

Online Marketplaces

Why is this guidance important?

When your business sells goods online through a third-party website, like an internet auction or marketplace, some special rules apply. Under these circumstances, it is important to understand your legal obligations towards consumers. This includes knowing what information must be provided to buyers and what rights consumers have when purchasing goods online.



Need to know: **Cancellation rights**

A consumer who has purchased goods via an online platform has the right to cancel the contract and claim a refund without giving any reason or justification and without incurring any liability. The period in which the consumer can cancel the contract is 14 calendar days in both the UK and Europe. There are, however, some exemptions to this. These include:

- » **Medical products**
- » **Goods whose price depends on fluctuations in the financial markets**
- » **Goods made to the consumer's specification**
- » **Personalised goods**
- » **Goods which are likely to expire rapidly**
- » **Newspapers, periodicals and magazines**
- » **Contracts for accommodation**



Need to know: **Information requirements**

Certain information must be provided to potential buyers before a contract is made. This is to ensure that consumers make an informed choice before concluding a contract, preventing disputes over the sale process and the nature of the item sold. Required information includes, but is not limited to:

- » **The identity and contact details of your business**
- » **A description of the items on offer**
- » **The price of goods for sale, including all taxes**
- » **Delivery costs**
- » **The total monthly cost of any subscription contract**
- » **Arrangements for payment and delivery**
- » **Details of any complaints-handling policy**
- » **Details about the existence of the right to cancel**

ARE YOU A TRADER?

Your obligations under the law will differ significantly depending on whether you are selling online in a personal or a business capacity. Just selling goods on a website does not automatically make you a 'trader'. Only if the sales are for purposes relating to your trade, business, craft or profession will you be considered to be a trader.



HOW CAN I FIND OUT MORE?

Read the 'Selling goods via online platforms' booklet for more guidance and information, available from the web address below.

