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Biennial overview of actions carried out by national authorities under Regulation (EU) 2017/2394 on consumer protection cooperation and key market trends that might affect consumers' interests in the future

Table of Contents

1. Introduction	2
2. Legal context.....	2
3. Overview of the main enforcement actions and other activities of the CPC network in 2020 and 2021	3
3.1 Key data on the development of e-commerce and the impact of the coronavirus on consumer cross-border complaints	3
3.2 Statistics of the CPC network regarding mutual assistance and alerts.....	6
3.3 CPC enforcement actions and other coordinated work in 2020-2021	7
4. Key market trends that might affect consumers' interests in the future.....	12
4.1 Changing landscape in digital marketing and new persuasive techniques.....	12
4.2 Environmentally sustainable and other "green" marketing practices.....	16
4.3 Continued COVID-19 trends with impacts on consumers.....	17
4.4 Increased globalisation leading to proliferation of similar harmful market practices around the globe.....	20
4.5 Summary of the market trends which according to CPC authorities might affect consumers' interest in the future	21
5. Conclusion.....	21

1. Introduction

Enforcing EU consumer rights swiftly and effectively contributes to strengthening of the smooth functioning of the single market by ensuring a high level of consumer protection and a level playing field among businesses active in retail sectors across the EU. Benefits of strong enforcement with EU-level impact clearly echoed in the discussions of stakeholders who participated in the 2022 EU Consumer Summit¹.

This staff working document has a dual purpose:

- first, it provides an overview of coordinated EU-wide enforcement actions and mutual assistance between national authorities which were carried out in 2020 and 2021 under Regulation (EU) 2017/2394 of the European Parliament and of the Council² on consumer protection cooperation ('CPC Regulation'); the overview also provides statistics, namely on alerts issued between competent national authorities and the Commission ('alerts');
- second, it presents the major market trends identified by national authorities that might affect consumers' interests.

This overview is produced in accordance with Article 37(2) of the CPC Regulation.

2. Legal context

The main objective of the CPC Regulation is to enable national authorities to effectively coordinate their joint work on cross-border issues, provide mutual assistance to each other and better detect and rapidly resolve infringements of EU consumer protection rules, in particular those with an EU-wide dimension³. The enforcement of consumer rights in the single market is the responsibility of national authorities, the Commission plays a coordinating and supporting role.

As part of its supporting tasks, the Commission is tasked to produce and make publicly available every two years an overview of market trends that might affect consumers' interests, enforcement actions carried out under the CPC Regulation in the past two years as well as an overview of the statistics exchanged by means of alerts. This is to raise awareness of European consumers and businesses, and of their representative organisations, of the most concerning trends and practices on consumer markets and of the joint and coordinated work of the network of public enforcement authorities that are responsible for

¹<https://european-consumer-summit-2022.b2match.io/>

²Regulation (EU) 2017/2394 of the European Parliament and of the Council of 12 December 2017 on cooperation between national authorities responsible for the enforcement of consumer protection laws and repealing Regulation (EC) No 2006/2004 ([OJ L 345, 27.12.2017, p. 1](#)).

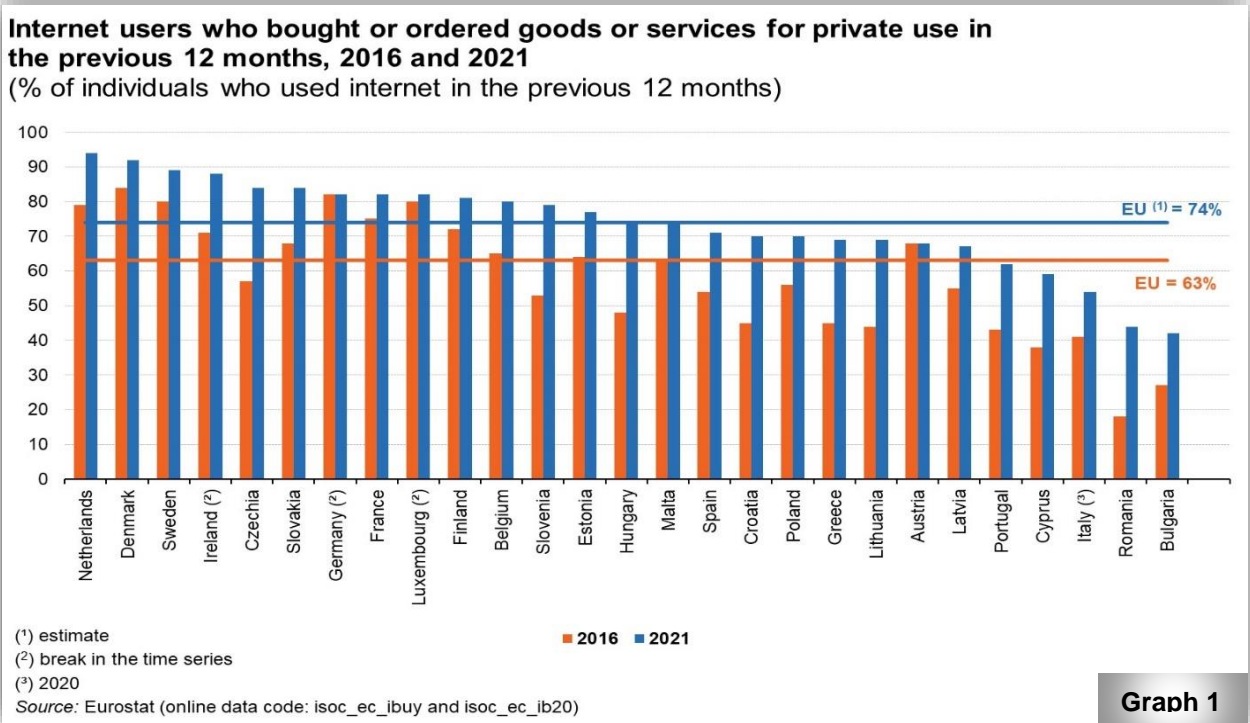
³The CPC Regulation is of EEA interest and covers, in addition to EU Member States, Iceland, Lichtenstein and Norway.

the enforcement of consumer laws in a cross-border context in the Member States ('CPC network'). This overview summarises the work achieved by the CPC network in 2020 and 2021, and offers a forward-looking insight by presenting the consumer market trends that might affect consumers' interests in the future as reported by the Member States.

