

Testing of a Standardised Information Notice for Consumers on the Common European Sales Law

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FINAL REPORT

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1. Glossary of Terms Used In This Report

Common European Sales Law (CESL)	A proposed alternative legal regime primarily concerned with consumer and trader rights in cross-border transactions.
Recommended Notice	The Notice recommended on the basis of the findings of the behavioural experiments conducted in the framework of this study.
Standardised Information Notice (“Notice”)	An information notice of standardized content and form that is intended to inform consumers that a trader proposes to conclude a contract under the rules of the CESL and what their core rights will be.
Draft Notice	The Standardised Information Notice proposed by the Commission and presented in Annex II of the proposal for a Regulation of the European Parliament and of the Council on a Common European Sales Law.
Notice Variant	A re-designed version of the Draft Notice created in order to identify the most effective presentation and the most appropriate content by means of practical testing.
Forced presentation	A form of Notice provision in which the consumers must view the Notice before being allowed to proceed with their purchase.
Click-wrap	A form of Notice provision in which the notice is presented immediately prior to obtaining consent to apply the CESL to the purchase.
Browse-wrap	A version of Notice provision in which the notice is made available throughout the purchase process (including at the point of consent).

2. Executive Summary

2.1 Background

Following the 'Green Paper on policy options for progress towards a European contract law for consumers and businesses' the European Commission (Commission) adopted a proposal for a Common European Sales Law (CESL) on October 11th 2011. The CESL is primarily concerned with consumer (and trader) rights in the case of cross-border transactions and is proposed as a means of reducing the cost and complexity of such transactions, thereby reducing barriers to SME's wishing to compete within in the EU market. It also aims to facilitate cross-border purchases for consumers by reducing uncertainty about consumer rights in cross-border shopping, and so raise consumer confidence.

To ensure that the consumer makes a fully conscious decision about the use of consumer protection rules which could be different from those of their national laws, the CESL proposal requires that consumers explicitly agree to the use of CESL should the trader wish to transact under it. To this end, the CESL requires that the trader draws the consumer's attention to the intended application of CESL before the conclusion of the contract. For this purpose, the Commission has proposed a Standardised Information Notice (the "Notice"), which will be available in all official languages in the EU. Its aims are to: (i) Inform consumers that a trader proposes to conclude a contract under the rules of the CESL and ensure that the consumer makes a conscious decision to contract or not under these rules (ii) Inform consumers about their core rights under the Common European Sales Law. This study will check whether these aims are achieved by identifying an effective presentation and the most appropriate content of the Notice by means of practical testing. Furthermore, this study tests the most effective way and process to provide the Notice during cross-border purchase.

2.2 Behavioural Testing of a Standardised Information Notice

To address the aims and research goals of the study, two online behavioural experiments were devised and executed, Experiments A and B. These experiments drew on a total sample of 8,805 consumers from eight EU member states.¹ The sample of selected countries ensured a geographical balance, inclusion of countries with different levels of B2C cross-border shopping and a demographically representative sample of participants. The statistical meaning of representativeness is

¹ Experiment A was executed in Austria, Germany, UK, Hungary, Romania, France, Italy, and Denmark; Experiment B in Austria and the UK.

different in different setting. In our case, given that we were primarily interested in a wide spectrum of the population across the EU in an artificially created and experimental situation the representativeness is not the same as a large scale random population survey. We have limitations on the representativity by including only those who have access to internet, within those who are willing to participate in experiments, etc. The sample sizes in Wave I allowed us to obtain robust results, and the demographic spread of the samples were varied enough to cover all major demographic groups in the selected countries. Compared to similar behavioural economics experiments the sample size was several orders of magnitude larger, allowing the necessary detailed analysis.

Experiment A identified the most effective presentation and appropriate content for the CESL Notice. Experiment B tested the most effective way to provide the Notice and how consumers respond to it in different purchase scenarios. The design of Experiments A and B, as well as of the Notice variants developed and tested in Experiment A was informed by an extensive review phase comprised of a literature review, consumer interviews and a consumer survey².

Both Experiments A and B followed the same overall structure: Respondents completed a shopping simulation in which they were asked to purchase a television from a simulated Dutch home electronics trader. In the course of their purchase they were informed that the trader would like to transact under CESL and were provided with a Notice. They then were asked whether or not they consented to the application of CESL to their purchase. Following this shopping simulation, respondents' comprehension of the contents of the Notice was tested using a battery of 10 questions, their subjective perceptions of their Notice were recorded, and finally they completed a short respondent survey.

2.3 Findings from Behavioural Testing

What is the impact on consumer behaviour of presenting a Notice of consumer rights and requiring consent to apply a particular legal regime?

- **Consumers do not typically read the Notice in detail.** Half of consumers spend less than 6-7 seconds reading the Draft Notice¹ and fewer than 15% view the Notice more than once. Only 32% of consumers scroll all the way to the end of the Draft Notice. Fewer than one in five respondents claim to have read the Draft Notice in full.
- **The use of CESL does not raise consumer concerns about their rights:**
 - Consumers do not cancel their purchases more often when they are presented with the Notice under the Common European Sales Law: the Draft Notice and

² Based upon the review of evidence, variants of the Draft Notice were developed in collaboration with the Commission

consent procedure for the choice of CESL does not raise the rate of purchase cancellation. Only 8% of consumers cancel their purchases when presented the Draft Notice under CESL compared to 6% who cancel their purchase without receiving a notice or being informed that CESL applies.

- The percentages of purchases cancelled when CESL is used are significantly lower compared to the scenario when consumers are shown a (hypothetical) Notice about the law of another EU country that the trader would like to apply. In that case 15% cancel their purchase. The latter result suggests that consumers have more confidence in CESL than in another national law suggested by the trader as applicable law.

- The Draft Notice does not increase concerns about consumer rights. Fears of encountering difficulties when exercising consumer rights is the most concerning issue in cross-border purchasing. Uncertainty about consumer rights is the fifth most concerning issue. These concerns are unchanged whether or not the Draft Notice is shown.

- **The Draft Notice improves comprehension of consumer rights.** Consumers who read the notice understand their rights better than those who have not seen a Notice. The average overall comprehension score for consumers who saw the Draft Notice (3.9 out of 10) is 26% higher than those who saw no Notice (3.1 out of 10). The comprehension score of those who saw the Recommended Notice increased to 4.6 (an increase of 47% compared to those who saw no Notice and 18% to those who saw the Draft Notice).
- **The Draft Notice is generally well-perceived by consumers.** Most respondents feel the Draft Notice is an appropriate length and that it contains most of the information that it should. For instance, 76% of respondents said that the Draft Notice was informative and useful and 64% said that it was clearly written and easy to understand. The core rights enumerated in the Draft Notice, as well as the information on those rights was considered appropriate, compared to 16 alternative variants that differed in content, level of detail and presentation.

The one obvious area of weakness of the Draft Notice is its appearance: 66% of respondents stated that the Draft Notice is not eye-catching or attractive. The other weakness is the introductory paragraph, due to respondents' low level of understanding of the circumstances when the CESL can be used. **These weaknesses were remedied in the Recommended Notice.**

What is the most appropriate content for a Standardised Information Notice on a Common European Sales Law?

- **The title and introduction of the Draft Notice can be improved upon.** Using the title “Your Rights Under The Common European Sales Law” and making the introduction simpler and clearer significantly raises overall comprehension from 3.9 out of 10 to 4.6 out of 10 (an 18% improvement). Concerns about exercising

consumer rights are also slightly lower than when shown the Draft Notice.

- **Presenting information in tables does not improve clarity.** Consumers spend significantly longer reading a Notice with tables but overall comprehension is no better than for the Draft Notice. Notice Variants with tables are rated as significantly less “clearly written and easy to understand”.
- **Long and detailed Notices are off-putting.** A detailed Notice with twice as much content as the Draft Notice is only read for 4 seconds longer on average. Overall comprehension is no better than for the Draft Notice. Consumers are significantly more likely to say that a detailed Notice is “too long and overly detailed” compared to the Draft Notice.
- **There is little appetite for comparative information about consumer rights.** When provided with a link to a summary comparison of consumer rights under existing national law and the CESL, just 6% of consumers view the information and only 1% attempt to access more detailed comparative information.

What is the most effective presentation of the content within a Standardised Information Notice on a Common European Sales Law?

- **The presentation changes tested do not significantly change the impact of a Notice.** Comprehension of consumer rights, purchase cancellation rates, and concerns about consumer rights are all unaffected by the presentation variations tested.
- **Highlighting important information in bold makes the Notice appear more attractive.** Consumers who see a Notice with important information highlighted in bold are significantly more likely to agree that it is “eye-catching and attractive” than consumers who see a Notice with the same content and standard formatting.
- **Text boxes and adding an EU insignia are ineffective.** Consumers who see a Notice with the sections divided up into text boxes are less likely to agree that “it is in a logical order and sensibly structured”. Consumers who see a Notice with an EU insignia are no more likely to agree that it “looks official and it is important that I should read it”.

What is the most effective way to provide a Standardised Information Notice on a Common European Sales Law during a cross-border purchase?

- **Do consumers wish to receive a confirmation of their agreement to use CESL on a durable medium?** Yes. The vast majority (91%) of consumers say they would like to receive a confirmation on a durable medium of their agreement to use the CESL.
- **Does the timing within the purchase process at which the Notice is presented**

matter? No. There is no significant impact on reading behaviour, cancellation behaviour, concerns or comprehension if the Notice is presented at the end of the purchase process rather than at the start.

- **What is the impact of forced versus unforced presentation of the standard information Notice?** When online shoppers are not forced to view the Notice, the majority of consumers (59%) will choose not to view the Notice at all, but are no more or less likely to reject the application of the CESL than if forced to view the Notice. There is no significant impact on cancellation behaviour, concerns or comprehension.
- **What is the impact of presenting the Notice in a “browse-wrap” versus a “click-wrap” format?** When the online Notice is presented in a browse-wrap format (via a link on the sidebar) even fewer shoppers read the Notice (only 16%), and just 7% scroll all the way to the end. Despite this, there is no significant impact on cancellation behaviour, concerns or comprehension.
- **What is the impact of requiring explicit separate consent for the application of the CESL versus implied consent?** Asking for explicit separate consent for the application of the CESL rather than implicit consent as part of agreeing to make the purchase does not have a significant impact on the average reading time of the Notice, nor on the subsequent cancellation behaviour, concerns or comprehension. However, a greater proportion of shoppers scroll to the end of the Notice when explicit separate consent is required (42% versus 36%).

Do consumers respond differently to the Notice when shopping online, on-premises or by telephone?

- **Consumers making on-premise or by-phone purchases are significantly more engaged.** They take longer to read the Notice as well as being more likely to cancel the purchase after reading the Notice, in comparison with online shoppers. However, these differences appear to be channel inherent, rather than being caused by introduction of the Notice: cancellation rates are also higher in these two channels when no Notice is presented. There is no significant difference in concerns or comprehension between shoppers who make their purchase online, on-premise or by-phone
- By-phone cancellation rates are significantly higher when a CESL Notice is presented, but the increase is due to a combination of factors. Some of the “cancellation” is passive cancellation by ignoring the Notice and request for consent sent by the trader. Of those shoppers who complete their by-phone purchase, 63% state they would get back in contact with the trader to confirm their consent and 73% would prefer to do so by e-mail.

2.4 Recommended Standardised Information Notice

The Recommended Notice includes the most effective content and presentation of the Notice under CESL, based on behavioural experiments. It remedied two weaknesses identified in the Draft Notice, by reformulating its title and introduction and by improving the presentation to make it more eye-catching and attractive. To that effect bullet points were introduced and key words were highlighted in bold. The English version of the Recommended Notice is shown in Section 3 and the French and German versions are shown in Section 7.

3. Recommended Standardised Information Notice under the Common European Sales Law ("Recommended Notice")

YOUR RIGHTS UNDER THE COMMON EUROPEAN SALES LAW

The Common European Sales Law is an **optional European law** which can be chosen for **cross-border purchases** of goods and digital products within the EU.

If you mark your agreement, the purchase you are about to make will be governed by this law.

By agreeing to use the Common European Sales Law you will **exclusively be protected by the consumer rights it grants you**. This law was designed to provide consumers with a **high level of protection**. If you do not agree to use the Common European Sales Law, the trader can decide whether to sell the goods and provide the service under the otherwise applicable laws or not at all.

You may also have agreed to a contract on the telephone or in any other way (such as by SMS) that did not allow you to get this notice beforehand. In this case the agreement will only become valid after you have received this notice and confirmed your consent. Your **core rights** are described below.

Your rights before signing the contract

The trader has to give you the **important information on the contract**, for instance on the product and its price including all taxes and charges and his contact details. The information has to be more detailed when you buy something outside the trader's shop or if you do not meet the trader personally at all, for instance if you buy online or by telephone. You are entitled to damages if this information is incomplete or wrong.

Your rights after signing the contract

In most cases you have **14 days to withdraw** from the purchase and a service related to it if it was purchased **outside the trader's shop** or if you have not met the trader up to the time of the purchase (for instance if you bought **online** or by **telephone**). The trader must provide you with information and a model

withdrawal form. If the trader has not done so, you can cancel the contract within one year.

What can you do when products are faulty or not delivered as agreed? You are entitled to choose between:

- having the product delivered, replaced or repaired,
- asking for a price reduction,
- you can cancel the contract, except if the defect is very small, return the product and get a refund,
- you can claim damages for your loss,
- you do not have to pay the price until you get the product without defects.

If the trader has not performed a related *service* as promised in the contract, you have similar rights. However, after you have complained to the trader, he normally has the right to **first try to do the job correctly**. Only if the trader **fails again** you have a choice between:

- **asking the trader again** to provide the related service,
- **not paying the price** until you get the related service supplied correctly,
- requesting a **price reduction** or claiming **damages**,
- you can also **cancel the contract** and get a **refund**, except if the failure in providing the related service is very small.

Period to claim your rights when products are faulty or not delivered as agreed: You have **2 years** to claim your rights after you realise or should have realised that the trader has not done something as agreed in the contract. Where such problems become apparent very late, the last possible moment for you to make such a claim is **10 years** from the moment the trader had to deliver the goods, supply the digital content or provide the related service.

Unfair terms protection: Trader's standard contract terms which are **unfair** are **not legally binding for you**.

This list of rights is only a summary and therefore not exhaustive, nor does it contain all details. You can consult the full text of the Common European Sales Law **here**. Please read your contract carefully.

In case of dispute you may wish to ask for legal advice.

4. Testing of a Standardised Information Notice for Consumers on a Common European Sales Law

4.1 Background

4.1.1 The Common European Sales Law

Following the 'Green Paper on policy options for progress towards a European contract law for consumers and businesses' the European Commission (Commission) adopted a proposal for a Common European Sales Law (CESL) on October 11th 2011. The objective of the initiative is to make cross-border trade easier for businesses and consumers by developing uniform contract law rules for cross-border sales.

The CESL is a voluntary and optional body of uniform rules that can be chosen by the parties in cross-border transactions. It is a 'second regime' of contract law coexisting within the national laws of the Member States which provides parties the free choice to use it if they think it represents an economic advantage for them.

The CESL aims to facilitate cross-border trade for business by reducing the costs and complexity in cross-border transactions. It also aims to facilitate cross-border purchases for consumers. A specific objective to this end is to increase consumer confidence, by reducing uncertainty about consumer rights in cross-border shopping.

The CESL would only apply to a contract when chosen by both contracting parties. While in practice the initiative to use the Common European Sales Law would come from the business, the consumer would have to explicitly agree to use it. The purpose is to ensure that consumers could make a fully conscious decision about the use of consumer protection rules which could be different from those of their respective national laws.

4.1.2 A Standardised Information Notice for the CESL

The CESL requires that the trader draws the consumer's attention to the intended application of this 'second regime' before the conclusion of the contract. For this purpose, the Commission has proposed a **Standardised Information Notice (the “Notice”)**, which will be available in all official languages in the EU. A Draft Notice is presented in Annex II of the proposal for a Regulation of the European Parliament and of the Council on a Common European Sales Law.

The Standardised Information Notice pursues the following aims, namely to:

- Inform consumers that a trader proposes to conclude a contract under the rules of the CESL and ensure that the consumer makes a conscious decision to contract or not under these rules.
- Inform consumers about their core rights under the Common European Sales Law.

4.1.3 Objectives for the Testing

The objective of the research presented in this report was to identify an **effective presentation**, the **most appropriate content** and the **appropriate process** for providing the Notice under CESL by means of practical testing. The Notice should inform the consumer that a trader proposes to conclude a contract under the rules of CESL and should ensure that the consumer makes a conscious decision to contract under these rules.

“Effective presentation” means that the content of the information is clear and understandable to an average consumer from a first reading. The “most appropriate content” means all the necessary information a consumer needs to make a conscious and well-informed decision to contract on the basis of the CESL. In relation to the process, the study had to identify whether all the different components in the proposed process (or possibly other components) are both useful and necessary for the consumer to make an informed choice about the implications of using the CESL.

