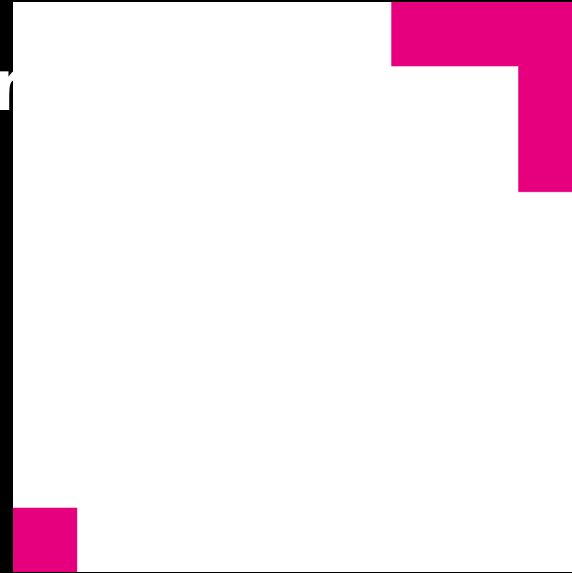


Subscription traps in 6 EU countries

Summary

Caroline Theorell

2017-04-21



About the survey

Background and purpose: The Swedish Consumer Agency and the ECC Sweden needed to conduct a quantitative survey regarding public experiences of subscription traps in a number of EU countries. The survey aims to highlight the size and nature of the problem with the subscription traps within a range of EU countries.

The European Consumer Center is responsible for a ECC network project during 2017 involving consumer problems with subscription traps and the use of card complaints (Chargeback). The survey results will be one of the bases in their report. The survey results can also be presented as information on sites within the ECC network and discussed at workshops or in other situations where the ECC Network and the European Commission considers it appropriate.

Kantar Sifo was commissioned by the Swedish Consumer Agency and the ECC to conduct the survey.

Countries: The choice of the countries included in the survey are based on where problems with subscription traps are most prevalent. Sweden, Finland, Netherlands, Belgium, Austria and Norway are included in the survey.



About the survey

Target group: National representative 18-75 years old in each country.

Method: Online interviews in web panels in each country. See which panels that have been used in the table below. Each web panel is representative of Internet users in each country.

Sample: The survey was conducted with a simple random sampling each web panel, based on gender and age. The sample is also based on age quotas in each country. The following age quotas were used in all six countries: 18-29 years, 30-44 years, 45-59 years and 60-75 years.

Country	Panel	Recruitment
Sweden, Norway, Finland	Kantar Sifo (Sweden), Kantar TNS (Norway, Finland)	Randomly recruited, no self-recruitment
Netherlands, Belgium	Lightspeed GTM	Partially randomly recruited
Austria	Lightspeed GTM 85%, Bilendi 15%	Partially randomly recruited



About the survey

Weighting: Within Sweden, Norway and Finland the survey results are weighted based on gender, age and region. In Belgium, Austria and the Netherlands only age quotas are used, based on the actual population in each country. The overall results are weighted to make each country represent one-sixth of the total result. It is done due to more interviews than 1000 was done in Norway (n = 1111).

Field work: 27 February – 7 Mars 2017

Number of interviews:

- Total (n=6112)
- Sweden (n=1001)
- Finland (n=1000)
- Netherlands (n=1000)
- Belgium (n=1000)
- Austria (n=1000)
- Norway (n=1111)

Project manager Sifo: Caroline Theorell



About the survey

Below information about number of invited, not started, cancelled, completed interviews etc. both in total and for each country are presented.

	Total	Belgium	Austria	Sweden	Finland	Norway	Netherlands
Invited	41496	9883	6122	3663	6756	2455	12617
Not invited	400	0	0	400	0	0	0
Not started	34113	8361	4793	3237	5390	1228	11104
Cancelled	212	22	15	87	35	32	21
Quota full (age)	1975	500	314	254	331	84	492
Completed interviews	6112	1000	1000	1001	1000	1111	1000

The results in short (1/3)

- Belgium, Austria and Sweden are those countries where the knowledge are the lowest when it comes to what rights you have as consumer regarding withdrawal, unordered goods and the opportunity to reverse a transaction on your credit card (chargeback). Approximately one of ten (between 9-10%) in Belgium, Austria and Sweden know what rights they have as consumer.
- More consumers in Belgium, Austria and Sweden are unsure whether they have the legal right to demand the same requirements on the credit card provider (if you have paid by credit card) if the seller refuses to repay the consumer due to a problem, compared with the citizens in other EU countries included in the survey.
- However, the knowledge about what rights consumers have are greater in Finland and Norway, about one of four (between 23-27%) know their rights.
- The ignorance seems in many cases relate to that consumers are unsure about what rights they have and not necessarily that they have incorrect knowledge. Overall, among all six countries, at least one of three have given the answer “I’m not sure/I don’t know” at three of the four statements regarding what rights you have as a consumer when purchasing goods and services on the Internet. The uncertainty is greater when it comes to how long the right of withdrawal actually are when made a purchase from company within EU, Norway or Iceland.
- If we look at the occurrence of “too-good-to-be-true” offers and compare to the citizens in the countries involved in the survey the Swedes and Finns states that they see this type of offers on the Internet or in social media at least once a week in a greater degree than the other citizens do. Austrians on the other hand, do not see these “too-good-to-be-true” offers in a greater degree.

The results in short (2/3)

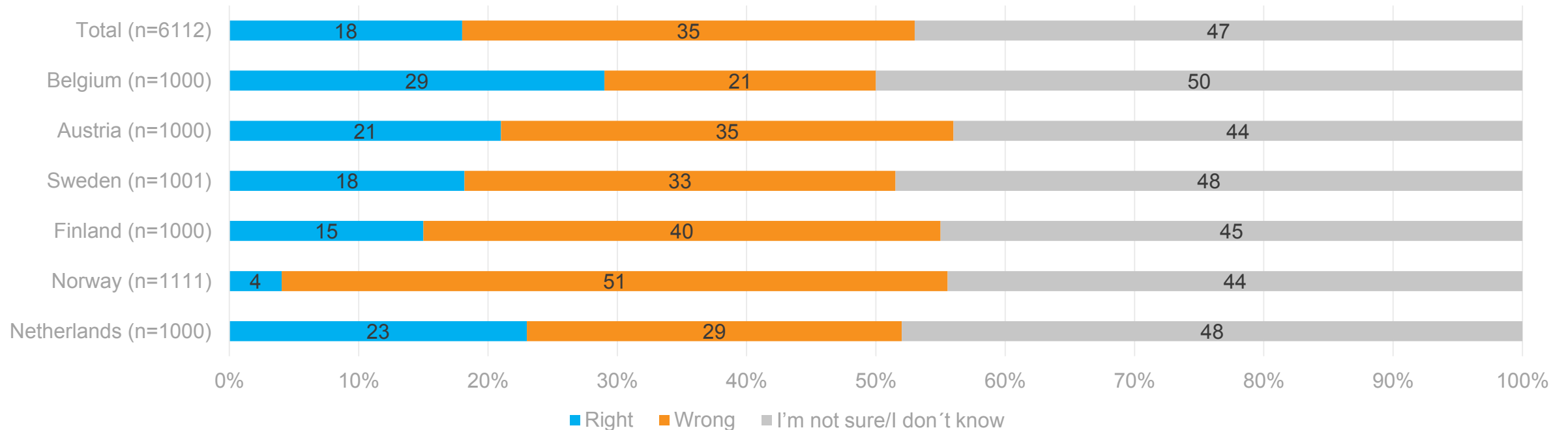
- Regarding the experience of “too-good-to-be-true” offers , i.e. how many have ordered goods/services by clicking on “too-good-to-be-true” offer online, which resulted in an unwanted subscription to a product, the Belgians and the Dutch have higher experience of this. Subscriptions traps seem to be least frequent in the Nordic countries (Sweden, Finland, and Norway).
- If you put the knowledge of the consumer rights against the occurrence of “too-good-to-be-true” offers and the experience of subscription traps it seems that in the Nordic countries (especially Norway and Finland), have a greater knowledge about what rights they have, while the experience of subscription traps are lower, the occurrence however of “too-good-to-be-true” offers are not lesser compared to the other countries. In Belgium and the Netherlands on the other hand, the knowledge about what consumer rights you have when purchasing goods and services on the Internet, are lower and the experience of subscription traps are clearly larger.
- If we look at the profile of the consumers’ with experience of subscription traps it is relatively sprawling when looking at the different countries. In Belgium and the Netherlands the young citizens are overrepresented among the victims of unwanted subscriptions after clicking on a “too-good-to-be-true” offer and ordered a product or service on the web or in social media. In Sweden, the elderly are overrepresented. In Norway, Austria and the Netherlands we see a pattern between if you frequently see this kind of “too-good-to-be-true” offers and if you state that you have experience of subscription traps.
- When it comes to how consumer act who has become victims of unwanted subscriptions we do not see any clear differences between the countries. The majority contacted the company in any way; to inform them that they not have signed up for a subscription or tried to cancel the subscription. Many acted by paying to the company. Around 10% overall, contacted their bank/ credit card provider to ask them to reverse the transaction on their credit card (chargeback).