3. Overview of the main enforcement actions and other activities of the CPC network in 2020 and 2021

3.1 Key data on the development of e-commerce and the impact of the coronavirus on consumer cross-border complaints

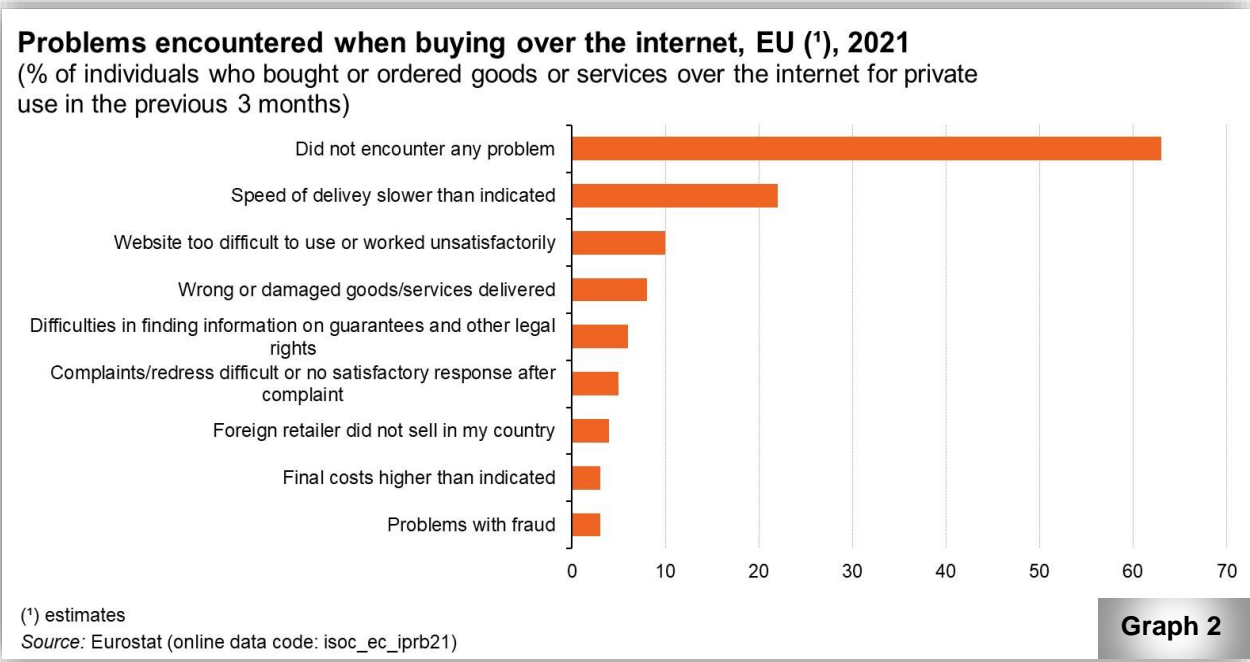
The activities of the CPC network in 2020 and 2021 were largely dominated by the impact of the COVID-19 pandemic, given the resulting economic disruptions and confinement it caused. The range of public health measures taken changed consumer behaviour in the short term but also accelerated the pre-existing trend of shopping more often online. Key e-commerce data published in 2021 show that the share of e-shoppers among internet users is growing.



Graph 1

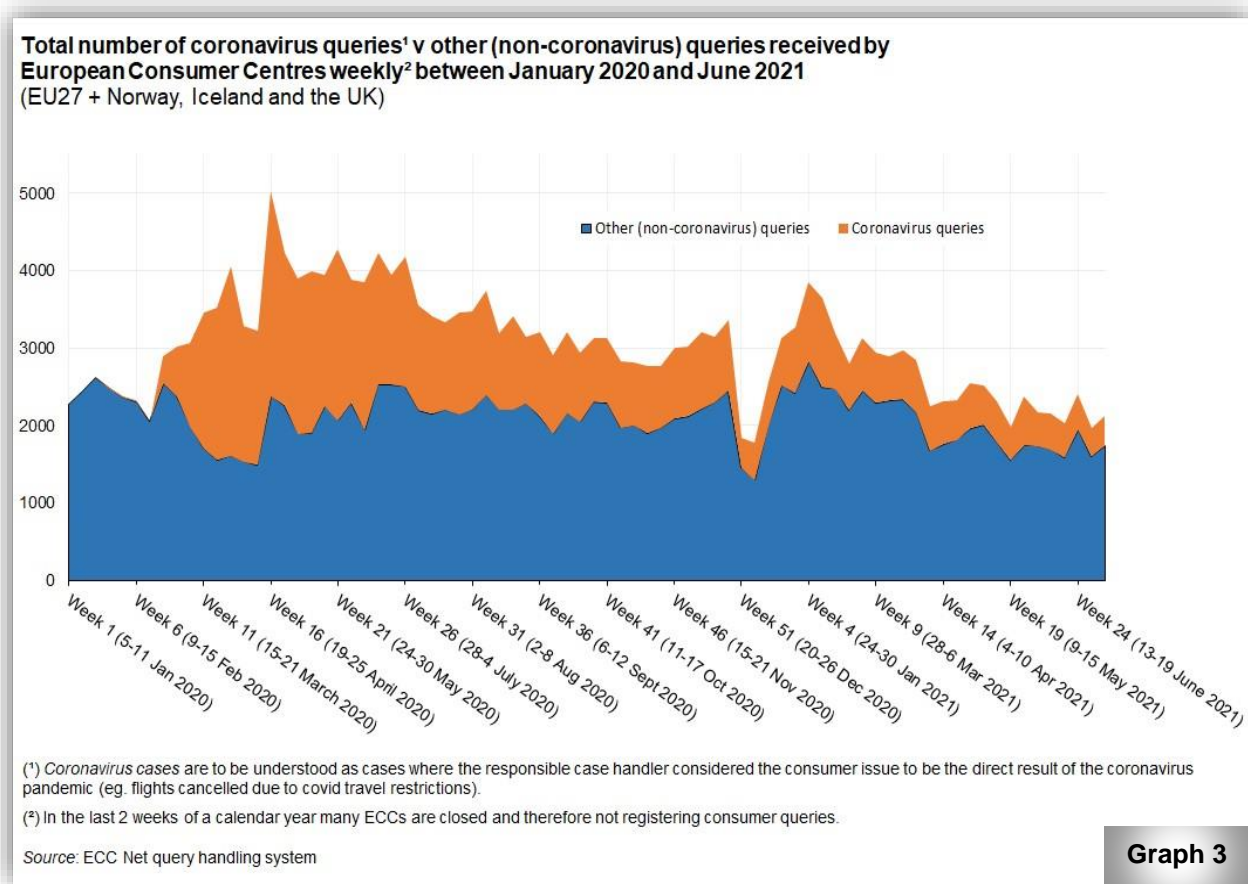
According to Eurostat data⁴, online shopping increased by 6 percentage points (pp.) to an average of 74% in 2021 from 68% of internet users in 2019 and by 11 pp. compared with 2016 (63%). See Graph 1 with data for each Member State.

Eurostat data⁵ further detail that in 2021, the highest proportion of e-shoppers among internet users was in the youngest age group 16-24 (80%), closely followed by the age group 25-54 (79%). One-third (33%) of e-shoppers reported making a purchase once or twice and another third (or 33 %) three to five times, while 16 % did so six to ten times in the three months prior to the survey.⁶ Alarmingly, almost four e-buyers out of ten (37 %) claimed to encounter issues when buying online. The problems reported most often were related to slower delivery (22%) and problems with a website too difficult to use or working unsatisfactorily (10%).⁷ See Graph 2 with more detailed data on the problems encountered when buying online.



⁴Eurostat ([isoc_ec_ibuy](#)) and ([isoc_ec_ib20](#)), [E-commerce statistics for individuals](#)
⁵https://ec.europa.eu/eurostat/statistics-explained/index.php?title=E-commerce_statistics_for_individuals#General_overview
⁶Ibid.
⁷Ibid.

This trend is also reflected in the number of cross-border complaints concerning a purchase of a good or service made online. These cases made up over 82% of all queries received by the European Consumer Centres ('ECC Net') in 2021, up from 74% in 2019. In the first year of the pandemic, from March 2020 to March 2021, ECC Net⁸ responded to 170 000 consumer requests, up 44% since the same period a year before. 70 000 queries were directly related to the consequences of the COVID-19 on purchases made from a trader located in another EU Member State, or in Norway, Iceland or the UK⁹. Of these 70 000 requests, 93% concerned tourism (45% concerned air passenger rights, overwhelmingly flight cancellations; 21% about cancelled accommodation services and 17% about package holidays). Graph 3 illustrates the weekly increase between January 2020 and July 2021.



