

# Online Marketplaces

Understanding how online marketplaces operate  
and what you need to know to make an informed  
choice



**citizens  
advice**

**Consumer Education trainers notes for  
Online Marketplaces (basic) pack**

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## Introduction

The education resources have been produced to raise awareness of key consumer topics and the importance of people knowing how to use an Online Marketplace to make (safe) purchases.

Activities are based on key consumer issues or problems people face when buying goods and services or resolving disputes.

The purpose of this resource pack is to introduce the topic to the participant, raise awareness of what an Online Marketplace is and some of the key points they need to know. The resources aim to provide a discussion tool with which to engage your audience and to raise their awareness.

The activities have been developed as a resource to help to discuss how to use an Online Marketplace (for the purpose of the education resources, the term participants includes clients/ students/ service users) They can be used for 1:1 work, group work or at events.

Resources can be used as discussion tools, but try to encourage the participant to fill in the answers and take the resource away with them to reflect on.

Ensure participants have details of the Citizens Advice consumer service and **do not** advise participants on specific issues.

Resources are not designed as advice tools and where necessary participants should be directed to the appropriate advice organisation.

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## Session aims and objectives

**The education pack** is designed to assist trainers in the integration and delivery of Online Marketplace information by providing a number of activities that can be used to:

- generate discussions on the topic
- test understanding of what an Online Marketplace is
- empower participants to be more aware of what they need to know to make an informed choice
- raise awareness of the consumer service and how to get advice

**The aims of the resources are to:**

- raise awareness of what an Online Marketplace is
- signpost participants to appropriate resources to learn more about shopping online, specifically Online Marketplaces

**The objectives are that by the end of the session participants will be able to:**

- understand what an Online Marketplace is
- know the importance of getting accurate information from an advertisement
- know how to get advice or guidance to make an informed decision and deal with problems if they occur.

If you are limited with time you may wish to focus on one or two activities to cover the objectives you feel most important.

## Materials

- 'Client handout' worksheets - not essential as activities can be conducted as discussions.
- Examples of OMP scenarios
- Access to the internet if possible. Ideally you will want to show the participants examples of Online Marketplaces. However where this is not possible the activities be conducted with an expectation that participants will do follow up research where they can access the internet.

## Session specific guidance

Online marketplaces are platforms (websites/apps) which generally don't own the goods being sold. Instead they're a place for people and traders to sell items online. This means that sales are often consumer to consumer or small or medium enterprises (SME) to consumer sales.

There benefits, such as:

- Buying goods at a cheaper price
- Buying good quality second hand goods
- Locating hard to come by items

However people do have a range of problems when using online marketplaces. The main issues consumers reported to the Citizens Advice consumer service were:

- being sold faulty goods, or goods that went faulty shortly after sale.
- goods not arriving or not being sent by the seller.
- goods being mis described in the sales adverts.

When you are buying goods on an OMP it is important to check if you are buying from a private seller or a trader; you have different rights depending on who you are buying from.

When you buy from a trader you have certain right under the Consumer Rights Act and Consumer Contract Regulations.

### Consumer Rights Act 2015

Consumers will have rights when they buy goods from a trader, these rights do not apply to buying from a private seller. So it is important that when buying on an OMP the consumer knows who they are buying from. For example a trader pretending to be a privately seller will be avoiding their obligations to the consumer. (See Trading Standards Top Tips further down for spotting a trader acting as a private seller.)

The Consumer Rights Act includes a range of rights for consumers, such as:-

- a 30-day time period to return faulty goods and replacement rights
- clear and honest information before they buy
- goods being fit for purpose, and services being performed with reasonable care and skill
- faults will be put right free of charge or a refund or replacement provided.

- There are clear rules for what should happen if a service is not provided with reasonable care and skill or as agreed. For example, the business that provided the service must bring it into line with what was agreed with the customer or, if this is not practical, must give some money back.
- unfair terms in a contract

### **Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 (CCRs)**

The trader must provide the consumer with information before they buy goods or services. How much information businesses will have to provide will depend on where or how the contract was made:-

- in a shop, garage or business – this is called an ‘on-premises’ contract
- in your home, on the street or away from the business address – this is called an ‘off-premises’ contract
- over the telephone, online or by mail order – this is called a ‘distance’ contract

The regulations lay out what the consumers’ responsibilities are and what the traders’ responsibilities are. Consumers should be encouraged to check what is involved before entering into a purchase. Information can be found via the Citizens Advice website, local Citizens Advice and the Citizens Advice consumer service.

(These requirements only apply where businesses are dealing with customers who are consumers, not other traders.)

