

# EXECUTIVE SUMMARY

Digitalization is revolutionizing business models and the relationship between authorities and citizens and between enterprises and consumers creating new opportunities, but also raising some critical issues.

Even if the digital revolution is a global phenomenon, if we focus on the European context, data shows that, in the different Member States, EU citizens and companies have different levels of computer skills and, more generally, a different awareness of the advent of the digital age, accessing available digital services with a different intensity and interest.

Artificial intelligence is one of the most considerable and complex innovations, able to transform our lives and traditional business models.

In this context, it is very important to encourage the use of digital services and improve on a regulatory framework able to ensure effective consumer protection.

**Chapter 1** looks at the Internet usage of individuals and e-commerce penetration in the European Union. Moreover, the last section of this chapter deals with the implementation of the Digital Single Market Strategy for consumers.

The network has become the epicenter of our life. Nowadays, we use the web to communicate, find information, buy and sell goods or services, interact with public administrations and many other activities that before we had done through traditional channels.

**Eurostat data shows that citizens from different**

**Member States have significantly different levels of computer skills. The best performing countries were Luxembourg and Denmark, where 54% and 53% of individuals, respectively, had above basic digital skills.** The last positions were held, instead, by Bulgaria and Romania where only 10% and 9% of individuals, respectively, had above basic digital skills. **The number of individuals using the Internet in Europe has grown significantly in recent years. According to data collected by Eurostat, 85% of people used the Internet at least once in 2017.** Furthermore, there appears to be a reverse relationship between age and Internet usage. In analyzing EU data, younger people are more inclined to use Internet (98% between 16-24, 97% - 25-34, 94% - 35-44) while a lower percentage of older people – due to lack of skills and digital culture and different habits – use the network (88% for 45-54 year olds, 75% for 55-64 and 54% for 65-74).

**In the EU, the most used device to access the Internet was the smartphone (65%), with the exception of Estonia, Slovakia, the Czech Republic, Lithuania and Poland where it was the laptop (52%).** The other most used devices were shown to be desktop computers, tablets and smart TVs with 44%, 36% and 12%, respectively.

Focusing on e-commerce, paragraph 1.2 underlines that, **in 2017, the European e-commerce turnover increased by 12.75% to € 540 billion.** According to

Eurostat data, **48% of European citizens made at least one online purchase in the last three months of 2017, with the UK leading (78%), followed by Denmark and Luxembourg (69%).** Clothes and sporting goods were the most purchased online items in the EU (37% of individuals), followed by travel and holiday accommodation (31%), household goods (26%), tickets for events (22%), books/magazines/newspapers (21%), films/music (16%), telecom services (11%) and medicine (8%). **E-commerce has a different impact on the economies of the different EU countries. The UK had the highest E-GDP (the part of GDP regarding e-commerce) in Europe (8%), followed by Finland (5%), Denmark (4%) and the Netherlands (4%).** The worst performer was Malta where e-commerce accounted for less than 1% of the GDP. However, e-commerce is growing in all EU countries, especially in those trying to catch up. Romania grew the most in the last year (40%), followed by Portugal (23%), Greece (22%) and Bulgaria (22%).

In order to create a Digital Single Market, it is very important to improve consumer and business access to online goods and services across Europe, removing the key differences between the online and offline worlds, and breaking down barriers to cross-border online activity.

To achieve these goals, the Commission has launched several initiatives. The Communication “A comprehensive approach to stimulating cross-border e-commerce for Europe’s citizens and businesses” (25.05.2016) presented a package of measures containing four key DSM proposals

to boost the potential for cross-border e-commerce in Europe: 1) a legislative proposal on addressing unjustified **geo-blocking** and other forms of discrimination based on nationality, place of residence or place of establishment within the Single Market; 2) a legislative proposal revising the Regulation on Consumer Protection Cooperation; 3) a legislative proposal (Regulation) proposing measures in the area of **parcel delivery**; and 4) a guidance on the implementation/application of the Directive on **Unfair Commercial Practices**.