The results in short (3/3)

- Overall, consumers in Belgium, Austria, Sweden, Finland, Norway and the Netherlands have on average spent 115.7 Euro during the last three years since they have been victims of subscription traps via Internet of this kind.

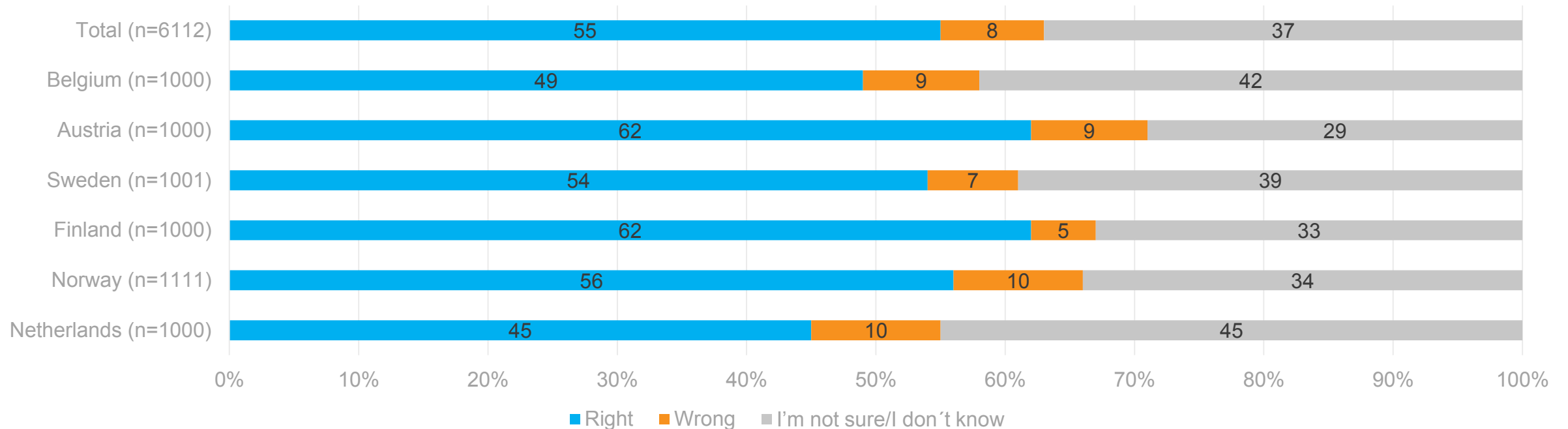
When you buy goods or services online, what are your rights as a consumer?

1. You have only a 7-day legal right to withdraw from a purchase made from a company within EU, Norway or Iceland?



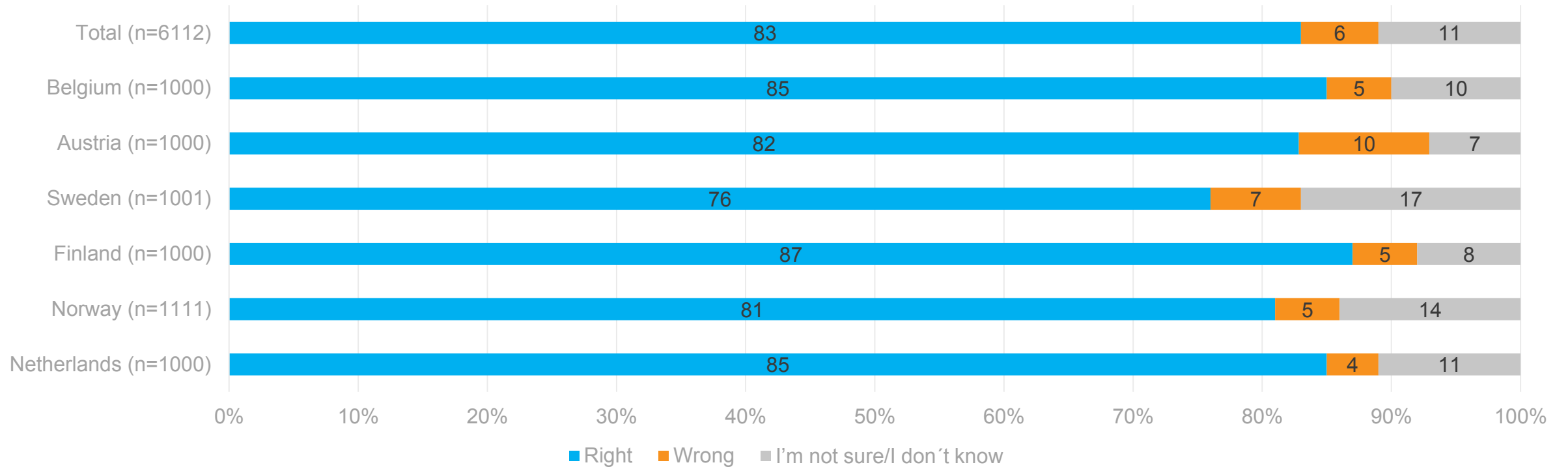
When you buy goods or services online, what are your rights as a consumer?

2. You have a 14-day legal right to withdraw from a purchase made from a company within EU, Norway or Iceland?



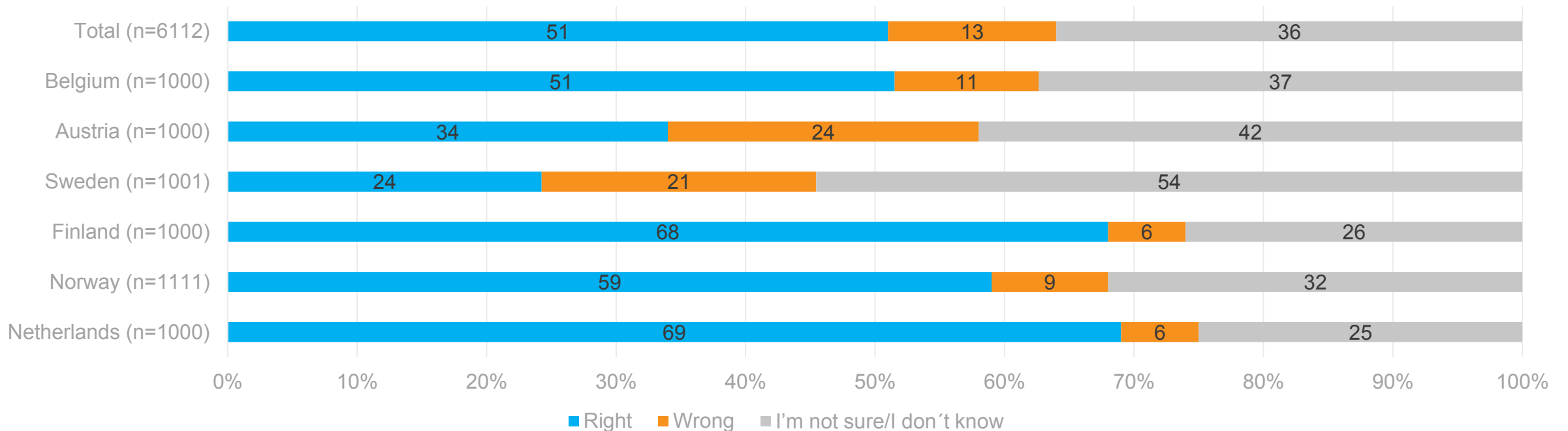
When you buy goods or services online, what are your rights as a consumer?