5. Behavioural Experiments to Test the Effectiveness of a Standardised Information Notice

5.1 Overview

In order to test the effectiveness of a Notice two behavioural experiments were developed, carried out and analysed. In contrast to traditional market research, behavioural testing does not rely on people to have insight into the underlying causes of their actions and decisions. Instead interventions are tested directly in the context of actual decisions, either in a field trial or in an experiment that recreates the key features of the real-world decision context.

The design of the behavioural experiments and the choice of Notice variants to be tested were informed by an extensive review of relevant evidence consisting of a literature review, consumer interviews and a consumer survey.

The subsequent behavioural experiments addressed the following questions:

Experiment A

- What is the impact on consumer behaviour of presenting a Notice of consumer rights and requiring consent to apply a particular legal regime?
- What is the most appropriate content for a Standardised Information Notice on a Common European Sales Law?
- What is the most effective presentation of the content within a Standardised Information Notice on a Common European Sales Law?

Experiment B

- What is the most effective way to provide a Notice on a Common European Sales Law during a cross-border purchase?
- Do consumers respond differently to the Notice when shopping online, on-premises or by telephone?

In total 8,805 consumers participated in the behavioural experiments. Both experiments were completed online and consisted of four parts:

Part 1: Simulated Purchase

A hypothetical cross-border purchase of a television, including the choice of

preferred model, payment and delivery options. The Notice and request for consent to contract under the CESL are presented within the purchase process. The participant has the option to refuse consent as well as to cancel the purchase at various stages.

Part 2: Notice Comprehension

A series of multiple-choice questions to test understanding of the core consumer rights granted by the CESL as detailed in the Notice and the Notice variants.

Part 3: Notice Perceptions

A series of questions to assess how the Notice and Notice variants are perceived in terms of clarity, content and presentation.

Part 4: Respondent Survey

A series of questions about the respondent’s socio-demographic background and prior experience of cross-border purchasing.

5.2 Summary of Review of Evidence

5.2.1 Introduction

As part of the process of developing the behavioural experiments, a review of relevant evidence was undertaken. The aims of the review were (i) to identify ways to improve the designs of Experiments A and B and (ii) to identify potential weaknesses in the content and presentation of the Draft Notice and hence to guide the design of the Notice variants, which were tested in the experiments. Evidence was gathered in three ways:

Literature Review

A systematic review of relevant academic and official publications was undertaken to identify key consumer biases and preferences that influence responses to contracts and/or notices, as well as contextual factors that influence consumer behaviour.

Consumer Interviews

Fifteen UK residents - including citizens of other EU Member States, and UK citizens both with and without cross-border shopping experience - were interviewed to qualitatively test comprehension of the Draft Notice and identify potential sources of confusion. Each interview lasted about an hour and was semi-structured.

Consumer Survey

An online survey was conducted to further explore initial consumer reactions to the Draft Notice. The survey focussed on three topics: comprehension of the Notice content; subjective impressions of the content and presentation; and

respondents’ knowledge of their own national law. The survey was completed by 137 UK consumers recruited from an online panel, half of whom had cross-border shopping experience within the last 12 months.

It should be noted that the Consumer Interviews and Consumer Survey were carried out with a limited sample of consumers that is neither geographically nor demographically representative. Their findings served only to provide direction for the design of the behavioural experiments and the Notice variants to be tested.

The most important findings of the evidence review are presented here in summary table form. A more extensive discussion of the key findings can be found in Appendix A. The complete detailed results can be found in Appendix C.

5.2.2 Summary: Literature Review

AREA	ISSUE	IMPLICATIONS FOR TESTING	REFERENCES
CLARITY	Importance of using clear and simple terms	Identify terms in the Draft Notice that are hard to understand and develop simpler alternative content	Gautrais 2004; Inderst and Ottaviani 2010; Team B.I. 2012; Sunstein 2012; Fed 2011; OPTEM 2008; European Commission 2012
	Need to translate legal terms into everyday language	Identify technical and legal terms in the Draft Notice and replace them with everyday language	Fed, 2011; Chater et al, 2010; Bartlett 2009
	Long and complex notices are harder to understand	Identify ways to shorten and simplify the text of the Draft Notice	Acquisti and Grossklags, 2010; Becher 2007; Becher and Zarsky 2007; Johnson et al 2012; Mazis and Staelin 2012; FED 2011; European Commission 2012
	Breaking down text into shorter pieces improves clarity	Test formatting changes such as shorter paragraphs and removing large blocks of text	Team B.I. 2012, Xavier 2011, Bartlett 2009, Mazis and Staelin 2012, Mayes et al 2001, European Commission 2009
	Consumers may want to have a hard copy of the agreement following a purchase	Give a sample of respondents the option to request a copy of the agreement on a durable medium	Gautrais 2004

AREA	ISSUE	IMPLICATIONS FOR	REFERENCES
CONTENT	Providing examples can make complex notices easier to understand	Include examples of how the rights specified in the Draft Notice might apply in a particular scenario	Johnson et al 2012, Mazis and Staelin 2012, Low 2010, Sunstein 2012, Verplanken 1991, European Commission 2009, Lacko and Pappalardo 2004, FED 2011
	Consumers may want to be provided with information about alternative consumer law regimes	Provide a link to a summary comparison of the differences between status quo law and rights under the CESL	Dalley 2007; Pappalardo 2008; Reeson and Dunstall 2009; Mazis and Staelin 2012; Smits 2012; Johnson et al 2012
	Make the CESL more salient by providing information throughout the purchase process	Include information on the use of CESL at multiple points in the purchase process	Team B.I. 2012
PRESENTATION	Formatting of the text in a notice can make it easier to read and understand	Use headings, text boxes, etc. to clearly separate sections of text in the Notice	European Commission 2009; OPTEM 2009; Oppenheimer and Frank 2007
	Formatting of the text can be used to draw attention to specific terms or sections	Use colour, highlighting etc. to draw attention to key pieces of information in the Notice	Bartlett 2009; Mazis and Staelin 2012; Schwappach et al 2011; Hillmann 2005; Lin, T.C.W. 2010; Calo 2012; Becher and Unger-Aviram 2008
	Use of graphics and tables can simplify complex information	Use tables and lists to structure complex information more clearly in the Notice	Sunstein 2012; FED 2011, OPTEM 2008; OPTEM 2009
PROCESS	The timing of a notice can influence whether it is read and understood	Vary the timing of presentation of the Notice during purchase process	Xavier 2011; Hillmann 2005; Low 2010; OPTEM 2008; Sunstein 2012
	Consumers habitually click through notices that look like boilerplate Terms & Conditions without reading	Find ways to differentiate Notice from standard T&Cs e.g. by emphasizing purpose in title and introduction	Becher and Zarsky 2007; Bartlett 2009; Hillman 2005

5.2.3 Summary: Consumer Interviews

AREA	ISSUE	IMPLICATIONS FOR TESTING
CLARITY	On first reading some interviewees erroneously thought that the CESL applies to all EU purchases, not just cross-border purchases	Test alternative introductory paragraph that clearly explains the circumstances under which the CESL can be applied to a purchase
	The specific circumstances under which consumers are entitled to e.g. a cooling-off period were neglected on first reading	Test alternative text that emphasizes the conditionality of the right to a cooling-off period and emphasize this with formatting
	Terms such as "very small" (failures or faults), "related service" or "unfair terms" were not understood or were met with scepticism	Use examples or add additional detail to the text of the Draft Notice in order to clarify terms that are not commonly understood
	The two-vs-ten years to claim rights confused interviewees and the start date for that period was felt to be ambiguous.	Test alternative text that clarifies the period within which rights can be claimed
CONTENT	No interviewees spontaneously requested a comparison with their national law but most ask for some level of comparison when prompted	Test a variant of the Draft Notice that includes a link to a comparison between the rights granted by the CESL and by national law
	The Draft Notice does not provide practical information on how traders should act, nor on how consumers can claim their rights	Test a variant of the Draft Notice that includes information on how to claim the rights granted by the CESL
	The Draft Notice's title was not felt to communicate the purpose or the importance of the notice, so people would be less likely to read it	Test a variant of the Draft Notice with an alternative title that reflects the purpose of the notice
PRESENTATION	Most interviewees felt that 1-2 pages was the ideal length for a notice but some felt that the Draft Notice was too long	Test ways to shorten the length by reducing the content or by using formatting (e.g. tables) to present the information in a compact format
	Bullets were often cited as a potential means of improving readability and highlighting the most important information	Test a variant of the Draft Notice in which relevant content is formatted using bulleted lists
	Addition of an EU insignia, logo or watermark was often suggested as a means of increasing the attention paid to the Notice	Test the impact of adding an insignia to the Draft Notice to make the notice look more official and important

AREA	ISSUE	IMPLICATIONS FOR TESTING
PROCESS	Interviewees said they were unlikely to read the Notice if they encountered it online, but were more likely to do so if they were not in a hurry	Differentiate the Notice from Terms & Conditions that consumers habitually click through by e.g. redrafting the title or adding an insignia
	Several interviewees felt the Notice should be available throughout the process rather than just at the point of purchase	Test the impact of prominently linking to the Notice in the navigation sidebar of the web-store
	Electronic confirmation of consent to apply CESL was preferred, especially for distance purchases made over the telephone	Ask participants about their preferences with regards to consenting to the application of CESL in different purchase scenarios

5.2.4 Summary: Consumer Survey

AREA	ISSUE	IMPLICATIONS FOR TESTING
CLARITY	Respondents answered on average just 39% of comprehension questions correctly when presented with the Draft Notice	Identify terms in the Draft Notice that are hard to understand and develop simpler alternative content
	60% of respondents incorrectly answered a question about the circumstances under which the CESL would apply	Test alternative introductory paragraph that clearly explains the circumstances under which the CESL can be applied to a purchase
	80% of respondents incorrectly believed that a trader would be obliged to provide full product information, not just important information	Test alternative text that includes examples to clarify what is meant by “important information”
	64% of respondents incorrectly answered questions on the period to claim consumer rights with the wording used causing confusion	Test alternative text that clarifies the period within which rights can be claimed
	The Draft Notice's section on unfair terms was rated as the least “clearly written and easy to understand” and least “informative and useful”	Use examples or add additional detail to the text of the Draft Notice in order to clarify what is meant by “unfair terms”
	57% of respondents felt the Draft Notice contained “lots of legal jargon and ambiguous terms” and some highlighted specific terms (“small faults”)	Use examples or add additional detail to the text of the Draft Notice in order to clarify terms that are not commonly understood

AREA	ISSUE	IMPLICATIONS FOR TESTING
CONTENT	When prompted, 65% of respondents said they would read information comparing the CESL and national law, should it be provided	Test a variant of the Draft Notice that includes a link to a comparison between the rights granted by the CESL and by national law
	Some respondents commented on the lack of practical information on how to claim consumer rights described in the Draft Notice	Test a variant of the Draft Notice that includes information on how to claim the rights granted by the CESL
PRESENTATION	43% of respondents agreed with the statement that the Draft Notice is "too long and overly detailed"	Test ways to shorten the length by reducing the content or by using formatting (e.g. tables) to present the information in a compact format
	46% of respondents agreed with the statement that the Draft Notice is not "eye-catching and attractive"	Test the impact of adding an insignia to the Draft Notice. Test a variant of the Draft Notice in which relevant content is formatted using bulleted lists.

5.3 Developing Variants of the Standardised Information Notice

5.3.1 Procedure

Based upon the review of evidence summarised above, variants of the Draft Notice were developed in collaboration with the Commission. Eleven variants were developed that include different combinations of the suggested changes to the content of the Notice. These variants were tested in Wave I of Experiment A. The content of the best-performing Notice variant from Wave I was then developed into five further variants that include different combinations of the suggested changes to the presentation of the Notice. These variants were tested in Wave II of Experiment A.

5.3.2 Wave I: Content Variations

Of the eleven Notice variants developed in Wave I, the first four variants differ substantially from the Draft Notice. They each include several content changes, extensive section restructuring, and simultaneously address several weaknesses identified in the review phase. The other seven variants involve more modest changes from the content of the Draft Notice and each address just one weakness identified during the review phase. The eleven variants are described below:

Variant C.00: Draft Notice

The Standardised Information Notice presented in Annex II of the proposal for a Regulation of the European Parliament and of the Council on a Common European Sales Law.

Variant C.01: Rights Table

New title and section headings to better reflect the purpose of the Notice. Introduction re-drafted to reduce jargon and to clarify the circumstances in which the CESL can apply. Key rights and other rights presented in table format. Jargon removed and examples added to clarify meanings. Links to practical information on how to claim rights added.

Variant C.02: Rights and Period Tables

New title and section headings to better reflect the purpose of the Notice. Introduction re-drafted to reduce jargon and to clarify the circumstances in which the CESL can apply. Key rights and other rights presented in table format. Information on period within which rights can be claimed presented in table format. Links to practical information on how to claim rights added.

Variant C.03: Clarified

New title and section headings to better reflect the purpose of the Notice. Introduction re-drafted to reduce jargon and to clarify the circumstances in which the CESL can apply. Less important information moved to the end of the Notice. Jargon removed, examples added and text re-drafted to clarify meanings.

Variant C.04: Detailed

New title and section headings to better reflect the purpose of the Notice. Added much more detail throughout the body of the Notice with extensive structural and wording changes to improve clarity. Bullet points and text boxes used to break up the text.

Variant C.05: Comparison

Added working link to a side-by-side comparison of key differences between the rights granted under the CESL and those granted under the trader's national law. Second (non-functioning) link provided to a more detailed comparison with the aim of registering the percentage of consumers who request this information (by clicking on the link).

Variant C.06: Title and Introduction

New title to better reflect the purpose of the Notice. Introduction re-drafted to reduce jargon and to clarify the circumstances in which the CESL can apply.

Variant C.07: Rights before Signing

More detail provided on the nature of the “important” information the trader must provide prior to purchasing, in order to remove ambiguity.

Variant C.08: Rights after Signing

Practical information on who has to pay postage should the consumer wish to withdraw from a distance purchase added. “Your rights after signing the contract”

and “Unfair terms” sections re-drafted to improve clarity.

Variant C.09: When-to-claim

A section entitled “When to claim your rights” created. All information on deadlines by which consumers must claim their rights moved into this section. Additional clarifying information provided.

Variant C.10: How-to-claim

A section entitled “How to claim your rights” added. Provided (non-functioning) links to information on how EC Centres can help consumers claim their rights under the CESL, identifying competent courts and on claiming rights in general.

Variant C.11: Examples Added

Examples added throughout to reduce ambiguity of the provided information, e.g. “For instance, you would not be bound by a term which stipulates that you are bound by the contract, while the trader is not” added to section on Unfair Terms.

The following pages show annotated copies of the first three Notice Variants illustrating how they differ from the Draft Notice. English versions of all the variants are provided in Appendix A. The seven variants involving modest changes from the content of the Draft Notice are presented with these changes highlighted.

5.3.2.1 Variant C.00: Draft Notice

STANDARD INFORMATION NOTICE: Common European Sales Law

The contract you are about to conclude will be governed by the Common European Sales Law, which is an alternative system of national contract law available to consumers for cross-border purchases. These common rules are identical throughout the European Union, and have been designed to provide consumers with a high level of protection. These rules only apply if you mark your agreement that the contract is governed by the Common European Sales Law.

You may also have agreed to a contract on the telephone or in any other way (such as by SMS) that did not allow you to get this notice beforehand. In this case the agreement will only become valid after you have received this notice and confirmed your consent. Your core rights are described below.

THE COMMON EUROPEAN SALES LAW: SUMMARY OF KEY CONSUMER RIGHTS

Your rights before signing the contract

The trader has to give you the important information on the contract, for instance on the product and its price including all taxes and charges and his contact details. The information has to be more detailed when you buy something outside the trader's shop or if you do not meet the trader personally at all, for instance if you buy online or by telephone. You are entitled to damages if this information is incomplete or wrong.

Your rights after signing the contract

In most cases you have 14 days to withdraw from the purchase and a service related to it if it was purchased outside the trader's shop or if you have not met the trader up to the time of the purchase (for instance if you bought online or by telephone). The trader must provide you with information and a model withdrawal form. If the trader has not done so, you can cancel the contract within one year.

If the trader has not performed a related service as promised in the contract, you have similar rights. However, after you have complained to the trader, he normally has the right to first try to do the job correctly. Only if the trader fails again you have a choice between:

- asking the trader again to provide the related service,
- not paying the price until you get the related service supplied correctly,
- requesting a price reduction or claiming damages
- You can also cancel the contract and get a refund, except if the failure in providing the related service is very small.

Period to claim your rights when products are faulty or not delivered as agreed: You have 2 years to claim your rights after you realise or should have realised that the trader has not done something as agreed in the contract. Where such problems become apparent very late, the last possible moment for you to make such a claim is 10 years from the moment the trader had to deliver the goods, supply the digital content or provide the related service.

Unfair terms protection: Trader's standard contract terms which are unfair are not legally binding for you.

This list of rights is only a summary and therefore not exhaustive, nor does it contain all details. You can consult the full text of the Common European Sales Law [here](#). Please read your contract carefully.

In case of dispute you may wish to ask for legal advice.

5.3.2.2 Variant C.01: Rights Table

IMPORTANT INFORMATION: COMMON EUROPEAN SALES LAW

The trader is asking for your agreement to complete this purchase under the Common European Sales Law. This law was designed to provide consumers with a high level of protection in cross border purchases of goods and digital products.