⁸https://ec.europa.eu/info/live-work-travel-eu/consumer-rights-and-complaints/resolve-your-consumer-complaint/european-consumer-centres-network-ecc-net_en#ecc-net-and-covid-19

⁹The EU co-funding of European Consumer Centres allocated in 2020 during the Brexit transitional period covered operations of a UK ECC office until the end of 2021. There is no European Consumer Centre in Lichtenstein.

3.2 Statistics of the CPC network regarding mutual assistance and alerts

In the two years since the CPC Regulation has been applicable (17 January 2020), CPC authorities cooperated on 312 mutual requests, of which 231 were requests to take enforcement measures. Most of these requests related to potential infringements of horizontal EU consumer law, such as Directive 2005/29/EC of the European Parliament and of the Council¹⁰ on unfair business-to-consumer commercial practices in the internal market ('UCPD') (120 requests), Directive 2011/83/EU of the European Parliament and of the Council¹¹ on consumer rights (95 requests) or Council Directive 93/13/EEC¹² on unfair terms in consumer contracts (17 requests). In 48 cases, the requests related to the sale of goods to consumers. However, sectoral compliance issues were also raised, such as issues of e-privacy (31 requests), and specific travel- and holiday-related issues (26 requests related to package holidays, vehicle rentals or transportation and accommodation services).

The CPC network and the Commission issued 89 alerts of suspected breaches of consumer law. Those alerts covered a wide scope of EU consumer law issues, relating to practices by web-shops, online marketplaces and other online platforms (e.g. social media or entertainment). They mostly concerned a lack of price transparency, misleading advertisements and misleading labelling of commercial content, unclear or missing pre-contractual information, geo-blocking, commercial practices linked to drop-shipping business models where the seller operating such business receives customer orders but the seller is not in a possession of the actual stock, warranty issues and greenwashing practices. There were also particular sector-specific problems related to traders operating in travel or financial services. Of the 89 alerts issued on practices by specific traders, 45 had a potential EU dimension¹³. 23 of those 45 alerts resulted in a follow up by the CPC network by launching coordinated actions at EU-level which are detailed in the next chapter.

The CPC cooperation mechanism is facilitated by the Internal Market Information System¹⁴, which ensures that consumer protection cooperation between Member States is carried out in a secure and coordinated manner.

¹⁰Directive 2005/29/EC of the European Parliament and of the Council of 11 May 2005 concerning unfair business-to-consumer commercial practices in the internal market and amending Council Directive 84/450/EEC, Directives 97/7/EC, 98/27/EC and 2002/65/EC of the European Parliament and of the Council and Regulation (EC) No 2006/2004 of the European Parliament and of the Council ('Unfair Commercial Practices Directive') ([OJ L 149, 11.6.2005, p. 22](#)).

¹¹Directive 2011/83/EU of the European Parliament and of the Council of 25 October 2011 on consumer rights, amending Council Directive 93/13/EEC and Directive 1999/44/EC of the European Parliament and of the Council and repealing Council Directive 85/577/EEC and Directive 97/7/EC of the European Parliament and of the Council ([OJ L 304, 22.11.2011, p. 64](#)).

¹²Council Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts ([OJ L 95, 21.4.1993, p. 29](#)).

¹³In accordance with Article 3(4) of the CPC Regulation: 'widespread infringement with a Union dimension' means a widespread infringement that has done, does or is likely to do harm to the collective interests of consumers in at least two-thirds of the Member States, accounting, together, for at least two-thirds of the population of the Union;

¹⁴The Internal Information System (IMI) is a secure, multilingual online tool that facilitates the exchange of information between public authorities involved in the practical implementation of EU law. IMI helps authorities to fulfil their cross-

The CPC Regulation also allows consumer organisations and associations, as well as trader associations nominated at national or EU level to issue alerts to the CPC network and the Commission of suspected breaches of EU consumer law. So far, 75 external entities have been nominated by 23 Member States and 2 EU-level stakeholders are registered in the external alert system¹⁵. Overall, these stakeholders issued 36 alerts to the CPC network and the Commission, several of which prompted a specific response from the network (see more details in the following chapter).

3.3 CPC enforcement actions and other coordinated work in 2020-2021¹⁶

COVID-19 related actions

a) Online scams

The CPC network promptly adapted to the new reality of early 2020. It took measures to stop the alarming proliferation of online consumer scams and misleading advertisements where dishonest traders preyed on consumers' vulnerabilities. This tested the network's ability to respond to new emerging threats with urgency.

The CPC network started a dialogue with 11 major online platforms (marketplaces, social media and search engines) coordinated by the Commission. This resulted in a successful takedown of hundreds of millions of misleading offers and harmful listings in the first year of the pandemic¹⁷.

In addition, the CPC network carried out two coordinated screenings of commercial offers on these platforms as well as on independent web-shops (the "COVID-19 scams" sweeps¹⁸) and checked for dubious offers and advertisements related to products that were in high demand because of the pandemic. The investigators focused on offers of protective masks and shields, sanitising gels, testing kits as well as food, food supplements and non-food products with alleged healing effects related to the

border administrative cooperation obligations in multiple single market policy areas. For more information, please visit https://ec.europa.eu/internal_market/imi-net/index_en.htm

¹⁵The public list of these entities is available here: https://ec.europa.eu/info/live-work-travel-eu/consumer-rights-and-complaints/enforcement-consumer-protection/consumer-protection-cooperation-network_en#cpc-actors

¹⁶Since some of the CPC enforcement actions launched in 2020-2021 are still ongoing, all summaries mentioned in this chapter refer to the state of play of these actions as at 1 March 2022.

¹⁷For more details see: https://ec.europa.eu/info/live-work-travel-eu/consumer-rights-and-complaints/enforcement-consumer-protection/scams-related-covid-19_en

¹⁸In accordance with Article 3(16) of the CPC Regulation: 'sweeps' means concerted investigations of consumer markets through simultaneous coordinated control actions to check compliance with, or to detect infringements of, Union laws that protect consumers' interests.

coronavirus. In the in-depth analysis, CPC authorities checked 268 websites of which 206 were flagged by participating CPC authorities for potential breaches of EU consumer law.

The subsequent verifications prompted by the sweep revealed a number of specific instances of unfair business practices perpetrated by online scammers. The evidence obtained was used by the network in the dialogue with the platforms and helped raise attention of consumers and traders of the most common rogue practices in the early stages of the pandemic.¹⁹ The CPC dialogue with the platforms continued throughout 2021 and together with the sweep results helped increase the vigilance of platforms on the issue of scams in general.

b) Airline cancellation practices

Travel restrictions in the early phase of the pandemic resulted in large-scale flight cancellations. In many cases, consumers only received vouchers for their tickets and were not able to exercise their statutory right to reimbursement in money. The CPC network took coordinated action, which resulted in 16 major European airlines committing to provide better information and timely reimbursement of passengers in the event of flight cancellations.²⁰ In addition, all airlines but one agreed to offer reimbursement in cash to consumers who had been forced to accept vouchers early in the pandemic. This has been so far the biggest and fastest action of the CPC network as commitments and change of practices were obtained in 9 months from the first letter to airlines. It was prompted, among others, by the first external alert received by the CPC network from the European Consumer Organisation BEUC²¹. CPC authorities are now monitoring full implementation of these commitments by the airlines.

c) Coordinated check of consumer credit advertisements

In 2020, 38% of consumers confirmed that they were concerned about paying next month's bills.²² CPC authorities also looked into the practices and presentation of consumer credit offered online to see whether the pandemic had had any impact on consumer loan marketing or aggressive practices.²³ While this sweep did not reveal specific cases of aggressive marketing linked to financial vulnerabilities, in 30% of checked cases (35 out of 118), the advertising of consumer credit did not include all the standard information in a clear, concise and prominent way with a representative example, as required by Directive 2008/48/EC of the European Parliament and of the Council²⁴ on credit agreements for consumers.

