# Responding to New Issues Associated with the Digitalization of Transactions

- Focusing on the Relationship with the Consumer Concept -

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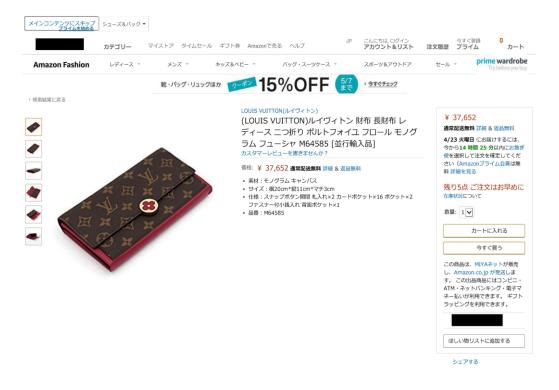




A case in which fire was caused by a dangerous product purchased and there were also problems contacting the seller.



■ Sales of unidentifiable counterfeit brand products



#### Consumer Issues Occurring on Transaction Digital Platforms 2



#### ■ Unable to Contact or No Longer Able to Contact Seller in the Event of Disputes

#### Online Shopping Mall (BtoC)

Unable to contact seller / Consultations for unable to contact seller 274 cases

(In 1659 cases)

#### Unable to contact seller / Consultations for unable to contact seller: 274 cases

Free Market Site (CtoC)

(In 3144 cases)

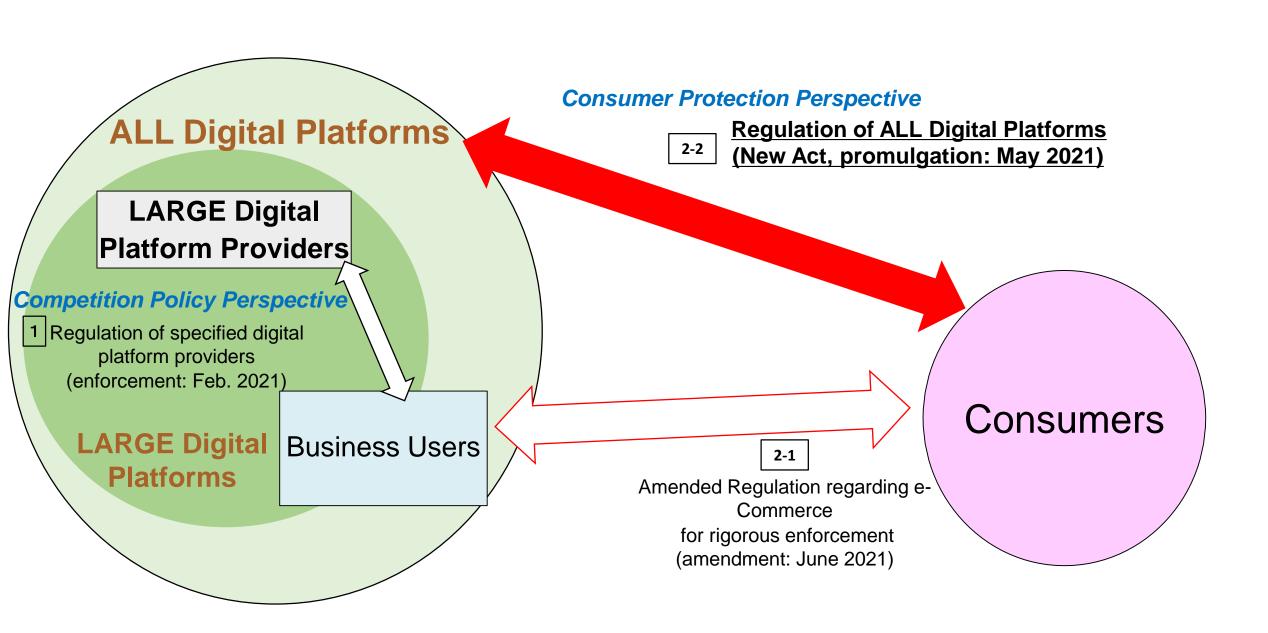
**Unable to contact seller / Consultations for unable to contact seller: 771 cases** 

<sup>\*</sup> Number of cases at the time of consultation.

<sup>\* &</sup>quot;Unable to contact seller" includes cases where contact information is false.

<sup>\*</sup> In some cases, both seller and the mall or free market operator cannot be contacted.





#### Act for the Protection of Consumers on Digital Platforms



It covers all digital platforms for online transaction, regardless of business size and types of goods or services.

#### (1) Consumer protection measures to take and disclosure of the outline

 Digital Platforms must endeavor to conduct investigations regarding consumer complaints, identity confirmation of sellers and other required measures.

#### (2) Request to remove unsafe goods and services

The Prime Minister (Consumer Affairs Agency) has the authority of the request.

#### (3) Consumer right to request information disclosure on Business Users

To the extent necessary for consumers to bring claims of compensation

#### **Affiliate Advertising Overview**





1 Ad creation request (affiliation)



**Affiliate** 

Seller

ලProduct sold

**NAd** created



**6** Payment of results commission 4 Purchase through link 3Ad viewed



Consumer



## 1: Basic concept to the application of the Prize Labeling Law in regards to Affiliate Advertising

- For affiliate advertising, the advertiser involved in determining the content displayed should be responsible.
- In the above mentioned affiliate advertisement, the advertiser has provided instructions to the affiliate.

#### 2: Dealing with malicious business operators

• The Specified Commercial Transactions Law will be applied with a view to also order a ban on businesses.

#### 3: Measures to prevent improper display

- Under the Prize Labeling Law, business operators are required to implement appropriate measures to prevent misleading labeling.
- In order to be a reference for the content of the measures, the guidelines of Prize Labeling Law have been revised (scheduled to be announced this summer).



### "Who" creates the advertisement display