Once you mark your agreement, your rights for this specific purchase will be governed by the Common European Sales Law and no longer by the national law that would otherwise apply.

If you made your purchase in a way that did not allow you to see this notice beforehand (e.g. by phone), after receiving the notice an agreement to use the Common European Sales Law will only be valid after you have confirmed its use to the trader.

YOUR KEY RIGHTS under the COMMON EUROPEAN SALES LAW

Your options for a remedy in case of problems	Faulty goods or digital content	Goods or digital content not delivered as agreed	Related service to your purchase (e.g. maintenance of washing machine) not provided as agreed AND the trader tried again and failed
Request replacement	✓		
Request repair	✓		
Request delivery as agreed	✓	✓	
Ask the trader to perform the service correctly			✓
Request a price reduction	✓	✓	✓
Withhold payment until completed correctly (unless you paid in advance)	✓	✓	✓
Terminate the contract with trader unless the defect or the failure in the service performance is insignificant	✓		✓
Claim damages	✓	✓	✓

Other important consumer rights

Prior information	The trader must give you key information on your purchase including: - the trader's contact details, product characteristics, end price including all taxes and charges and - in cases of distance and off-premises contracts - information on your right of withdrawal . You may claim damages if the information the trader provided is incomplete or wrong.
--------------------------	--

New title to reflect purpose of Notice

Intro re-drafted to reduce jargon

Redraft introduction to highlight applicable circumstances

New heading to increase Notice relevance

Examples added and ambiguous terms/jargon removed to improve clarity

Content presented using novel (table) formatting to reduce density

Examples added to improve clarity

<p>Withdrawal: returning the product for a full refund without a reason</p>	<p>You can withdraw from purchases concluded outside the trader’s shop or at a distance (online, by post or telephone) and/or from service contracts related to these purchases. If you withdraw from your purchase, you need to send the good(s) back and pay for postage, unless the trader offers to pay or the trader has not informed you that you have to pay.</p> <p>This does not apply for certain purchases: e.g. personalised goods, rapidly perishable goods, newspapers, periodicals or magazines with the exception of subscription contracts, or sealed audio and video recordings and computer software which have been unsealed after delivery.</p>
<p>Unfair contract terms</p>	<p>Specific contract terms which are unfair because they create a significant imbalance of your rights and obligations towards the trader are not legally binding upon you.</p> <p>For instance, you would not be bound by a term which stipulates that you are bound by the contract, while the trader is not.</p>

Examples added to improve clarity

When to claim your rights

If you have concluded your purchase outside the trader’s shop or at a distance (online, by post or telephone), you can withdraw from the contract of both the purchase and the service related to your purchase within **14 days** from the day on which you received the purchase. If the contract for the related service was concluded separately, you can withdraw within 14 days from the moment of its conclusion.

If the trader has not informed you about your right of withdrawal from the contract, you can withdraw within **1 year** from the end of the 14 day withdrawal period.

If the trader has not done something as agreed, you can claim your rights within **2 years** from the moment you first realise, or should have realised the problem. Where such problems become apparent very late, you can claim your rights no later than **10 years** from the moment the trader had to deliver your purchase or had to perform the related service (e.g. if you discover and can prove that your product was originally faulty 9 years after it was delivered, you would have 1 year to claim your rights).

Redraft section to improve period-to-claim clarity

Other useful information

Assistance in case of disputes:

- You can contact European Consumer Centres for information and assistance on cross-border disputes: http://ec.europa.eu/consumers/ecc/contact_en.htm.

- You can identify the competent Court for your dispute at: http://ec.europa.eu/justice_home/judicialatlascivil/html/index_en.htm

- More information on your rights available at: http://ec.europa.eu/civiljustice/index_en.htm

Practical information on how to claim rights added.

The Common European Sales Law regulation contains the full information on your rights and obligations, while this is only a summary. Consult the full text at: <http://eurlex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2011:0635:FIN:en:PDF>

5.3.2.3 Variant C.02: Rights and Periods Tables

IMPORTANT INFORMATION: COMMON EUROPEAN SALES LAW

The trader is asking for your agreement to complete this purchase under the Common European Sales Law. This law was designed to provide consumers with a high level of protection in cross border purchases of goods and digital products.

Once you mark your agreement, your rights for this specific purchase will be governed by the Common European Sales Law and no longer by the national law that would otherwise apply.

If you made your purchase in a way that did not allow you to see this notice beforehand (e.g. by phone), after receiving the notice, an agreement to use the Common European Sales Law will only be valid after you have confirmed its use to the trader.

Changes to title and intro as in variant C.01

YOUR KEY RIGHTS

New heading to increase Notice relevance

Your rights in the following situations →	Faulty goods or digital content	Goods or digital content not delivered as agreed	Related service not provided as agreed	Information incomplete or wrong	Purchase <i>outside the trader's shop or at a distance</i>
Request replacement	✓				
Request repair	✓				
Request delivery as agreed	✓	✓			
Request a price reduction	✓	✓	✓		
Ask the trader to perform the service correctly			✓		
Withhold payment until completed correctly (unless you paid in advance)	✓	✓	✓		
Terminate the contract with the trader unless the defect or the failure in the service performance is insignificant	✓		✓		
Claim damages	✓	✓	✓	✓	
Withdraw from the contract without a reason					✓

Content presented using novel (table) formatting to reduce density

WHEN to claim your rights

Highlight location of "when-to-claim" info to aid cognition

If you have concluded your purchase or related service contract outside the trader's shop or at a distance (online, by post or telephone), you can withdraw within:	14 days from the day on which you received the purchase. .
---	---

If you realise that the trader has not done something as agreed under the contract you can claim your rights within:	2 years from the time you first realised, or should have realised
If you do not make the discovery that the trader did not do something as agreed under the contract within the period of 2 years, you can still claim your rights no later than:	10 years from the moment the trader had to perform the obligation

HOW to claim your rights

The European Consumer Centres can help you claim your rights in cross-border disputes: http://ec.europa.eu/consumers/ecc/contact_en.htm.

If you want to bring your dispute to court, you can identify the competent court at: http://ec.europa.eu/justice_home/judicialatlascivil/html/index_en.htm

You can find information on claiming your rights in general at: http://ec.europa.eu/civiljustice/index_en.htm

Other useful information

This list of rights is only a summary and therefore not exhaustive. You can consult the full text of the Common European Sales Law [here](#).

Please read your contract carefully. In case of a dispute you may wish to ask for legal advice.

Practical information on how to claim rights added

5.3.2.4 Variant C.03: Clarified

<p style="text-align: center;">THE COMMON EUROPEAN SALES LAW</p> <p>The Common European Sales Law is an optional European law which can be chosen for cross-border purchases of goods and digital products within the EU.</p> <p>If you mark your agreement, the purchase you are about to make will be governed by this law.</p> <p>By agreeing to use the Common European Sales Law you will exclusively be protected by the consumer rights it grants you. This law was designed to provide consumers with a high level of protection. If you do not agree to use the Common European Sales Law, the trader can decide whether to sell the goods and provide the service under the otherwise applicable laws or not at all.</p>	<p>Alternative new title to reflect purpose of the Notice</p>
<p style="text-align: center;">YOUR KEY RIGHTS UNDER CESL</p>	<p>Redrafted into to clarify applicable circumstances and to reduce jargon</p>
<p><u>Information prior to your purchase</u></p>	<p>New heading to increase Notice relevance</p>
<p>The trader must give you information before you make your purchase: This includes information on the product characteristics, price including all taxes and charges, the trader’s contact details, the possible complaint handling policy of the trader and- in cases of distance and off-premises contracts - information on your right of withdrawal from the contract.</p>	<p>Examples added and section rephrased to reduce ambiguity and to increase practicality</p>
<p><u>Right of withdrawal: changing your mind without giving any reason</u></p>	<p>New headings to highlight section contents</p>
<p>You have the right of withdrawal if you made your purchase <i>outside the trader’s shop or at a distance</i> (e.g. buying online or by phone). If you made a purchase under these conditions you can also withdraw from the contract for a service related to your purchase. The trader must provide you with information about this right and a model withdrawal form.</p>	
<p>Exceptions: you cannot withdraw from certain purchases, such as: goods bought inside the trader’s shop or from a vending machine, personalised goods, rapidly perishable goods, sealed audio and video recordings which have been unsealed after delivery, newspapers, periodicals or magazines with the exception of subscription contracts, contracts for catering or services related to leisure activities which provide for a specific date or period of performance or goods unsuitable for return due to hygiene or health protection reasons because they were sealed and have been unsealed by the consumer.</p>	
<p><u>Your remedies in case of problems with the product you bought</u></p>	
<p>If the product you bought is faulty or not delivered as agreed you may choose between:</p> <ul style="list-style-type: none">• having the product delivered, replaced or repaired• asking for a price reduction• returning the product and getting a full refund (except in the case of insignificant defects)• not paying the price until you get your product without defects• claiming damages for your loss	
<p><u>Your remedies in case of problems with the service related to the product you bought</u></p>	
<p>If the trader has not performed a service related to your purchase (e.g. maintenance of an appliance) as agreed, he normally has the right to try and do the job correctly after you have complained. If he fails again, you may choose between:</p>	

- not paying the price until you get the service supplied correctly
- requesting a price reduction
- claiming damages
- terminating the contract with the service provider if they do not perform the service as agreed, except in the case of insignificant failures in the performance of a service.

New heading to highlight section contents and to improve understanding of “when-to-claim”

WHEN to claim your rights

→ You have **14 days** to withdraw from your contract from the day on which you received the purchase. You can also withdraw from a service contract related to your purchase within this period.

→ If the trader did not inform you about your right of withdrawal, you have **1 year** from the end of the 14 day withdrawal period.

→ From the time you first realise, or should have realised that the trader failed to do something as agreed, you have **2 years** to claim your rights. Where such problems become apparent very late, you have up to **10 years** from the moment the trader had to deliver the good(s), supply the digital content or perform the related service to both discover the failure and make your claim (i.e. in the rare case you discovered your product was originally faulty 9 years after it was delivered, you would only have 1 year left to claim your rights and prove that your product was originally faulty).

New heading to highlight section contents and to improve understanding of “when-to-claim”

HOW to claim your rights

→ The European Consumer Centres can help you claim your rights in cross-border disputes: http://ec.europa.eu/consumers/ecc/contact_en.htm.

→ If you want to bring your dispute to court, you can identify the competent court at: http://ec.europa.eu/justice_home/judicialatlascivil/html/index_en.htm

→ You can find information on claiming your rights in general at: http://ec.europa.eu/civiljustice/index_en.htm

New heading to highlight section contents. Create a home for less salient info from Draft Notice intro.

Other useful information

If you made your purchase in a way that did not allow you to see this notice beforehand (e.g. by phone), after receiving the notice, an agreement to use the Common European Sales Law will only be valid after you have confirmed its use to the trader.

This list of rights is only a summary and therefore not exhaustive. You can consult the full text of the Common European Sales Law here.

Please read your contract carefully. In case of a dispute you may wish to ask for legal advice.

5.3.3 Wave II: Presentation Variations

A further six variants were developed to be tested in the second wave of Experiment A, comparing different ways of presenting the most appropriate Notice content identified in the previous wave. The six variants are described below, including annotated sections of three Notice Variants illustrating how they differ from the standard formatting. English versions of all the variants are provided in Appendix A.

Variant P.00: Standard Presentation

The best-performing Notice variant from Wave I, with standard formatting applied: title and section headings in bold and underlined.

Variant P.01: When-to-Claim Table

The best-performing Notice variant from Wave I, with the “When to claim your rights” table from variant C.02 and standard formatting applied.

Variant P.02: EU Insignia

The best-performing Notice variant from Wave I with an EU insignia added to the top corner of the Notice.

Variant P.03: Text Boxes

The best-performing Notice variant from Wave I with each section presented within a text box to break up the document and improve readability.

Variant P.04: Bold Highlighting

The best-performing Notice variant from Wave I with the most important information highlighted in bold font.

Variant P.05: Uppercase Highlighting

The best-performing Notice variant from Wave I with the most important information highlighted in UPPERCASE.

5.3.3.1 Variant P.01: When-to-Claim Table

- ...
- requesting a price reduction or claiming damages,
 - you can also cancel the contract and get a refund, except if the failure in providing the related service is very small.

When to claim your rights

Added “when to claim” section from C.02 as some evidence suggested this may improve comprehension

If you have concluded your purchase or related service contract outside the trader's shop or at a distance (online, by post or telephone), you can withdraw within:	14 days from the day on which you received the purchase
If the trader has not provided you with the information on your right of withdrawal you can withdraw within:	1 year from the end of the 14 day withdrawal period
If you realise that the trader has not done something as agreed under the contract you can claim your rights within:	2 years from the time you first realised, or should have realised
If you do not make the discovery that the trader did not do something as agreed under the contract within the period of 2 years, you can still claim your rights no later than:	10 years from the moment the trader had to deliver the goods, supply the digital content or provide the related service

Unfair terms protection: Trader's standard contract terms which are unfair are not legally binding for you.

...

5.3.3.2 Variant P.02: EU Insignia

YOUR RIGHTS UNDER THE COMMON EUROPEAN SALES LAW



The Common European Sales Law is an optional European law which can be chosen for cross-border purchases of goods and digital products within the EU.

If you mark your agreement, the purchase you are about to make will be governed by this law.

By agreeing to use the Common European Sales Law you will exclusively be protected by the consumer rights it grants you. This law was designed to provide consumers with a high level of protection. If you do not agree to use the Common European Sales Law, the trader can decide whether to sell the goods and provide the service under the otherwise applicable laws or not at all.

...

Added EU insignia to attract attention and encourage reading by differentiating from standard Terms and Conditions

5.3.3.3 Variant P.03: Text Boxes

...

after you have received this notice and confirmed your consent. Your core rights are described below.

Your rights before signing the contract

The trader has to give you the important information on the contract, for instance on the product and its price including all taxes and charges and his contact details. The information has to be more detailed when you buy something outside the trader's shop or if you do not meet the trader personally at all, for instance if you buy online or by telephone. You are entitled to damages if this information is incomplete or wrong.

Add text boxes to break up text, and improve readability.

Your rights after signing the contract

In most cases you have 14 days to withdraw from the purchase and a service related to it if it was purchased **outside the trader's shop** or if you have not met the trader up to the time of the purchase (for instance if you bought online or by telephone). The trader must provide you with information and a model withdrawal form. If the trader has not done so, you can cancel the contract within one year.

...

5.4 Developing the Behavioural Experiments

5.4.1 Objectives and Overview

The behavioural experiments were run in two stages, with each experiment addressing different objectives for the testing:

Experiment A

- What is the impact on consumer behaviour of presenting a Notice of consumer rights and requiring consent to apply a particular legal regime?
- What is the most appropriate content for a Standardised Information Notice on a Common European Sales Law?
- What is the most effective presentation of the content within a Standardised Information Notice on a Common European Sales Law?

Experiment B

- What is the most effective way to provide a Standardised Information Notice on a Common European Sales Law during a cross-border purchase?
- Do consumers respond differently to the Notice when shopping online, on-premises or by telephone?

Experiment A tested the Notice variants described in the previous section. Experiment B tested different ways to present the Notice within the purchase process and how the Notice performs in different purchase scenarios: online, telephone and in-store. Experiments A and B were completed online and consisted of four parts, described in detail below. The full design and final implementation of each experiment can be found in Appendix B.

Part 1: Simulated Purchase

Respondents begin by completing a shopping simulation during which they are asked to buy a TV from a retailer based in the Netherlands in the framework of the following scenario:

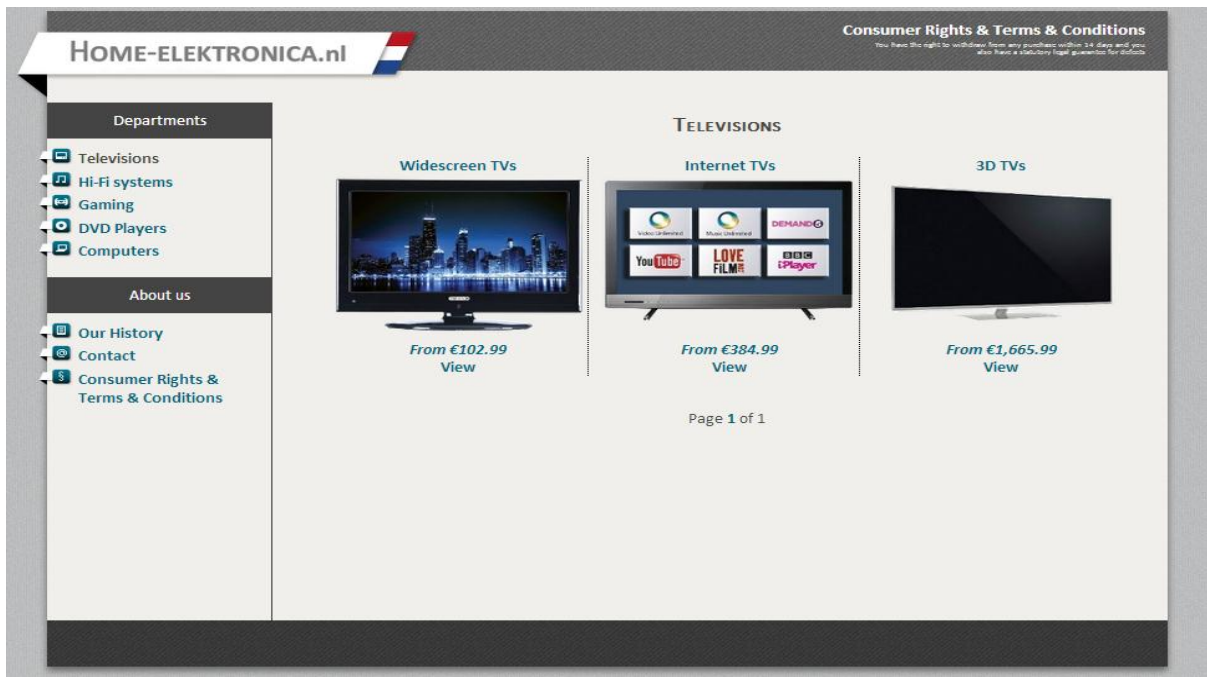
"Imagine that you have decided to buy a new television. You remember that your friend, who works in the Netherlands, recently mentioned that she bought the latest Philips model at a very good price at a store in Amsterdam, called Home-Elektronica. She was very happy with the range and service they offered and recommended that you visit their online shop. You decide to visit the shop's website."