3. You are not required to pay for goods that you have not ordered?

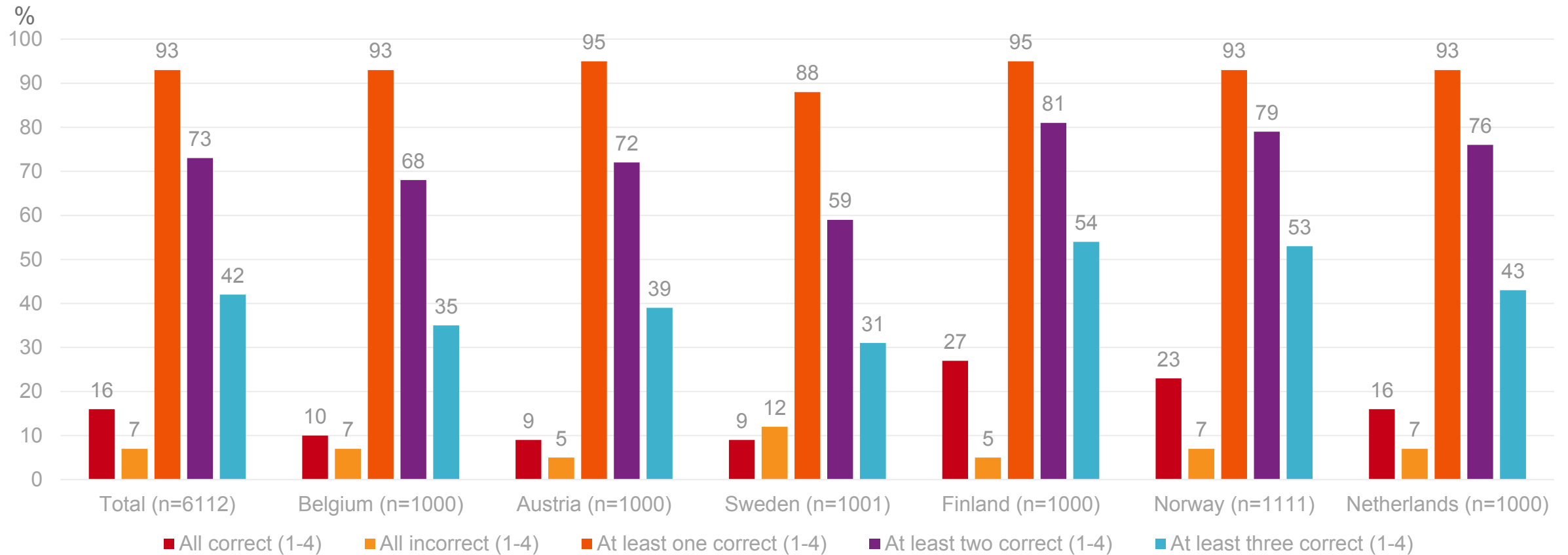


When you buy goods or services online, what are your rights as a consumer?

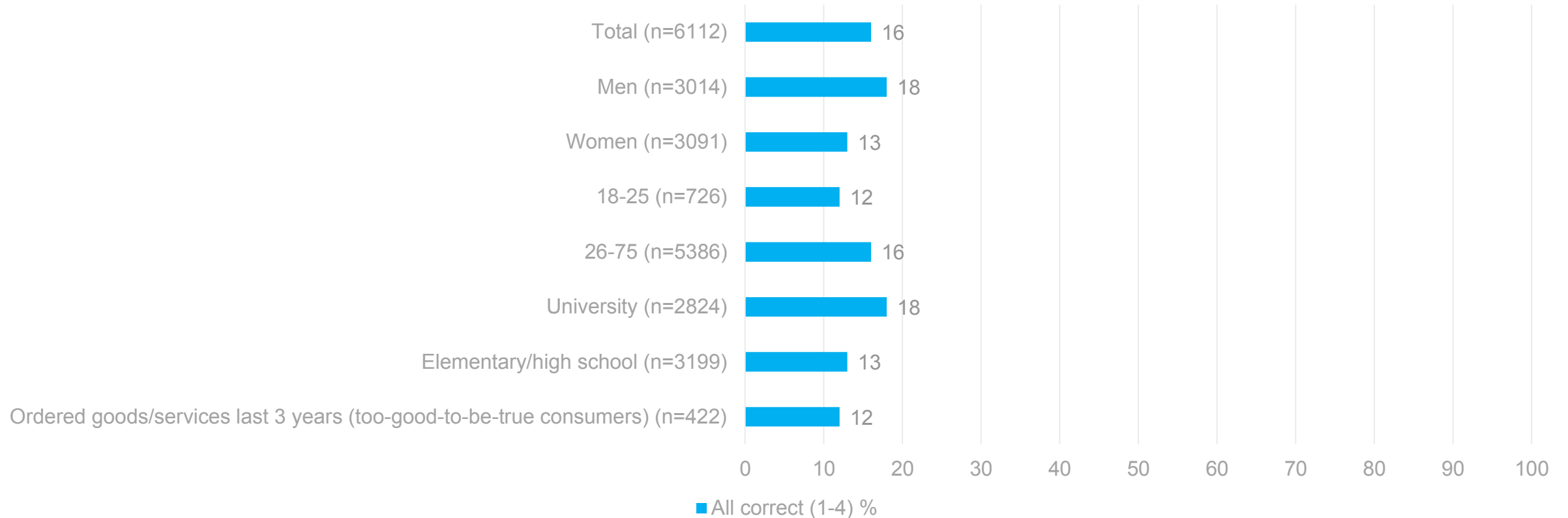
4. If you have paid with a credit card and the seller refuses to repay you due to a problem, you have the legal right to make a claim to your credit card provider?



Summary – correct and incorrect answers on statement 1-4



Summary – Consumer competences: Proportion with all correct (1-4) %



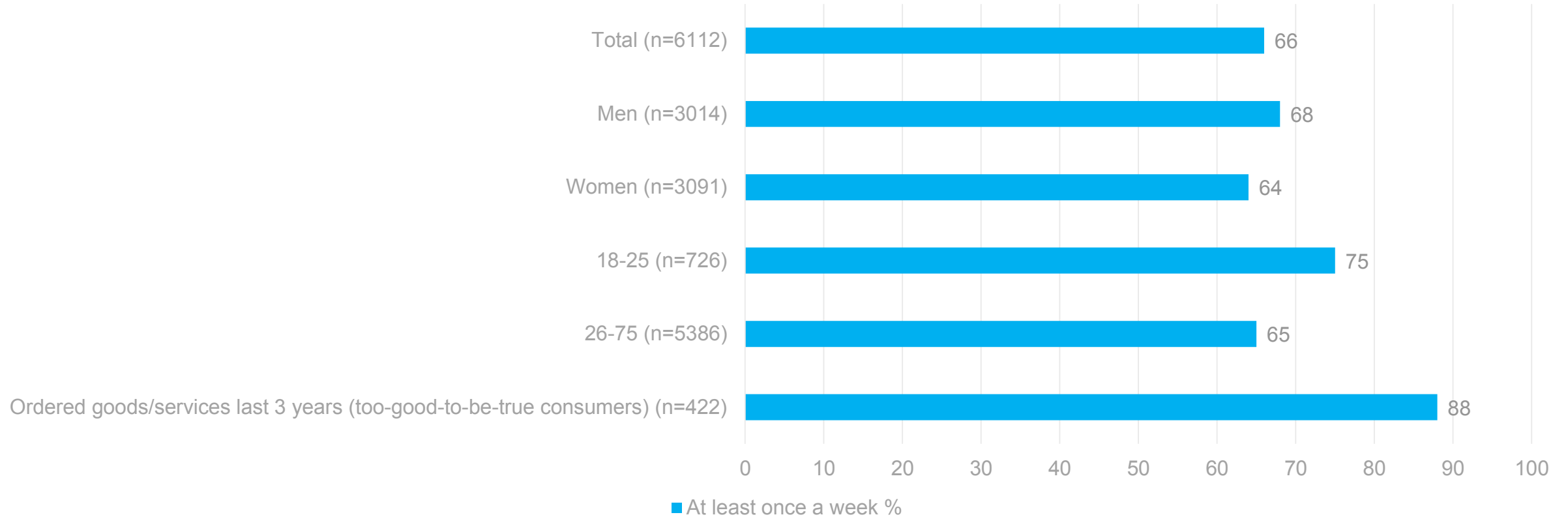
Occurrence of subscription traps

On the internet/social media you sometimes see “too-good-to-be-true” offers. Usually it is a pop-up offering free or cheap test package of a product (e.g. diet pills, mobile phones) or a test period of a service (e.g. dating services). Some companies ask the consumer to participate in a competition or answer questions in a survey. The consumer is asked to give their credit card information to take part in the offer (e.g. postage costs).

How often do you see “too-good-to-be-true” offers on the internet or on social media?

