



BUILDING A DIGITAL WORLD CONSUMERS CAN TRUST



**CONSUMERS
INTERNATIONAL**

COMING TOGETHER
FOR CHANGE

INTRODUCTION

Consumers around the world are experiencing rapid and transformative change. As marketplaces become increasingly digital and globalized, there are new ways of communicating, sharing, banking, shopping, finding information and socializing; creating choice, opportunities, convenience and lower prices. These possibilities, from mobile payments in Kenya to smart TVs in Korea, have transformed people's lives as consumers.

To ensure that growth and opportunity continues, digital developments need to not just be available to more people but be trusted enough to be integrated in people's everyday lives. Already more than 40% of the world's population has access to the internet and with the necessary focus on access and inclusion this figure will continue to rise.



Yet, despite mass uptake of products and services, trust in some aspects of the digital economy is in short supply. If these issues are not addressed, further growth and integration of technology may be threatened.

Building trust means involving people much more. Consumers' traditional role as the demand side in the economy has been expanded in the digital economy, and their engagement has shaped and driven the internet from its earliest days, not just through their purchasing decisions but also by sharing information, creating content, commenting, ranking, curating and exchanging ideas. As well as commenting and reviewing, consumers now also use digital platforms to provide services as part of peer to peer networks and platforms.

However despite this plethora of opportunities to shape and comment on the digital economy, the rapid pace of change in new technology and the concentration of services can leave consumers relatively disempowered – unclear about what is happening behind the scenes and unsure of their choices. Understanding what worries consumers about digital, and their expectations will help to find ways to build trust and make the next stage of digital development work better for everyone.

Consumers International want to create a digital world that consumers can trust - where access, opportunity, participation and innovation in digital technology flourish for everyone. With our global membership we have developed a set of recommendations for building a digital economy consumers can trust, including actions for governments, business and civil society¹ In addition we are building a database of actions taken different countries in each of these areas to help promote good practice and innovation to address consumers concerns. We hope these tools and others will help build the foundations of trust that will underpin growth of the digital economy in the future.

- Access and inclusion
- Disclosure and transparency
- Fair use and clear ownership
- Digital education and awareness
- Security and safety
- Data protection and privacy online
- Redress and complaint handling
- Competition and choice
- Regulatory framework
- Responsible business conduct



**THIS WORLD CONSUMER
RIGHTS DAY WE
ARE BUILDING A
#BETTERDIGITALWORLD
15 MARCH 2017**

¹ Building a digital world consumers can trust: Proposed recommendations from the consumer movement to G20 member states Building a digital world consumers can trust. March 2017

Trust at a low ebb

Trust in business, government, media and NGOs is in decline² in part because people feel these institutions can't protect them from the negative effects of globalization and technological change. For the technology sector, consumers regard it as falling short on transparency, authenticity, contributing to the greater good, protecting consumer data and paying taxes. Seventy one per cent of consumers worldwide think brands with access to their personal data use it unethically,³ around the same number don't even know what information companies hold about them. A survey of selected G20 countries found 59 per cent of consumers were concerned that new digital technologies like self-driving cars and smart homes were not safe.

However, as digital becomes default, the very connected, even pervasive nature of digital technology means people's choices over whether or how to engage are limited. Therefore, uptake and usage does not necessarily equate to satisfaction and trust. Consumers trust technology to deliver reliable, quality services, but this does not stretch to trust that they are acting in their best interests, or that they are fully protected from harm in the future.

Listening to the demand side

Building trust in a digital world is challenging. Digital technology and its component parts means it cuts across national and sectoral regulation and legislation. This makes identifying the right responses difficult, constantly evolving products and services blur traditional boundaries.

For companies, a willingness to listen and a more in-depth understanding of the major demand-side dynamics should help guide an increase in the levels of trust consumers place in business. This might help avoid things like backlashes against changes to sudden changes to terms and conditions, high profile headlines about smart toys that leak children's private conversations, or what's been described as a near 200 million strong boycott of advertising online through ad-blockers.⁴

As digital markets mature the doctrine of 'ask forgiveness, not permission'⁵ should be replaced with a more consumer-centric approach responsive to expectations and reservations.