¹⁹https://ec.europa.eu/info/live-work-travel-eu/consumer-rights-and-complaints/enforcement-consumer-protection/scams-related-covid-19_en#advice-to-consumers-and-traders

²⁰More details on the negotiated commitments with the airlines can be found in the overview published on the Europa website: https://ec.europa.eu/info/sites/default/files/overview_of_measures_that_airlines_should_take.docx.pdf

²¹<https://www.beuc.eu/publications/beuc-reports-major-airlines-breaching-passenger-rights-and-calls-industry-investigation/html>

²²https://ec.europa.eu/info/sites/default/files/120321_key_consumer_data_factsheet_en.pdf

²³https://ec.europa.eu/info/live-work-travel-eu/consumer-rights-and-complaints/enforcement-consumer-protection/sweeps_en#2021-mini-sweep-on-consumer-credit

²⁴Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC ([OJ L 133, 22.5.2008, p. 66](https://eur-lex.europa.eu/eli/dir/2008/48/oj))

Digital markets

a) Online platform checks

The CPC network initiated a record number of joint actions on different practices carried out by big online platforms.

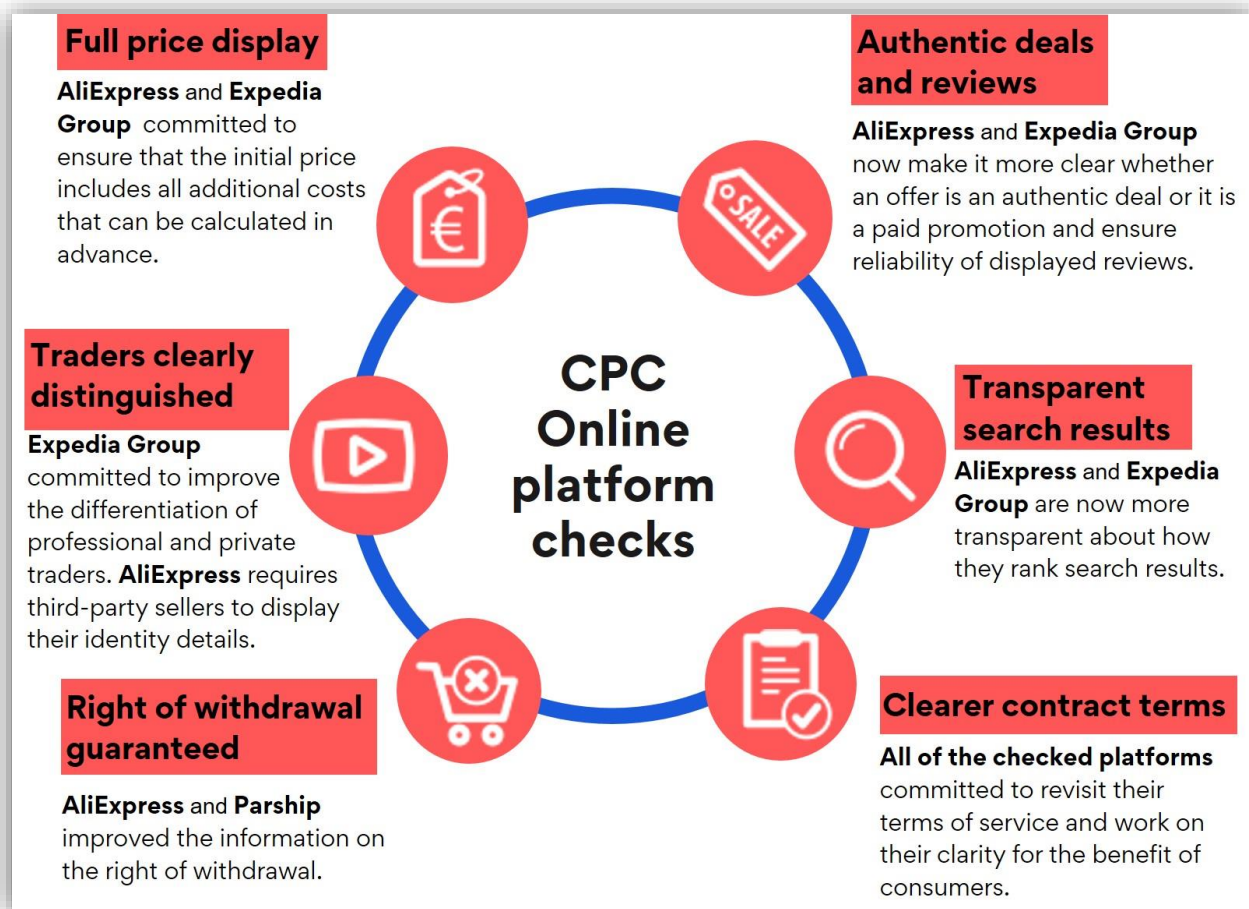
CPC authorities performed thorough platform checks on online marketplaces, search engines, social media and entertainment platforms, dating platform as well as travel booking platforms. All the named platforms have cooperated with the CPC network in a positive manner:

- **AliExpress**, a popular low-cost online marketplace, made EU-wide commitments to ensure that its practices as well as those of its traders respect EU consumer law. In particular, this concerns clear and transparent information on the right of withdrawal, the identity of the seller, how products are ranked in search results on the website and the two-year legal conformity guarantee applicable under EU law. AliExpress also committed to revisit its terms of service and to better inform consumers on how to complain or take action against sellers.
- The CPC authorities reached out to **Google** requesting more transparency (on its business model, search results and reviews policy) and more clarity on prices and essential pre-contractual information that Google provides to consumers in its various services (Google Hotels and Flights, Google Store, Google Play, Google Search and Ads).
- The CPC network has also started a dialogue with **TikTok**, the most popular social media and entertainment service provider in 2021 in terms of new downloads²⁵. CPC authorities requested TikTok to make improvements in relation to its business operation related to advertising practices and labelling of commercial content (paid adverts and influencers), personalisation and targeted marketing aimed at a young audience, and its internal policies on the virtual items available for users on the platform to express appreciation of video content published by other users. This dialogue was triggered by an external alert of the European Consumer Organisation BEUC²⁶.
- The dating platform **Parship** has improved the information displayed on its website regarding users' right of withdrawal and automatic renewal of contracts. Following these changes, consumers are now better informed of the cost of subscribing to Parship services.
- The **Expedia Group** committed to make the search results more transparent so it is clearly presented when an offer displayed on the website is in effect the best possible offer or if it has been promoted by the trader because it is a paid advertisement. Expedia also improved the presentation of prices and discounts and implemented an improved audit system for special price offers across the EU/EEA sites. Users can now clearly distinguish between accommodation offered by professional and private hosts since Expedia committed to continuously updating the information disclosed by accommodation providers.

²⁵<https://www.forbes.com/sites/johnkoetsier/2021/12/27/top-10-most-downloaded-apps-and-games-of-2021-tiktok-telegram-big-winners/?sh=3e96d3003a1f>

²⁶<https://www.beuc.eu/publications/beuc-files-complaint-against-tiktok-multiple-eu-consumer-law-breaches/html>

The actions taken with respect to online platforms have resulted in the following improvements²⁷:



b) Online reviews

The results of the Commission’s 2020 market monitoring survey²⁸ show that consumers often use reviews when shopping online. In some markets in particular, European consumers consider reviews even more important than advertising (e.g. for holiday accommodation, 71% of consumers are influenced by reviews and only 18% by advertising)²⁹. Therefore, it is critical that these reviews represent real consumer experiences with the goods or services so that consumers can rely on what they read online to make an informed purchase decision.

