



The Consumer Voice in Europe

Impact of the new consumer information obligations for online digital products – Consumers' perspective

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Workshop on the consumer rights'
directive – Guidance and consumer
information on online digital products

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Consumer Information

An important instrument in consumer legislation and policy to:

- Correct information asymmetries
- Enable consumers to make the “best” choice
- Often the automatic regulation/policy response particularly in the digital environment

The paradigm of the informed consumer

- The limits of the paradigm:
if consumers read – do they understand?
- Information fatigue / information tyranny
“confusopoly”

A modern consumer policy

Information proliferation does not automatically lead to “better” or informed consumer decisions

- Selecting essential information
- Communicating essential information effectively

Information needs of digital consumer

Consumer Rights Directive:

- The information needs of digital consumers are addressed in a **satisfactory way** (regarding the **content** of the mandatory list) as in Article 6 for distance sales

Positive: Specific information

Requirements for digital content:

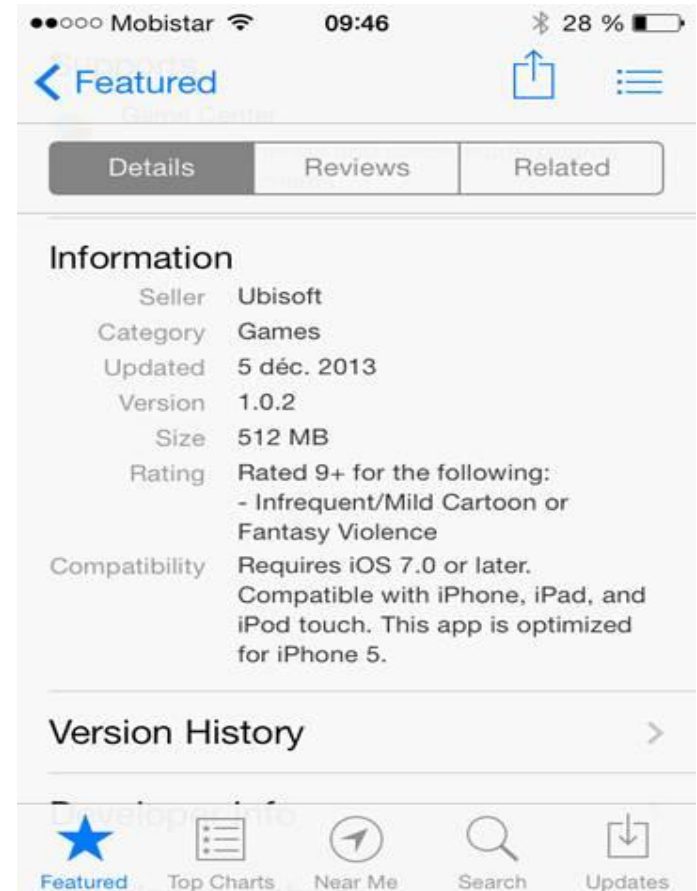
- Functionality Article 6(l) r
- Interoperability Article 6(l) s

Information needs of digital consumers - 2

But **problematic**:

- These are not classified as “key information items” according to Art. 8(2) and (4) CRD
- The requirement on the “main characteristics” Art. 6(1)a does not apply to digital content
- The requirements do not apply to contracts with no payment

Example: Key information



How will this information be provided?

The CRD form requirements in Article 8:

- Appropriate to the means of distance communication used
- In **plain and intelligible language**
- If limited space: a reduced list
- **Prohibition** of any further form requirements for consumer information

Form matters: Even more in the digital world

- The **form** in which information is presented is **essential**
- Consumer information needs to be designed **from the perspective of the consumer**
- The **CRD** is an obstacle rather than a helpful instrument in this respect
- **Standardisation and visualisation** of information is essential

✓ Example: Interoperability

Take Rdio with you everywhere you go.

ON A COMPUTER



On the web
Mac & Windows desktop app

IN YOUR POCKET



iPhone
iPod touch



Android



Windows
Phone 8



BlackBerry

IN YOUR LIVING ROOM



Roku



iPad &
other tablets



Smart
TV

Millions of tracks to play, share and discover.