The retailer, Home-Elektronica, was designed to be as realistic as possible (and its web-site to conform to the Consumer Rights Directive) to ensure the validity of any findings. Home-Elektronika was designed as a family owned company conducting their business in the Netherlands.

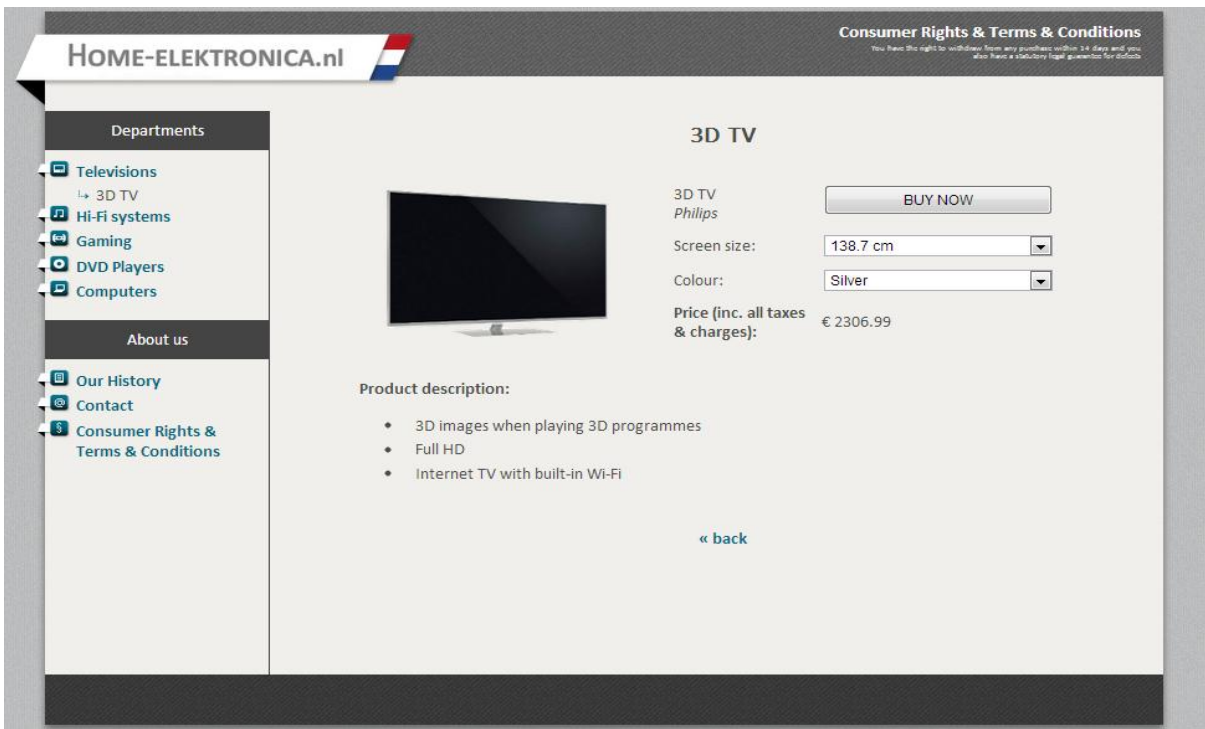
In Experiment A, all respondents completed simulated purchases from the retailer's

website. In Experiment B (described in more detail later) some respondents alternatively completed a purchase simulating a telephone or on-premises purchase scenario.

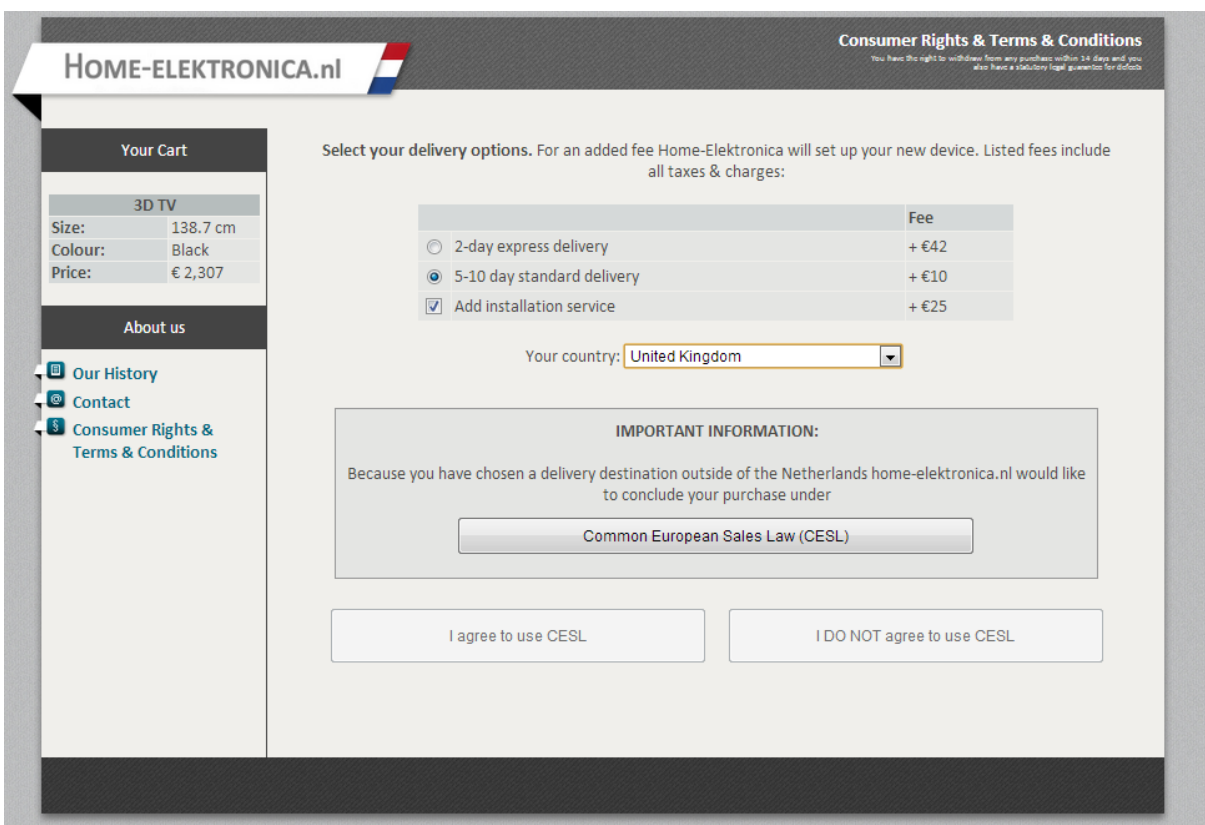
To add to the richness, and therefore realism, of the shopping environment, ‘About Us’, ‘Contact’ and ‘Terms & Conditions’ pages were included in the online store and catalogue’s design. In particular, the ‘About Us’ page included description of Home-Elektronica’s roots as a family-owned business in order to engender a sense of solidity.



Screen 1.2.2: Browse TV's



Screen 1.2.3: TV selection



Screen 1.2.4: Cross-border purchase detected

HOME-ELEKTRONICA.nl

Consumer Rights & Terms & Conditions
You have the right to withdraw from any purchase within 14 days and you also have a statutory legal guarantee for defects.

Your Cart

3D TV	
Size:	138.7 cm
Colour:	Black
Price:	€ 2,307

About us

- Our History
- Contact
- Consumer Rights & Terms & Conditions

STANDARD INFORMATION NOTICE: Common European Sales Law

The contract you are about to conclude will be governed by the Common European Sales Law which is an alternative system of national contract law available to consumers in cross-border situations. These common rules are identical throughout the European Union, and have been designed to provide consumers with a high level of protection. These rules only apply if you mark your agreement that the contract is governed by the Common European Sales Law.

You may also have agreed to a contract on the telephone or in any other way (such as by SMS) that did not allow you to get this notice beforehand. In this case the agreement will only become valid after you have received this notice and confirmed your consent. Your core rights are described below.

THE COMMON EUROPEAN SALES LAW: SUMMARY OF KEY CONSUMER RIGHTS

Your rights before signing the contract

The trader has to give you the **important information on the contract**, for instance on the product and its price including all taxes and charges and his contact details. The information has to be more detailed when you buy something outside the trader's shop or if you do not meet the trader personally at all, for instance if you buy online or by telephone. You are entitled to **damages if this information is incomplete or wrong**.

Close

I agree to use CESL I DO NOT agree to use CESL

Screen 1.2.5: Standard information notice displayed

It was decided that the hypothetical retailer would be based in the Netherlands as it was not included in the list of home countries of the participants included in this study (and so would be cross-border for all participants), and is an export-oriented country. Elements such as a prominently displayed Dutch flag and a pre-simulation introduction that highlighted the fact that the online retailer is based in the Netherlands were incorporated to emphasise the cross-border nature of the simulated purchase.

Home electronics were chosen as they are search goods³ that are often purchased online. Televisions are a ubiquitous product that most respondents would be familiar with, as well as being available at a range of different price points. Respondents browsed three types of TV, at different price levels to suit a range of budgets, each of which was available in several sizes and colours and was accompanied by a technical description. After making their selection, respondents were asked to choose their delivery options, including the delivery destination (hence establishing that the purchase would be cross-border). In most cases, respondents were then shown a Notice detailing their rights under the law applied to the transaction and were given the option to either agree to the use of this law, or to cancel their purchase.

Respondents who decided to cancel their purchase were asked follow-up questions to establish whether or not they did so primarily for reasons related to their consumer rights. After completing the simulation, all respondents were asked to rank a list of potential concerns associated with cross-border shopping (two of which related directly to consumer rights) in terms of importance.

Part 2: Notice Comprehension

In order to establish whether or not the content of the information in the Notice is clear and understandable to an average consumer from a first reading, respondents were asked to respond to a battery of ten multiple-choice comprehension questions addressing different areas of the legal rights described in the Notice. In Experiment A, respondents were allowed to refer back to the Notice as many times as they liked when answering these questions, as this was intended to be a test of comprehension rather than memory. The majority of respondents (73%) chose to refer back to the Notice at least once.

Part 3: Notice Perceptions

Respondents also answered questions about their perceptions of the Notice they encountered during the shopping simulation. Respondents were shown a series of statements regarding the overall clarity, content and presentation of the Notice. Each statement was rated on a 7-point scale that ran from strong disagreement through to strong agreement.

Part 4: Respondent Survey

Finally, respondents were asked a series of questions about themselves, such as their gender, age and background, as well as their prior experience of cross-border purchasing. This information was used to check for the representativeness of the sample and to account for respondent level variation (in e.g. demographic

³ A “Search Good” is a product or service with features and characteristics easily evaluated before purchase, in contrast to an “Experience Good” where characteristics are difficult to observe in advance but can be ascertained upon consumption.

characteristics) in the analysis, thereby ensuring that any results found apply to the “average consumer”.

5.4.2 Key Metrics

Several key metrics of consumer behaviours, knowledge and attitudes were collected throughout the four parts of the experiment in order to establish and compare the performance of each Notice variant:

Reading Behaviour

- **Reading time:** the time (in seconds) the respondent spent viewing the Notice in total. The time spent viewing the Notice in Parts 1, 2 and 3 of the experiment are recorded separately.
- **Number of views:** the number of times the respondents choose to view the Notice in total. The number of times the Notice is viewed in Parts 1, 2 and 3 of the experiment are recorded separately.
- **Scrolling to the end of the Notice:** whether or not the respondent scrolled to the end of the Notice when they encounter it. This behaviour is recorded separately for Parts 1, 2 and 3 of the experiment.
- **Self-reported reading thoroughness:** how carefully the respondent believed they read the Notice during Part 1 of the experiment, scored on the scale “Not at all”; “I read the headings and highlighted portions”; “I skimmed the whole thing”; “I read all of it in-depth” (end of Part 1).

Purchase Behaviour

- **Cancellation:** whether or not the respondent chose to cancel their purchase at either of two possible points during Part 1 of the experiment. The first of these is after respondents are shown the Notice and asked to consent to the application of the CESL to the purchase. The second is at the final purchase confirmation screen (Screens 1.2.6 & 1.2.8).

Comprehension

- **Overall comprehension:** the total number of comprehension questions asked in Part 2 that the respondent was able to answer correctly (out of 10).
- **Question-specific comprehension:** whether or not the respondent was able to correctly answer each individual question asked in Part 2.

Attitudes

- **Consumer rights concerns:** where the respondent ranked the statements “Unsure of consumer rights” and “Difficult to exercise my rights if something goes wrong” within a list of ten potential concerns related to cross-border purchasing (end of Part 1).
- **Notice perceptions:** how the respondent assessed the Notice on twelve separate statements related to clarity, content and presentation in Part 3.

5.4.3 The Balanced Scorecard

In order to objectively evaluate and compare the Notice variants, a selection of the key metrics described above were combined into a ‘balanced scorecard’ that gave each Notice a single score between 0 and 100 (where 100 is the best possible score and 0 is the worst possible score). The full detail of the scoring methodology used here is presented in Appendix A.

First, a separate 0 to 100 score was calculated for four different aspects of Notice performance: Comprehension, Notice Perceptions, Concerns and Cancellation. For example, if a Notice variant had an average overall comprehension score of 0 out of 10 then it would be rated 0 for Comprehension. If a Notice variant had an average overall comprehension score of 10 out of 10 then it would be rated 100 for Comprehension. Second, these four scores were combined into an overall score using the relative importance weightings shown in the table below:

MEASURE	WEIGHT	DESCRIPTION
Comprehension	50%	Total number of correctly answered comprehension questions in Part 2
Notice perceptions	25%	Average strength of agreement with the Notice perception statements in Part 3
Concerns	15%	Average rank position of concerns about exercising consumer rights within list of possible concerns about cross-border transactions
Cancellation	10%	Proportion of respondents who cancel their purchase in Part 1

These weightings were chosen to reflect the following observations:

1. The primary purpose of the Notice is to convey information about the rights granted under the CESL so comprehension of those rights is essential
2. A Notice that is poorly perceived or that increases consumer concerns may lead consumers to (irrationally) reject the CESL even when their consumer rights are the same or stronger than at present
3. While cancellation of a purchase does not necessarily imply that a Notice variant is performing poorly, excessive levels of cancellation would suggest that some consumers are rejecting CESL in cases when they would be better off choosing it.

Although the importance weights were chosen using qualitative arguments, the conclusion as to which Notice variant performed best was subsequently found to be robust to large changes in the weights chosen. Furthermore, in order to ensure that the identification of the best-performing Notice was not an artefact of the scoring method, a second scoring methodology (also detailed in Appendix A) was developed, in which the scores were based on the rank position of each Notice rather than its absolute performance. Again, the same conclusion as to which Notice variant performed best was reached.

5.4.4 Consumer Sample

In total 8,805 consumers participated in the behavioural experiments. Participants were recruited from online consumer panels in each country. Members of these panels receive financial incentives related to their total level of survey-completion activity in each month. The sample of consumers for each experiment is detailed in the table below.

EXPERIMENT	TREATMENT GROUPS	TOTAL SAMPLE	COUNTRY							
			Austria	Germany	UK	Hungary	Romania	France	Italy	Denmark
A (Wave I)	14	5057	600	665	658	601	604	669	637	623
A (Wave II)	6	2118	188	327	353	198	181	353	333	185
B	11	1630	816	-	814	-	-	-	-	-

The most appropriate content of the Notice and the most effective presentation of that content within the Notice were expected to depend upon the national context (e.g. the existing consumer rights regime and amount of cross-border purchasing, as well as language). Experiment A was therefore carried out across a representative sample of eight countries. These countries were chosen to be representative of the different geographical regions in the EU, including small and large countries for which cross-border purchasing is likely to be more or less significant as a proportion of total B2C trade. Within each Member State the sample included a sufficient number of participants with prior experience of cross-border purchasing and was representative in view of the demographic characteristics of each country. In addition to taking special care in recruiting from the internet panel a special sample that is a representative cross-section of the population of the given country, we selected countries to reflect the differences within Europe. In this sense we can even talk about the fact that the selected countries represent to some extent consumers in the European Union as a whole. The selected eight countries with a combined total population of well over 300 million gives a solid base for the claims of representative nature of the selection. It includes countries with less affluent consumers as well as some of the most affluent consumer markets. Also in terms of cross-border purchases we included countries that represent the bulk of cross-border commerce over the internet in Europe.