Consumers International's framework can guide both governments and companies to recognize the importance of consumer trust in realising the benefits of the digital economy, by identifying ten key areas where action is needed and why.



2 Edelman Trust Barometer: Global Report (2017): <http://www.edelman.com/global-reports/>

3 (Edelman Global Trust in Tech survey, 34,000 global survey)

4 According to PageFair and Adobe's 2015 Global Adblocking Report there were 198 million active adblock users around the world, a growth of 41% globally in a year.

5 For start-ups looking to disrupt regulated industries, the new strategy is: Ask forgiveness, not permission April 2014 Neil Irwin, New York Times.

TEN AREAS FOR BUILDING CONSUMER TRUST IN A DIGITAL WORLD

ACCESS AND INCLUSION

Access to the Internet is a fundamental aspect of digital consumer rights and central to development – with the UN recognizing the availability of broadband infrastructure as a prerequisite to a country’s economic development. Without access, people cannot enjoy the communication, information and commercial benefits that digital technology offers and, as a result, both businesses and consumers miss out.

In terms of connecting consumers, there is much to celebrate. Last year, 47% of the world’s population were online, 2.5 billion of those in economically developing countries⁷. Nonetheless, this means that still, 3.9 billion people - 53% of the world’s population – are not using the Internet.

A closer look at the 3.9 billion without connection reveals uneven access⁸. Recent estimates suggest that less than 10% of people living in the least economically developed countries access the Internet, compared with more than 80% in developed countries⁹. There is also uneven coverage within countries, and affordability issues caused by connection costs, device costs and unfair data caps. The offline global population is disproportionately rural, elderly, less educated, lower income and female. In Kampala, Uganda, for example, there is just one woman online for every three men online.¹⁰

National and local initiatives from governments and civil society illustrate some of the actions that can be taken to help promote access and inclusion.

Brazil The Brazilian Ministry of Communications’ guidelines on telecommunications includes a requirement for authorities to promote affordable costs of broadband service.

Afghanistan Afghanistan’s largest mobile operator Roshan worked hard to increase women’s use of mobile phones - to increase revenue but also to provide benefits to a marginalised group. In addition to offering a reduced tariff, Roshan re-marketed mobile phones to emphasise their role as a family connector, helping to improve attitudes towards women having mobiles. It is estimated that Roshan has the highest number of female subscribers in Afghanistan.

Bangladesh A multi-stakeholder partnership including Korea Telecom, NGOs and the Bangladeshi government has collaborated to connect Moheshkhali Island, making use of existing copper lines and using existing microwave equipment to increase network infrastructure.

IN THE WORLD’S
LEAST ECONOMICALLY
DEVELOPED COUNTRIES
LESS THAN 10%
OF PEOPLE HAVE THE
INTERNET. IN THE MOST
DEVELOPED IT’S 80%

Projections suggest that if Internet access in low-income countries matched that of higher income countries, “personal incomes would increase by up to \$600 per person a year, thus lifting 160 million people out of extreme poverty”⁶

6 <https://www2.deloitte.com/ie/en/pages/technology-media-and-telecommunications/articles/value-of-connectivity.html>

7 <http://www.itu.int/en/ITU-D/Statistics/Documents/facts/ICTFactsFigures2016.pdf>

8 Across regions the proportion of those without Internet rises to 58% in Asia, the Pacific and the Arab states, and almost 75% in Africa.

9 http://www.internet-society.org/doc/internet-and-sustainable-development#_edn12

10 <http://webfoundation.org/docs/2015/10/womens-rights-online21102015.pdf>

DISCLOSURE AND TRANSPARENCY

The United Nations Guidelines for Consumer Protection recognize the importance of consumer information to support consumers make informed choices in accordance with individual wishes and needs, but this principle is increasingly challenged in digital markets due to the length and complexity of technical information and terms of use.

It is now commonly accepted that hardly anyone reads the small print connected with digital products – not surprising when estimates suggest it would take a person 76 working days if they were to read all the Terms and Conditions documents that they sign up to in a year online.¹¹

Clearly more needs to be done to make sure information online – in particular that contained in privacy policies and Terms and Conditions – serves its purpose. This starts with some basic aspects such as having information available in your own language.