On 28 February 2018, the Regulation (EU) 2018/302 addressing unjustified geo-blocking and other forms of discrimination based on a customer’s nationality, place of residence or place of establishment within the internal market, and amending Regulations (EC) No 2006/2004 and (EU) 2017/2394 and Directive 2009/22/EC, was adopted (taking effect from 3 December 2018). It aims to prevent discrimination based on customer nationality, place of residence or place of establishment, including unjustified geo-blocking, in cross-border transactions between a trader and a customer relating to the sales of goods and the provision of services within the Union. To contribute to fostering growth through the creation of a true Digital Single Market, to the benefit of both consumers and businesses, by eliminating the key contract laws related to barriers hindering cross-border trade, on 9 December 2015, the Commission adopted a **proposal for a Directive of the European Parliament and of the Council on certain aspects concerning contracts for the supply of digital content**, and a **proposal for a Directive of the European Parliament**

**and of the Council on certain aspects concerning contracts for the online and other distance sales of goods.** The amended proposal of the directive was published on 31/10/2017 (2015/0288 (COD)). The proposal lays down certain requirements concerning distance sales contracts concluded between the seller and the consumer, in particular, rules on conformity of goods, remedies in case of non-conformity and the modalities for the exercising of those remedies (the Directive does not apply to distance contracts for the provision of services).

**Regulation (EC) 2006/2004 on consumer protection cooperation** (the CPC Regulation) lays down a cooperation framework enabling national authorities from all countries in the EEA to jointly address breaches of Union laws protecting consumers' interests in cases where the trader and the consumer are based in different countries. The CPC Regulation links national competent authorities to form a European enforcement network called the "CPC Network". In each country, a single liaison office is responsible for coordinating the relevant national authorities which cooperate on consumer rules on unfair commercial practices, e-commerce, comparative advertising, package holidays, online selling and passenger rights. On 25 May 2016, to improve the existing mechanism for cooperation between national consumer protection cooperation authorities, the Commission put forward a proposal for the reform of the Consumer Protection Cooperation Regulation and the replacing of the CPC Regulation by a new regulation. After fruitful negotiations among the co-legislators, the

**new CPC Regulation (Regulation (EU) 2017/2394)** was finally adopted and published in the EU Official Journal on 27 December 2017. The Regulation entered into force on 17 January 2018, but it will be applicable from 17 January 2020.

Concerning measures in the area of parcel delivery, **Regulation (EU) 2018/644 on cross-border parcel delivery services** was adopted on 18 April 2018, entering into force on 22 May 2018. It considers that the tariffs applicable to cross-border parcels and other postal items for low volume senders, particularly for SMEs and individuals, are still relatively high having a direct negative impact on users seeking cross-border parcel delivery services, especially in the context of e-commerce.

The regulation on unfair business-to-consumer trading practices was established by **Directive 2005/29/EC** of 11 May 2005 in order to contribute to the proper functioning of the internal market and achieve a high level of consumer protection by approximating the laws, regulations and administrative provisions of the Member States on unfair trading practices harming consumers' economic interests. In 2016, the Commission published guidelines on the implementation and application of the Directive explaining the fundamental concepts and norms and giving concrete examples from the case law of the EU Court of Justice and from national courts and administrations, in order to make it easier to apply to national authorities and to ensure greater legal certainty for professionals. The Commission has also compiled a publicly accessible database with the laws of the different

EU countries that complement the Directive, as well as with the respective administrative and judicial decisions, references to related legal literature and other relevant materials to ensure the comparison of decisions and judgments of EU countries.

**Chapter 2** goes through the tools for consumer empowerment in the digital era. The first paragraph underlines **the importance of online platforms to enhance transparency and consumer empowerment in Internet searches**. The European Commission has drafted various proposals to foster an environment in which online platforms thrive, where consumers are protected whilst competition is enhanced. In the 2016 Communication “Online Platforms and the Digital Single Market – Opportunities and Challenges for Europe”, it is stated that the *“future Internet cannot succeed without the trust of users in online platforms, and without online platforms respecting all applicable legislation and the legitimate interests of consumers and other users”*. The mid-term review of the Digital Single Market strategy also contains guiding policy principles about online platforms. Recently, the European Commission has developed other proposals and recommendations to ensure transparency and consumer protection in online platforms, such as the Recommendation on measures to tackle illegal content online and “A New Deal for Consumers” that, among various objectives, also aims at strengthening consumer rights online. Specifically, one of the aims of this proposal is to ensure more transparency in online market places. In the case of online purchases, consumers will have to be clearly informed if they are

buying products or services from a trader or from a private person, in order to know if they have rights that protect them if something goes wrong.