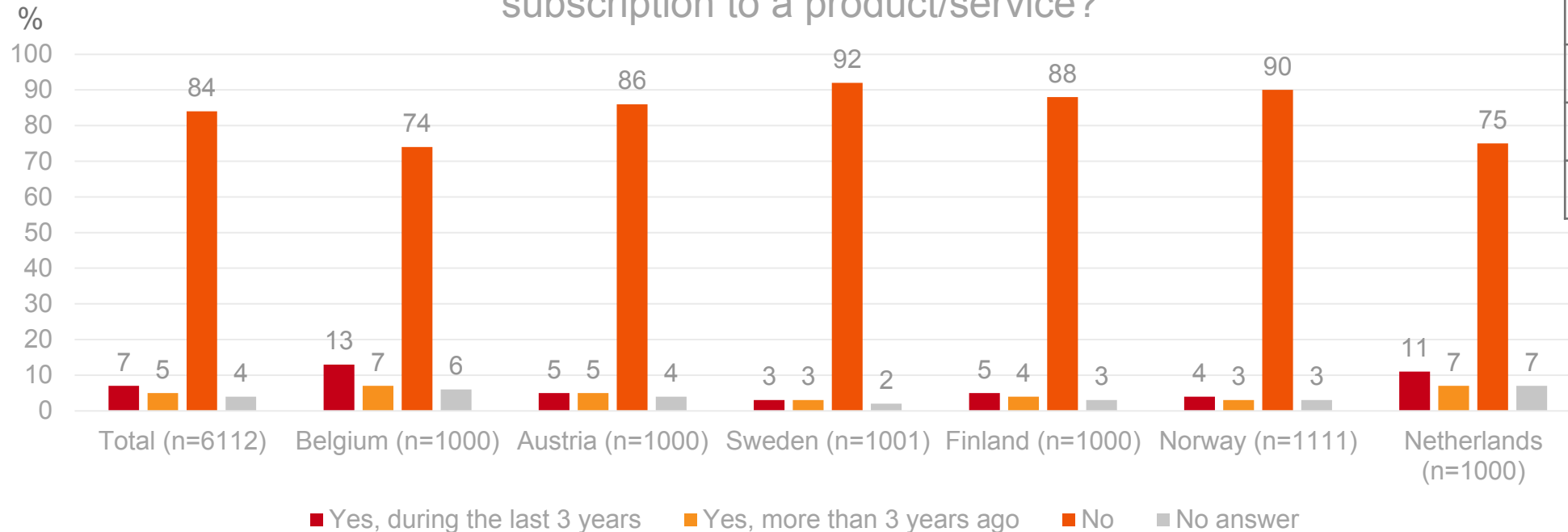


Summary – Exposure to ‘too-good-to-be-true’ offers: Proportion ‘at least once a week’ %



Experience of subscription traps

Have you ordered goods/services by clicking on “too-good-to-be-true” offers online (such as a pop-up ad), which resulted in an unwanted subscription to a product/service?

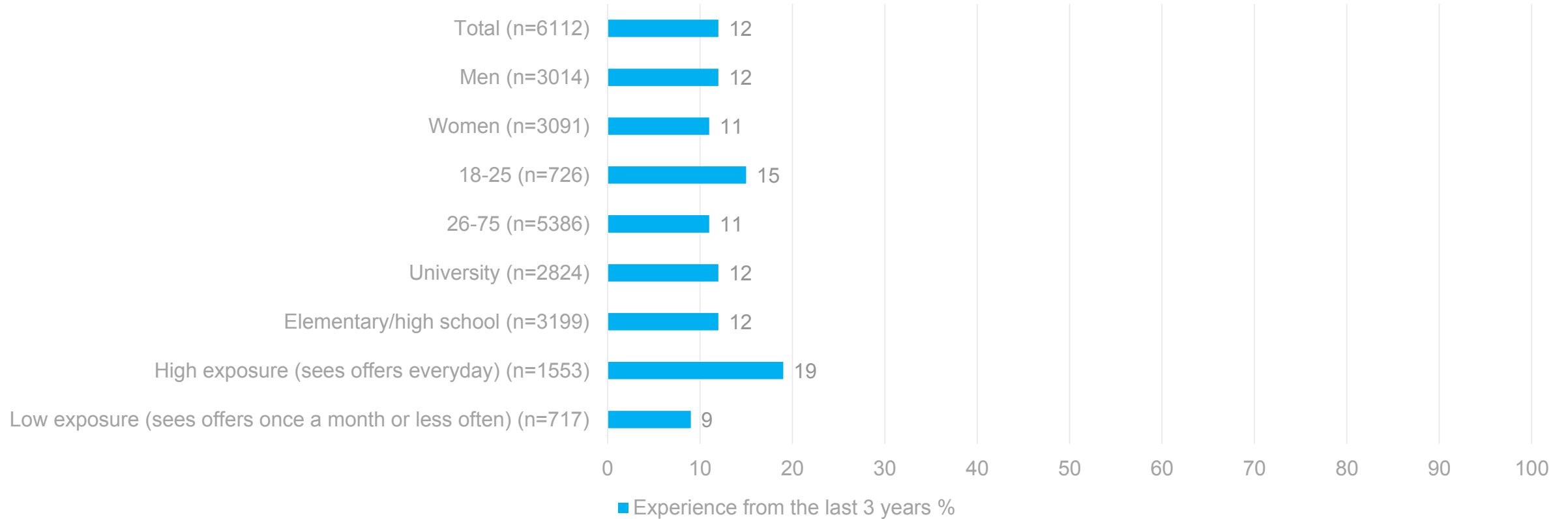


	Estimation of number in the population 18-75 years old based on answer “Yes, last 3 years”.
Belgium	988 371*
Austria	726 736**
Sweden	211 656
Finland	198 617
Norway	150 185
Netherlands	1 218 420**

**Note: the estimated number are based on population statistics on people 20-74 years old (2013).*

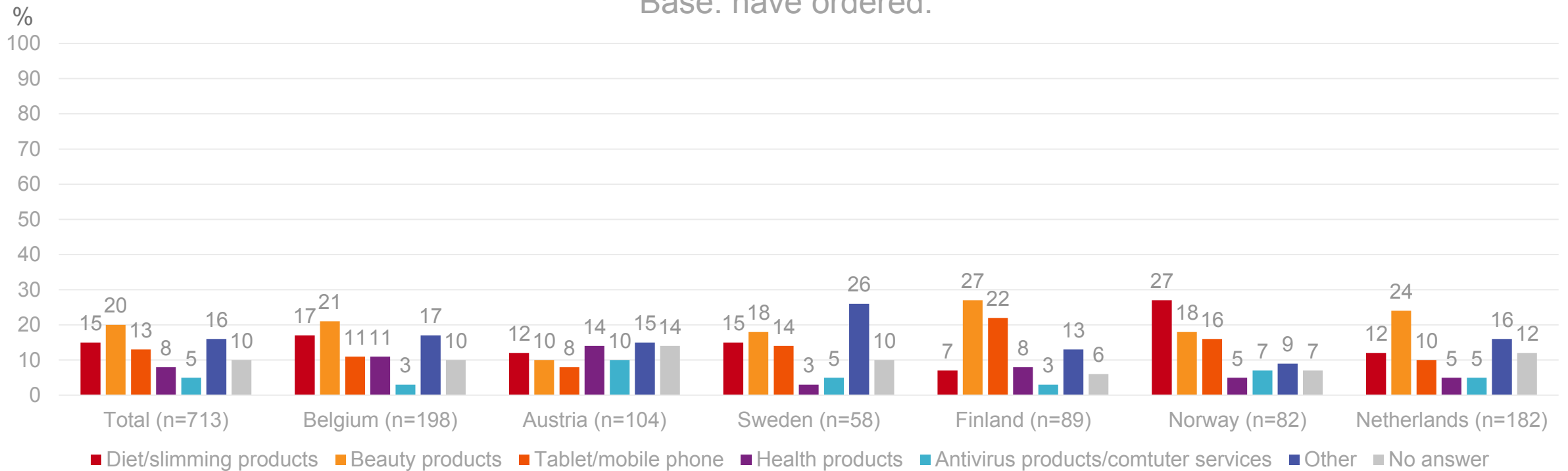
***Note: the estimated number are based on population statistics on people 15-65 years old (2016).*

Summary – “Too-good-to-be-true consumers”: Proportion who have experience from the last 3 years %



