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Consumer Protection in the Digital World

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While policymakers and academicians pay close attention to the various positive and bad effects of digitalization on consumers' daily lives, the subject of how digital technologies may be used to more effectively achieve consumer policy goals has so far received very little attention. By examining the potential of what it refers to as consumer protection technologies, this article aims to close this gap. This phrase is used to characterize digital technologies that support consumer policy goals. The remainder of the article makes the case that these new digital technologies can considerably aid in achieving key consumer policy goals, such as consumer protection, consumer empowerment, and consumer law and rights enforcement. However, a thorough examination of consumer protection technologies is required, as well as increased awareness among academics and consumer policy actors of the potential of these digital technologies.

Keywords: *law, society, gender, bias, divorce.*

INTRODUCTION

The industrial revolution followed by improved international trade, resulted in betterment in business and trade, due to which the market has expanded to reach the expectations of consumers and a variety of services such as insurance, transportation, etc. have become available

to consumers. Advertisements for products have influenced consumer demand for an equivalent, even if there are manufacturing flaws or imperfections, shortfalls in the quality, quantity, and thus purity of the products, or a deficiency in the services rendered. Furthermore, the assembly of an equal item by several corporations has caused buyers with limited time to construct a variety to consider again before purchasing the most basic. Despite various provisions in various enactments, such as the Civil Procedure Code¹, Indian Contract Act of 1872², Sale of Goods Act³, and many others, and thus the Motor Vehicles Act, 1988⁴, ensuring actions against adulteration, little or no progress has been made in the field of Protection of consumers.

Even though the Competition Act of 2002⁵ and the Act that prevents adulteration of food devised in 1954 handed over a sigh of relief for those consuming the product, fueled the need to safeguard customers and to protect many of them from adulterated and sub-standard goods and services, as well as to protect consumers' interests. On December 5, 1986, the Consumer Protection Act, 1986⁶ was introduced in the Lok Sabha.

STATEMENT OF PROBLEM AND OBJECTIVE

Not only in science but also politics, the varied good and adverse effects of digitalization on consumers' daily lives have gotten a lot of attention, but so has how to employ digital technology to better achieve consumer policy goals. So yes, the issue has garnered little attention. This research examines the possibilities of so-called consumer protection technologies to fill this gap. The term relates to the use of digital technology to achieve consumer policy objectives. Second, according to the report, these new developments help in the better and faster practical application of many consumer policies. However, consumer policymakers and scientists need to be more aware of the possibilities of these ideas still in the process of being given a start.

¹ Civil Procedure Code 1908

² Indian Contract Act 1872

³ Sale of Goods Act 1930

⁴ Motor Vehicles Act 1988

⁵ The Competition Act 2002

⁶ Consumer Protection Act 1986

LITERATURE REVIEW

Digital technology's impact on consumers is accompanied by many worlds and national policy decisions. To lessen the sub-zero impact of implementation, an integral aspect of the current debate is being overlooked: how digitizing may improve the chances of having a near-perfect policy. The goal of consumer policy is to create, maintain, and improve consumer conditions such that the marketplaces in which they shop function in their favour. According to the United Nations Guidelines for Consumer Protection (UNGCP)⁷, consumer policy has three basic goals: To safeguard the consumers, give them the necessary power to them and law-right enforcement

Consumer protection strives to ensure that those people who provide the products are following the rules, safety procedures, and quality standards and work to ensure that consumers have the right product. Remedies must also be provided to those in need be it, suppliers. Two horizontal goals are also emphasized by the UNGCP: On the one hand, they strive to safeguard the consumers, on the other hand, emphasize the need of safeguarding and supporting vulnerable and disadvantaged consumers. On the other hand, customers should be encouraged of having organized and long-term planning the next question is whether any major digital changes or newer technologies can have a positive impact on the policies

LOOKING AT MAJOR DEVELOPMENTS AND TECHNOLOGICAL TRENDS

Clearly and his colleagues working for a giant firm assert that there can be achievements categorized into three technical themes which are as follows⁸:

⁷ 'United Nations guidelines for consumer protection' (UNCTAD) <<https://unctad.org/topic/competition-and-consumer-protection/un-guidelines-for-consumer-protection#:~:text=The%20United%20Nations%20Guidelines%20for,formulating%20and%20enforcing%20domestic%20and>> accessed 12 December 2022

⁸ C. Thorun & J. Diels, 'Consumer Protection Technologies: An Investigation Into the Potentials of New Digital Technologies for Consumer Policy' (2020) 43 *Journal of Consumer Policy* <<https://doi.org/10.1007/s10603-019-09411-6>> accessed 12 December 2022

Intelligent Theme

Artificial intelligence (AI) is a term that refers to technical systems that tend to possess some artificially created human intelligence. The literature considers that there is a significant difference between AI with a particular/narrow approach and a generalized approach between narrow and general AI: Narrow AI refers to systems with a specific goal in mind, such as cooking something in a controlled environment. Capable of self-learning and improvement, but lack a comprehensive knowledge of why they execute specific activities. Natural-language processing (NLP) refers to a machine's capacity to comprehend voice and text in the same manner as humans do. Machine learning is like an AI that allows the device employed with itself to learn new skills as time progresses and use this knowledge accumulated in a variety of ways.

Digital Theme

This refers to the productive mixing of our world and the digital world for better results such as chatbots is a popular trend. These systems can respond to users' natural language questions and requests by acting on them. The continuum here spans from systems responding to a basic request B to systems responding to complex requests C and D. What time is it, exactly? By way of structured exchanges B, What time is it, exactly? Book a seat at a restaurant to accommodate more complex needs until technology improves B, identify which sporting event they wish to go to.

