

## Guide for Internet Platforms

This Guide is for platforms that facilitate the marketing of products/services to UK consumers. Internet platforms have become an integral part of the way we shop, socially interact, invest, entertain and travel. Platforms include:

- Marketplaces
- Social Media Networks
- Discount, Voucher & Cashback Platforms.
- Forums
- App Stores
- Sharing Economy operators<sup>1</sup>
- Crowdfunding
- Review Sites
- Classifieds

This Guide outlines the key legal obligations that every platform has to meet to enable users to make informed decisions and reduce the risk of economic and health harms pre-, during and post-transaction. It is not a comprehensive guide to all of your legal obligations, however it lists many of the key duties. Compliance with these has a significant impact on reducing harms to your users. This is followed by duties or guidance relevant to specific types of platform.

Your business model may include a variety of platform types, so more than one section of the guide may apply to you. For example, you may provide an App (App Stores) that enables users to discuss products (Forums), review products (Review Sites) and have an opportunity to obtain cashback on those products (Discount, Voucher & Cashback Platforms).

Note: any reference to product also includes services, facilities and digital content

---

<sup>1</sup> Definition: facilitates sharing of goods (eg. car) and resources (eg. unused driveway space) between individuals and groups

**ALL PLATFORMS – LEGAL REQUIREMENTS**

Platform website compliant with consumer law information requirements, which includes:

- Privacy notice tab<sup>2</sup>
- Identifying information about the platform (eg. legal entity, address, VAT & Company number, supervisory authority etc)<sup>3</sup>
- Accessible and effective complaint handling policy<sup>4</sup>
- Email address. A webform may be acceptable if it provides the equivalent functionality of an email address<sup>5</sup>
- Where a page contains specifics about a product on offer, the main product page contains:
  - the price, including all taxes and fees
  - the prescribed information sellers are legally required to publish<sup>6</sup>. Note: requirements differ depending whether the seller is a business seller or consumer seller
- If you belong to a trade or supervisory body that offers consumers additional redress options, display the logo of that body

Any information required to be provided must be easily accessible. The courts would consider whether it is intuitive for a new customer who has never visited your website before to quickly locate the given information.

---

<sup>2</sup> An ICO survey found that the phrase Privacy notice or Privacy policy may be meaningless to some customers, therefore “Privacy policy – How we use your information” is recommended.

<sup>3</sup> <https://www.businesscompanion.info/en/quick-guides/distance-sales/consumer-contracts-distance-sales#General>

<sup>4</sup> Provision of Services Regulations 2009

<sup>5</sup> See Endnotes

<sup>6</sup> <https://www.businesscompanion.info/en/quick-guides/distance-sales/consumer-contracts-distance-sales#Informationrequirements>

**ALL PLATFORMS – BEST PRACTICE**

While not a legal requirement, the following are matters regulators would expect those operating a platform diligently to comply with. By following this guidance, operators should be able to prevent illegal content appearing on the platform, identify and remove any illegal material swiftly, and ensure the site is not discriminatory

Platform:

- has T&Cs that facilitate the sharing of personal data with public bodies to support civil or criminal investigations
- has a prominent button with 'Report Listing' (or similar unambiguous wording) on every product page, which offers an accessible route to report infringing content
- has an effective reporting channel<sup>7</sup> which enables infringement reports to be made about every type of criminality
- has a fair appeals process for users who are subject to infringement reports
- includes a term in your T&Cs about the relevant Alternative Dispute Resolution scheme for your sector; whether you subscribe to it and signposts to your complaint handling policy
- considers reports from all users and takes all reasonable steps to pursue appropriate action where necessary
- has policies to deal with offers of Restricted products – see IIWG Prohibited Lists of Products<sup>8</sup>
- gives prominent and timely notice of any new terms that are introduced which have the potential to negatively impact any user.