X Example: Functionality

1. GRANT OF LICENSE

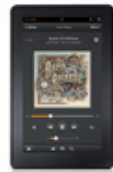
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You may not: (i) frame or link to the Application except as expressly permitted in writing by RI; (ii) permit other individuals to use the Application; (iii) modify, translate, reverse engineer, decompile, disassemble (except to the extent that this restriction is expressly prohibited by law), tamper with, or create derivative works based upon the Application, including the Content, or any portion thereof (including without limitation any watermarks, security components and digital rights management); (iv) copy the Application or any portion thereof; (v) sell, rent, lease, transfer, distribute, broadcast, display or otherwise assign any rights to the Application to any third party; (vi) remove any proprietary notices or labels on the Application; (vii) use the Application in conjunction with any device or service designed to circumvent technological measures employed to control access to, or the rights in, a content file or other work protected by the copyright laws of any jurisdiction; (viii) use the Application for any commercial or illegal purpose; (ix) use the Application for other than your personal, non-commercial purposes, including without limitation the excessive and/or repeated playing of content (for the apparent purpose increasing royalties paid or ratings as applied to such content); (x) use the Application to invade the privacy of, or obtain personal information about, any Application account holder or user, or to obtain a list of Application account holders or users; (xi) copy, modify, erase or damage any information contained on computer servers used or controlled by RI or any third party used in connection with the Application or the services provided through the Application; (xii) use the Application to violate any legal right of any third party, including any publicity or privacy right, copyright or other intellectual property right, or to take any action that is harassing, libelous, defamatory, abusive, tortious, threatening, harmful or otherwise objectionable; or use any data mining, robots, or similar data gathering and or extraction tools in connection with the Application; (xiii) use the Application to post or transmit any unsolicited advertising or promotional materials; (xiv) access or use any password protected, secure or non-public areas of the Application except as specifically authorized in writing by RI (unauthorized individuals attempting to access these areas of the Application may be subject to prosecution); (xv) impersonate or misrepresent your affiliation with any person or entity; (xvi) use any automated means to access or use the Application (including scripts, "bots" or similar software); or (xvii) modify, translate, reverse engineer, decompile, reproduce, disassemble, or otherwise gain access to or attempt to gain access to any private key or "dev key" (as that term is generally understood within the software industry) associated with the Application, the Content or the Services, or to use or attempt to use any private key or "dev key" in a manner in violation of this Agreement or the applicable Rhapsody service Terms and Conditions.

✓ Example: Interoperability

Amazon MP3 & Cloud Player Applications

Amazon MP3 Store and Amazon Cloud Player customers can enjoy their music across the broadest selection of devices; including Kindle Fire, Android, iOS, and Mac and PC computers.



Kindle Fire



Android

Get this App from the Google
Play Store



iPhone & iPod touch

Get this App from the Apple
App Store



iPad



PC & Mac Computers



Blackberry

Related Topics:

[Amazon MP3 App for Android with Cloud Player](#)

[Amazon MP3 Mobile App for Blackberry](#)

[Amazon Cloud Player for iPhone and iPod Touch](#)

[Amazon Cloud Player for iPad](#)

X Example: Functionality

3. Use of and Restrictions on Applications and Store Software

3.1 General. We may make available to you software for your use in connection with the Store, including software that you need to install on your computer or other device in order to download or access Applications purchased from the Store (any such software, together with all updates, additions, modifications and replacements, "Store Software"). Publishers may choose to protect their Applications using a digital rights management ("DRM") system implemented through the Store Software or using the Publisher's or a third party's DRM that the Publisher provides with its Applications. If you sign out of your Amazon.co.uk account on a device, you may not be able to access or load an Application that Publishers have protected with DRM on your device for the first time after you have downloaded the Application. Store Software includes any software we include in an Application to enable DRM implemented through the Store Software, or for other purposes.

Future consumer information is smart

- **Invest** in effective consumer information
- **Diversify** the transparency chain
- Provide **incentives** to traders
- **Comparability** and standardisation are key
- Information **reduction - inevitable?**
- **Framing**: Digital technologies can help to make more personalised, targeted forms of informing consumers more feasible
- **Test** effectiveness of information with users /consumers in advance and involve consumer organisations

What next?

- CRD does not stipulate civil law sanctions for breach of information requirements
- Better **enforcement** in the digital environment based on misleading information or omission of information
- Consumer **redress** based on lack of conformity due to justified consumer expectations
- **Common standards** and models for presentation of information are key for EU wide and national enforcement
- **More EU law harmonization** is needed for digital products – e.g. sales law, unfair contract terms

Read BEUC's new study
University of Amsterdam,
Natali Helberger,
"Form matters: informing consumers
effectively"
At www.beuc.eu



The Consumer Voice in Europe

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