In contrast, because the purchase process is similar in all markets, the effectiveness of different methods of providing the Notice and obtaining consent to contract under the CESL within the purchase process were expected to be independent of national context. Therefore Experiment B was carried out in just two countries, so that the “trader” who appeared in the video and audio clips could be the same actor in all cases (hence removing a potential source of variation in behaviour between respondents).

The demographic profiles of the respondents who completed the experiments in each country are broadly representative of their respective national populations. The drop-out rate for participants taking part in the experiment was consistent with other online behavioural experiments. Analysis comparing the respondents who dropped out to

those who completed the experiment (presented in Appendix A) showed no unusual results.

5.5 Results of Behavioural Experiment A

5.5.1 Summary of Findings

What is the impact on consumer behaviour of presenting a notice of consumer rights and requiring consent to apply a particular legal regime?

- **Consumers do not typically read the Notice in detail.** Half of consumers spend less than 7 seconds reading the Draft Notice and fewer than 15% view the Notice more than once. Only 32% of consumers scroll all the way to the end of the Draft Notice. Fewer than one in five respondents claim to have read the Draft Notice in full.
- **The use of CESL does not raise consumer concerns about their rights:**
 - Consumers do not cancel their purchases more when they are presented with the Notice under CESL: The Draft Notice and consent procedure for the choice of CESL does not raise the rate of purchase cancellation. Only 8% of consumers cancel their purchases when presented the Draft Notice under CESL compared to 6%, which cancel their purchase without even receiving a notice and being informed that CESL applies.
 - The percentages of purchases cancelled when CESL is used are significantly lower compared to the scenario when consumers are shown a (hypothetical) Notice about the law of another EU country that the trader would like to apply. In that case 15% cancel their purchase. The latter result suggests that consumers have more confidence in CESL than in another national law suggested by the trader as applicable law.
 - The Draft Notice does not increase concerns about consumer rights. Fears of encountering difficulties when exercising consumer rights is the most concerning issue in cross-border purchasing. Uncertainty about consumer rights is the fifth most concerning issue. These concerns are unchanged whether or not the Draft Notice is shown.
- **The Draft Notice improves comprehension of consumer rights.** Consumers who read the notice understand their rights better than those who do not. The average overall comprehension score for consumers who saw the Draft Notice (3.9 out of 10) is 26% higher than those who saw no Notice (3.1 out of 10).
- **The Draft Notice is generally well-perceived by consumers.** Most respondents feel the Draft Notice is an appropriate length and that it contains most of the information that it should. For instance, 76% of respondents said that the Draft Notice was informative and useful, 64% said that it was clearly

written and easy to understand and 70% considered that it was in a logical order and clearly structured.

The one obvious area of weakness of the Draft Notice is its appearance: 66% of respondents stating that the Draft Notice is not eye-catching or attractive. The other weakness is the introductory paragraph, due to the low level of understanding the circumstances under which CESL applies.

What is the most appropriate content for a Standardised Information Notice on a Common European Sales Law?

- **The title and introduction of the Draft Notice can be improved upon.** Using the title “Your Rights Under The Common European Sales Law” and making the introduction simpler and clearer significantly raises overall comprehension from 3.9 out of 10 to 4.6 out of 10 (an 18% improvement). Concerns about exercising consumer rights are also slightly lower than when shown the Draft Notice.
- **Presenting information in tables does not improve clarity.** Consumers spend significantly longer reading a Notice with tables but overall comprehension is no better than for the Draft Notice. Notice Variants with tables are rated as significantly less “clearly written and easy to understand”.
- **Long and detailed Notices are off-putting.** A detailed Notice with twice as much content as the Draft Notice is only read for 4 seconds longer on average. Overall comprehension is no better than of the Draft Notice. Consumers are significantly more likely to say that a detailed Notice is “too long and overly detailed” compared to the Draft Notice.
- **There is little appetite for comparative information about consumer rights.** When provided with a link to a summary comparison of consumer rights under existing national law and the CESL, just 6% of consumers view the information and only 1% attempt to access more detailed comparative information.

What is the most effective presentation of the content within a Standardised Information Notice on a Common European Sales Law?

- **The presentation changes tested do not significantly change the impact of a Notice.** Comprehension of consumer rights, purchase cancellation rates, and concerns about consumer rights are all unaffected by the presentation variations tested.
- **Highlighting important information in bold makes the Notice appear more attractive.** Consumers who see a Notice with important information highlighted in bold are significantly more likely to agree that it is “eye-catching and attractive” than consumers who see a Notice with the same content and standard formatting.
- **Text boxes and adding an EU insignia are ineffective.** Consumers who see a Notice with the sections divided up with text boxes are less likely to agree that “it is in a logical order and sensibly structured”. Consumers who see a Notice with an

EU insignia are no more likely to agree that it “looks official and it is important that I should read it”.

5.5.2 Treatment Groups

In order to address the objectives for Experiment A, the experiment was run in two waves. Within each wave respondents were randomly allocated to different treatment groups as described in the table below:

WAVE I TREATMENT GROUPS				
GROUP	NAME	DESCRIPTION	PRIMARY COMPARISON	PURPOSE
NN	No Notice	No Notice is shown, and no explicit consent is obtained for the use of a particular legal system.		Establish baseline consumer behaviour in the shopping simulation without notification of consumer rights.
NL	National Law of the trader	A hypothetical Notice is shown summarising consumer rights under the trader’s national law and explicit consent to apply this law is obtained. This is analogous to a passive trader selling domestically and a consumer actively seeking to make a cross-border purchase.	NL vs. NN	What is the effect upon consumer behaviour of showing a Notice and obtaining consent under existing national laws?
C.00	Draft Notice	The Notice and consent relate to the Common European Sales Law in a situation in which a consumer actively approaches a trader located in another EU country.	C.00 vs. NL	Do consumers behave differently when the Notice and consent relate to the CESL rather than existing national laws?
C.01- C.11	Content variants	As above but respondents see a Notice variant as described previously	C.01-C.11 vs. C.00	Do any content variants impact consumer behaviour, understanding or attitudes differently to the Draft Notice?

WAVE II TREATMENT GROUPS				
GROUP	NAME	DESCRIPTION	PRIMARY COMPARISON	PURPOSE
P.00	Standard formatting	Best performing variant from Experiment A Wave I	-	Provides Wave II baseline consumer behaviour and allows re-test reliability to be established for the best Wave I variant
P.01- P.04	Presentation variants	As above but respondents see a Notice variant as described previously	P.01-P.04 vs. P.00	Do any presentational variants impact consumer behaviour, understanding or attitudes differently to P.00?

5.5.3 Detailed Findings

What is the impact on consumer behaviour of presenting a notice of consumer rights and requiring consent to apply a particular legal regime?

Comprehension

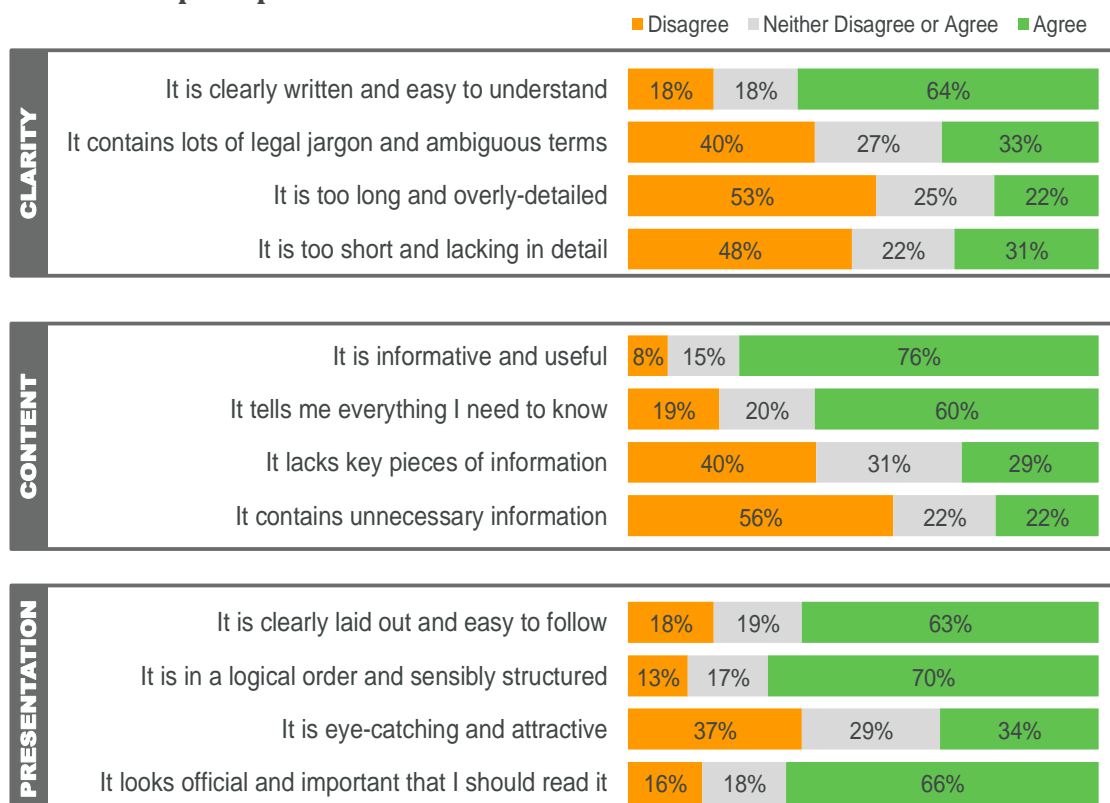
The Draft Notice raised scores on the comprehension questions used from 3.1 out of 10 (amongst respondents who were not shown any legal information and were asked to guess/intuit the correct responses) to 3.9 out of 10. This change is statistically significant⁴ and indicates that deploying a Notice leads to a better understanding of CESL than not doing so. The best-performing Notice variant further increased comprehension to 4.6 out of 10. In terms of specific rights, in most cases the Draft Notice improved comprehension.

Perception

The Draft Notice was generally well received. Most respondents felt it was an appropriate length and that it contains most of the information that it should. For instance: 76% of respondents said that the Draft Notice was informative and useful; 70% considered that it was in a logical order and clearly structured; 64% considered that it was clearly written and easy to understand; 63% found it clearly laid out and easy to follow; and 60% said that it contained everything they needed to know (the detailed results are presented in the charts below). The one obvious area of weakness was its appearance: 66% of respondents felt the Draft Notice was not eye-catching or attractive.

⁴ Statistical analysis indicates with greater than 95% confidence that the comprehension score of respondents who saw the Draft Notice is better on average than the score of those respondents who did not see a Notice

Draft Notice perceptions



Behavioural Responses

Currently, consumers who actively seek out passive traders in EU Member States other than their own may complete their transactions without ever being explicitly made aware of their consumer rights, or indeed even of which legal regime they are transacting under (except if they can find this information in the standard terms and conditions of the contract they are offered and read and understand it). Consequently, the Draft Notice proposed by the Commission is, from the consumer's perspective, is novel in two ways:

1. **Process:** it introduces a new document (the Notice) that describes a legal regime and asks the consumer to consent to the use of that regime
2. **Law:** the Notice describes a novel legal system, the Common European Sales Law.

As such, simple comparisons between consumer behaviour in the Draft Notice scenario (C.00) and no notice scenario (NN) treatment groups are hard to interpret as the results reflect reactions to the combination of a novel sales process and a new legal regime. However, a Notice presented in the same way as the Draft Notice, but containing information on the trader's national law⁵ differs from the current legal situation only in

⁵ Traders' national law is the applicable legal regime in case the applicable law is chosen by the seller and the conditions under Art. 6 (1) and (2) of the Rome I Regulation do not apply)

terms of sales process. Thus, comparisons between treatment groups where participants were given a notice under the trader's law (NL) or no notice (NN) demonstrate the impact of process. On the other hand, comparisons between the notice under the trader's law (NL) and the Draft Notice (C.00) treatment groups (which differ only in terms of the legal regime described by the Notice) reveal the unadulterated impact of the novel legal regime.

Reading Behaviour

In general, it appears that consumers respond to a Notice describing the CESL in much the same way as they would to a Notice describing the status quo legal regime.

- 50% of respondents in the NL group spent at most 7 seconds viewing the presented Notice, compared to 6 spent by respondents who saw the Draft Notice, and fewer than 15% of respondents view the Notice more than once. These behaviours did not differ significantly across NL and 00 groups.
- Self-reported reading thoroughness did not differ significantly across the NL and C.00 treatment groups – fewer than one in five respondents claimed to read the Notice in full.
- 32% of respondents scrolled to the end of the Draft Notice, whereas 44% of respondents who saw the national law Notice scrolled to its end. This difference is statistically significant.

Consumer Concerns

Of ten possible concerns about cross-border purchasing that were presented to respondents, uncertainty around consumer rights was only the fifth most concerning issue. However, difficulty in exercising those rights was the most concerning issue, with an average rank of 7 out of 10 (where 10 is the most concerning).

Consumer concerns (no notice)

Average rank (10 = most concerning)

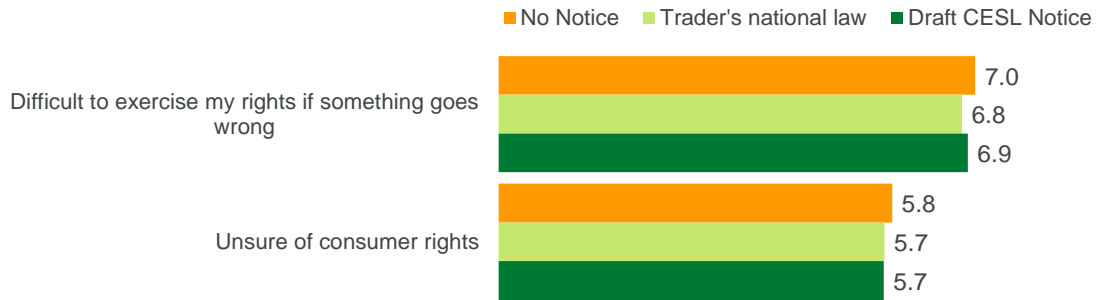


Being shown a Notice and being asked to agree to the use of an alternate legal regime for the purpose of a cross-border transaction did not significantly change the

importance the average consumer gives to consumer-rights related issues.

Consumer concerns: Impact of a notice

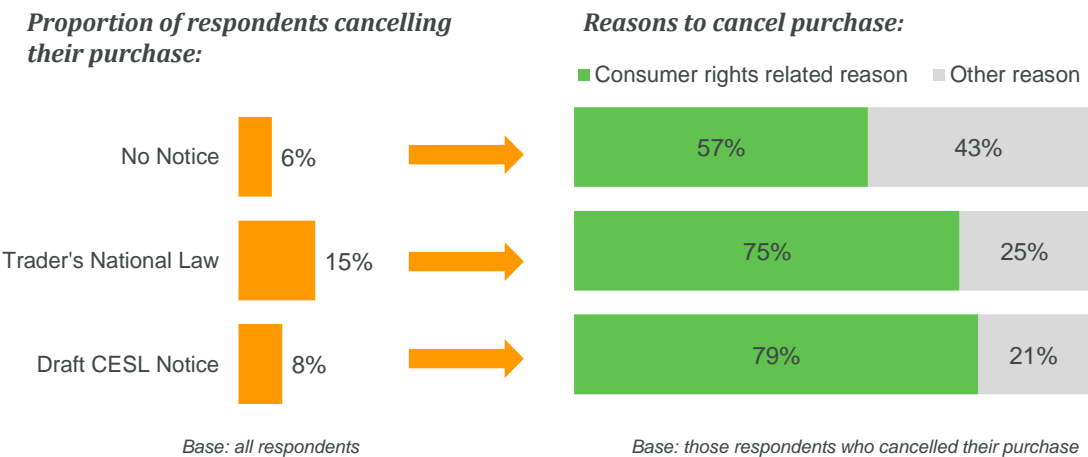
Average rank (10 = most concerning)



Purchase Behaviour

- The proportion of purchases cancelled by respondents who saw the Draft Notice is not significantly greater than for respondents who were not shown any Notice (6%).
- Significantly more respondents opt to cancel their purchase when shown a Notice about the trader’s national law (15%) rather than the Draft Notice (8%).
- Of those few respondents who did cancel their purchase, a greater proportion cited issues relating to consumer rights as the reason for doing so when shown a Notice (75% in the national law group and 79% in the Draft Notice group) than did respondents who did not see a Notice (57%). This suggests that when some members of the population are shown a Notice, they become more concerned about consumer rights. However, as the average consumer’s purchasing behaviour and concern over consumer rights related issues are not materially altered when a Notice is shown, these consumers are not representative of the wider population.