Under the CCRs you have the right to cancel an order for goods made at a distance starts when you receive the goods and lasts for 14 days.

### **Resolving problem**

Some OMPs may offer protection and have their own dispute resolution service to help try to resolve issues between buyers and sellers. If the consumer is struggling to resolve the dispute with the seller, whether a private seller or trader they can try to use alternative dispute resolution or small claims process. More information about ADR can be found here,

[www.gov.uk/government/publications/alternative-dispute-resolution-for-consumers/alternative-dispute-resolution-for-consumers](http://www.gov.uk/government/publications/alternative-dispute-resolution-for-consumers/alternative-dispute-resolution-for-consumers)

[www.citizensadvice.org.uk/consumer/get-more-help/Solve-an-ongoing-consumer-problem/](http://www.citizensadvice.org.uk/consumer/get-more-help/Solve-an-ongoing-consumer-problem/)

Consumers can also use Online Dispute Resolution (ODR) but must have tried to resolve the problem with the trader before this point. More information about

the ODR process and consumer rights when buying across Europe can be found on the European Consumer Centre website.

[www.ukecc.net/consumer-topics/online-dispute-resolution.cfm](http://www.ukecc.net/consumer-topics/online-dispute-resolution.cfm)

A complaint can be generated via the ODR platform

<https://ec.europa.eu/consumers/odr/main/?event=main.home2.show>

In addition to these measures the consumer may be able to claim money back if there's a problem through their card provider's Chargeback scheme or section 75 of the Consumer Credit Act if paid by card or PayPal if the item cost more than £100 but less than £30,000.

More information about buying online and when something has gone wrong with a purchase can be found here <https://www.citizensadvice.org.uk/consumer/>

## **Top tips for consumers from Trading Standards**

*(Provided by Cheshire East Trading Standards)*

### **Spotting a fake**

- If something seems too good to be true, it probably is. Don't be fooled into thinking you're getting a great deal.
- Is the price consistent with the price of the product elsewhere, if it is suspiciously cheaper, it's probable fake.
- Ask the trader you're buying from whether they offer an after-sales service or guarantee
- Where are you buying from? Are they an authorised seller? Are they based overseas? Always look to buy the item from reputable sellers.
- If you are buying online, do a search for the trader and see if they have any customer reviews. It is important to remember that positive reviews for the seller are not the same as positive reviews for the products.
- Never pay by bank transfer, if you are purchasing an item over £100 use a credit card. Your item will be protected under section 75 of the Consumer Credit Act.

### **Spotting a trader acting as a private seller**

- If they have lots of listings for similar items or they have a number of reviews for similar products on the internet, they are going to be a business.
- Does their email, paperwork or advert use a business name?
- Carry out internet checks on any details you have for the seller, such as email, mobile number and name.
- A trader may state the sale is a private sale in order to restrict you of your consumer rights.

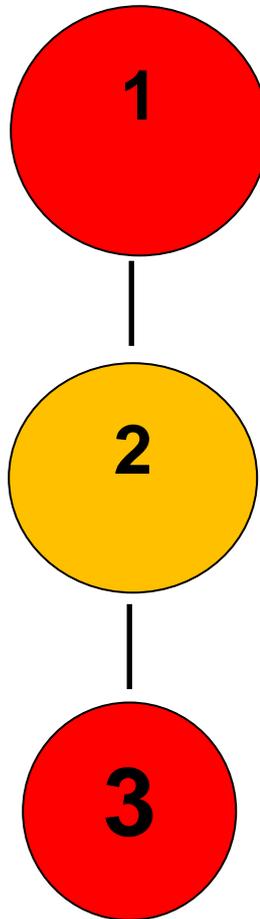
## Session plan

The session plan has been designed to show trainers how they can use and manage the resources within the pack.

All activities can be delivered separately or as part of a longer session depending on the time resource available to the facilitator.

It is for the facilitator to determine which activities will be most relevant for their participants.

Activities will require some of the session specific guidance content.



**Red** activities – Are **essential** to any session on this topic

**Amber** activities – Are **highly recommended** but not essential

**Green** activities – Are **optional** activities, if time allows

## Activity 1 – Recognising traders and private sellers on Online Marketplaces

It is important to know who you are buying from, whether it is a trader or a private seller as your consumer rights will vary. Explain what an Online Marketplace is.

### Part one

For the first part of this activity ask participants to think about and list Online Marketplaces they have heard of or use.