²⁷For more details on the coordinated actions see: https://ec.europa.eu/info/live-work-travel-eu/consumer-rights-and-complaints/enforcement-consumer-protection/coordinated-actions_en

²⁸https://ec.europa.eu/info/policies/consumers/consumer-protection-policy/evidence-based-consumer-policy/market-monitoring_en

²⁹https://ec.europa.eu/info/sites/default/files/mms-overview-report-19-20_en.pdf

Consequently, the CPC network carried out the annual sweep in 2021 on unfair practices in the collection and presentation of consumer reviews³⁰. The sweep revealed that 55% of the investigated websites were suspected to have breached the UCPD. In 144 out of the 223 websites checked, authorities could not confirm that these traders made sure that reviews were authentic, i.e. that they were posted by consumers that actually used the product or service that they reviewed. The sweep results were taken into account during the ongoing dialogues with online platforms (see above).

c) Enabling digital investigation

As regards capacity building activities, the focus in 2020-2021 was on e-enforcement and equipping all national authorities with the right knowledge and skillset to overcome the enforcement challenges stemming from the rapid development of the digital environment, such as how to obtain relevant evidence when websites change rapidly. As an outcome of this work, the Commission has started to build a secure e-enforcement environment ('the EU e-Lab project') for use by the CPC authorities. The proof-of-concept of the EU e-Lab has been refined and tested with 17 Member States and is set to go live in early 2022. In addition, "e-Enforcement Academy 2", a training project dedicated to consumer and product safety authorities, was launched in June 2021 to advance knowledge and skills of CPC authorities in targeted topics related to online investigation.

Green transition

The 2020 sweep on misleading environmental sustainability claims revealed many problematic business practices across different markets. European consumer protection watchdogs found that in almost half of the cases of marketing "green" products, authorities had suspected that the environmental sustainability claim may be false or deceptive and could be qualified as an unfair commercial practice under the UCPD.³¹ Many traders, particularly in high-energy-consumption industries (e.g. car manufacturing, energy suppliers) use green-oriented catchphrases to capture consumers' attention without giving sufficient information to assess the claim's accuracy (this applied to 57.5% of cases (198 cases)). In 37% of cases (128 cases), national enforcement authorities considered that the claim included vague statements such as "environmental friendly", "eco-friendly", "sustainable" to convey the impression to consumers that a product or a trader had no negative impact or only a positive impact on the environment.

³⁰[Protecting consumers from misleading reviews \(europa.eu\)](https://ec.europa.eu/info/life-work-travel-eu/consumer-rights-and-complaints/enforcement-consumer-protection/sweeps_en)

³¹https://ec.europa.eu/info/live-work-travel-eu/consumer-rights-and-complaints/enforcement-consumer-protection/sweeps_en

4. Key market trends that might affect consumers' interests in the future

Building on past and ongoing investigation work of the CPC network in 2020-2021 and the continuous examination of market trends affecting consumer rights carried out by CPC authorities under the coordination of the Commission, the CPC network identified a number of concrete market trends likely to affect consumers' interests across the single market in the foreseeable future. They can be grouped into 4 areas:

- **Changing landscape in digital marketing and new persuasive techniques**
- **Environmentally sustainable and other “green” marketing practices**
- **Continued COVID-19 trends with negative impacts on consumers**
- **Increased globalisation leading to proliferation of similar harmful market practices around the globe**

4.1 Changing landscape in digital marketing and new persuasive techniques

The rise in e-commerce and the accelerated digitalisation triggered by the pandemic has brought to light many consumer law issues and data-related risks since consumers are increasingly exposed to advertisement through multiple online channels. According to private professional sources, digital advertising is likely to account for 64.4% of total advertising in 2021, up from 60.5% in 2020 and 52.1% in 2019,³² and digital advertising volumes (search, social, video, banners, digital audio) grew 146% of the pre-COVID market size.³³

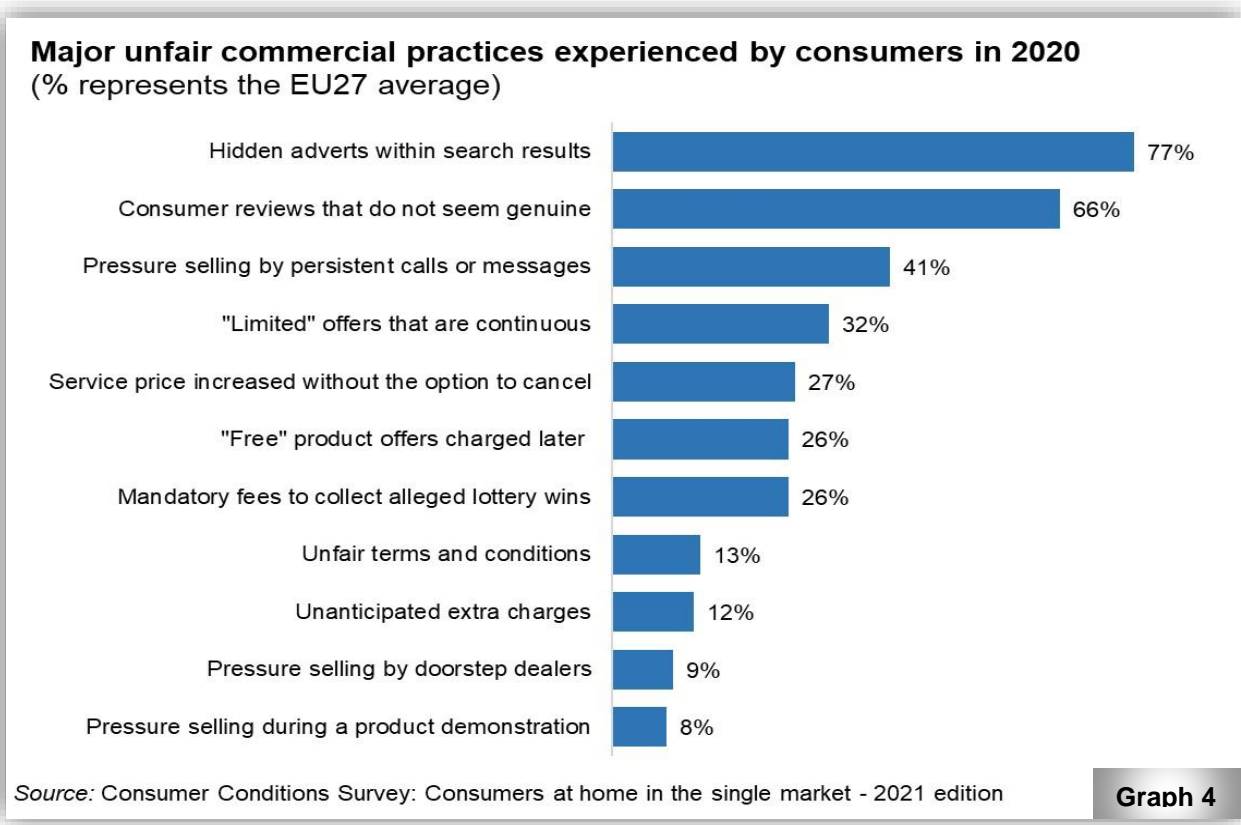
According to the Commission's surveys and field work carried out by national competent authorities, consumers continue to be frequently exposed to unfair commercial practices when shopping online.