**According to a survey (2018) published by the EU Commission in a study on the transparency of online platforms, about 82% of respondents said that knowing how results were ranked made them more confident and trusting in the platform.** Moreover, the great majority of respondents (83%) think that all platforms should include information on the way they order the results of a search as this would make users more confident and trusting in platforms and, in general, would lead to a better service for users. **Related to contractual party identification, 84% of those interviewed declared that all platforms should include information about who is actually selling the goods or services presented in the platform, and around the same percentage agreed that Internet platforms should be required by law to include information about who is actually selling the goods of services on the platform.** Furthermore, the majority of respondents agreed that such information would make users more confident and trusting in platforms and, in general, that this would lead to a better service for users.

**The second paragraph** of this chapter **focuses on the use of online comparison tools**, that are very common in the insurance and energy sectors. According to the report, “Digital Comparison Tools Market Study” (2017) of the Competition and Markets Authority in the United Kingdom, these tools offer two types of benefits. Firstly,

they save time and effort in searches and make comparing easier and more appealing, above all for household services that are often complicated and not of immediate interest. Secondly, they make suppliers compete more to provide lower prices and better consumer choices. According to some estimates in 2010, more than 80% of European consumers already used price comparison websites in the travel sector, with five out of ten using them at least once a month. The trend has grown further with the growing use of smartphones and tablets which allow consumers to access and compare information on prices, quality and product specifications in all sectors at any time.

The following paragraphs analyze the **customer care 2.0** and **the potential role of artificial intelligence in the relationship between customers and companies**.

The spread of the Internet and the penetration of mobile devices is revolutionizing the traditional relationship between businesses and consumers, not just in redesigning the phase of information search but also regarding post-sales management. Nowadays, most companies use a combination of online and offline strategies that not only help consumers make informed decisions, but also add value throughout their buying experience. As a result, the role of digital customer experience and the implementation of an omni-channel approach to potential customers has become essential. In this dynamic context, **an important role is played by the social networks** that are often the first point of contact between consumers and brands and, for this reason, protecting and monitoring of this channel is

very important. Users, through social networks, expect to be effectively understood and have a quick response to their requests or problems. **In the EU, 54% of individuals use the Internet to participate in social networks. This share ranges from 75% in Denmark and 72% in Belgium to 43% in France and Italy.** Therefore, companies are aware of the importance of social networks in the relationship with the consumer to obtain opinions or reviews or answers to their questions and, for this reason, use of the social media has become a part of their strategy for integrating information and communication technologies (ICT) in their business. **In the European Union, social networks are the most used form of social media by enterprises and, compared to 2014, their use has strongly increased in all European countries.**

Thanks to the data of Socialbakers Analytics (2018), **a ranking was drawn up of the most socially devoted worldwide industries on Facebook and Twitter.** Telecommunications is by far the most open and reactive industry on Facebook and Twitter, answering questions to 86% and 49%, respectively, of its likers/followers. Then, airline and finance sectors follow with fairly high rates of response.

Finally, according to We Are Social Digital in 2018, among social network platforms, Facebook still dominates the global social landscape, with total users up 15 % year-on-year to reach almost 2.17 billion at the start of 2018, followed by YouTube with 1.5 billion of active users. Both WhatsApp and Facebook Messenger grew twice as fast as the core Facebook platform though, with the number of

people using each messenger app up by 30 % year on year. Another approach adopted by companies is to provide **self-caring tools**, through the creation of app or web self-service portals that allow users to access their information and perform relatively uncomplicated activities without any support from customer service.

According to Salesforce, an increasing number of businesses are recognizing the benefits of reliable and dedicated self-service portals for improving the company's overall brand image. Self-service portals provide customers with instant access to information, allow for personalization, and save valuable time and organizational resources. Moreover, a self-service portal is also an extremely efficient way of outreaching to new customers, boosting customer-to-customer relationships, and improving company-customer relationships.

**Apps are also important tools able to significantly empower consumers. In 2017, consumers downloaded 178.1 billion mobile apps to their connected devices and in 2022, this figure is projected to grow to 258.2 billion app downloads.**

**Focusing on artificial intelligence, PwC's 2018 Global Consumer Insights Survey**, conducted on more than 22,000 consumers in 27 regions across the globe, **found that**, even though it is still early days for the technology, **the outlook for AI devices is promising**. While just 10% of respondents globally said they currently own AI devices, such as robots and automated personal assistants like Amazon Echo or Google Home, nearly one in three (32%) said they plan to buy an AI device and, although 58% said they have no interest in owning

an AI-based device, interest is likely to increase as the technology matures. **Asian consumers appear to be the most receptive to adopting AI devices for shopping.**

Asian consumer openness to buying AI devices reflects their preference for voice interaction with electronics, as well as lower levels of concern about online privacy and security. **In contrast, demand is generally lower in developed markets.** In the US, the UK, and France, current adoption levels are around 15%, and about a quarter of respondents in these countries say they plan to buy an AI device. Brazil stands out as the market having the greatest upside potential, with 59% of respondents planning to buy a device. Rounding out the top 10 countries, respondents in Italy and Poland also showed a growing strong interest, as around 40% of respondents plan to buy an AI device. Despite this data and estimates, most people have a limited understanding of AI, although many digital platforms already use AI technology.