Purchase cancellation



What is the most appropriate content for a Standardised Information Notice on a Common European Sales Law?

The Balanced Scorecard

Each Notice variant was scored on four aspects of performance: Comprehension, Notice Perceptions, Concerns and Cancellation. These four scores were then combined by weighting the relative importance of each aspect of performance. The Notice variant with the highest overall score is judged to have the most appropriate content.

VARIANT	DESCRIPTION	COMPREHENSION	NOTICE PERCEPTIONS	CONCERNS	CANCELLATION	OVERALL
C.00	Draft Notice	39.2	59.9	41.2	91.5	49.9
C.01	Rights table	39.1	57.0	42.4	90.1	49.2
C.02	Rights & periods table	40.1	56.6	43.1	91.5	49.8
C.03	Clarified	41.8	59.7	41.3	88.9	50.9
C.04	Detailed	39.4	60.0	43.3	90.8	50.3
C.05	Comparison	42.0	60.2	42.5	90.8	51.5
C.06	Title & intro	45.6	59.7	43.9	91.1	53.4
C.07	Rights before signing	41.1	59.7	43.7	90.3	51.1
C.08	Rights after signing	41.6	58.9	40.5	91.8	50.8
C.09	When-to-claim	39.5	60.3	42.4	89.8	50.2
C.10	How-to-claim	40.6	61.3	42.3	89.4	50.9
C.11	Examples Added	39.6	59.5	43.1	91.2	50.2

As can be seen above, C.06 is the best performing Notice variant in Wave I of Experiment A. This performance is driven by an increase in overall comprehension amongst respondents who saw this variant, as well as some evidence of decreased concern over consumer rights. Thus, this Notice variant was selected as the most appropriate content and was used for testing presentation variations in Wave II.

A brief summary of the performance of each of the Notice variants tested in Wave I is presented in the following pages. A more complete analysis is included in Appendix A. Note that there was no significant difference in purchase cancellation rate or level of concern expressed over being “unsure of consumer rights” across any of the Wave I Notice variants.

Variant C.01: Rights Table

New title and section headings to better reflect the purpose of the Notice. Introduction re-drafted to reduce jargon and to clarify the circumstances in which the CESL can apply. Key rights and other rights presented in table format. Jargon removed and examples added to clarify meanings. Links to practical information on how to claim rights added.

Variant C.02: Rights and Period Tables

New title and section headings to better reflect the purpose of the Notice. Introduction re-drafted to reduce jargon and to clarify the circumstances in which the CESL can apply. Key rights and other rights presented in table format. Information on period within which rights can be claimed presented in table format. Links to practical information on how to claim rights added.

Balanced Scorecard:	C.00	C.01	C.02	C.06
Comprehension	39.2	39.1	40.1	45.6
Notice Perceptions	59.9	57.0	56.6	59.7
Concerns	41.2	42.4	43.1	43.9
Cancellation	91.5	90.1	91.5	91.1
Overall	49.9	49.2	49.8	53.4

Neither of these variants differed significantly from the Draft Notice in terms of overall comprehension. However, this seems to be the result of two competing effects. Changing the variants’ titles and introductions appears to lead to a large significant increase in the percentage of respondents who were able to understand the circumstances under which CESL applied. However, respondents who saw these variants were less able to correctly answer questions on the recourse available to them under CESL.

Respondents spent far longer viewing variant C.02 than would be expected given the length (in terms of number of words), with no accompanying increase in overall understanding. Respondents rated both Notice variants as significantly less “clearly written and easy to understand” than the Draft Notice. In addition, the Notice variant with two tables (C.02) was more likely to be perceived as “too short and lacking in detail”, perhaps because it “lacks key pieces of information”, and so was also less likely to “tell me everything I need to know”.

Finally, it should be noted that respondents who saw Notice variant C.02 were better able to answer the question “Under CESL, within what period can you withdraw from a contract after buying in the trader’s store if all necessary information and forms have been provided?” than were respondents who saw the Draft Notice, and that C.02 includes a “when-to-claim” table. It was therefore decided to test this table further in Wave II (Variant P.01).

Variant C.03: Clarified

New title and section headings to better reflect the purpose of the Notice. Introduction re-drafted to reduce jargon and to clarify the circumstances in which the CESL can apply. Less important information moved to the end of the Notice. Jargon removed, examples added and text re-drafted to clarify meanings.

Balanced Scorecard:	C.00	C.03	C.06
Comprehension	39.2	41.8	45.6
Notice Perceptions	59.9	59.7	59.7
Concerns	41.2	41.3	43.9
Cancellation	91.5	88.9	91.1
Overall	49.9	50.9	53.4

This Notice variant did not differ significantly from the Draft Notice in terms of overall comprehension, though question-level analyses of the comprehension scores suggests that a revised title and introductory paragraph led to marked and statistically significant increases in the percentage of respondents who could correctly identify the circumstances under which CESL applies. The particular revision used in this variant also appears to boost understanding of what would happen should the consumer reject the use of CESL.

Respondents were significantly less likely to feel that this Notice variant was “too short and lacking in detail” than were respondents who saw the Draft Notice but they were also more likely to perceive it as “too long and overly detailed”.

Variant C.04: Detailed

New title and section headings to better reflect the purpose of the Notice. Added much more detail throughout the body of the Notice with extensive structural and wording changes to improve clarity. Bullet points and text boxes used to break up the text.

Balanced Scorecard:	C.00	C.04	C.06
Comprehension	39.2	39.4	45.6
Notice Perceptions	59.9	60.0	59.7
Concerns	41.2	43.3	43.9
Cancellation	91.5	90.8	91.1
Overall	49.9	50.3	53.4

This Notice variant did not differ significantly from the Draft Notice in terms of overall comprehension, though question-level analyses of the comprehension scores suggests that a revised title and introductory paragraph led to marked and statistically significant increases in the percentage of respondents who could correctly identify the circumstances under which CESL applies.

This Notice variant was the longest and most detailed variant tested, and as a result respondents who saw this Notice were less likely to perceive that it “lacks key pieces of information” or that it “is too short and lacking in detail”. They were, however, more likely to feel that it was “too long and overly detailed” compared to respondents

who saw the Draft Notice.

Furthermore, this Notice variant was viewed for much less time than would be expected given its length. Its word count is close to double that of the Draft Notice, however, on average respondents spent just 17% longer viewing this Notice than they spent viewing the Draft Notice. In addition, roughly the same proportion of respondents scrolled to the end of this variant when they encountered it as did respondents who saw the Draft Notice. This suggests faster and less thorough reading amongst respondents who saw this Notice variant, implying that they were put off by the sheer volume of information presented.

Variant C.05: Comparison

Added working link to a side-by-side comparison of key differences between the rights granted under the CESL and those granted under the trader’s national law. Second (non-functioning) link provided to a more detailed comparison.

Balanced Scorecard:	C.00	C.05	C.06
Comprehension	39.2	42.0	45.6
Notice Perceptions	59.9	60.2	59.7
Concerns	41.2	42.5	43.9
Cancellation	91.5	90.8	91.1
Overall	49.9	51.5	53.4

Unsurprisingly - given that this variant is identical to the Draft Notice in all ways except the inclusion of a link to comparative information - this variant did not differ significantly from the Draft Notice in terms of overall comprehension or on any of the perception scores.

Just 6% of respondents who saw this Notice variant chose to view the comparative information provided, and only 1% attempted to access the detailed comparative information. Lack of respondent engagement with the comparative material and the absence of any perceived differences from the Draft Notice suggest that consumers do not have an appetite for this information.

Variant C.06: Title and Introduction (Best performing Wave I variant)

New title to better reflect the purpose of the Notice. Introduction re-drafted to reduce jargon and to clarify the circumstances in which the CESL can apply.

Balanced Scorecard:	C.00	C.06	C.06
Comprehension	39.2	45.6	45.6
Notice Perceptions	59.9	59.7	59.7
Concerns	41.2	43.9	43.9
Cancellation	91.5	91.1	91.1
Overall	49.9	53.4	53.4

This is the only Notice variant that led to a statistically significant improvement in overall comprehension of the consumer rights granted by the CESL. Respondents who

saw this variant scored 18% higher (4.5 vs 3.9 out of 10) those respondents who saw the Draft Notice. This increase is primarily driven by statistically significant increases in the percentage of respondents who correctly understood the circumstances in which the CESL applies.

This Notice variant did not differ significantly from the Draft Notice on any perception measures. However, respondents who saw this variant rated the fear that it would be “difficult to exercise my rights if something goes wrong” as less concerning than did respondents who saw the Draft Notice.

Variant C.07: Rights before Signing

More detail provided on the nature of the “important” information the trader must provide prior to purchasing, in order to remove ambiguity.

Balanced Scorecard:	C.00	C.07	C.06
Comprehension	39.2	41.1	45.6
Notice Perceptions	59.9	59.7	59.7
Concerns	41.2	43.7	43.9
Cancellation	91.5	90.3	91.1
Overall	49.9	51.1	53.4

Respondents were significantly more likely to feel that this variant was “too long and overly detailed” compared to the Draft Notice.

Variant C.08: Rights after Signing

Practical information on who has to pay postage should the consumer wish to withdraw from a distance purchase added. “Your rights after signing the contract” and “Unfair terms” sections re-drafted to improve clarity.

Balanced Scorecard:	C.00	C.08	C.06
Comprehension	39.2	41.6	45.6
Notice Perceptions	59.9	58.9	59.7
Concerns	41.2	40.5	43.9
Cancellation	91.5	91.8	91.1
Overall	49.9	50.8	53.4

This variant did not differ significantly from the Draft Notice on overall comprehension, perception, or level of consumer rights related concerns expressed by respondents.

Variant C.09: When-to-claim

A section entitled “When to claim your rights” created. All information on deadlines by which consumers must claim their rights moved into this section. Additional clarifying information provided.

Balanced Scorecard:	C.00	C.09	C.06
Comprehension	39.2	39.5	45.6

Notice Perceptions	59.9	60.3	59.7
Concerns	41.2	42.4	43.9
Cancellation	91.5	89.8	91.1
Overall	49.9	50.2	53.4

Respondents who saw this variant were less likely to agree with the statement “It contains lots of legal jargon and ambiguous terms” than were respondents who saw the Draft Notice, leading to a slightly improved Notice Perceptions score on the balanced scorecard.

Variant C.10: How-to-claim

A section entitled “How to claim your rights” added. Provided (non-functioning) links to information on how EC Centres can help consumers claim their rights under the CESL, identifying competent courts and on claiming rights in general. The purpose was to register the percentage of consumers who would be interested in this information.

Balanced Scorecard:	C.00	C.10	C.06
Comprehension	39.2	40.6	45.6
Notice Perceptions	59.9	61.3	59.7
Concerns	41.2	42.3	43.9
Cancellation	91.5	89.4	91.1
Overall	49.9	50.9	53.4

This variant did not differ significantly from the Draft Notice on overall comprehension, perception, or level of consumer rights related concerns expressed by respondents. Furthermore, just 2% of respondents who saw this variant attempted to view the links provided on how to claim their rights under CESL. This suggests that there is little or no consumer appetite for “how-to-claim” information at point of sale.

Variant C.11: Examples Added

Examples added throughout to reduce ambiguity of the provided information, e.g. “For instance, you would not be bound by a term which stipulates that you are bound by the contract, while the trader is not” added to section on Unfair Terms.

Balanced Scorecard:	C.00	C.11	C.06
Comprehension	39.2	39.6	45.6
Notice Perceptions	59.9	59.5	59.7
Concerns	41.2	43.1	43.9
Cancellation	91.5	91.2	91.1
Overall	49.9	50.2	53.4

Respondents who saw this variant were less likely to rate the Notice as “too short and lacking in detail”. This Notice variant was also associated with significantly reduced concern that it would be “difficult to exercise my rights if something goes wrong”. However, unlike the chosen Notice Variant (Variant C.06), there was no improvement

in comprehension compared to the Draft Notice (C.00).

What is the most effective presentation of the content within a Standardised Information Notice on a Common European Sales Law?

The Balanced Scorecard

As in Wave I, each Notice variant was scored on four aspects of performance: Comprehension, Notice Perceptions, Concerns and Cancellation. These four scores were then combined by weighting the relative importance of each aspect of performance. The Notice variant with the highest overall score is judged to have the most effective presentation.

VARIANT	DESCRIPTION	COMPREHENSION	NOTICE PERCEPTIONS	CONCERNS	CANCELLATION	OVERALL
P.00	C.06 with standard formatting	45.2	60.0	42.5	91.9	53.2
P.01	When-to-claim table	41.5	59.7	42.3	92.8	51.3
P.02	EU insignia	44.3	58.8	40.2	91.0	51.9
P.03	Text boxes	42.1	58.9	41.8	91.9	51.2
P.04	Bold highlighting	46.2	60.0	42.3	90.3	53.5
P.05	Uppercase highlighting	46.5	59.5	40.9	90.3	53.3

As can be seen above, P.04 is the best performing Notice variant in Wave II of Experiment A. The presentation variations tested in Wave II had little impact on Notice performance. However, the use of bold or upper case highlighting (P.04 and P.05) does appear to improve consumer perceptions of the Notice, and so P.04 was identified as the best overall variant.

A brief summary of the performance of each of the Notice variants tested in Wave II is presented in the following pages. A more complete analysis is included in Appendix A. Note that there was no significant difference in purchase cancellation rate across any of the Wave II Notice variants.

Variant P.01: When-to-Claim Table

The best-performing Notice variant from Wave I, with the “When to claim your rights” table from variant C.02 and standard formatting applied.

Balanced Scorecard:	P.00	P.01	P.04
Comprehension	45.2	41.5	46.2
Notice Perceptions	60.0	59.7	60.0
Concerns	42.5	42.3	42.3
Cancellation	91.9	92.8	90.3

Overall	53.2	51.3	53.5
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This variant significantly reduced overall comprehension compared to P.00, but otherwise respondent reactions to P.01 did not differ significantly from reactions to P.00.

Variant P.02: EU Insignia

The best-performing Notice variant from Wave I with an EU insignia added to the top corner of the notice.

Balanced Scorecard:	P.00	P.02	P.04
Comprehension	45.2	44.3	46.2
Notice Perceptions	60.0	58.8	60.0
Concerns	42.5	40.2	42.3
Cancellation	91.9	91.0	90.3
Overall	53.2	51.9	53.5

Adding an EU insignia to the top of this variant did not lead to a significant change in the proportion of respondents agreeing that the Notice “looks official and it is important that I should read it”, although it did lead to some other small negative changes in Notice perception, and marginally raised concerns about being unsure of consumer rights.

Variant P.03: Text Boxes

The best-performing Notice variant from Wave I with each section presented within a text box to break up the document and improve readability.

Balanced Scorecard:	P.00	P.03	P.04
Comprehension	45.2	42.1	46.2
Notice Perceptions	60.0	58.9	60.0
Concerns	42.5	41.8	42.3
Cancellation	91.9	91.9	90.3
Overall	53.2	51.2	53.5

Adding textboxes made respondents significantly more likely to disagree with the statement “It is in a logical order and sensibly structured”. Respondents who saw this variant were also significantly more likely to scroll to its end, but did not spend significantly longer viewing the Notice in-store, suggesting decreased reading thoroughness.

Variant P.04: Bold Highlighting (best performing Wave II variant)

The best-performing Notice variant from Wave I with the most important information highlighted in bold font.

Balanced Scorecard:	P.00	P.04	P.04
Comprehension	45.2	46.2	46.2
Notice Perceptions	60.0	60.0	60.0
Concerns	42.5	42.3	42.3
Cancellation	91.9	90.3	90.3
Overall	53.2	53.5	53.5

Respondents who saw this Notice variant were significantly more likely to agree that “It is eye-catching and attractive”. Otherwise respondent reactions to P.04 did not differ significantly from reactions to P.00.

Variant P.05: Uppercase Highlighting

The best-performing Notice variant from Wave I with the most important information highlighted in UPPERCASE.

Balanced Scorecard:	P.00	P.05	P.04
Comprehension	45.2	46.5	46.2
Notice Perceptions	60.0	59.5	60.0
Concerns	42.5	40.9	42.3
Cancellation	91.9	90.3	90.3
Overall	53.2	53.3	53.5

Respondent reactions to P.05 did not differ significantly from reactions to P.00. Given that uppercase highlighting may cause problems for computer text readers used by the blind and partially-sighted (interpreted as acronyms and/or indicating loud volume), bold highlighting is a better choice than uppercase highlighting.

5.6 Results of Behavioural Experiment B

5.6.1 Summary of Findings

What is the most effective way to provide a Standardised Information Notice on a Common European Sales Law during a cross-border purchase?