This theme makes use of AI-based technologies. Depending on the amount of automatic execution of the specific system, they can contain NLP, machine learning, and augmented analytics components. The digital theme also includes virtual reality. This creates a virtual environment using a simulation. The term "augmented reality" refers to a part of VR applications. Consider the following types of generic application scenarios: On the one hand, it can provide information or add information to an environment while AI can conceal certain information and it may impact a person's perception of the world in general.

Mesh Theme

It tells us how people can work well with businesses through the use of connections between people and businesses to minimize friction and respond to events that occur across these links. We can consider blockchain (BC) technology. BC technology began as the foundation for the virtual currency Bitcoin's structure and function, but it swiftly evolved into a digital transaction platform. BC is based on distributed ledger technology (DLT), which implies that different nodes of the system keep the same data, and new data can only be added if the nodes reach an agreement. Previous transactions are not able to be deleted, but new ones can be added to the BC. As a result, the BC does away with the need for a trusted intermediary authority because the DLT's permanent records instill confidence in the system.

HOW CAN THESE TECHNOLOGIES EMPOWER CUSTOMERS?

These changes may also empower the customers by enhancing information and long-term planning.

CONSUMER INFORMATION

The smartphone is transformed into a digital magnifying glass and price-comparison tool with the GuerillAR-App (prototype). The Sustainability magnifying glass app (prototype) employs augmented reality technology to allow users' smartphones to display more detailed sustainability data about a product. German academics have devised a tool to access website⁹ security and privacy safeguards, allowing users to make more informed decisions about whether to engage with a particular online merchant. These digital technologies can help consumers track their purchases and spending after they have made them. The Privacy Bird browser plug-in rates websites' privacy policies and provides users with a privacy assessment as well as alerts if their preferences are violated.

⁹ 'Cyber Security Strategy for Germany' (*enisa*) <<https://www.enisa.europa.eu/media/news-items/german-cyber-security-strategy-2011-1>> accessed 11 December 2022

CONSUMER ADVICE

Consumers along with enhanced information should also have exposure to good advice. Various robot-enabled devices and AI-enhanced devices help in providing a few essential online services in selected European countries. The PrivacyGuard project aims to make it easier for consumers to manage their smartphone privacy. It has developed an app that analyses the privacy policies and terms and conditions of installed apps and offers users tailored recommendations on what actions to take to increase privacy (PGuard-Konsortium n.d). DoNotPay will soon be able to communicate legal questions in natural spoken language because of IBM's Watson technology, which is already available for free.

PROSUMERISM

Consumers' prosumer position can be bolstered by digital technologies in a variety of ways. BC technology has the potential to shift the energy sector from a highly controlled market to one that is far more diverse and decentralized. This might be accomplished through decentralized energy production and peer-to-peer networks (P2P distribution). In the United States, a BC-based system allows homeowners to sell excess energy to their neighbours¹⁰.

It provides a smart lock for items like lawnmowers, allowing users to rent them out to other users. Arcade City and La'Zooz, for example, utilize BC technology to assist their operations.

IMPROVING LAWS AND RIGHTS FOR THE BENEFIT OF CONSUMERS

The holding of rights is one of the most crucial preconditions for effective consumer protection. There are two sorts of enforcement in this regard: public and private law enforcement in the public interest, and private rights enforcement by individual customers. In a similar vein, the findings of Privacy Guard and the Universities of Bamberg and Munich's research projects suggest that automated legal review tools and technologies can be utilized to enhance the surveillance toolbox of private and public enforcers¹¹. On the other hand, new digital

¹⁰ 'Grid-Connected Renewable Energy Systems' (*Energy Saver*) <<https://www.energy.gov/energysaver/grid-connected-renewable-energy-systems>> accessed 11 December 2022

¹¹ National Institute of Justice, *Investigative Uses of Technology: Devices, Tools, and Techniques* (NCJ 213030)

technologies have the potential to increase the enforcement of individual consumer rights. In this context, legal tech firms specializing in passenger rights, such as flight rights, my right, and Compensation2Go, have revolutionized how consumers can pursue their rights. Smart contracts are self-executing contracts based on BC technology that are executed automatically once pre-determined parameters are met in the actual world. Insurance companies, for example, have begun to experiment with smart insurance contracts in this arena. Other areas of application, in addition to these two, are possible: Smart contracts could be used to protect and enforce renters' rights, such as calculating and implementing a temporary rent decrease if the heating goes out in the winter and the smart thermometer indicates that the internal temperature is below a specified threshold for one or many days. These instances show how machine learning technologies can aid in the enforcement of collective consumer laws, as well as how BC technology can make it easier for individual customers to receive compensation.

CONCLUSION

Generally speaking, the applications of recent digital advancements and trends for bolstering consumer policy that has been discussed lead to four key conclusions:

Firstly, the technologies that have been and are being implemented can attain well-accepted policy outcomes. They help consumers to realize their rights. While vulnerable consumers (such as people with particular nutritional needs) could benefit from better or more comfortable use of in-store nutrition information, it seems that currently, not many applications are built for targeting particularly vulnerable consumer groups.

Second, Consumer protection solutions based on machine learning be further improved to reach the goal of an ideal policy for consumers. Devices like CLAUDETTE help us in climbing these baby steps in the long ladder of implementing the near-perfect policy for the benefit of everyone.

Thirdly, these technologies understandably are still in their infancy, and many of the applications presented are prototypes that have yet to be tested in the real world.

Fourth, some consumer protection devices may result in legal complications. However, such a right runs counter to the idea of a smart contract.