Greater transparency defined as information that is clear, meaningful, verifiable, timely and necessary to enable consumers to take informed and independent decisions would be the first step in developing a better understanding of products, as well as fairer and more reasonable terms for consumers. Understanding the pricing, functionality, terms of use, business models and being assured that information and reviews are accurate and verified will give greater confidence to consumers.

The lack of clear, meaningful and verifiable information on many digital products and services causes a number of problems from being unclear on the speed and cost of broadband, to not being able to trust the authenticity of online reviews or simply not knowing where a company is based and how to contact them if things go wrong. It is ironic that this problem is so prevalent in a sector that prides itself on the ability to use technology to simplify information.

BUILDING TRUST IN INFORMATION

New Zealand consumer organization and Consumers International member Consumers NZ ran a 'Ditch the ticks' campaign to get an online airline to stop its practice of 'drip pricing', where the final information on price was only obvious at the final payment stage.

The Netherlands consumer organization and Consumers International member Consumentenbond campaigned for ISPs to publish the actual speed a consumer would get based on their precise location.

UK Some mobile phone companies are now breaking down prices to clearly show the cost of the handset, and the cost of the contract, making it much easier to see how much the phone actually costs. Broadband adverts are required to be much clearer on contract length and full costs including all installation fees after research found 81% of consumers could not correctly calculate the total cost of the package.¹²

CASE STUDY:

A Berlin court ruled WhatsApp terms of use for its German users as legally void because they were not provided in the German language and so lacked transparency. The ruling that applies to all companies with privacy policies on their websites in Germany.



11 <http://journals.law.stanford.edu/stanford-technology-law-reviewpdf/determann-socialmediaprivacy.pdf>

12 <https://www.asa.org.uk/News-resources/Media-Centre/2016/Insight-We-confirm-tougher-approach-to-broadband-price-claims-in-ads.aspx#.WEb107KLTcc>

FAIR USE AND CLEAR OWNERSHIP

More and more consumer products, come with embedded digital technology that enables connection to the internet. This can challenge established expectations of ownership as the digital elements of those products are subject to licences and thus greater controls over use, sharing or modification.

Some worry this may be a worrying precedent for more connected devices in the internet of things - where device functionality is dependent on remote decisions with little input from owners, and where a provider's definition of product 'lifetime' and suitable use prevails.

While worrying about connected homes may feel like a luxury to some, Consumers International's report 'Connection and protection in the digital age: the internet of things and consumer protection' showed that with the fast pace of change, the internet of things could quickly become widespread, either through products only being available via connected devices or by national default roll outs of smart energy or water meters, or transport systems.

With numerous links in a complex chain of manufacturers, apps, ISPs it is not always clear who, for example, owns a product that relies on software, or who is responsible when something goes wrong.

Making sure consumers are clear on their ownership rights is just one part of building trust and confidence, guaranteeing rights to fair use, due process and proportionality are also essential.



SMART HOME?

Two years after purchasing Revolv, a smart home hub that could control all of the smart switches, security devices, sensors, and heating in their home, Alphabet-owned Nest announced they were switching it off. All Revolv Hub6 devices previously purchased and installed by customers would be permanently disabled and cease to operate, and the servers that the US \$300 "Revolv Hub" depended on would be shut down. This led to extensive media criticism, given the high cost of the hardware, and that customers had previously been assured of a "Lifetime Subscription". The Revolv customer who first drew attention to this in a blog, sums up the impact of its closure on him:

"My house will stop working. My landscape lighting will stop turning on and off, my security lights will stop reacting to motion, and my home made vacation burglar deterrent will stop working."

13 Alphabet's Nest will permanently turn off all Revolv hubs on May 15, 2016 -<http://venturebeat.com/2016/04/04/alphabets-nest-will-permanently-turn-off-all-revolv-hubs-on-may-15-2016/>

DIGITAL EDUCATION AND AWARENESS

In a fast moving and sometimes unfamiliar world, digital consumer education and awareness needs to be about more than just knowing your online rights. It should be based on the full set of competencies required for full participation in the digital society - including knowledge, skills, and behaviours to make effective use of digital devices such as smartphones, tablets, laptops and desktops for purposes of communication, expression, collaboration and advocacy.