Type of selling sites	Examples ( <i>not recommendations</i> )	Benefits of using the site	Negatives of using the site
Online Marketplaces	<ul style="list-style-type: none"> <li>• Amazon</li> <li>• Ebay</li> <li>• Etsy</li> <li>• Gumtree</li> </ul>		

### Part two

Using the top tips from Trading Standards (on p9) and the factsheet 'OMP Shopping rights,' discuss the importance of knowing if you are buying from a trader or a private seller

If possible look at some examples and try to identify details of

- The sellers contact details
- If the seller has a business address/ email/ paperwork
- How many of the items they have for sale

Provide participants with the Citizens Advice consumer service contact details 03454 04 05 06, Welsh-speaking adviser on 03454 04 05 05

## Activity 2 – Making sure the item is what you need!!

It is essential that when you decide to buy the item you have the correct information available to make the purchase. If you need more information you should contact the seller before you make the purchase.

Look at the examples provided, or you can use your own examples (provided that you don't breach confidentiality of the client.)

Discuss,

- How the issue occurred
- What could the buyer have done differently
- What would you do when buying on OMPs

### Example one



Another hadn't bargained on receiving a rug small enough for a doll's house when it finally arrived

### Points to discuss

What should the buyer have done?

Checked the size of the rug

The price

Is it a trader or private seller, can they get a refund?

## Example two

My dad ordered shoes online and this is what he got 😞😞



## Points to discuss

- What should the buyer have done?
- Checked whether it was child or adult sizing
- The price
- If it a trader or private seller.

## Example three



The consumers here claimed they thought it was a dinosaur shaped pillow, what might indicate that it wasn't?

## Points to discuss

- It says pillow case in small print in the text
- The price
- Reviews of the product
- Is it a trader or private seller?

### Activity 3 - What you need to know!

Consumers will have rights when they buy goods from a trader, these rights do not apply to buying from a private seller. So it is important that when buying on an OMP the consumer knows who they are buying from. For example a trader pretending to be a privately seller will be avoiding their obligations to the consumer.

There are also the additional risks of scams, counterfeit and stolen goods circulating on Online Marketplaces. Use the Trading Standards top tips (p9) and the Recognising Online Scams factsheet to discuss these issues with participants and identify ways to avoid the risks.

#### **1. List ways you might be able to recognise a scam**

- Asking for bank transfer payments only
- Offers that seem too good to be true
- Offering hard to come by items - such as the top Christmas toy that has been out of stock with all major retailers
- Accepting more than one offer on an auction site for one item
- How much information are they giving

#### **2. What are the safest payment methods to use?**

(examples)

- Paypal,
- credit card
- Not bank transfer

#### **3. How can you recognise the site is secure?**

- http at the beginning of the web address
- security padlock
- reviews of the site

#### **4. Recognise something might be fake or stolen**

- The price
- Limited information
- Fake goods – might be a bulk of items being sold

Provide participants with the Citizens Advice consumer service contact details 03454 04 05 06, Welsh-speaking adviser on 03454 04 05 05

## Summary

Summarise the importance of knowing if you are dealing with a trader or private seller. Ensure that the participant knows how to look for key pieces of product information. Ask participants to create a short list of things they have learnt from the session.

Ensure that the participant can:

- offer at least three points of learning
- understand that their rights are different on OMPs depending on whether they buy from a private seller or trader
- be confident to ask a seller for more product information
- know who to get advice from and have recorded the Citizens Advice consumer service number.