Moreover, Servion's estimates predict that AI will power 95% of all customer interactions by 2025, and it will do it so effectively that customers will not be able to "spot the bot." Gartner says that 85% of customer relationships will take place without human interaction by 2020.

In this super dynamic environment, **chat-bots enter and promise a faster and more intelligent experience in line with consumer expectations.** The global chat-bot market is expected to grow at a CAGR of more than 37% during the period 2017-2021. Especially in the public sector, it should grow by more than 42% worldwide. In addition, the retail sector may show the fastest growing markets for chat-bots during the forecasted period

thanks to major e-commerce platforms around the world such as Amazon, Alibaba, Flipkart, Snapdeal and Walmart. The most common potential benefit of chat-bots that consumers pointed out was the ability to obtain the 24-hour service offered, following by the immediate response to inquiries and receiving answers to simple questions. The report also considered the consumer doubts of about the use of chat-bots. Not all consumers are ready to abandon human-to-human interactions entirely, and some are not sure they trust the technology to perform certain tasks without making mistakes. Indeed, the most common potential resistance to using chat-bots that consumers included was a preference for dealing with a human, followed by a general fear of the chat-bot making a mistake, such as during a purchase or while making a reservation, and being locked into using chat-bots only through Facebook.

**Chapter 3** describes the main initiatives of European institutions to ensure a legal framework on data protection, analyzes the New Deal for Consumers and, as a relevant case study, the New Deal for Energy Consumers.

In early 2016, the EU reformed the legal framework on data protection and issued the **General Data Protection Regulation (GDPR) – Regulation 679/16**, entering into force on 25 May 2018, in order to protect all EU citizens from privacy and data breaches in an increasingly data-driven world, vastly different to when the 1995 Directive was presented. The GDPR sets the foundations for the lawfulness of data processing, clearly indicates times, contents and modalities of information, defines the rights of the interested parties (access, cancellation-forgetting,

limitation of treatment, opposition, portability), identifies the subjective characteristics and responsibilities of owners and data controllers and regulates international data transfers. The key-principle of the discipline is “privacy by design”, by which we refer to the choice of guaranteeing data protection rights from the planning and design stage of a treatment preventing possible critical issues (for example, the provision of impact assessments before data processing). Concerning subject-matter and objectives, the GDPR lays down rules relating to the protection of natural persons with regard to the processing of personal data and rules related to the free movement of personal data and protects the fundamental rights and freedom of natural persons, particularly, their right to personal data protection. The same Regulation defines competences, tasks and the powers of authorities, cooperation modality and the characteristics and powers of a European Data Protection Board.

Considering that this regulation required Regulation (EC) 45/2001 to be adapted to the new principles and rules in order to provide a solid and consistent data protection framework in the Union, on 10 January 2017, a **proposal for a regulation concerning the protection of individuals concerning the processing of personal data by the EU institutions, authorities, offices and agencies, as well as free data movement** was launched, repealing Regulation (EC) 45/2001 and decision n. 1247/2002/EC. This proposal aims to align the current rules, which go back to 2001, to the new stricter rules set out in 2016, guaranteeing higher standards of protection.

This proposal for a regulation, conforming to the model and the general discipline established by Regulation 2016/679, identifies the principles applicable to the processing of personal data (lawfulness, correctness, transparency, adequacy, relevance, limitation) and the conditions for consent, regulating the transmission of personal data to recipients, other than Union institutions and agencies, established in the Union and subject to Regulation (EU) 2016/679 or Directive (EU) 2016/680. On 13 September 2018, the European Parliament adopted a position at a first reading introducing some changes. The Commission has also proposed the **regulation on confidentiality and electronic communications** aimed at guaranteeing a greater protection of people's private lives and offering new business opportunities. Furthermore, the proposal, starting from the observation of the importance for Europeans to maintain the confidentiality of emails and online messages and the necessity to define a unitary protection within the Union and the applicability of the current ePrivacy Directive only to traditional telecommunications operators, provides for the extension of privacy rules to new operators supplying electronic communication services (such as WhatsApp, Facebook Messenger, Skype, Gmail, iMessage, Viber) and specifies that this protection covers the contents and the metadata of electronic communications (for example, call time and location). The proposal provides for the simplification of the so-called "cookie provision", introduces measures against spam, prohibiting unwanted electronic communications through emails, text messages and, in principle, also