- **Do consumers wish to receive a confirmation of their agreement to use CESL on a durable medium? The vast majority (91%)** of consumers say they would like to receive a confirmation on a durable medium of their agreement to use the CESL.
- **Does the timing within the purchase process at which the Notice is presented matter? There is no significant impact** on reading behaviour, cancellation behaviour, concerns or comprehension if the Notice is presented at the end of the purchase process rather than at the start.
- **What is the impact of forced versus unforced presentation of the Notice?** When online shoppers are not forced to view the Notice, the majority of consumers (59%) will choose **not to view the Notice** at all, but are no more or less likely to reject the application of the CESL than if forced to view the Notice. There is no significant impact on cancellation behaviour, concerns or comprehension.
- **What is the impact of presenting the Notice in a “browse-wrap” versus a “click-wrap” format?** When the online Notice is presented in a browse-wrap format (via a link on the sidebar) even fewer shoppers read the Notice (only 16%), and just 7% scroll all the way to the end. Despite this, there is no significant impact on cancellation behaviour, concerns or comprehension.
- **What is the impact of requiring explicit separate consent for the application of the CESL versus implied consent?** Asking for explicit separate consent for the application of the CESL rather than implicit consent as part of agreeing to make the purchase does not have a significant impact on the average reading time of the Notice, nor on the subsequent cancellation behaviour, concerns or comprehension. However, a greater proportion of shoppers scroll to the end of the Notice when explicit separate consent is required (42% versus 36%), which the results of Experiment A indicate would lead to a small improvement in comprehension at the point of consent.

Do consumers respond differently to the Notice when shopping online, on-premises or by telephone?

- **Consumers making on-premise or by-phone purchases are significantly more engaged.** They take longer to read the Notice as well as being more likely to cancel the purchase after reading the Notice, in comparison to online shoppers.

However, these differences appear to be channel inherent, rather than being caused by introduction of the Notice: cancellation rates are also higher in these two channels when no Notice is presented. There is no significant difference in concerns or comprehension between shoppers who make their purchase online, on-premise or by-phone

- By-phone cancellation rates are significantly higher when a CESL Notice is presented, but the increase is due to a combination of factors. Some of the “cancellation” is passive cancellation by ignoring the Notice and request for consent sent by the trader. This may be due to the reluctance of consumers to complete an extra-step in the purchase process by getting back to the trader to confirm their consent on the use of CESL.

Of those shoppers who complete their by-phone purchase, 63% state they would get back in contact with the trader to confirm their consent and 73% would prefer to do so by e-mail.

5.6.2 Treatment Groups

In order to address the objectives for Experiment B, respondents were randomly allocated to one of eleven different treatment groups as described in the table below:

CHANNEL	GROUP	SUMMARY	DESCRIPTION	RESEARCH QUESTION
ONLINE	B1	No Notice	Identical to treatment group NN in Experiment A Wave I.	-
	B2	Baseline Notice	Best performing variant identified in Experiment A (P.04)	Establishes baseline consumer behaviour for: <ul style="list-style-type: none"> - Between-channel comparisons - Online treatments
	B3	Need for durable copy of agreement	Before indicating whether or not they consent to the use of CESL, respondents are asked if they want to receive confirmation of their agreement to use CESL on a durable medium.	Do consumers wish to receive a confirmation of their agreement to use CESL on a durable medium?
	B4	Timing	Presentation of Notice and agreement on use of CESL is delayed until payment confirmation screen.	Does the timing within the purchase process at which the Notice is presented matter?
	B5	No explicit separate consent to apply CESL	Identical to group B4, but respondents are told that by submitting payment they implicitly consent to use CESL	What is the impact of requiring explicit separate consent for the application of the CESL versus implied consent?
	B6	No explicit consent, unforced presentation	Identical to group B5, but respondents are able to continue with their purchase (and so consent to CESL) without viewing the Notice	What is the impact of forced versus unforced presentation of the standard information notice?
	B7	Browse-wrap	Consent to apply the CESL is asked for at the delivery details page as in Experiment A. The Notice is available throughout the shopping experience in the side-bar.	What is the impact of presenting the Notice in a “browse-wrap” versus a “click-wrap” format?

CHANNEL	GROUP	SUMMARY	DESCRIPTION	RESEARCH QUESTION
ON- PREMISES	B8	No Notice	In-store shopping simulation with ‘interactive’ video of sales-person to finalize the purchase process. No Notice is shown, nor is consent asked for.	Do consumers react differently to the Notice when shopping online, on-premises or by telephone?
	B9	Notice	As in group B8, however, the respondent is shown the Notice and is asked for their consent to use CESL after they have submitted their delivery details	Do consumers react differently to the Notice when shopping online, on-premises or by telephone?
BY- PHONE	B10	No Notice	Catalogue/telephone shopping simulation with ‘interactive’ audio of a salesperson. No Notice is shown, nor is consent asked for.	Do consumers react differently to the Notice when shopping online, on-premises or by telephone?
	B11	Notice	As in group B10, except respondents are told that the trader would like to transact under CESL, that they will be sent the Notice, and that only after reading it and notifying the trader of their consent will the Notice be finalized. Respondents are shown the Notice, and asked follow-up questions on their likely behaviour in these circumstances.	Do consumers react differently to the Notice when shopping online, on-premises or by telephone?

The structure and stages of Experiment B are identical to Experiment A, except for the treatment differences described above. In addition, the comprehension task (Part 2) was altered so that respondents could no longer view the Notice again whilst answering the questions. This was necessary to ensure that the impact of changes to the method and timing of presentation of the Notice could be properly assessed. Note that this means that the comprehension scores observed in Experiment B cannot be directly compared to those from Experiment A as the comprehension task was made more difficult.

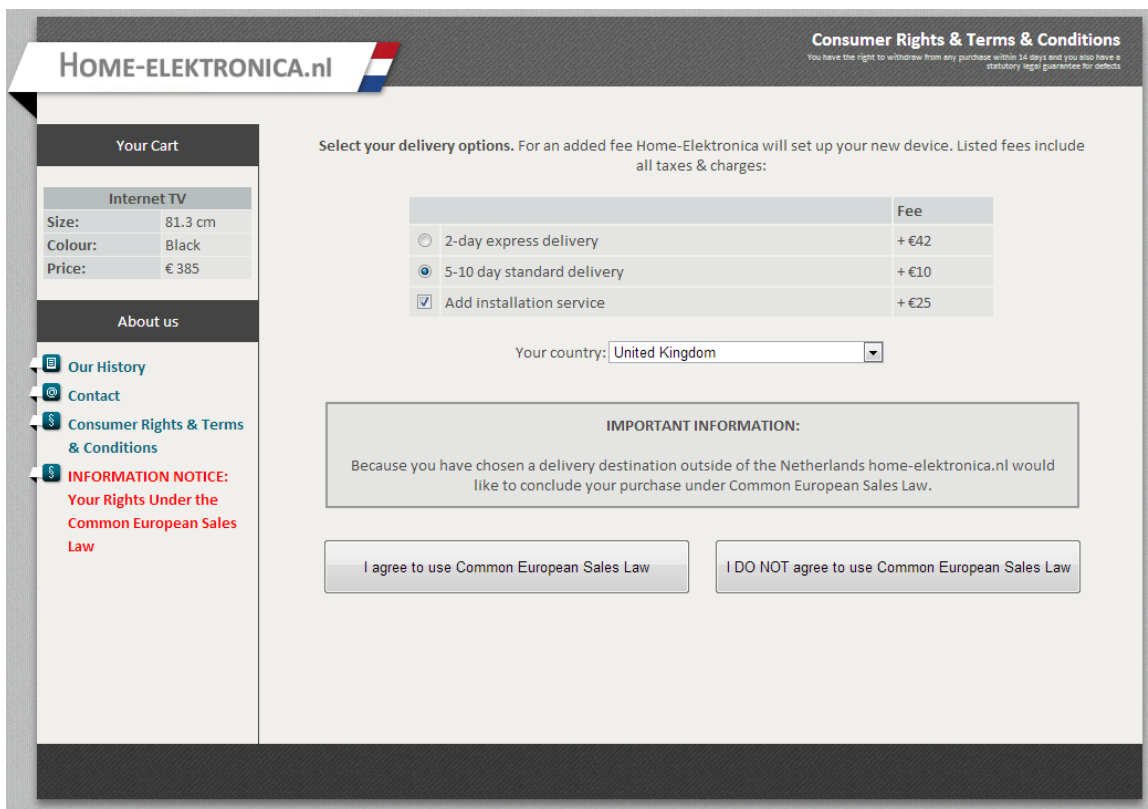
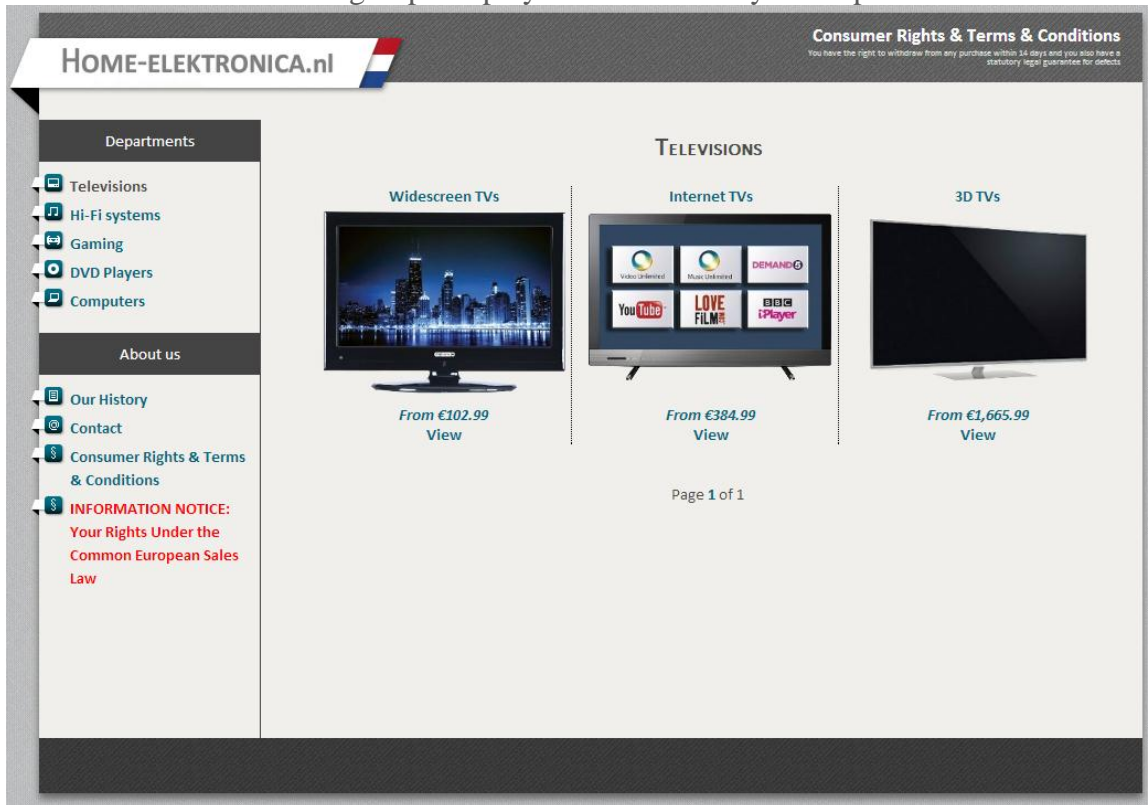
Browse-Wrap Presentation

In this experiment browse-wrap (treatment group B7) was implemented as follows:

- The Notice is available at all points on the trader’s website prior to and including the point of consent
- Notice presentation is unforced – consumers are able to give consent to the use of CESL without first clicking the provided link and viewing the Notice.
- Explicit consent on the use of CESL is still required (even though the consumer

may not have seen the Notice).

All other online treatment groups display the Notice solely at the point of consent.

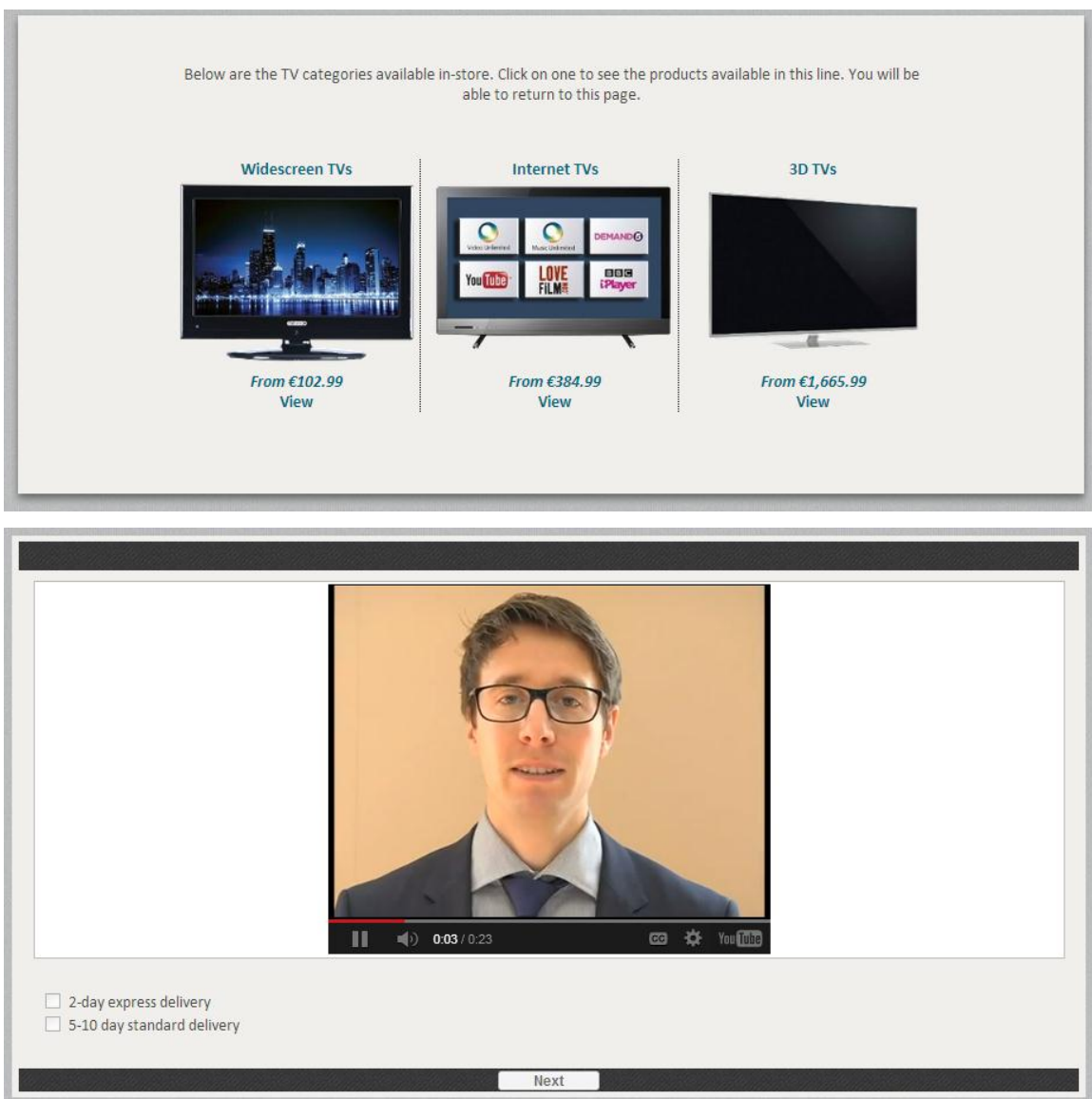


Group B7: Browse-wrap shopping (above) and CESL notification screens (below)

On-Premises Simulation

In the On-Premises treatment groups (B8 and B9) respondents were presented with the same range of televisions as in the online purchase simulation. However, rather than being presented on a retailer’s website, the televisions are presented in an abstract environment using a series of screens to replicate the experience of browsing a store. Once respondents made their selections, they watched a series of videos in which a sales assistant took them through the purchase process. Respondents ‘interacted’ with the salesperson by selecting from closed response options that became available at the end of each video segment. In treatment group B9, the salesperson directed the respondents’ attention to a Notice that was said to be displayed on the wall of the store. Respondents were free to spend as long as they wished viewing the Notice as in the online simulation before returning to the salesperson and completing their transactions.

Full details of the On-Premises simulation can be found in Appendix B.



Group B9: On-premises shopping (above) and delivery screens (below)

By-Phone Simulation

Telephone shopping (treatment groups B10 and B11) was simulated by modifying the website used in the online shopping simulation so that it resembles a catalogue. Respondents made their selections from the catalogue and then ‘called’ the trader and were taken through the purchase process by a salesperson who was simulated using pre-recorded audio clips. As in the in-store simulation, the respondent interacted with the salesperson by selecting from closed response options that were activated after each audio clip finished playing.

There are many ways that CESL notification and consent could be implemented when distance purchasing by telephone. In this experiment (treatment group B11) upon giving the salesperson their delivery details respondents were informed that the trader would like to apply the CESL to govern their transaction. Respondents were told that they would be sent a copy of their rights under the CESL sometime after concluding their call, and that they would have to read the Notice and contact the trader with their consent to apply the CESL should they wish to finalize their purchase. In practice this notification and response could be conducted via physical mail or electronically via e-mail or SMS. After finishing the shopping simulation respondents were shown a Notice and then asked whether they would contact the trader with their agreement or disagreement, or whether they would instead choose to ignore or discard the Notice.

