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Date: 30/11/2023
Reference: BEUC-PR-2023-049

Consumer groups file complaint against Meta's unfair pay-or-consent model

Meta is currently rolling out changes to its service in the EU which require Facebook and Instagram users to either consent to the processing of their data for advertising purposes by the company or pay in order not to be shown advertisements.

This is an unfair choice for users, which runs afoul of EU consumer law on several counts and must be stopped.

As a result, BEUC and 19 of its members¹ are today filing a complaint with the network of consumer protection authorities (CPC) on grounds of Meta engaging in unfair commercial practices in multiple ways. BEUC is also assessing whether Meta is infringing data protection law (the GDPR).

Ursula Pahl, Deputy Director General of the European Consumer Organisation (BEUC), said: "The choice the tech giant is currently providing to consumers is unfair and illegal – the millions of European users of Facebook and Instagram deserve far better than this. Meta is breaching EU consumer law by using unfair, deceptive and aggressive practices, including partially blocking consumers from using the services to force them to take a decision quickly, and providing misleading and incomplete information in the process. Consumer protection authorities in the EU must now spring into action and force the tech giant to stop this practice. The company's approach also raises concerns regarding the GDPR."

Issues identified under consumer protection law

- Meta is partially blocking the use of Facebook and Instagram until users have selected one option or the other, which constitutes an aggressive practice under European consumer law. Through persistence and by creating a sense of urgency, Meta pushes consumers into making a choice they might not want to take.
- In addition, many consumers likely think that, by opting for the paid subscription as it is presented, they get a privacy-friendly option involving less tracking and profiling. In fact, users are likely to continue to have their personal data collected and used, but for purposes other than ads.

¹ The BEUC members participating in this action are: Асоциация Активни потребители (Bulgaria), dTest (Czech Republic), Forbrugerrådet Tænk (Denmark), UFC-Que Choisir (France), EKPIZO & KEPKA (Greece), Adiconsum (Italy), Latvijas Patērētāju interešu aizstāvības asociācija (Latvia), Vartotojų aljansas (Lithuania), Consumentenbond (Netherlands), Forbrukerrådet (Norway), Federacja Konsumentów & Fundacja Konsumentów (Poland), Spoločnosť ochrany spotrebiteľov (S.O.S.) Poprad (Slovakia), ZPS (Slovenia), Asufin & CECU (Spain), Sveriges Konsumenter (Sweden), Union Luxembourgeoise des Consommateurs (Luxembourg) .

- Meta provides misleading and incomplete information to consumers which does not allow them to make an informed choice. Meta is misleading them by presenting the choice as between a paying and a 'free' option, while the latter option is not 'free' because consumers pay Meta through the provision of their data, as past court rulings have already declared.
- Given the market power of Meta's Facebook and Instagram services in the EU and the very strong network effects of social media platforms (since all your friends are on Facebook and Instagram), consumers do not have a real choice because if they quit the services they would lose all their contacts and interactions built over the years. The very high subscription fee for 'ad-free' services is also a deterrent for consumers, which means consumers do not have a real choice.

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