telephone calls if users have not given their consent and imposes the authors of telephone calls for commercial purposes, the obligation to show their telephone number or use a special prefix that indicates the nature of the call. The proposal specifies that the principle of confidentiality also applies to communications from machine to machine (IoT) so data transfer can only take place with the consent of users and not automatically as occurs today. On 20 September 2018, the Council of the European Union published a revised text of the ePrivacy proposal introducing some changes, among them one of the most important is the removal of the application of Confidentiality of electronic communications data to the transmission of machine-to-machine electronic communications where carried out via an electronic communications service.

A **proposal for a regulation of the European Parliament and of the Council on a framework for the free movement of non-personal data in the European Union** was adopted on 13 September 2017. This proposal, after specifying the objective, the scope of the regulation and the applicable definitions establishes: 1) the principle of free movement of non-personal data in the Union; 2) ensuring the availability of data for regulatory controls by the competent authorities, prohibiting users from rejecting data access for the competent authorities on the basis that the data is stored or otherwise processed in another Member State; 3) encouraging service providers and professional users to develop and implement codes of conduct that specify information on data portability conditions (including



technical and functional requirements); 4) providing the designation, by each Member State, of a single point of contact which acts as a link with the contact points of the other Member States and the Commission regarding the application of the Regulation; 5) providing for the Committee on Free Movement of Data, assisting the European Commission; and 6) carrying out a review within five years from the date of application of the regulation.

The same Chapter 3 also outlines the latest initiatives of the European Commission to ensure the rights of consumers. Specifically, on 11 April 2018, the European Commission launched a New Deal for Consumers to ensure that all European consumers fully benefit from their rights under Union law, modernize existing rules and fill the gaps in the current consumer acquis, provide better redress opportunities for consumers, support effective enforcement and greater cooperation of public authorities, increase cooperation with partner countries outside the EU, ensure equal treatment of consumers in the Single Market and guarantee that national competent authorities are empowered to tackle any problems with 'dual quality' of consumer products, raise the awareness and strengthen the capacity-building of consumers and traders, look at future challenges for consumer policy in a fast evolving economic and technological environment. To achieve the above, this Communication is accompanied by two different proposals. The first, to amend the Council Directive on unfair terms in consumer contracts, the Directive on consumer protection in the indication of the prices of

products offered to consumers, the Directive concerning unfair business-to-consumer commercial practices and the Directive on consumer rights, to ensure better enforcement and to modernize EU consumer protection rules, in particular in light of digital developments. The second concerns representative actions for the protection of the collective interests of consumers and repealing the Injunctions Directive 2009/22/EC aimed at improving tools for stopping illegal practices and facilitating redress for consumers where many of them are victims of the same infringement of their rights in mass harm situations. Regarding class actions, Chapter 3 presents some data on class action in the U.S.A. (issues, annual spending, etc.).

Finally, Chapter 3 describes a case study: a New Deal for Energy Consumers. On 15 July 2015, the European Commission presented its Summer Energy Package, consisting of two legislative proposals (revised Directive on ETS allowances after 2020, amending Directive 2003/87/EC; new regulation on energy labelling, replacing Directive 2010/30/EU), alongside two non-legislative communications proposing a new deal for energy consumers and launching the public consultation on a new energy market design. The Commission identifies three key points as core to delivering a new deal for consumers: 1) consumer empowerment, ensuring better information and a wide choice of action; 2) smart homes and networks: integrated automated solutions can enable and simplify consumer action by connecting smart metering systems with smart home energy management systems and smart appliances; and

3) data management and protection: considering the importance of guaranteeing an adequate data protection. The Communication prescribes that data collection and processing, in the context of smart metering systems or other services empowering consumers to act, should provide direct access – which must be effective and non-discriminatory – to this data for the customer and any third party designated by the consumer.

The last section outlines the role of the Online Dispute Resolution, a platform provided by the European Commission to allow consumers and traders in the EU or Norway, Iceland and Liechtenstein to resolve disputes relating to online purchases of goods and services without going to court. Using ODR, consumers can obtain fair outcomes for free or for a very small charge, while traders can avoid costly litigation procedures and maintain good customer relations.