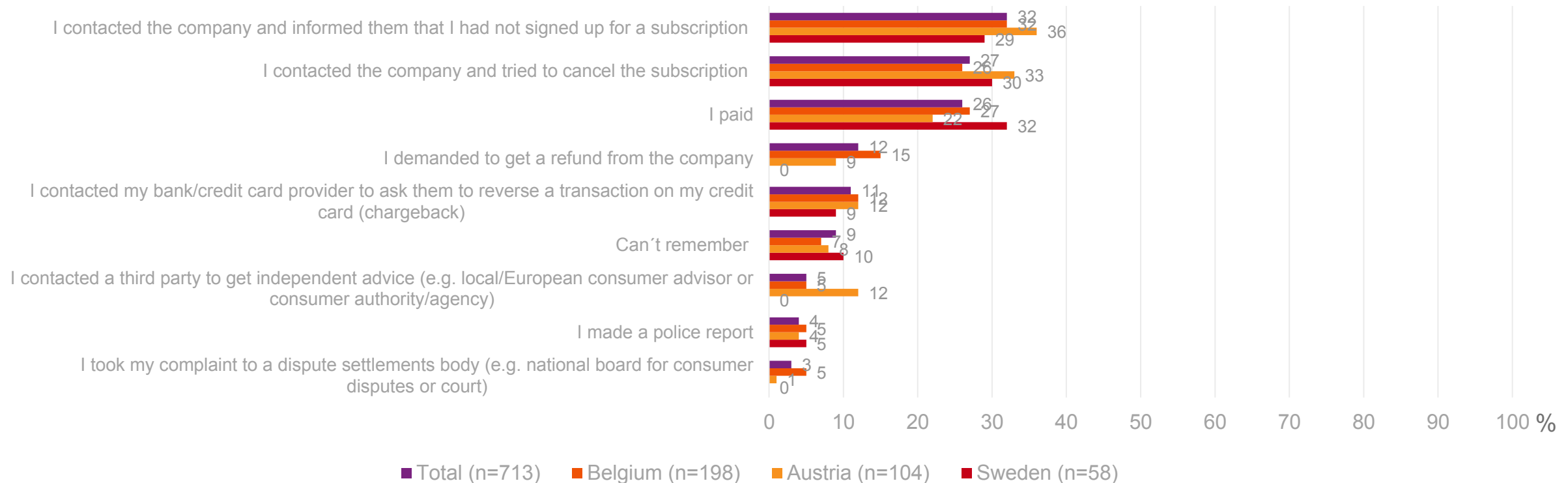
Type of product/service

The last time this happened, what type of product/service was the subscription for?
Base: have ordered.



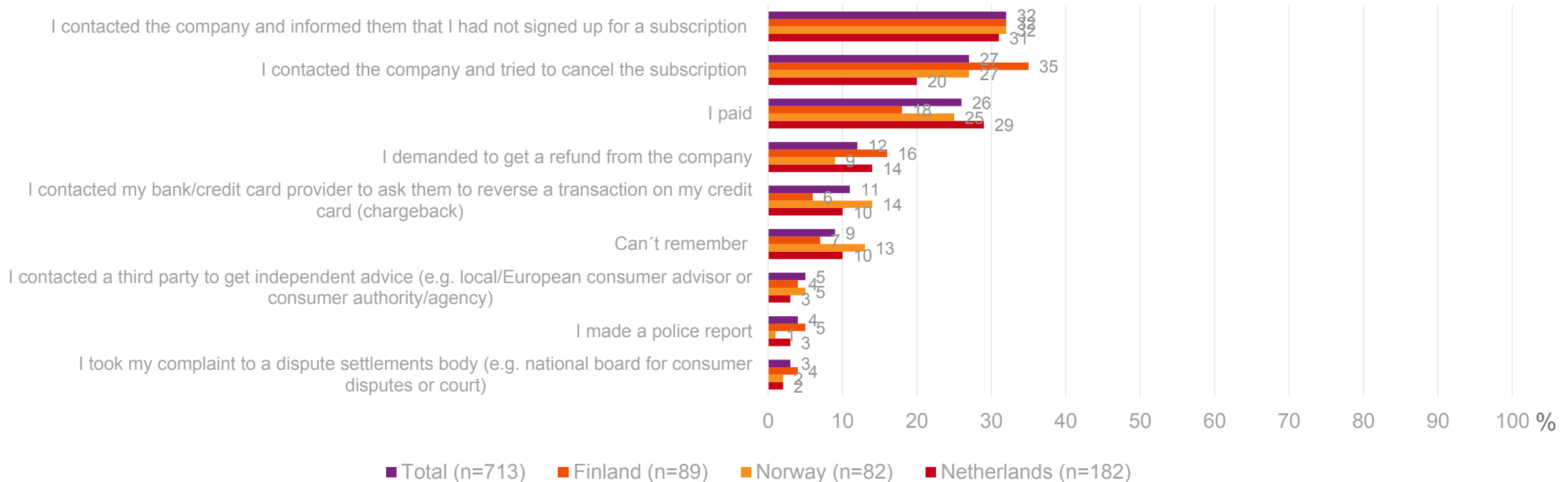
How the consumer acted

The last time this happened, what did you do when the business demanded payment for the subscription? Which, if any, of the following statements apply to you? *Several answers are possible.* Base: have ordered.



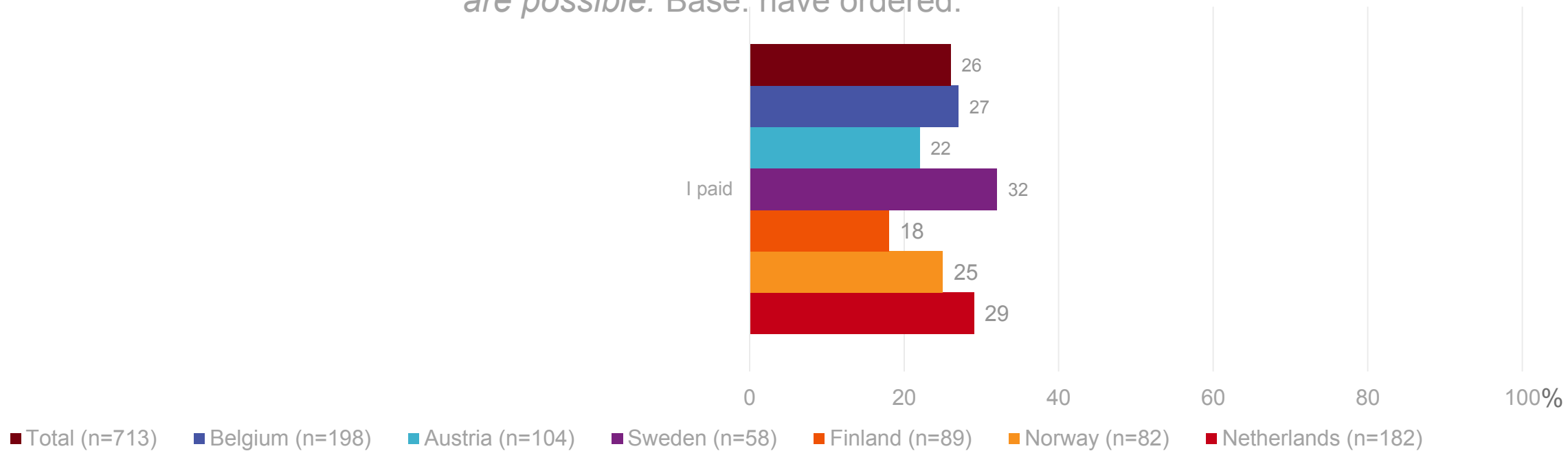
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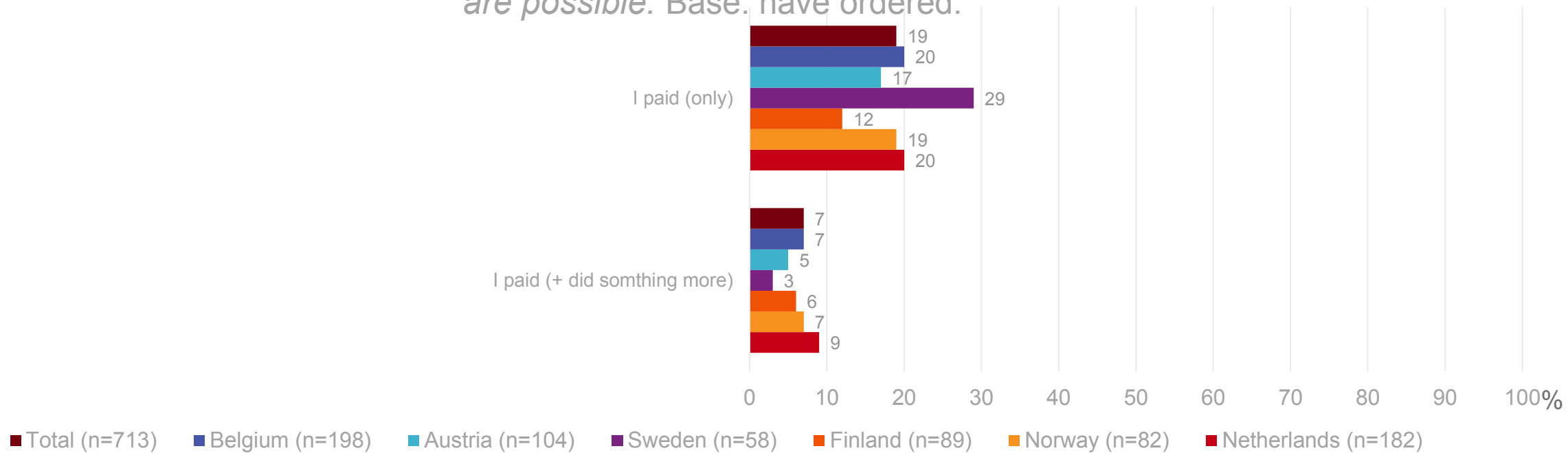
How the consumer acted – I paid