Full details of the By-Phone simulation can be found in Appendix B.

6. Conclusions

Policymakers should not expect that the majority of consumers will consult the Notice for any meaningful length of time if it is provided at point of sale, however well-structured or plainly readable it is.

In this study, potential consumers have spent little time reading the Notice (50% of respondents viewed the Notice for 6 seconds or less). Whilst we recognise that the time invested in reading such Notices may vary depending on the type of purchase, in this study respondents were asked to consider the purchase of a television, which reflects a reasonably large investment. Furthermore when Notice presentation was unforced the majority of consumers chose not to view it at all, indicating that low diligence is the result of lack of interest/engagement, rather than Notice impenetrability.

However, showing a Notice was found to significantly increase comprehension of the consumer rights granted by the CESL and so the use of a Notice (as opposed to not providing any information) is recommended. If possible forced presentation of the notice should be adopted.

Consumers' level of understanding of the content of the Notice was also generally poor. However, the recommended Notice (Variant P.04) is associated with a 48% increase in the number of comprehension questions respondents were able to correctly answer during the comprehension task (Part 2) of Experiment A Wave II compared to the situation in which they were shown no Notice and were asked to guess or intuit the correct answers to the same questions. Compared to the originally proposed Draft Notice this variant increased comprehension by 18%. A small percentage of consumers will likely be more conscientious and read the Notice for longer, and therefore have better overall comprehension of CESL.

Forced presentation will maximise the effectiveness of the Notice. When consumers are not forced to read the Notice, only 41% choose to do so. When the Notice is presented via a link in the sidebar this drops to just 16% of consumers. Yet we know that reading the notice leads to improved comprehension of the rights granted by the CESL. In the Experiments, respondents who spent more time reading the Notice or who viewed it multiple times had better levels of comprehension, as did older and better educated respondents. However, given that consumers who choose to view the Notice can comprehend it, then any method of Notice provision is better than not providing it at all.

The Commission is advised to keep the standardised information notice as brief as is possible; to ensure that the title raises attention and sets out clearly the scope of the CESL, and does not incorporate tables but uses bold text and bullets

Only one variant tested – with a revised title and introduction – led to a significant improvement in overall comprehension. This variant specifically improved comprehension of the circumstances under which the CESL can apply, and performed

best when comprehension, perceptions, concerns and cancellation behaviour were all taken into account.

Other presentational changes to the Notice had little impact:

- Presenting information on rights in table format tended to reduce comprehension of those rights
- Notices with tables were perceived as less clearly written and easy to understand
- Notice Variants with a higher word count than the Draft Notice tended to be perceived as overly long and detailed

Highlighting key terms in bold did not improve comprehension, but did mean that the Notice was perceived as more attractive and eye-catching, as well as marginally reducing concerns about consumer rights. Note that no explicit tests using different font colours, background colours and design, so we cannot comment on the impact of such presentations.

The case for offering comparative information relative to national laws is not evident.

When presented with an option to access comparative information in the hypothetical purchase exercise, only 6% of respondents viewed the summary information and only 1% of respondents attempted to access the detailed comparative information.

Consumers should receive confirmation of their agreement to use CESL on a durable medium (e.g. a paper copy or e-mail).

When asked, nearly all consumers (91%) indicated that they would like to receive confirmation of their agreement to use CESL on a durable medium, for example a paper copy or e-mail. We recognise that there may be differences between what consumers say they want and what they actually want, but given the strength of evidence here we suggest that consumers be provided with this information

Presentation of the Draft Notice did not significantly alter purchase cancellation rates or consumers concerns about their rights for cross-border purchases. However, the addition of more steps in the purchase process, for example having to contact the retailer to confirm post-purchase consent leads to increases in purchase cancellation rates

Changes to the format and information in the Draft Notice, timing, and consent variants did not significantly alter purchase cancellation rates or concerns about rights for cross-border purchases. However, when respondents were required to undertake more steps in the purchase process, specifically to return a post-purchase consent form to the retailer after a purchase made by telephone, cancellation rates increased substantially (stated cancellation rates increased from 14% to 33%). However, this is not necessarily due to the content of the CESL, but rather because of the additional steps required in the purchase process.

7. Recommended Standard Information Notice

7.1 English

YOUR RIGHTS UNDER THE COMMON EUROPEAN SALES LAW

The Common European Sales Law is an **optional European law** which can be chosen for **cross-border purchases** of goods and digital products within the EU.

If you mark your agreement, the purchase you are about to make will be governed by this law.

By agreeing to use the Common European Sales Law you will **exclusively be protected by the consumer rights it grants you**. This law was designed to provide consumers with a **high level of protection**. If you do not agree to use the Common European Sales Law, the trader can decide whether to sell the goods and provide the service under the otherwise applicable laws or not at all.

You may also have agreed to a contract on the telephone or in any other way (such as by SMS) that did not allow you to get this notice beforehand. In this case the agreement will only become valid after you have received this notice and confirmed your consent. Your **core rights** are described below.

Your rights before signing the contract

The trader has to give you the **important information on the contract**, for instance on the product and its price including all taxes and charges and his contact details. The information has to be more detailed when you buy something outside the trader's shop or if you do not meet the trader personally at all, for instance if you buy online or by telephone. You are entitled to damages if this information is incomplete or wrong.

Your rights after signing the contract

In most cases you have **14 days to withdraw** from the purchase and a service related to it if it was purchased **outside the trader's shop** or if you have not met the trader up to the time of the purchase (for instance if you bought **online** or by **telephone**). The trader must provide you with information and a model withdrawal form. If the trader has not done so, you can cancel the contract within one year.

What can you do when products are faulty or not delivered as agreed? You are entitled to choose between:

- having the product delivered, replaced or repaired,

- asking for a price reduction,
- you can cancel the contract, **except if the defect is very small**, return the product and get a refund,
- you can **claim damages** for your loss,
- you do not have to pay the price until you get the product without defects.

If the trader has not performed a related *service* as promised in the contract, you have similar rights. However, after you have complained to the trader, he normally has the right to **first try to do the job correctly**. Only if the trader **fails again** you have a choice between:

- **asking the trader again** to provide the related service,
- **not paying the price** until you get the related service supplied correctly,
- requesting a **price reduction** or claiming **damages**,
- you can also **cancel the contract** and get a **refund**, except if the failure in providing the related service is very small.

Period to claim your rights when products are faulty or not delivered as agreed: You have **2 years** to claim your rights after you realise or should have realised that the trader has not done something as agreed in the contract. Where such problems become apparent very late, the last possible moment for you to make such a claim is **10 years** from the moment the trader had to deliver the goods, supply the digital content or provide the related service.

Unfair terms protection: Trader's standard contract terms which are **unfair** are **not legally binding for you**.

This list of rights is only a summary and therefore not exhaustive, nor does it contain all details. You can consult the full text of the Common European Sales Law **here**. Please read your contract carefully.

In case of dispute you may wish to ask for legal advice.

7.2 German

IHRE RECHTE NACH DEM GEMEINSAMEN EUROPÄISCHEN KAUFRECHT

Das Gemeinsame Europäische Kaufrecht ist ein **fakultatives europäisches Vertragsrecht**, für dessen Anwendung Sie sich bei einem **grenzübergreifenden Kauf** von Waren und digitalen Produkten in der EU entscheiden können.

Tun Sie dies, so gilt für den Kauf, den Sie gerade vornehmen, das Gemeinsame Europäische Kaufrecht.

Wenn Sie der Anwendung des Gemeinsamen Europäischen Kaufrechts zustimmen, gelten für **Sie ausschließlich die darin vorgesehenen Verbraucherrechte**. Eines der Ziele des Gemeinsamen Europäischen Kaufrechts ist es, ein **hohes Maß an Verbraucherschutz** zu gewährleisten. Stimmen Sie der Anwendung des Gemeinsamen Europäischen Kaufrechts nicht zu, so kann der Verkäufer entscheiden, ob er Ihnen auf der Grundlage des andernfalls anwendbaren Rechts die Waren verkauft bzw. die Dienstleistung erbringt oder ob er keinen Vertrag mit Ihnen schließt.

Sollten Sie telefonisch oder auf andere Weise (z. B. per SMS) einem Vertrag zugestimmt haben und konnten deshalb von diesem Informationsblatt keine Kenntnis nehmen, wird die Vereinbarung erst gültig, nachdem Sie dieses Informationsblatt erhalten und Ihre Einwilligung bestätigt haben.

Ihre **wichtigsten Rechte** sind nachstehend beschrieben.

Ihre Rechte vor Unterzeichnung des Vertrags

Der Verkäufer muss Sie über die **wesentlichen Vertragsdetails** informieren, zum Beispiel über die Ware und den Preis (inklusive aller Abgaben und sonstigen Kosten), und Ihnen seine Kontaktangaben mitteilen. Die Informationen müssen besonders ausführlich sein, wenn Sie etwas außerhalb der Geschäftsräume des Verkäufers kaufen oder den Verkäufer überhaupt nicht zu Gesicht bekommen, zum Beispiel bei einem Kauf im Internet oder per Telefon. Bei unvollständigen oder Falschangaben haben Sie Anspruch auf Schadensersatz.

Ihre Rechte nach Unterzeichnung des Vertrags

In den meisten Fällen haben Sie **14 Tage** Zeit, um den Kauf und eine damit verbundene Dienstleistung zu **widerrufen**, wenn Sie die Vereinbarung **außerhalb der Geschäftsräume des Verkäufers** geschlossen oder diesen bis zum Zeitpunkt des Kaufs gar nicht persönlich getroffen haben (beispielsweise bei einem Kauf im **Internet** oder per **Telefon**). Der Verkäufer muss Sie darüber informieren und dafür sorgen, dass Sie das Standard-Widerrufsformular erhalten. Hat er dies versäumt, können Sie den Vertrag innerhalb eines Jahres widerrufen.

Was können Sie tun, wenn Produkte fehlerhaft sind oder nicht wie vereinbart

geliefert wurden? Sie haben die Wahl zwischen

- Lieferung, Ersatz, oder Reparatur der Ware,
- Minderung, d. h. Sie verlangen einen **Preisnachlass**,
- Rücktritt vom Vertrag, d. h. Sie geben das Produkt zurück und lassen sich das Geld erstatten, **es sei denn, der Mangel ist sehr gering**,
- Schadensersatz,
- den Preis müssen Sie erst zahlen, wenn Sie ein fehlerfreies Produkt erhalten haben.

Wurde eine verbundene *Dienstleistung* nicht so erbracht wie im Vertrag zugesagt, haben Sie ähnliche Rechte. Nachdem Sie sich beschwert haben, hat der Dienstleister jedoch normalerweise **zunächst** das Recht, **zu versuchen, seinen Auftrag ordnungsgemäß auszuführen**. Erst wenn ihm dies **wieder nicht gelingt**, können Sie wählen:

- Sie **fordern den Dienstleister noch einmal** auf, die verbundene Dienstleistung zu erbringen.
- Sie **zahlen erst**, wenn die Dienstleistung ordnungsgemäß erbracht worden ist.
- Sie verlangen einen Preisnachlass oder Schadensersatz.
- Sie **treten vom Vertrag zurück** und lassen sich das **Geld erstatten**, es sei denn, das Versäumnis bei der Erbringung der Dienstleistung ist sehr gering.

Frist für die Geltendmachung Ihrer Rechte, wenn Produkte fehlerhaft sind oder nicht wie vereinbart geliefert wurden: Nachdem Sie festgestellt haben oder hätten feststellen müssen, dass der Verkäufer oder Dienstleister eine vertraglich vereinbarte Leistung nicht vertragsgemäß erbracht hat, haben Sie **2 Jahre** Zeit, um Ihre Rechte geltend zu machen. Tritt das Versäumnis erst sehr spät zutage, ist der letztmögliche Zeitpunkt, zu dem Sie Ihre Ansprüche anmelden können, **10 Jahre** nach dem Zeitpunkt, zu dem der Verkäufer oder Dienstleister die Waren liefern beziehungsweise die digitalen Inhalte bereitstellen oder die verbundene Dienstleistung erbringen musste.

Schutz vor unfairen Bestimmungen: Unfaire Standardvertragsbestimmungen sind für Sie **rechtlich nicht verbindlich**.

Ihre Rechte wurden hier nur kurz dargestellt; die Aufzählung ist daher weder erschöpfend noch geht sie sehr ins Detail. Den vollständigen Text des Gemeinsamen Europäischen Kaufrechts finden Sie **hier**. Lesen Sie Ihren Vertrag bitte sorgfältig durch.

Im Streitfall ist eine rechtliche Beratung zu empfehlen.

7.3 French

VOS DROITS EN VERTU DU DROIT COMMUN EUROPÉEN DE LA VENTE

Le Droit Commun Européen de la Vente est un **droit européen optionnel** qu'il est possible de choisir pour les **achats transfrontières** de biens et de produits numériques au sein de l'UE.

Si vous marquez votre accord, l'achat que vous allez effectuer sera régi par ce droit.

En consentant à l'emploi du Droit Commun Européen de la Vente, vous serez **exclusivement protégé par les droits de consommateur** qu'il vous accorde. Ce droit a été conçu pour assurer aux consommateurs un **niveau élevé de protection**. Si vous ne consentez pas à l'emploi du Droit Commun Européen de la Vente, le professionnel peut décider de vendre les produits et fournir le service sous l'égide d'une législation qui serait applicable, ou décider de ne pas vendre.

Il se peut également que vous ayez conclu un contrat par téléphone ou de toute autre façon (par SMS, par exemple) ce qui ne vous a pas permis d'obtenir le présent avis à l'avance. Dans ce cas, la convention d'application ne sera pas valable tant que vous n'aurez pas reçu le présent avis et confirmé votre accord. Vos **principaux droits** sont décrits ci-après.

Vos droits avant la signature du contrat

Le professionnel doit vous communiquer les **informations contractuelles importantes**: ses coordonnées ainsi que les caractéristiques du produit et son prix toutes taxes et tous frais compris, par exemple. Ces informations doivent être plus détaillées lorsque vous effectuez un achat en dehors du magasin du professionnel ou si vous ne rencontrez pas celui-ci personnellement, par exemple si vous procédez à des achats en ligne ou par téléphone. Vous avez droit à des dommages et intérêts si ces informations sont incomplètes ou erronées.

Vos droits après la signature du contrat

Dans la plupart des cas, vous disposez de **14 jours** pour vous rétracter de l'achat et d'un service connexe à ce dernier si vous les avez effectué **en dehors du magasin du professionnel** ou si, jusqu'au moment de la transaction, vous n'avez pas rencontré le professionnel (par exemple, si vous avez effectué des achats **en ligne** ou par **téléphone**). Le professionnel doit vous fournir les informations et un modèle de formulaire de rétractation. Si le professionnel n'a pas exécuté ces obligations, vous pouvez annuler le contrat dans un délai d'un an.

Quels sont vos moyens d'action lorsque les produits sont défectueux ou qu'ils n'ont pas été livrés conformément au contrat? Vous pouvez choisir de

- vous faire livrer, faire remplacer ou faire réparer le produit,
- demander une **réduction du prix** du produit,

- d'annuler le contrat, **sauf si le défaut est minime**, de retourner le produit et de vous faire rembourser,
- de **réclamer des dommages et intérêts** pour le préjudice que vous avez subi,
- vous n'avez rien à payer tant que vous n'avez pas reçu un produit exempt de défaut.

Si le professionnel n'a pas fourni un *service* connexe comme il s'y était engagé dans le contrat, vous jouissez de droits similaires. Cependant, après avoir protesté auprès du professionnel, celui-ci a le droit de tenter, **en premier lieu, d'exécuter correctement son obligation**. Ce n'est que si le professionnel est **à nouveau défaillant** que vous pouvez choisir de

- réitérer au professionnel votre demande de fourniture du service connexe
- **ne pas payer** tant que le service connexe n'est pas correctement fourni
- demander une **réduction du prix** ou réclamer des **dommages** et intérêts
- vous pouvez également **annuler le contrat** et vous **faire rembourser**, sauf si le défaut de fourniture du service connexe est minime.

Délai pour faire valoir vos droits lorsque les produits sont défectueux ou qu'ils n'ont pas été livrés conformément au contrat: vous avez **2 ans** pour faire valoir vos droits une fois que vous vous êtes rendu compte ou que vous auriez dû vous rendre compte que le professionnel n'a pas exécuté une obligation contractuelle. Lorsque ces problèmes ne se révèlent que très tardivement, vous pouvez agir au plus tard **10 ans** à compter de la date à laquelle le professionnel devait livrer le bien, fournir le contenu numérique ou effectuer le service connexe.

Protection contre les clauses abusives: vous n'êtes **juridiquement pas lié(e)** par les clauses contractuelles types du professionnel qui sont **abusives**.

Cette liste de droits n'est qu'un résumé et n'est, des lors, pas exhaustive; des détails ont été également omis. Vous pouvez consulter l'intégralité du texte du Droit Commun Européen de la Vente **ici**. Lisez votre contrat attentivement.

En cas de litige, il vous faudra éventuellement solliciter des conseils juridiques.
