

---

# Legal Protection of Consumers' Right to Know in E-commerce

Yang Lan

North China Electric Power University (Baoding), China

531428574@qq.com

---

## Abstract

With the rapid development of economic globalization and Internet information technology, e-commerce is rapidly becoming a new type of commercial transaction mode and widely used in life of the people due to its advantages of convenience, high-speed and low cost compared with the traditional business model. However, its development is also limited by its own naturally existing problems, Consumers' safeguarding rights is difficult, and it is a problem that cannot be ignored. Among the many rights enjoyed by consumers, the right to know is usually the invasive hardest hit. The characteristics of innate virtual and datamation of e-commerce make the information between consumers and merchants unequal, which makes unfair and fraudulent transactions happen frequently. This paper focuses on the acts of infringement of consumers' right to know in e-commerce, analyzes the protection effect of existing laws on the right to know, and further proposes specific measures to protect consumers' right to know in e-commerce in combination with transaction infringement acts and existing legal loopholes.

## Keywords

Protection of the right to know, information disclosure system, market access threshold.

---

## 1. Acts of Infringement of Consumer's Right to Know in the Transaction

Consumers often directly contact the commodity they want to buy in the traditional trade ways, intuitively feel the commodity quality and performance, and then choose the commodities that suit them. In this transaction process, merchants have little space to hide information and defraud, so infringement problems of the consumer's right to know is not prominent. If things continue this way. However, with the development of e-commerce, transactions are in a virtual environment, consumers can only form their own perceptions of various aspects of commodity through indirect methods such as text description and image display; merchants deliberately conceal some transaction information and even conduct fraud, and consumers usually have no way to know.

Infringement acts are mainly reflected in the following two aspects: (1) deliberately conceal key information that affects consumers' trading decisions. Because consumers can't touch the entity, they can only rely on the merchants' subjective description. The merchants selectively inform commodity information to consumers based on mentality of drawing on advantages and avoiding disadvantages, and deliberately conceals the key information that affects the consumer's consumption decision, hide and weaken the defects of commodity, Consumers complete the transaction with incomplete consumption information, when the entity is received, it is often unsatisfactory.

Mislead consumers through vague description information

The vague commodity information does not constitute the seriousness which the defraud consumers, but in the unclear and unspecified information provision, the unfavorable commodity information part is completely concealed by the exaggerated good performance, and has strong directivity, and consumers are often misled into its consumption trap. (3) Internet fraud and false advertisements

spread unchecked. Because online merchants' market access threshold is low and mass data make supervision absent, cause the phenomenon of online shopping fraud to be overwhelming. In order to attract consumers, merchants make false advertisements and information that is completely inconsistent with the entity, consumers cannot identify true and false in front of various advertising.

## **2. Protection Provision of Consumers' Right to Know in Current Law**

Provision 8 of the "Law on Protection of the Rights and Interests of Consumers " stipulates that consumers have the right to know the truth about the commodity they purchase or use or the services they receive. Provisions 4 and 5 of the "Product Quality Law" stipulate that producers and sellers shall bear the responsibility for product quality according to the provisions of this law, respectively, and prohibit mix or adulteration, pass fake imitations for genuine and sell seconds at best quality prices in products produced or sold. The "Advertising Law" does not regulate online advertising. According to regulations of above three traditional basic laws, the protection of consumers' right to know does not have specific provisions for the e-commerce field, and is limited to the protection condition of the general consumer's right to know. There is no complete protection for the special problems that occur in the process of e-commerce transactions.

From the laws and regulations on e-commerce field, the "Notice on Protecting the Legal Rights and Interests of Consumers in Network Economic Activities" and the Administrative Provisional Methods of Online Commodity Trading and Related Service Acts " specify protection the consumers' rights in online shopping in detail, the latter clarifies the rights and obligations of online commodity and service operators in online transactions for the first time, and clarifies that they should provide true and clear information to consumers, and do not make false propaganda and representation. However, these two regulations lack specific operability in practice and play a very limited role.

From here we see that China's protection of e-commerce consumers' right to know is lagging behind and absent at present, consumers often complain but no way after the infringement of rights and interests. If things go on like this, it is not conducive to build a fair and GOOD online trading environment, thus hindering the development of e-commerce this new model.

## **3. Specific Measures for Protection of Consumers' Right to Know**

### **3.1 Improve market access threshold and implement merchant registration system**

Compared with physical store merchants, network operators can engage in business operations without having to register in special market supervision departments. With regard to online stores, a certain procedure and a small amount of guarantee must be registered on the website to obtain business qualifications. On the one hand, in order to attract more merchants to settle in, the website platform usually adopts indulgence attitudes for merchants that lack business qualifications and sold fake commodities. On the other hand, the supervision of the relevant regulatory departments is insufficient due to lag of law. For that reason, it is stipulated that registration can only be completed if the corresponding conditions are met, the market access standards are improved through the registration system, and operators with no business qualifications are excluded from the e-commerce market.

### **3.2 Clear the business initiatively to inform the obligation and establish an information disclosure system**

The online merchants only passively inform the information when the consumers asks for the commodity details. However, when the consumer does not request, the merchant does not need to disclose information, this passive mode undoubtedly infringes the consumer's right to know, further aggravate the asymmetry of information between the two parties. For this reason, only by adopting legislation to allow network operators to disclose information actively as an obligation and must be fulfilled, them establish the dominant position of consumers in the transaction process.

The establishment of the information disclosure system is a specific requirement for the information disclosed by the operators, and it further requires that the content of the information are complete and true. Similar to the security trading market, the company should disclose information to the shareholders, and require true and accurate. The completeness of the complete request information is informed, regardless of the advantageous performance or unfavorable defects of commodity; make the consumer know without any omission. The two sides based on the same trading information and status; Consumers make rational shopping judgments and decisions on their own. Reality and accuracy require e-commerce operators to avoid false propaganda, fraudulent and distorted business acts, and ensure consumers' accurately know the transaction details including the details of the merchants, the specific performance of the commodity, and the resolution of the dispute.

### **3.3 Improve laws and regulations on consumer rights protection in the e-commerce field, and stipulate legal liability for infringement of online consumers' right to know**

Only by continuously improving the special laws on consumer protection in the e-commerce field, make there is a law to follow when consumers' rights and interests are invaded, so that operators can reduce the chance mentality of avoiding legal loopholes, make the law enforcement of the supervisory department reasonable, only in this way can we promote the good interaction and operation of the main bodies in the e-commerce market.

Only by clearly stipulating the legal consequences of infringing the online consumer's right to know, can we impose legal sanctions on the merchants that have infringed, and form deterrent for the merchants try to infringe. Consumers have the right to cancel contracts by using information asymmetry and consumers do not know about it, thereby providing relief to consumer right violations.

### **References**

- [1] Zhao Qiuyan, Legal Protection of Consumer Rights and Interests in E-Commerce: International Comparative Research [M], Beijing: People's Publishing House, 2010.
- [2] Yang Jianzhen, Protection of Consumer Rights and Interests in Online Commodity Transaction [J], Industrial and Commercial Administration, 2009.
- [3] Fu Qiang, Analysis of the Causes and Legal Protection of Infringement of Consumers' Right to Know[J], Consumer Guide, 2010(4).