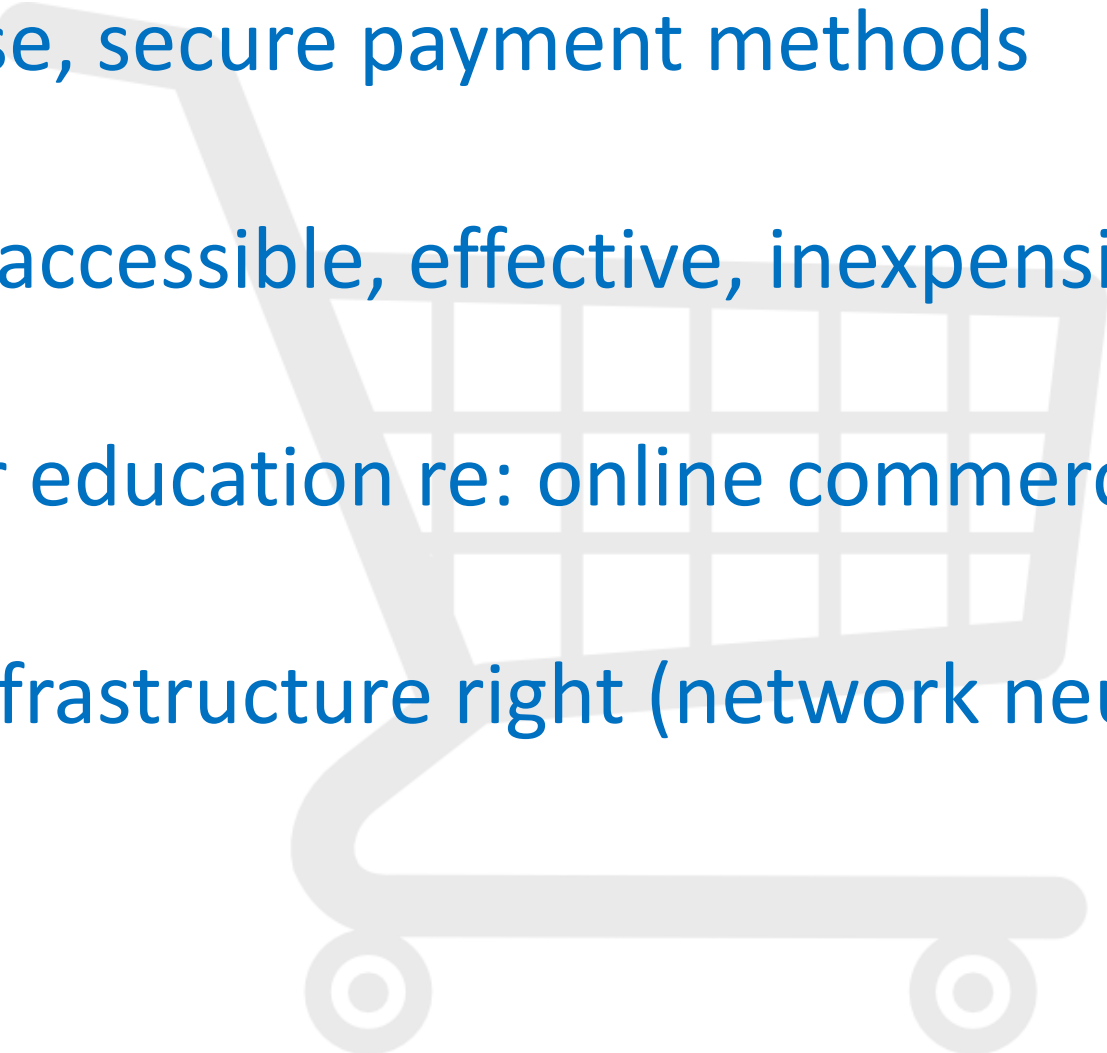


JFK 1962

CI's objectives for ecommerce

- (1) Parity in online and offline protection
 - (2) Fair & comprehensible contract terms
 - (3) Consumers have control of digital purchases
(format shifting, proportionate DRM etc.)
 - (4) Consumers know who they're purchasing from
 - (5) Consumers understand, agree to & can control use of data
- 

CI's objectives for ecommerce

- (6) Easy-to-use, secure payment methods
 - (7) Access to accessible, effective, inexpensive redress
 - (8) Consumer education re: online commerce
 - (9) Get the infrastructure right (network neutrality)
- 

Technology as part of the answer

- Reputation counts
- Virtual marketplaces (e.g. eBay) = first line of regulation
- Next generation intermediary services
- Innovation in complaints & redress
- Online Dispute Resolution



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