³²WPP report: [This Year Next Year: Global 2021 End-of-Year Forecast - GroupM](#)

³³<https://magnaglobal.com/global-advertising-market-reaches-new-heights-and-exceeds-pre-covid-levels/>

The Magna report further specifies that digital ad formats (volume of online presence) worldwide grew by double-digits in 2021, led by digital video formats (long and short form) +37%, social media +34% and search +33%.

The latest *Key Consumer Data* published by the Commission in March 2021³⁴ reveals that unfair commercial practices remain highly prevalent, as illustrated in Graph 4.



Consumer-related issues of social media advertising

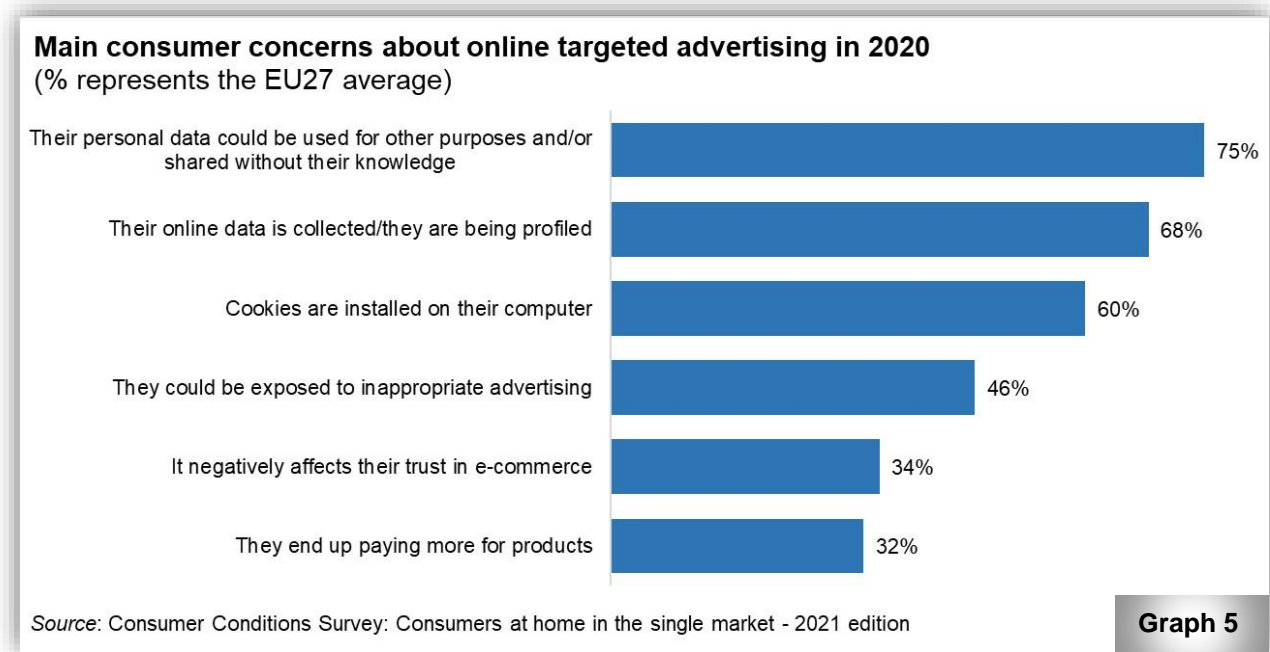
Social media and entertainment platforms have become effective tools to boost and facilitate e-commerce. In 2020, spending on social media advertising in Europe was EUR 16.1 billion, growing over 16% year-on-year during the COVID-19 pandemic.³⁵ Germany and France were the top two markets with highest social media advertising spent in EU27.³⁶ Such platforms create a multi-level environment where commercial content blends with 'organic' user-generated content. For example, when consumers engage on social media or play games offered free of monetary payment, they may not always realise that they give access to their data in exchange, or they might not be aware of its extent. And indeed, such systems expose consumers to advertisements, product placement or incentivised comments of users via sophisticated algorithms based on consumers' online behaviour. The latest *Key Consumer Data* published

³⁴[Consumer Conditions Survey: Consumers at home in the single market – 2021 edition](#)

³⁵<https://www.statista.com/statistics/461963/social-media-advertising-revenue-countries-digital-market-outlook-europe/>

³⁶<https://www.statista.com/statistics/899269/ad-spend-social-vs-other-display/>

by the Commission in March 2021 show that 75% of consumers, when explained how targeted advertising work, shared the concern that their personal data could be used for other purposes, or without their knowledge.³⁷ CPC authorities consider it key to ensure that businesses comply with their information requirements in the domain. Graph 5 shows the top 6 main consumer concerns about online targeted advertising.³⁸



In particular, children and young people, who are vulnerable consumers, have become extremely active online and exposed to new marketing techniques, notably via influencers, which can have high impact on their consumer behaviour.³⁹ According to Eurostat data, in 2020, 57% of people in the EU used the internet to participate in social networks.⁴⁰ Among young people aged 16 to 24 years, almost 9 in every 10 did so (from 79% in Italy to 97% in Denmark).

³⁷[Consumer Conditions Survey: Consumers at home in the single market – 2021 edition](#)

³⁸Ibid.

³⁹The recent testimony of a former Facebook employee and whistle-blower, Frances Haugen, on the negative impact of big tech companies' products on users, delivered in the public hearing of the European Parliament's Committee on the Internal Market and Consumer Protection on 8 November 2021 available at https://multimedia.europarl.europa.eu/en/webstreaming/committee-on-internal-market-and-consumer-protection_20211108-1645-COMMITTEE-IMCO

⁴⁰<https://ec.europa.eu/eurostat/web/products-eurostat-news/-/edn-20210630-1>

According to a Forbes article⁴¹, the majority (97%) of Gen Z⁴² consumers say they now use social media as their top source of shopping inspiration. For instance, in May 2021 the hashtag #tiktokmademebuyit reached 2.3 billion views worldwide on TikTok, and #amazonfinds had more than 6.7 billion views⁴³. Social media-generated commerce is thus likely to revolutionise the way consumers shop by “offering something radically different through a sense of connection and community”, as advertisement and communication consultant predicts.⁴⁴

CPC authorities report that their concerns are often cross-cutting and can relate to lack of transparency on the use of personal data, in particular for questions such as personalised advertising, aggressive practices to impose cookies or inefficient age verification mechanisms. The particular vulnerability of children on online markets is an added source of concerns for authorities.

With the online experience becoming even more immersive (e.g. live streaming, AR/VR experiences), national enforcement authorities consider that their approach is constantly challenged by innovative marketing techniques which require to assess their compliance with EU consumer standards, notably in relation to big market players in the social media and entertainment sector which set industry trends regarding marketing techniques. Regarding children, authorities are particularly concerned about the impact of neuro-marketing (using brain imaging to fine-tune advertising) for example as their persuasion power is strong and should not be used in an unfair manner all the more that vulnerable consumers may be concerned.

Unfair persuasive techniques in digital markets

CPC authorities report, and recent studies⁴⁵, show that the design of online interfaces can lead consumers to take a transactional decision that they would not have taken otherwise if the information had been presented in a transparent and fair manner, the so called ‘dark patterns’. Authorities have identified that there is an upward trend for such practices in correlation with the rise in e-commerce and the accelerated digitalisation. Among others, CPC authorities indicate a wide range of marketing techniques that create unsubstantiated (and thus false) messages on scarcity, social proof, that generate automated fake price discounts, or aggressive practices urging consumers to rush through the purchase (countdown timers). In addition, digital services which use negative nudging practices such as subscription traps or make it overly burdensome to opt-out or exercise the consumer’s right of withdrawal has been also indicated in the CPC network’s exchanges as of concern.

