The GVH investigated the online sales of anti-coronavirus products

In light of the COVID-19 pandemic, the Hungarian Competition Authority (GVH) carried out a sweep between 19 and 20 of March of web-shops offering products and protection masks advertised as antivirus products.

As a result of the COVID-19 pandemic, there has been a notable surge in consumer interest in antiviral products (e.g. protection masks) via online sales channels, which, on the one hand is due to increased demand and occasional supply shortages, and on the other hand to the implementation of social distancing measures. The GVH therefore considered it important to gain a quick and general overview of the current commercial practices which might, if necessary, justify the initiation of possible competition supervision proceedings.

During the so-called sweep investigation on 19-20 March, the GVH identified several objectionable practices.

- A number of web-shops were describing their products as, for example, 'virucide', 'antiviral', 'recommended during epidemics', 'effective against pneumonia', 'designed for healthcare workers', or were making assertions as to their particular effectiveness (e.g. 'it can effectively prevent infection, it has an anti-bacterial, fungicidal and anti-tuberculosis effect'). It is presumed that such claims are not based on appropriate research and, furthermore, it is prohibited to attribute medicinal effects to products that can be marketed as food.
- Some websites were making use of persons who were claiming to be doctors ('recommended by Dr XY', 'recommended by an expert in active substances') despite the fact that they were not real persons or did not possess a medical degree.
- In some cases, the Authority came across questionable claims concerning the uniqueness of particular products (e.g. 'world's first', 'the most effective preventive step for you and your loved ones').
- A number of website operators appeared to be deleting negative consumer reviews and publishing false positive consumer reviews.
- Several websites were making claims that certain products were in short supply (e.g. 'Only 17 more available', 'Popular product. More than 10 have been purchased this week'), and were making use of visual elements (e.g. bar graphs indicating the number of products selling out, pop-up windows) aimed at pressurising consumers to make a quick purchasing decision.
- In several cases, the GVH encountered promotions offering products at significant reductions. In such cases, the advertiser is only required to indicate a previous resale price that has actually been applied in the past and to have sufficient stock of the concerned product to meet the expected increase in demand.

- In some cases, web-shops offered delivery services free of charge when in fact the default option actually required the payment of a delivery fee when the goods were delivered.
- The GVH also registered two cases where a document or instruction manual was
 published on a website as an official document, but the content thereof could not be
 accessed.
- In several cases, the manufacturers and distributors of the advertised products were not indicated on the websites and it was not possible to identify them by searching for them; furthermore, order attempts also failed to reveal from whom the consumers would be buying the products.

Given the current situation, the GVH would like to draw attention to the fact that there is a **heightened need for the provision of fair consumer information** in relation to such products and services. Consequently, the GVH asks the operators of online shops and other websites selling the concerned products to pay particular attention to the <u>recently published recommendations and to avoid the practices identified above</u>. The GVH will be continuously monitoring compliance with the given recommendations during the course of the pandemic.

In particular, the Authority **requests the cooperation of advertisers** in order to ensure that, if they become aware of products or services that are being promoted in a manner that is not compliant with the requirements above, such publications are removed. This request is in accordance with the measures of the European Commission seeking the cooperation of the biggest online platforms (including Facebook, Google, Amazon, Alibaba and eBay) to remove advertisements claiming to prevent or cure COVID-19 infections. The European Commission reminded the platforms that EU law also obliges them to take these actions whenever they become aware of any illegal activity taking place on their websites. The Consumer Protection Cooperation (CPC) Network of the European Union issued a <u>common position</u> to summarise the measures already taken, the most important consumer protection objectives of the EU and the most significant infringements against consumer protection law in the context of the coronavirus.

As regards to the COVID-19 outbreak, the GVH published a number of recommendations for consumers on its website, which are continuously being updated to take into account developments. The GVH advises consumers to be particularly careful in case of the above-described suspicious commercial communications and to take into account the recommendations below.

- The reliability of the selected webpage should be verified. Consumers should consider the information that is available about the operator of the page (if the undertaking is real) and they should consult the consumer reviews appearing on the website in blogs.
- Appropriate attention and time should be dedicated to becoming acquainted with the service conditions contained in the GTC.
- Any email exchanges with undertakings should always be saved and screenshots should be made of the involved processes.
- The necessity of providing undertakings with personal data should always be considered, as it is possible that such data will be exploited for commercial purposes.

• Finally, consumers should be aware that all relevant laws also apply in the case of home deliveries, such as the right to withdraw within 14 days (so-called 'cooling off period').

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