Digital education and awareness can support consumers to develop the skills and confidence to be able to manage risks and opportunities, make informed choices, know where to go for assistance and advice and take effective action to protect and improve their well-being and identity online. It should be understood that education and awareness is complementary to effective regulation and not an alternative. It is everyone's responsibility to make it easy to understand and manage the implications of participating in the digital world.

SECURITY AND SAFETY

Data security

Security fears impact consumers around the globe. A major survey of more than 24 thousand consumers in 24 countries, found that 22 per cent had made fewer online purchases and 24 per cent did fewer financial transactions as a result of concerns about their financial information being shared online.¹⁴ In G20 countries, 68 per cent of people are worried their digital payments are unsafe. With many governments and businesses investing in e-commerce as a means to drive growth it should be a priority to develop online payment systems that consumers trust.

The opportunities for data breaches are growing due to the increased number of people online; the way different services connect together; and because there is a much bigger range of products that can collect people's data and connect to the internet.

Over half a billion digital personal records were lost or stolen in 2015, leaving 429 million identities exposed – and that's just the ones we know about, as many breaches go unreported.¹⁵

Personal records include information about consumers like bank account details, email addresses, online accounts, identity details or medical information. Losing this information can mean financial loss, credit card fraud, identity theft and distress at private information being made public.

Better data security will build trust. In another recent global survey, 32 per cent of people thought strong cyber security systems were the most effective way for organisations to build consumer trust. 58 per cent of those surveyed would like to see cybercrime dealt with by government.¹⁶ A comparison of these survey results from consumers and companies illustrates the extent of the disconnect between the views of businesses and consumers on issues of data protection, security and trust.

¹⁴ CIGI-Ipsos Global Survey on Internet Security and Trust , 2016

¹⁵ Symantec, Internet Security Threat Report, 2016

¹⁶ <https://home.kpmg.com/au/en/home/media/press-releases/2016/11/creepy-cool-personal-data-survey-4-nov-2016.html>

74%

businesses in Europe think their privacy track record is not a top consideration for consumers

88%

of consumers in Europe think data security is most important factor in choosing a company to do business with¹⁷

Personal safety

Security and safety in the digital world also covers the personal safety of consumers, particularly those who are vulnerable to harm or less able to manage risks online:

One in three Internet users are children, with a higher proportion in developing countries, where most Internet growth is happening.¹⁸ The new European data rules (GDPR) which will have wider application than just Europe require data controllers to make reasonable efforts to get verified parental consent before processing data of children below 13 years of age.

Product safety has a long history in consumer protection and remains the bedrock for many Consumers International's members around the world. The first consumer organisations used independent testing to help consumers navigate a proliferation of new consumer goods with few safety features or guidance on use. Sophisticated digital products with hard to spot hazards and new risk threats, require the same scrutiny that new and unfamiliar products did in the dawn of the mass consumer age. We need the same thing now to make sure consumers can understand, trust and safely use new products and services.

The impact IoT can have when it actuates the physical world was covered extensively in 2016. Tesla, a connected car manufacturer, released a misleadingly named feature called "autopilot" that still required drivers attention when in use. An accident in July 2016 called into question the risks and liabilities of autonomous car use. Tesla automatically pushed a software update to attempt to fix the conditions that caused the July 2016 crash.



¹⁷ State of Privacy Report 2015

¹⁸ One In Three: Internet Governance And Children's Rights <https://www.unicef-irc.org/publications/795/> UNICEF Innocenti Research

DATA PROTECTION AND PRIVACY ONLINE

Powerful digital technology enables companies to collect, store and share vast quantities of consumers' personal data. Many consumers understand that access to some data is necessary to support functionality, but few are aware of why other information, such as location or shopping habits, is collected. Neither do they understand their rights over their own data.

Seventy-two per cent of people do not know what information is collected about them by companies online, and only 31% say that they know what rights they have with regard to this data.¹⁹ Globally, 83% of people agree that there should be new rules about how governments, companies and other internet users use their data.²⁰ But developing effective rules is challenging, with information remedies often the fallback option. Given what we already know about the limitations of information remedies, policymaking is shifting toward a more pre-emptive approach toward consumer protection. 'By Design' frameworks based on proactively embedding privacy, security and safety into the design and operation of IT systems, networked infrastructure, and business practices are popular.