⁴¹<https://www.forbes.com/sites/forbesagencycouncil/2021/05/17/gen-z-and-the-rise-of-social-commerce/?sh=169b1df5251d> using data from <https://theinfluencermarketingfactory.com/wp-content/uploads/2021/03/social-commerce-report.pdf>

⁴²People born from 1995 to 2010.

⁴³<https://www.forbes.com/sites/forbesagencycouncil/2021/05/17/gen-z-and-the-rise-of-social-commerce/?sh=169b1df5251d> In August 2021, the hashtag #tiktokmademebuyit had over 4.1 billion views, and in October 2021 it had more than 5 million views on the platform.

⁴⁴<https://www.accenture.com/il-en/insights/software-platforms/why-shopping-set-social-revolution>

⁴⁵Aneesh Jain, Anudeep Reddy Guntaka, Drew H Klaubert, and V N S Rama Krishna Pinnimty. 2021. Analysing Technical Background as a Predictor for Success in Dark Pattern Identification. In Woodstock’18: ACM Symposium on Neural Gaze Detection, June 03–05, 2018, Woodstock, NY. ACM, New York, NY, USA, 9 pages. <https://doi.org/10.1145/1122445.1122456>

Misleading practices of online marketplaces or service-booking platforms

The CPC network's online platform checks and sweeps show a high frequency of issues such as a lack of transparency in relation to prices, price advantages, ranking criteria for search results, whether the seller is a trader or another consumer, as well as of unclear or missing pre-contractual information. CPC authorities identify such issues as pervasive in different online shopping channels, in particular in relation to online marketplaces or service-booking platforms where third party sellers offer goods or services to consumers.

4.2 Environmentally sustainable and other “green” marketing practices

Most recent surveys show that European consumers increasingly care about the natural environment and are willing to pay more for a more environmentally sustainable product. The *Key Consumer Data* published by the Commission in 2021 indicate that 67% of consumers said they bought products that are better for the environment even if they cost more.⁴⁶ In addition, most consumers in all markets consider the environmental impact of products and services important when making a purchase decision - ranging from 62% in airline services to 81% in the new cars market.⁴⁷ In 2020, 23% of consumers considered the environmental impact of most or all of their purchases, compared to 18% in 2014. 56% of consumers considered at least once the environmental impact of their purchase.

Misleading environmental sustainability claims and greenwashing

The rising trend of online marketplaces and web-shops marketing their products with a green label has been subject of a market probe by CPC authorities: the 2020 sweep on misleading environmental sustainability claims provided the CPC network with a market overview on the prevalence of greenwashing practices. They were found across all markets, and most prominently in energy-related industries, such as energy suppliers or car manufacturers. The sweep results confirmed that in many cases, traders omit to provide sufficiently clear information for consumers to make an informed decision. CPC authorities report that the trend to include sustainability information on all goods is on the rise and this constitutes a high concern for them in view of the high likelihood that a large part of the information is misleading as found in the sweep.

⁴⁶https://ec.europa.eu/info/sites/default/files/120321_key_consumer_data_factsheet_en.pdf

⁴⁷https://ec.europa.eu/info/policies/consumers/consumer-protection-policy/evidence-based-consumer-policy/market-monitoring_en

Planned obsolescence and issues of durability and reparability of products

Furthermore, CPC authorities inform and data show⁴⁸ that consumers often complain about practices where goods which they expect to have a longer lifespan, fail to function prematurely and become obsolete. Such practices are often complained about in the ICT sector, and authorities of several Member States carried out investigations at national level (i.e. on the lifespan of batteries or other components).

According to the 2020 market monitoring survey⁴⁹, in all surveyed product markets, the product feature that has the biggest impact on purchasing decisions is durability, surpassing other features such as price or the look of the product. Price tends to be the second-most important feature – apart from in the clothing and footwear market where the look of the product is generally more important.⁵⁰ CPC authorities therefore found the lack of information on the durability and reparability of products as an important area of concerns all the more that it is related to consumer empowerment for the green transition.

4.3 Continued COVID-19 trends with impacts on consumers

Practices of online travel intermediaries

The CPC action on airlines taken in 2021 revealed a number of issues linked to suspected unfair commercial practices of online travel intermediaries. CPC authorities inform that there have been indications that certain online travel intermediaries are preventing direct contact between air passengers and airlines as they book tickets in names of passengers, but provide an email address that they manage (often referred to as ‘screen-scrapers’). This caused confusion and reimbursement delays in the early stages of the pandemic as cancellation information by airlines was not instantly channelled to passengers who booked tickets through such intermediaries. Passengers were unsure of whom to contact, which consequently prolonged the reimbursement time as airlines were not able to reach out directly to affected passengers due to missing or insufficient contact information. For CPC authorities, a great area of concern is the continuation of the lack of transparency about their business models and their intermediary role, and how the consumers are informed on their relationship with the travel service providers. Such transparency proved to be essential in the COVID-19 crisis to strengthen and regain consumers’ trust in travel booking services.

⁴⁸https://www.beuc.eu/publications/beuc-pr-2021-002_beuc_launches_europe-wide_complaint_against_nintendo_for_premature_obsolescence.pdf; or <https://www.test-achats.be/trop-vite-use>

⁴⁹https://ec.europa.eu/info/sites/default/files/mms-overview-report-19-20_en.pdf

⁵⁰Ibid.

Consumer scams and online fraud

The Commission's study on consumer scams and fraud⁵¹ in 2019 revealed that 56% of Europeans had personally experienced at least one of the nine types of scams and fraud⁵² described in Graph 6, and 34% had experienced at least two types of scams and fraud. According to the study, 23% of consumers experienced a scam during a buying activity. The results of the study also show that buying scams are most often associated with financial detriment and have the most negative impact on consumers' buying behaviour.⁵³

Scams and fraud experienced by consumers when purchasing goods or services in 2019

(% represents the EU28 average)



Source: Survey on 'Scams and Fraud experienced by consumers' published in January 2020

Graph 6

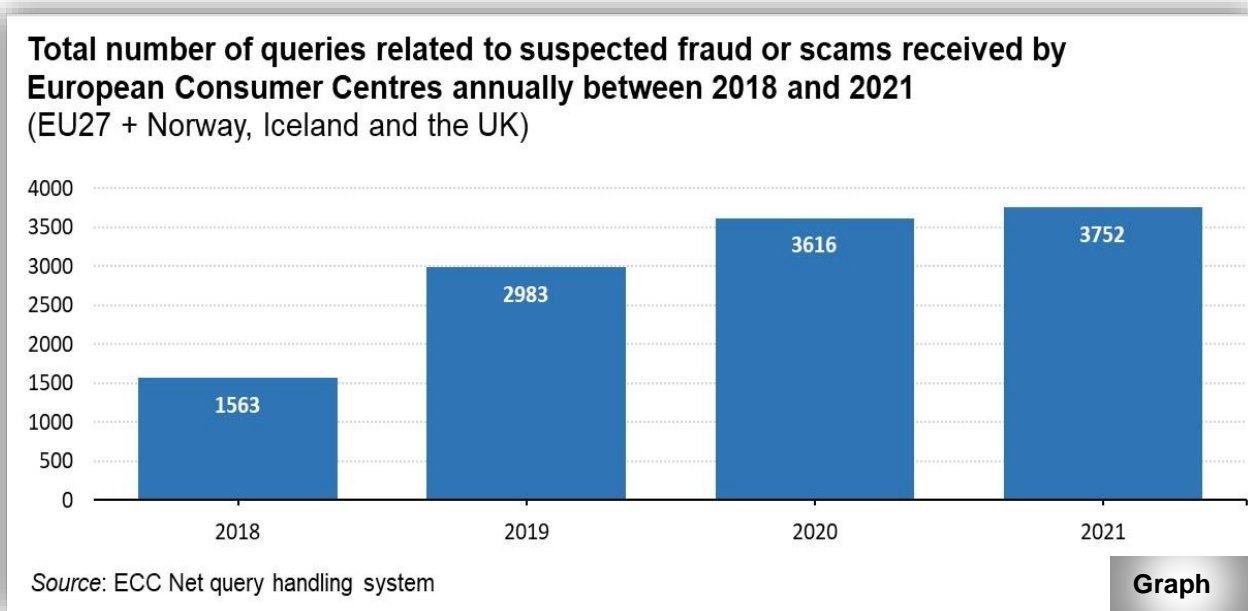
⁵¹[Survey on scams and fraud experienced by consumers - final report.pdf \(europa.eu\)](#) published in January 2020

