

## **Press Release**

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## Surging online marketplace Temu flouting new EU law meant to keep consumers safe

- Fast-growing online shopping app Temu is failing to protect consumers by breaching the EU's Digital Services Act:
  - Chinese marketplace failing to provide sufficient traceability of the traders that sell on its platform.
  - Temu using manipulative practices such as dark patterns and is opaque about how it recommends products.
- These breaches of the EU's online content law come on top of concerns already voiced by consumer groups about safety of products on sale.

Consumer groups from the BEUC network<sup>1</sup> have today filed complaints with authorities against booming Chinese online marketplace Temu for failing to protect consumers and for using manipulative practices which are illegal under recent EU legislation.

Temu, which has over 75 million monthly users in the EU<sup>2</sup>, is often failing to provide crucial information to consumers about the seller of the products and is therefore unable to share whether the product meets EU product safety requirements. The online shopping platform also provides inadequate information about its recommender systems and how the different criteria it uses lead to certain products being proposed.

In addition, the online marketplace is rife with manipulative techniques - dark patterns - to get consumers to spend more than they might originally want to, or to complicate the process of closing down their account.

Temu breaches the EU's new online content law, the Digital Services Act, on all of the above points and must now be investigated by authorities.

<sup>&</sup>lt;sup>2</sup> Agence France Presse, 'EU toughens safety rules for online retailer Shein' (26 April 2024).



TVA: BE 0422 071 051 ○ EC register for interest representatives: identification number 9505781573-45

<sup>&</sup>lt;sup>1</sup> BEUC has filed a complaint with the European Commission, while 17 of BEUC's members have filed the same complaint with their competent national authorities. These organisations are Arbeiterkammer (Austria), Testachats / Testaankoop (Belgium), BNAAC (Bulgaria), dTest (Czech Republic), Forbrugerrådet Tænk (Denmark), Kuluttajaliitto ry (Finland), UFC-Que Choisir (France), EKPIZO and KEPKA (Greece), Altroconsumo (Italy), Consumentenbond (Netherlands), Federacja Konsumentow (Poland), DECO (Portugal), Spoločnosť ochrany spotrebiteľov (S.O.S.) Poprad (Slovakia), CECU and OCU (Spain), Sveriges Konsumenter (Sweden). ULC (Luxembourg) has written to their competent authority, while BEUC's UK member Which?, Norwegian member Forbrukerradet, and Spanish member ASUFIN are supporting this action with media work.

Monique Goyens, Director General at the European Consumer Organisation (BEUC), said: "Temu may be taking Europe by storm, but today we want to shine a light on its many illegal practices which are disregarding consumers' interests and which authorities must rein in. The online marketplace is rife with manipulative techniques that are designed to push consumers to spend more on the platform. For example, consumers get presented with various, more expensive versions once they have clicked on a particular product, or they have to go through an obstacle course to close down their account. Temu is also frequently leaving consumers in the dark about who they are purchasing products from. This lack of traceability prevents consumers from taking an informed decision or to know if a product complies with EU safety rules.

"Temu is being complacent here because it is breaching the EU's Digital Services Act, which is major new legislation designed to keep consumers safe online. Products sold on marketplaces, whether online or offline, whether they are European, American or Chinese, must be safe and comply with European law if they sell to European consumers."

## Existing questions around product safety and consumer law

Various organisations have to date questioned the legality and safety of products on sale on Temu. For instance, Italian consumer group and BEUC member Altroconsumo found in October 2023 that 9 out of 13 cosmetics tested which were bought on the platform either didn't include the list of ingredients or provided it only partially.<sup>3</sup> Earlier this year, German consumer organisation and BEUC member vzbv suspects that Temu breaks consumer law by displaying misleading product reviews or misleads consumers with the way it displays price discounts.<sup>4</sup>

**ENDS** 

## Notes to editors

For more information and to consult the complaint, you can access it here.

<sup>&</sup>lt;sup>3</sup> Altroconsumo, <u>'Temu: qualità scarsa e sicurezza a rischio. L'analisi di 28 prodotti acquistati sull'ecommerce del momento</u> (2 October 2023, accessed on 29 April 2024)).

<sup>&</sup>lt;sup>4</sup> Vzbv, 'vzbv mahnt Online-Marktplatz Temu ab' (26 March 2024, accessed 29 April 2024).