

World Consumer Rights Day 2018
15 March 2018
“Making Digital Marketplaces Fairer”

World Consumer Rights Day (WCRD) is observed on March 15 all over the world. The day has been chosen since it was on 15 March 1962, then US President John F Kennedy made the historical speech to the US Congress upholding Consumer rights. The international consumer movement now marks 15 March every year to raise global awareness about consumer rights. In an organised way, the World Consumer Rights Day (WCRD) first took place on 15 March in 1983 and has now become an annual event for solidarity within the international consumer movement along with creating awareness about consumer rights.

The theme for World Consumer Rights Day 2018 is ‘Making Digital Marketplaces Fairer’. E-commerce, or buying products and services online, has transformed the way we consume. Consumers with a connected device and a payment method can buy anything from music to take-away; book transport and accommodation; or buy tickets to events. This new way to trade has opened up a vast array of choice for consumers and enhanced convenience on a scale never seen before.

The percentage of the world’s population with access to the Internet has grown from 1% in 1995, to almost 50% in 2017. During the same time frame, e-commerce has grown at a dizzying pace. In 2016, an estimated 1.61 billion people worldwide purchased goods online. In 2016, global e-commerce sales amounted to 1.9 trillion U.S. dollars and projections show a growth of up to 4.06 trillion U.S. dollars by 2020. The explosion in smartphone ownership has meant that more transactions are via mobile. The number of smartphone users is forecast to grow from 2.1 billion in 2016 to around 2.5 billion in 2019. Just over 36 percent of the world’s population is projected to use a smartphone by 2018, up from about 10% in 2011.

The on-going digital transformation in India is expected to increase country’s total internet user base to 829 million by 2021 (59 per cent of total population), from 373 million (28 per cent of population) in 2016, while total number of networked devices in the country are expected to grow to two billion by 2021, from 1.4 billion in 2016.

With the increase in the internet usage there is also increase in the online shoppers, online shopping has become a way of life for a number of Indians and the total number of online shoppers is estimated to grow 3.5 times to touch 175 million by 2020, from 50 million in 2015. As per the “Digital Retail Report 2020” by Google and AT Kearney published in 2016, E-tailing will drive 25 per cent of the total organised retail sales of \$240 billion in India by 2020 and will reach \$60 billion in gross merchandising value.

As per the report by financial services firm Morgan Stanley says that today, only around 14% of India's internet users shop online, compared with almost 64% in China. But that is likely to change as people become more comfortable with making transactions on the web. Currently most of the Indians buy Mobile phones, electronics, and apparel online. But the same report predicts that going forward; groceries, personal and beauty products, furniture, and food delivery will also have a larger number of takers.

The "Digital Retail Report 2020" also says that, of the 175 million online shoppers in 2020, the top 60 million 'high-value' customers will contribute to 68 per cent of total spend. Customers from higher income classes who live in Metros and Tier-I cities are more likely to be high value and will account for a similar share of spend.

E-consumers are increasing because of many factors like time saving, multiple choices, growing appetite of the International brands and goods and services are just a click away. Once online, there are clear benefits for consumers from e-commerce. Respondents to the recent CIGI-Ipsos online survey of 24,225 Internet users in 24 countries listed saving time, convenience, ease of use, flexibility of prices, a wide range of choices, and the ability to buy items they can't get elsewhere as the driving factors for shopping online.

However, along with benefits, e-commerce raises key issues for consumers such as: access to fair and secure markets, being sure there is redress when things go wrong, and being exposed to scams and fraud. In the same survey of CIGI-Ipsos, 22% of online respondents said that they never shop online. Of these 22%, 49% of these said gave lack of trust as the reason. The consumer experience of shopping online is affected by numerous local factors including telecommunications infrastructure, available payment systems, the state of consumer protection, which companies are dominant and more. It is possible however, to identify some common issues that consumer's encounter that can make them unable or reluctant to shop online. These range from unclear and confusing business practices to outright scams and cybercrime. Lack of redress when things go wrong can also undermine trust. Because of this, the consumer movement must work to ensure that digital marketplaces are fairer for everyone.