Some companies are leading the way in trusted data practice that gives users more control, either by adopting such frameworks, incorporating privacy into the original design of a product or service, or by clearly explaining how customer data is used, and enabling different options.

Concern about how much data is collected, loss of privacy, security risks and other consequences is growing. In 2016, 57% of consumers worldwide reported that they were more concerned about their online privacy than they were in 2014.²¹ Alongside concerns, many consumers would welcome the opportunity to get more value out of their data, for example by having more control and access so that they can make better decisions or understand more about their own behaviour.²²

PRIVACY BY DESIGN

TOMTOM fitness tracker features a complete auto-delete of a person's data after 24 hours, an easy to read privacy policy and has a system designed so the company knows nothing about who is using it.

DO NOT CALL

In Singapore, strict rules mean that consumers have the right to ask businesses to delete or correct their data. Failure of businesses to comply is a criminal offence. There is also a national Do Not Call registry so consumers can easily opt out of all SMS advertising.

DATA DECISIONS

Understanding how data is used to make decisions: data input by consumers, or data that is assumed about them from their behaviour can be used to make decisions on credit or prices. In the US, laws that prevent the refusal of credit on grounds of certain discriminatory factors also include the right to know why an application was rejected.⁶

19 IPSOS global trends 2014 Personalisation vs Privacy

20 <https://www.cigionline.org/internet-survey-2016>

21 <https://www.cigionline.org/internet-survey-2016#more-concerned-with-privacy>

22 As above

23 <https://www.consumer.ftc.gov/articles/0347-your-equal-credit-opportunity-rights#right>

REDRESS AND COMPLAINT HANDLING

The Internet has brought about a revolution in the way goods are bought and sold. Since the first secure transactions in the mid-1990s, there has been a rapid growth in e-commerce. More and more of us around the world enjoy the benefits of shopping online: estimates suggest that over 40% of internet users have shopped online. In 2015, online retail sales accounted for 7.4% of total worldwide sales, which is worth around 1.55 trillion US dollars.²⁴

As with any type of commerce, problems are inevitable. These might be complaints that are familiar in the offline world, such as faulty goods, poor services and fake or counterfeit goods. Or they may be particular to online shopping: poor delivery service or goods that do not reflect their advertised description, substandard or dangerous products.

In e-commerce, the many players involved, from payment providers to the national postal service, makes identifying liability troublesome.

In a 2014 survey of Consumers International's membership 80% of respondents felt that legislation, regulation and standards relating to redress ineffective at keeping pace with digital economy.

With multiple providers working together to deliver a digital service, it can be difficult to get problems put right.

ONLINE DISPUTE RESOLUTION

ODR is often cited as a potential remedy to issues around redress in the digital economy. ODR allows businesses and consumers to negotiate with each other, either directly or through a mediator, when they are in dispute over a transaction. There are schemes around the world: In China, which has seen massive growth in e-commerce, the China International Economic and Trade Arbitration Commission hosts a set of Online Arbitration Rules to help resolve disputes, including those relating to e-commerce. CI Member PROFECO offers consumers in Mexico access to redress for e-commerce through their Concilianet ODR system.²⁵

Private companies have pioneered effective ODR, for example eBay runs a Resolution Centre, which aids the resolution of disputes between buyers and sellers involving non-receipt of payment, non-receipt of product and false advertising.²⁶

For cross-border e-commerce, these issues can be amplified, and a lack of clarity on how consumers are protected and how they can seek redress can deter them from making transactions. Regulation of cross-border e-commerce is still in its infancy and even where there are single market arrangements, problems persist: 68% of the EU's cross border consumer complaints relate to online products.²⁷ The OECD published its revised e-commerce guidelines at the end of March 2016.²⁸ They form a useful outline for any regulator that is developing work in this area and a good starting point for consumer groups that want to evaluate the protection offered to online consumers in their country.