All reasonable endeavours to:

- Signpost users to relevant sources of consumer education to minimise the risk of becoming a victim of crime
- provide relevant and timely<sup>9</sup> educational warnings to counter the most common frauds/scams affecting your platform users
- ensure traders are signposted to Business Companion<sup>10</sup> as part of the registration process so they have a basic understanding of their legal duties under consumer law
- ensure that users in dispute with another user are made aware of the key options for dispute resolution. This should include users being signposted to a Complaints page, where they are signposted to advice about their consumer rights, Chargeback, Section 75 Joint Liability rights and any ADR options available to them
- ensure that prohibited products cannot be listed on the platform – see IIWG Prohibited Lists of Products<sup>11</sup>
- ensure those offering products are transparent about charges upfront – platform should prohibit ability for user to 'drip price' (eg. adding surcharges and admin/service fees during checkout process)<sup>12</sup>

---

<sup>7</sup> See Endnotes

<sup>8</sup> <https://www.tradingstandards.uk/media/3179405/prohibited-lists-of-products-iiwg-oct-2023.pdf>

<sup>9</sup> See Endnotes

<sup>10</sup> [www.businesscompanion.info](http://www.businesscompanion.info)

<sup>11</sup> <https://www.tradingstandards.uk/media/3179405/prohibited-lists-of-products-iiwg-oct-2023.pdf>

<sup>12</sup> [www.businesscompanion.info/sites/default/files/Guidance-for-Traders-on-Pricing-Practices-Apr-2018.pdf](http://www.businesscompanion.info/sites/default/files/Guidance-for-Traders-on-Pricing-Practices-Apr-2018.pdf)

The following Best Practice is identified as primarily affecting these platforms (can include elements such as policies to tackle: misdescription, fraud, misleading pricing, misuse of private data):

### Apps

- Comply with CMA's Principles for online and app-based games<sup>13</sup>
- Transparent and easy to follow policy to deal with unauthorised payments<sup>14</sup>
- Include a prominent statement about cancellation rights on trade seller adverts<sup>15</sup>

### Classifieds

- Reasonable precautions to identify business sellers and ensure their listings are marked accordingly<sup>16</sup>
- Use of premium rate numbers must be accompanied by prescribed wording<sup>17</sup>

### Crowdfunding

- Take reasonable precautions to ensure any investment opportunity is not fraudulent eg. verifying information about the user and the opportunity
- Ensure that illegal pyramid selling opportunities do not appear on the site<sup>18</sup>
- Prominent and timely warnings about lack of financial protection<sup>19</sup>

### Marketplaces

Reasonable steps to:

- prevent products identified<sup>20</sup> as unsafe
- remove counterfeit items by creating a process that enables trademark holders to report such breaches and an efficient removal process
- ensure that business sellers are clearly identified<sup>21</sup>
- ensure that business sellers provide the appropriate cancellation rights<sup>22</sup>

<sup>13</sup>[www.gov.uk/government/publications/principles-for-online-and-app-based-games](https://www.gov.uk/government/publications/principles-for-online-and-app-based-games)

<sup>14</sup> [www.fca.org.uk/consumers/unauthorised-payments-account](https://www.fca.org.uk/consumers/unauthorised-payments-account); <https://www.asa.org.uk/advice-online/promotional-marketing-subscription-traps.html>

<sup>15</sup> [www.businesscompanion.info/focus/selling-goods-online-platforms/consumer-cancellation-rights](https://www.businesscompanion.info/focus/selling-goods-online-platforms/consumer-cancellation-rights)

<sup>16</sup>[www.businesscompanion.info/en/quick-guides/good-practice/consumer-protection-from-unfair-trading#Misleadingcontexteffect](https://www.businesscompanion.info/en/quick-guides/good-practice/consumer-protection-from-unfair-trading#Misleadingcontexteffect)

<sup>17</sup> [psaauthority.org.uk/-/media/Files/PSA/00NEW-website/For-business/Code-guidance-and-compliance/Guidance/Code-15-guidance/Transparency-Standard-guidance-note-16-02-2022.ashx](https://psaauthority.org.uk/-/media/Files/PSA/00NEW-website/For-business/Code-guidance-and-compliance/Guidance/Code-15-guidance/Transparency-Standard-guidance-note-16-02-2022.ashx)