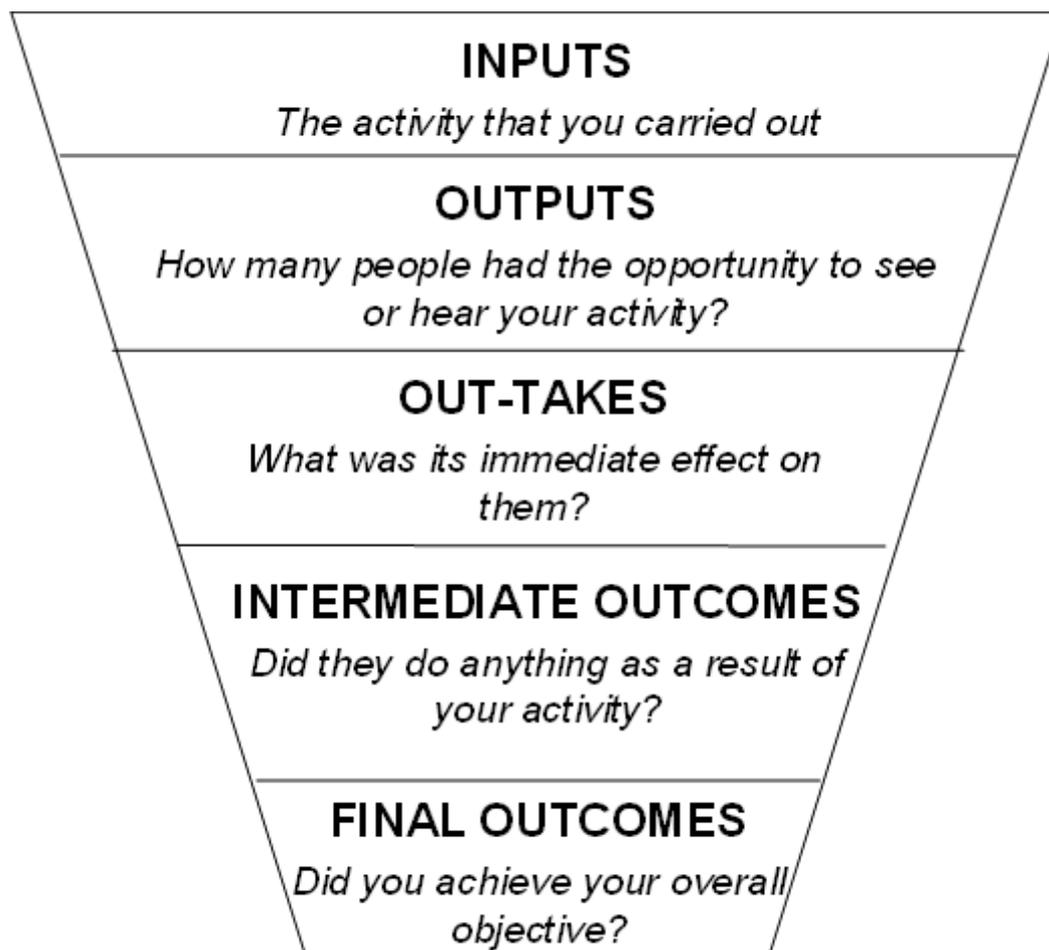
A list of topics that the participant is interested in should have evolved naturally out of the themes covered in the activities. The participant can choose from the list to decide what they would like to discuss next time. This not only provides very useful information for Citizens Advice, it also increases the likelihood that the participant will return.

If you have concerns about a participant, strongly encourage them to visit their local Citizens Advice or contact the Citizens Advice consumer service.

As with many consumer issues it may be useful to signpost the participant to the Citizens Advice **financial capability offer**, to get more information topics such as budgets, payment options, debt.

## Evaluation

The framework offers the facilitator questions that will enable a more in-depth analysis of the session. This can be done as a post-session analysis by the trainer or can be discussed with the participants. This will be dependent on the timescale available and also the engagement of the participants.



The facilitator should feedback their experience of the resources with specific comments about:

- o the ease of use of the materials
- o the effectiveness of the activities
- o any recommended top tips
- o any other recommendations for the resource
- o any interest from participants for other resource topics

## Reference section

### Alternative Dispute Resolution

[www.gov.uk/government/publications/alternative-dispute-resolution-for-consumers/alternative-dispute-resolution-for-consumers](http://www.gov.uk/government/publications/alternative-dispute-resolution-for-consumers/alternative-dispute-resolution-for-consumers)

[www.citizensadvice.org.uk/consumer/get-more-help/Solve-an-ongoing-consumer-problem/](http://www.citizensadvice.org.uk/consumer/get-more-help/Solve-an-ongoing-consumer-problem/)

### Consumer Contract Regulations

<https://www.which.co.uk/consumer-rights/regulation/consumer-contracts-regulations>

### Consumer contracts - different ways of buying

[www.citizensadvice.org.uk/consumer/different-ways-of-buying/buying-by-internet-mail-order-or-phone/how-a-distance-sale-contract-is-made/](http://www.citizensadvice.org.uk/consumer/different-ways-of-buying/buying-by-internet-mail-order-or-phone/how-a-distance-sale-contract-is-made/)

### Consumer Rights Act

<https://www.which.co.uk/consumer-rights/regulation/consumer-rights-act>

### Online Dispute Resolution

[www.ukecc.net/consumer-topics/online-dispute-resolution.cfm](http://www.ukecc.net/consumer-topics/online-dispute-resolution.cfm)

<https://ec.europa.eu/consumers/odr/main/?event=main.home2.show>

### Trading Standards Top Tips – A Burrows. Cheshire East Trading Standards

### Further information

Citizens Advice

<https://www.citizensadvice.org.uk/consumer/>

Which? What are my shopping rights on an online marketplace

<https://www.which.co.uk/consumer-rights/advice/what-are-my-shopping-rights-on-an-online-marketplace#who-are-you-buying-from>