The last time this happened, what did you do when the business demanded payment for the subscription? Which, if any, of the following statements apply to you? *Several answers are possible.* Base: have ordered.



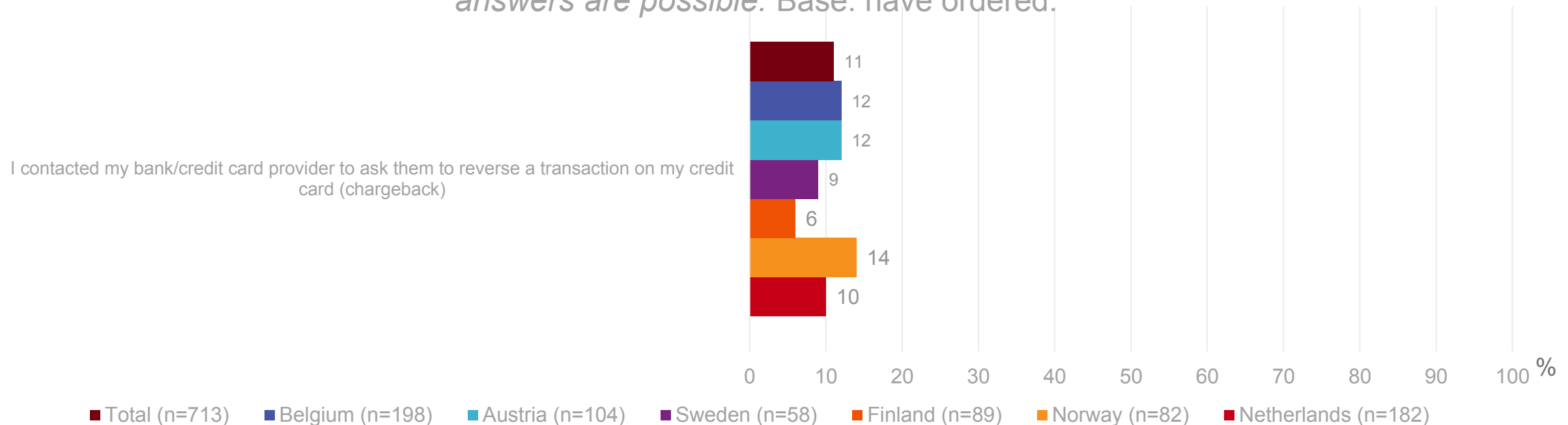
How the consumer acted – I paid

The last time this happened, what did you do when the business demanded payment for the subscription? Which, if any, of the following statements apply to you? *Several answers are possible.* Base: have ordered.



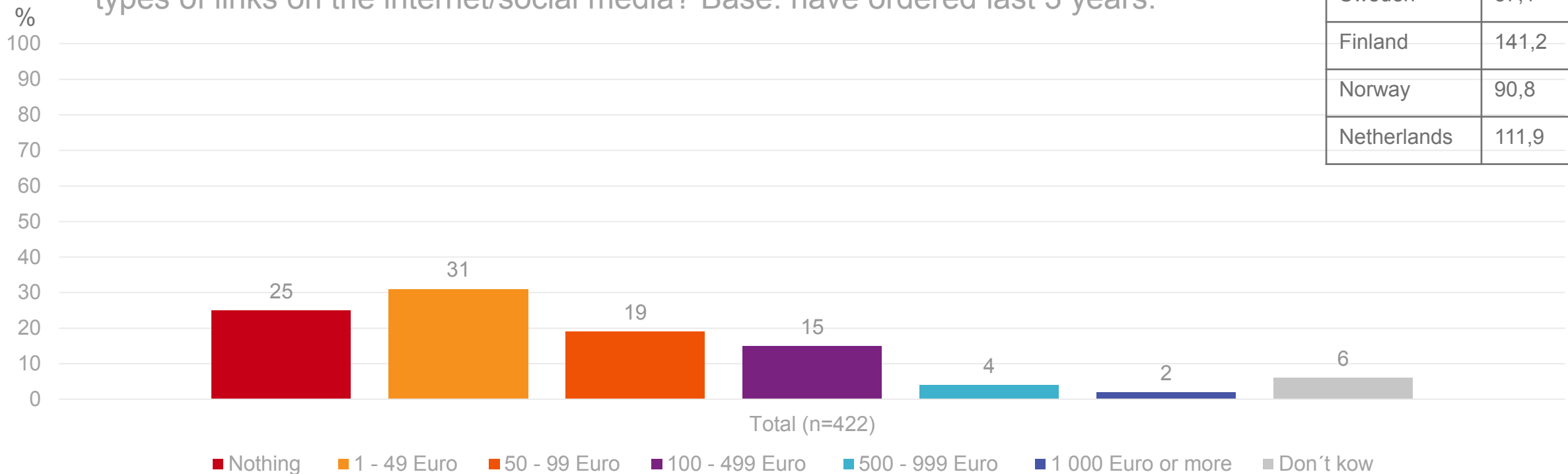
How the consumer acted – I contacted my bank/credit card provider

The last time this happened, what did you do when the business demanded payment for the subscription? Which, if any, of the following statements apply to you? *Several answers are possible.* Base: have ordered.



How much the consumers have spent because of subscriptions traps

How much money have you spent during the last three years due to clicking on these types of links on the internet/social media? Base: have ordered last 3 years.

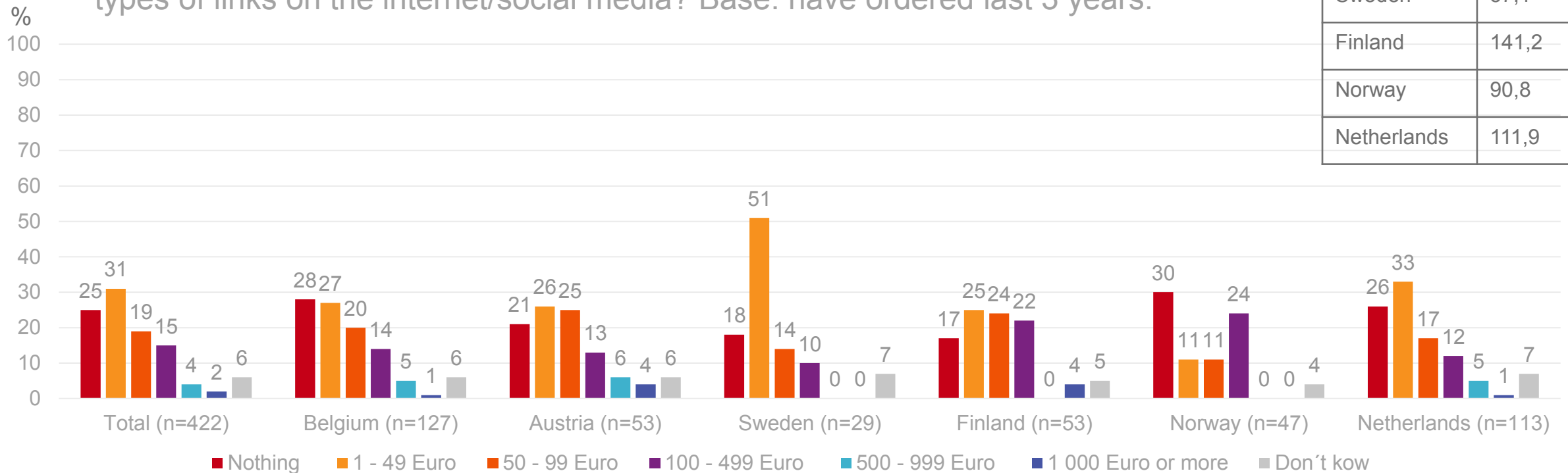


	Average cost (Euro)
Total	115,7
Belgium	113,5
Austria	153,5
Sweden	57,1
Finland	141,2
Norway	90,8
Netherlands	111,9