<sup>18</sup>[www.businesscompanion.info/en/quick-guides/good-practice/consumer-protection-from-unfair-trading#Pyramidschemes](https://www.businesscompanion.info/en/quick-guides/good-practice/consumer-protection-from-unfair-trading#Pyramidschemes)

<sup>19</sup>[www.fca.org.uk/consumers/crowdfunding](https://www.fca.org.uk/consumers/crowdfunding)

<sup>20</sup> Those products appearing on the relevant product recall platforms (ie. <https://www.tradingstandards.uk/consumer-help/product-recalls-and-safety-notices> AND <https://ec.europa.eu/safety-gate-alerts/screen/webReport> )

<sup>21</sup> <https://www.businesscompanion.info/en/quick-guides/good-practice/consumer-protection-from-unfair-trading#Misleadingcontexteffect>

<sup>22</sup> <https://www.businesscompanion.info/en/quick-guides/distance-sales/consumer-contracts-distance-sales#Righttocancel>

### Dating Forums

- Comply with CMA's Online dating and consumer law advice for business<sup>23</sup>

### Review Platforms

- Platforms follow the ICPEN industry guidance on Online Reviews and Endorsements for Administrators<sup>24</sup>
- Platforms require any user to read the ICPEN industry guidance on Online Reviews and Endorsements for Traders and Marketers and/or Digital Influencers, as appropriate<sup>25</sup>
- System is able to identify cases of multiple usernames originating from the same IP address and implements a policy to prevent abuse
- Remove any suspected false reviews swiftly

### Sharing Economy<sup>26</sup>

- Reasonable steps to encourage users who share electrical goods to provide instructions or a link to instructions online in their listings (to reduce safety risks)

### Social Media Networks

- If platform contains content that is inappropriate for children, ensure an age rating is clearly stated:
  - during the registration process
  - in your marketing materials

---

<sup>23</sup>[www.gov.uk/government/publications/online-dating-consumer-law-advice-for-business/online-dating-consumer-law-advice-for-business](https://www.gov.uk/government/publications/online-dating-consumer-law-advice-for-business/online-dating-consumer-law-advice-for-business)

<sup>24</sup> <https://icpen.org/industry-guidance>

<sup>25</sup> <https://icpen.org/industry-guidance>

<sup>26</sup> An economic model defined as a peer-to-peer (P2P) based activity of acquiring, providing, or sharing access to goods and services that is often facilitated by a community-based on-line platform, e.g. ridesharing, renting out your apartment and peer-to-peer money lending (crowdfunding).

## ENDNOTES

### Effective reporting channel

The Electronic Commerce (EC Directive) Regulations 2002 requires that platform users are able to “contact him rapidly and communicate with him in a direct and effective manner” to report infringements. This includes those merely visiting your site, so there cannot be a requirement to register an account to report concerns about non-compliant listings.

We recommend providing a drop-down menu to improve the ease of reporting. This ought to include categories for the most commonly reported type of breaches eg:

- Unsafe product
- Misdescribed product
- Misleading price
- Counterfeit / Copyright
- Stolen goods
- Age Restricted Products
- Missing or false seller details

It would be impossible to provide a drop-down menu covering all manner of non-compliance. Therefore, you should provide an “Other” category. This should give users adequate space (no less than 200 words) to provide details of the breach.

### Email vs Webform

A webform providing equivalent functionality is as follows:

- copy of webform content sent to customer’s email address, so the communication is on a *durable medium* (ie. they have a copy)
- webform does not REQUIRE information unnecessary to customer’s communication. This risk can be reduced by directing customer through an option menu. Different data is required depending upon the options the consumer has chosen.
- webform can ask but does not REQUIRE the sender to supply data they may not possess (e.g. a telephone number)
- facility to send document and image attachments (e.g. a photo of a faulty product or receipt)

### Relevant and timely educational warnings

The most effective educational messages are those that are provided at the time of the transaction and are specific to that transaction. For example, when a user is searching to purchase a car on Gumtree, the platform provides a prominent and relevant notice on the product page to remind consumers not to bring a significant amount of cash to the meeting. This is to counter a common scam on the website where thieves pretend to have a car for sale in order to rob the consumer.