**According to data collected by the online dispute resolution platform, approximately 82,000 disputes were submitted up to 17 September 2018.** German consumers are those who have opened more disputes on the platform (19,683), followed by the British (17,333), the French (8,597) and the Spaniards (8,548). Germany is also the Member State where most of the traders that have had disputes on the platform are based (21,747), followed by the United Kingdom (18,926), Spain (7,238) and France (5,571).

**Conclusions and policy recommendations** start from the observation that the initiatives launched by the European Commission in the broader context of the

Digital Single Market strategy would help increase the use of digital services by consumers. On the one hand, this process should be constant and as homogeneous as possible all over Europe, without leaving behind any country or group based on age, education, employment and social factors. On the other hand, Member States should adapt their systems to the new rules, and national and EU institutions monitor the application and compliance with laws and regulations.

The Internet has given consumers access to a range of **digital comparison tools (DCTs)** and aggregation and intermediary platforms that can filter, parse and curate market information, and can do so in accordance with preferences and parameters set by the consumer. When they work effectively, these services can contribute significantly to lowering transaction costs and delivering better deals, by enabling consumers to conveniently and efficiently compare and choose between offers from across the market. They can also be seen by suppliers as an efficient way to reach large numbers of consumers and the price transparency they create can increase competition among suppliers and reduce prices. However, in 2016, the European Commission and EU consumer protection authorities undertook a coordinated sweep of 352 price comparison and travel booking websites across the European Union. The exercise revealed a series of irregularities in online comparison tools, including in relation to misleading prices.

Therefore, regulators need to assess compliance with the law by all digital comparison tools in each sector.

Moreover, sectoral regulators must work together to make the use of DCTs easier and safer for consumers, in order to support more consumer involvement and a better-informed choice.

In the field of uptaking technologies, no one holds greater economic, social, medical, security, and environmental promises than **artificial intelligence** but, at the same time, in order to exploit the potential huge advantages for the benefit of the whole of society, several challenges associated with AI development must be properly addressed. According to the European Consumer Consultative Group<sup>1</sup>, European Institutions and Member States should ensure the following:

1. consumer privacy and data protection rights must be protected and upheld to address potential harm, such as discriminatory practices, invasive marketing, loss of privacy and security breaches;
2. regulators and companies must develop effective means and simple processes for consumers to exercise their 'right not to be subject to a decision based solely on automated processing, including profiling, which produces legal effects concerning him or her or similarly significantly affects him or her' (Art. 22 GDPR). Only then can consumers effectively challenge outcomes of automated decision-making;
3. European safety legislation needs to be reviewed to reflect technological developments;
4. companies should adopt best practice standards,

such as security by design and by default, and be subject to independent assessments of compliance. In case of security incidents or data breaches, they must be subject to timely and adequate notification obligations, liability and compensation rules, and sanctions in case of neglect. Complaint handling and redress mechanisms should be accessible, affordable, independent, fair, accountable, timely and efficient.

To increase consumer trust in the digital society, privacy regulation is fundamental. **GDPR** sets the foundations for the lawfulness of data processing, clearly indicates times, contents and modalities of information, defines the rights of the interested parties (access, cancellation-forgetting, limitation of treatment, opposition, portability), identifies the subjective characteristics and responsibilities of owners and data controllers and regulates international data transfers. It is very important to ensure a harmonized application of the Regulation and an accurate monitoring of the new rule application. It is also essential to accelerate the conclusion of the other legislative procedures ongoing to encourage digital service usage.

It is also of utmost importance to encourage the development of legal protection tools for consumers and, in particular, **collective action**, that by deterrence can be a very effective tool to guarantee consumer rights protection, but only if it can **be activated timely, cheaply and, possibly, across several Member States**. In this respect, digital instruments may help in overcoming existing barriers, provided a new legal framework is put in place.

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<sup>1</sup> European Consumer Consultative Group, *Policy recommendations for a safe and secure use of artificial intelligence, automated decision-making, robotics and connected devices in a modern consumer world*, 2018.

In order for consumers to have confidence in and benefit from the digital aspect of the internal market, they must have access to **simple, efficient, fast and low-cost ways of resolving disputes** which arise from the sale of goods or the supply of services online. This is particularly

important when consumers shop cross-border. Digital tools should be used to better empower consumers defending their own rights. The availability of a **reliable and efficient online dispute resolution system** could greatly help achieve this goal.