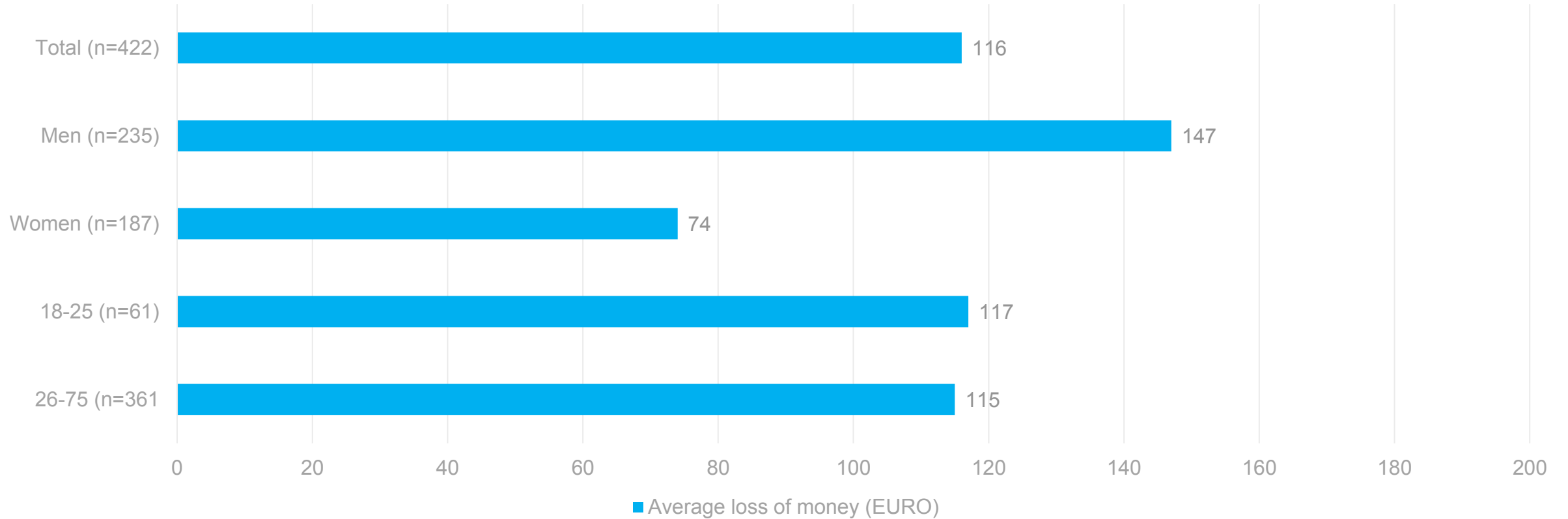
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How much money have you spent during the last three years due to clicking on these types of links on the internet/social media? Base: have ordered last 3 years.



Summary – Average loss of money (EURO)



Summary

	Consumer competences: Proportion with all correct (1-4) (%)	Exposure to 'too-good-to-be-true' offers: Proportion 'at least once a week' (%)	"Too-good-to-be-true consumers": Proportion who have experience from the last 3 years (%)	Average loss of money EURO
Total	16	66	12	116
Men	18	68	12	147
Women	13	64	11	74
18-25 years	12	75	15	117
26-75 years	16	65	11	115
University	18		12	
Elementary/high school	13		12	
Ordered goods/services last 3 years (too-good-to-be-true consumers)	12	88		
High exposure (sees offers everyday)	16		19	
Low exposure (sees offers once a month or less often)			9	

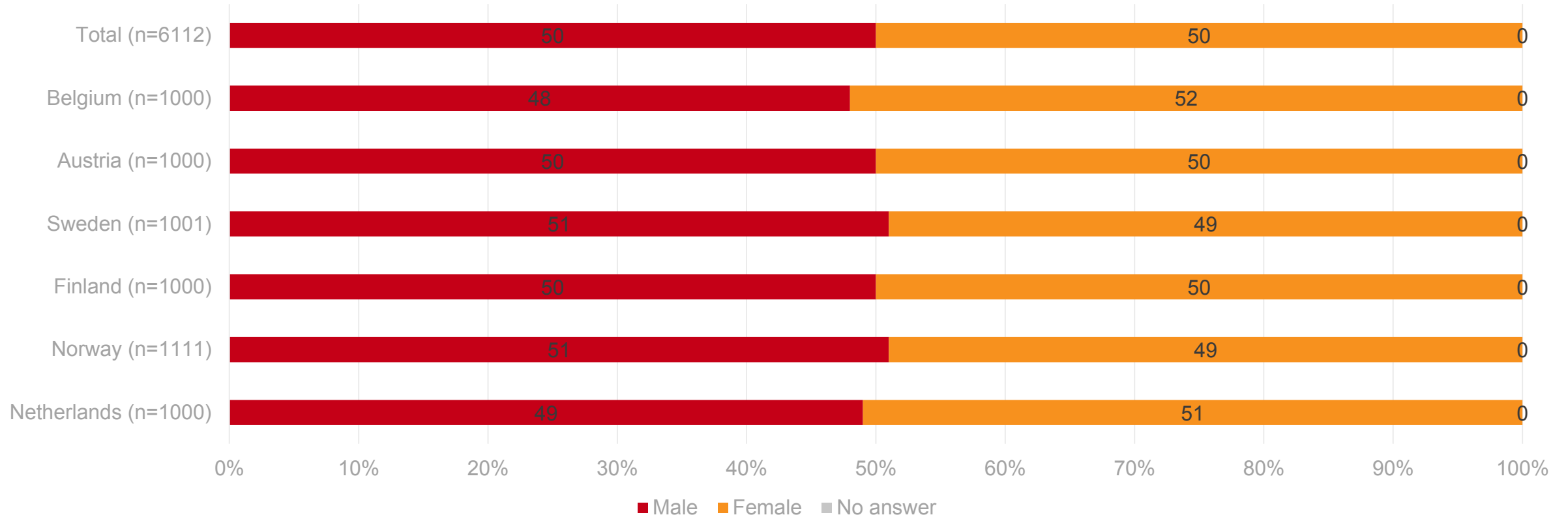
Analysis of the results

- If we look deeper in the overall results and especially study men and women we see some interesting differences between these groups:
 - Men have greater knowledge about their rights as consumers. 18 % of all men in the survey answered correct on all four statements. The corresponding number is 13 % among women.
 - Men have in a greater extent seen “too-good-to-be-true” offers at least once a week (68 %) compared to women (64 %).
 - Men have also more experience of subscription traps than women. 8 % of the men say that they have had experience of subscription traps during the last three years. 6 % of the women in the survey have experienced this.
 - We also see differences in type of products. Among men the subscriptions were for tablet/mobile phone or antivirus products/computer services in greater extent. Women on the other hand have ordered diet/slimming products or beauty products in greater extent.
 - When it comes to how much money the consumers have spent during the past three years due to clicking on these links men have spent in average 147 Euro and women have spent 74 Euro. Possible explanations: men have a greater experience of subscription traps the past three years and have also in a greater extent experience of subscription traps for more expensive products (e.g. tablet/mobile phone or antivirus products/computer services) than women have.