24 <https://www.statista.com/statistics/534123/e-commerce-share-of-retail-sales-worldwide/>

25 <http://concilianet.profeco.gob.mx/Concilianet/comoconciliar.jsp>

26 <http://resolutioncentre.ebay.co.uk/>

27 http://ec.europa.eu/consumers/solving_consumer_disputes/non-judicial_redress/ecc-net/index_en.htm

28 <https://www.oecd.org/sti/consumer/ECommerce-Recommendation-2016.pdf>

COMPETITION AND CHOICE

Competition plays an important role in delivering good quality and fairly priced products that meet people's needs. Giving consumers the opportunity to choose from a range of products and services helps to drive improvements across the sector. Maintaining competitive markets is therefore an important task for governments and part of the toolkit for delivering a digital world consumers can trust.

In the digital economy, traditional competition concerns around abuse of dominant market position and the impact of mergers and acquisitions are joined by new challenges that are either unique to the sector or have taken on particular characteristics. Addressing new types of competition issues in digital markets is essential not just for creating services that might better reflect consumer choices, but for all aspects of economic growth.

The network effect of many digital services means that they become more useful as more and more people connect and use it. This large market reach can have advantages for consumers, for example instead of relying on slow policy change across many countries, a large e-commerce platform can help consumers by threatening to bar any vendor from sending spam advertising mail.

However, if companies do things consumers don't like, such as changing terms and conditions or merging with another service, consumers can feel trapped by this reliance and powerless to have their voice heard.

Network effects and the advantages of being a first mover can also lead to "winner-takes-all" outcomes that make it hard for new entrants and can stifle innovation.²⁹

Size matters: One in two global internet users visit Amazon on a monthly basis (Global web index survey, 2016)

Speed matters: Successful first movers can reach the top position very quickly. Uber went from beta launch in San Francisco in 2010 to being the most used ride-hailing app in the world, operating in 73 countries by 2016.

In other contexts, there may only be one telecommunications provider with the resource to offer internet access – creating monopolies for digital connection.

The more integral these types of technology become to consumers lives, and the more reliant people become on them, the more important it is to understand how size and power influence competition, choice, trust and economic growth. Making it easy to port data could reduce reliance or lock in on to one provider's ecosystem for all your digital needs, and greater interoperability could open up opportunities for new providers or applications.

If it's difficult for consumers to exercise choice, then it becomes very difficult to gauge how consumers feel about the way the services and companies operate.

"In some provinces and districts of Peru there are only one or two service providers so consumers are forced to use the services of certain providers."

ASPEC - Peruvian Association of Consumers and Users

MIDATA/MES INFOS

The UK midata³⁰ scheme, the US Green Button scheme³¹ and the French Mes Infos³² scheme all aim to support consumer access to their transaction data held by companies or public bodies, by providing making it easily available in a common format.

29 OECD, ed., 'Big Data: Bringing Competition Policy to the Digital Era - Background Note by the Secretariat', 2016, 9–14. See also: World Bank Group, 'Digital Dividends: World Development Report 2016', 19; BEUC, ed., 'A Consumer-Driven Digital Single Market', 2015, 11.

30 <http://www.gocompare.com/money/midata/>

31 <http://www.greenbuttondata.org/>

32 <http://mesinfos.fing.org/english/>

REGULATORY FRAMEWORK

The impact of digital technology is not confined to sectoral or national boundaries. Digital developments move at speed, and often regulators responses to problems come too late.

A survey conducted in six G20 countries found that only a quarter of people trust their governments to protect their rights online.³³

The Web Index³⁴ found that the majority of all countries regardless of economic development lacked clear, balanced and effective laws in key areas such as cybercrime (63%), legal liability of Internet intermediaries (64%), right to information (59%) and data protection (53%).

We need to constantly be looking ahead at where changes and challenges could arise, and develop more agile responses.

As digital becomes the default by which services are delivered, a joined up approach to building consumer trust and confidence is needed. Regulation is not the only way to do this, but it has a critical role in providing a strong foundation of protections and guarantees that can enable certainty and thus confident participation in the digital economy.

- What innovations could help consumers have more trust and autonomy in the services they use?
- Intermediaries to improve transparency and choice: for example apps that alerts users when their data is being accessed and by whom, or tools that give a behind the scenes view of how your data is used
- Market based interventions: encouraging a competitive market for these intermediaries by establishing rights to portability and agreeing specification standards so privacy and sharing preferences could be easily transferred along with data.
- Disclosure of the right things: more transparency on how decisions are made, not just what data is collected.