⁵²According to the methodology of the 'Survey on scams and fraud experienced by consumers', the terminology at the beginning of the survey when introducing it and when introducing the first question did not label the practices listed in Graph 6 as either fraudulent or as a scam. Rather, interviewees were only asked whether these practices had happened to them in the last two years. It was only after this question that the terminology of scam or fraud was used to label these practices.

(Ibid, pg. 9-10)

⁵³Ibid, pg. 32

A recent Europol report confirms that the accelerated digitalisation related to the pandemic has significantly influenced the trend in cyber threats, including a steep increase in fraudulent practices when shopping online.⁵⁴ This is reflected in the significant increase in the number of fraud cases reported to ECC Net in 2020 and 2021 compared with previous years (Graph 7).



According to Europol data,⁵⁵ the rising number of delivery fraud continued to have a significant impact in the second year of the COVID-19 pandemic. Scammers create fake listings on online marketplaces or entire fake e-shops replicating popular brands where they often offer goods at cheap prices. The buyer then purchases a product but the order never gets delivered. There are also cases when criminals pose as a delivery service or pretend to contract a fake delivery service for a consumer-to-consumer transaction (e.g. linked with a purchase on a second-hand goods marketplace or via social media), and they try to lure consumers into giving them their payment card details or personal credentials. Statista estimates⁵⁶ that e-commerce losses to online payment fraud can be expected to have reached EUR 17.63 billion globally in 2021. Compared with the EUR 15.43 billion recorded in 2020, this represents an increase of over 14%.⁵⁷

⁵⁴Europol (2021), Internet Organised Crime Threat Assessment (IOCTA) 2021, Publications Office of the European Union, Luxembourg. Available at: <https://www.europol.europa.eu/publications-events/main-reports/internet-organised-crime-threat-assessment-iocta-2021>

⁵⁵Ibid, pg. 30 and following.

⁵⁶<https://www.statista.com/statistics/1273177/ecommerce-payment-fraud-losses-globally/>

⁵⁷Ibid.

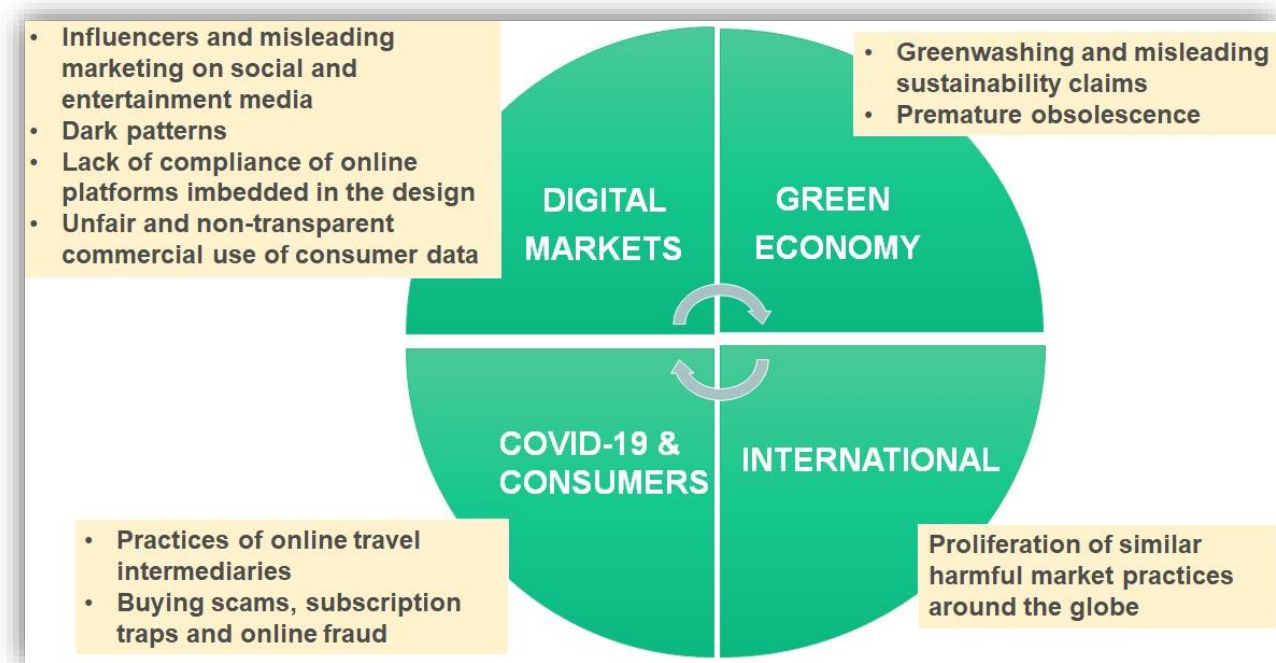
CPC authorities report that often they are the first to learn about the new threats based on information received from consumer complaints. Online fraud is closely linked to the issue of financial vulnerabilities, as refined and more sophisticated models of investment fraud or money recovery scams targeting fraud victims appear frequently. Therefore, CPC authorities have developed cooperation with law enforcement authorities on these market issues as taking down a scamming website is not efficient in terms of consumer protection since these scams are often developed and run in a sophisticated way, using specific tools developed for this purpose and increasingly attracting organised crime. Such trends are expected by CPC authorities to continue if not aggravate in the future.

4.4 Increased globalisation leading to proliferation of similar harmful market practices around the globe

The Member States indicate that their engagement in international fora, such as in the International Consumer Protection Enforcement Network (ICPEN), the Organisation for Economic Co-operation and Development (OECD), the World Trade Organisation (WTO) or the United Nations Conference on Trade and Development (UNCTAD) show that the increased globalisation and digital interconnectivity lead to proliferation of similar consumer issues as outlined above, which relate to the global digital and green transitions. The practices with a potentially negative effect on consumers are often perpetrated by big online platforms, which operate their services at global level. Therefore, CPC authorities regularly exchange best practices on the common challenges related to these market trends with key partners and build up on the good cooperation established in the multilateral fora. For CPC authorities, the role of large multinational platforms will continue shaping the globalisation of world trade and will remain a central concern, strongly influencing their future cooperation activities, notably with like-minded countries such as the US.

4.5 Summary of the market trends which according to CPC authorities might affect consumers' interest in the future

This diagram reflects the 4 main market trends which, according to CPC authorities are the most likely to affect consumers' interests in the coming years.



5. Conclusion

The biennial stock-taking process that resulted in this overview of actions taken by the CPC network up to the date of drafting of this report (1 March 2022) and its identification of market trends that might affect the interests of consumers in the single market serves as a compass: consumers, businesses and their representatives are informed by this report on the main areas of concerns of authorities and therefore on the areas likely to focus consumer law cross-border enforcement work in the EU/EEA in the near future.