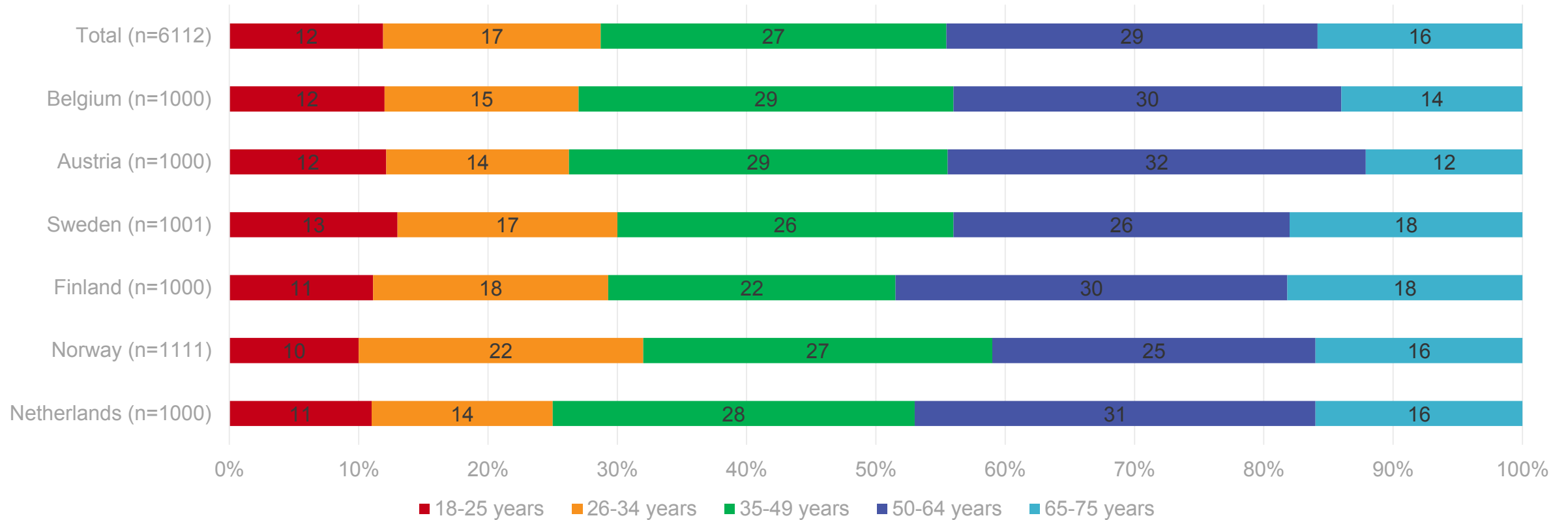
Analysis of the results

- Further, we also see a couple of interesting differences between the age groups 18-25 years and 26-75 years old:
 - First 26-75 year olds have a greater knowledge about their rights as consumers than the 18-25 years olds have. 16 % of the respondents, 26-75 years old, have given the correct answers on all four statements regarding consumer rights. The corresponding number is 12 % among 18-25 years olds.
 - Younger respondents (18-25 years old) say that they have seen “too-good-to-be-true” offers at least once a week (75 %) in a greater extent than 26-75 years old (65 %).
 - The young (18-25 years old) have a greater experience of subscription traps than the older (26-75 years old). 15 % have some experience of subscription traps while 11% the respondents 26-75 years old say that they have some experience of this.
 - Older respondents (26-75 years old) who have experienced subscription traps have in a greater extent contacted their bank/credit card provider to ask them to reverse the transaction on their credit card (chargeback) compared to the younger respondents (18-25 years old). 12 % among the 26-75 year olds have contacted the bank/credit card provider compared to 2% among the 18-25 years old. If we connect this to the result on the statement regarding if you have a legal right to make a claim to your credit card provider or not, the knowledge about this is greater among the older (26-75 years old) than it is among the younger (18-26 years old).

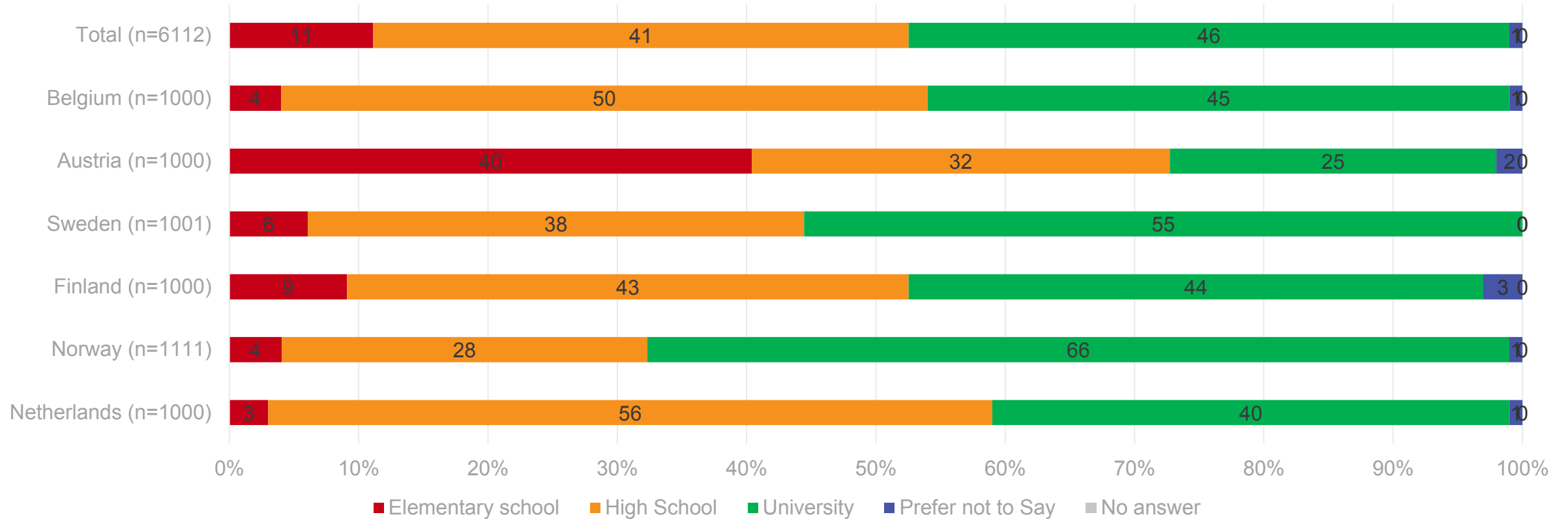
Background information – gender



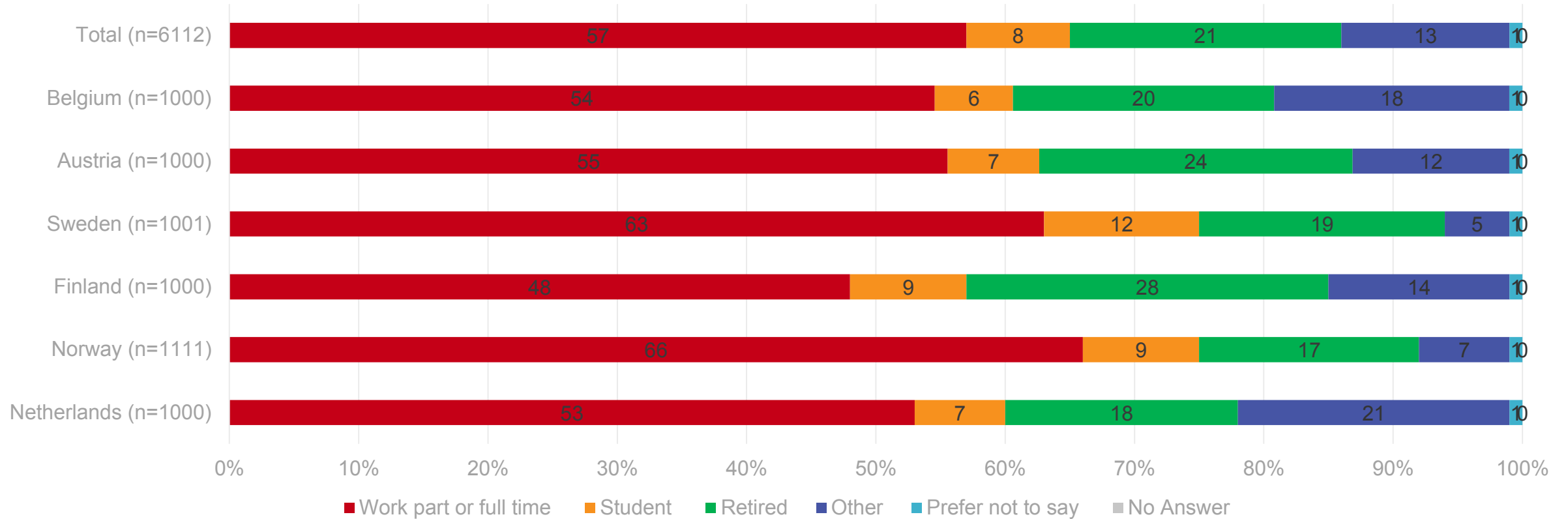
Background information – age



Background information – highest education



Background information – main occupation



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