33 Research conducted in six G20 countries by Conpolicy and commissioned by the Federation of German Consumer Organisations (vzbv)

34 <http://thewebindex.org/about/>

The international nature of the digital economy also presents real challenges for regulators. The development of international guidelines and recommendations tends to move slowly. For example it took 33 years to update the OECD Privacy Guidelines and more than 30 years for the first comprehensive revision of the UN Guidelines for Consumer Protection. In contrast it took Facebook just 1 year to reach an audience of 50 million and Snapchat just 6 months. There is a clear need for everyone who is interested in consumer empowerment and protection to work more effectively at an international level. There are already some interesting examples of flexible and practical collaboration:

- In 2014 the European Commission and national consumer enforcement agencies took joint action in response to complaints about in-app purchases in online and mobile games.³⁵
- ICPEN (the international consumer protection and enforcement network) facilitates the sharing of information amongst national agencies and has developed guidelines on online reviews and endorsements as well as initiatives such as internet sweeps to identify cyber scams.
- The 2015 revision of the UN Guidelines for Consumer Protection established the Intergovernmental Group of Experts under the UN Conference of Trade and Development to monitor and support implementation of the Guidelines.
- The International Standards Organisation is increasingly developing standards with a range of stakeholders that respond to consumer protection needs in the digital economy.

Consumers would have more confidence to take up new digital opportunities if they knew there were certain backstops in place – for example, independent oversight, safeguards if things go wrong, or knowing that the companies they interact with meet some established standards. This is not easy as cross border trade agreements, data handling arrangements and intellectual property rules pose major challenges for regulators.

Trust could also be built by making sure companies are held to account regardless of where they operate, with better cross border rules and obligations and an consistent treatment of consumers wherever they live.

RESPONSIBLE BUSINESS CONDUCT

Most people have an idea of what a responsible business looks like. Dealing with people honestly and fairly, being easy to talk to, being open about supply chains, willing to be held accountable, treating employees well - being a business worthy of trust. For a company at the forefront of digital technology, there is an added responsibility as they are often the only ones with a deep understanding of the risks and benefits of their innovations.

With the dual challenges of both slow regulatory processes and company reach across borders, we are relying more and more on companies in the digital economy to do the right thing and actively demonstrate their commitment to responsible practice, for example:

³⁵ http://europa.eu/rapid/press-release_IP-14-847_en.htm

- Being upfront about values and purpose
- Taking a pro-active approach to addressing consumer concerns, eg security and privacy by design which embed privacy, safety and security into devices, systems and business practice can reassure consumers that you have done the hard work for them.
- Being honest about mistakes and challenges could be the first step to reflecting with all stakeholders on how to better manage operations in a fast changing environment.
- Applying the best of digital design and innovation to solving consumers pain points and worries, be it security, information provision, consent mechanisms or redress
- Behaving responsibly could help foster consumer trust, and be more willing to integrate digital technology further into their everyday lives.

CONCLUSION

As the disruptive breakthroughs of the last twenty years become familiar for more and more people, it is critical that we work together to make the digital economy expand opportunities for people as consumers, producers and citizens.

We need to take the best of what digital connection can bring and enhance it for everyone, take the best of what protection provides and build on it to create a trusted and safe digital world. But we can't do this in isolation.

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

President JF Kennedy 15 March 1962
Special address to the US congress

This speech from fifty five years ago reminds us that while change is not new, we have to be alive to the challenges as well as the opportunities. Back then, Kennedy highlighted the need for new legislation and new institutions. In today's fast moving and globalised economy, this will only be part of the response. Governments, consumers, businesses, international organisations and civil society should commit to finding joint approaches to delivering trust. The digital world is everyone's world and it is up to everyone to make it a better one, a digital world consumers can trust.





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FOR CHANGE

Consumers International brings together over 200 member organisations in more than 100 countries to empower and champion the rights of consumers everywhere. We are their voice in international policy-making forums and the global marketplace to ensure they are treated safely, fairly and honestly.

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