

**13 July 2023****Report on the concerns of social media  
marketplace**

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**Purpose of the report**

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1. To inform the Committee of the recent survey carried out by the Chartered Trading Standards Institute which concludes that Social media giant's e-commerce arm causes most concerns for UK's Trading Standards.
2. A new national survey published by the Chartered Trading Standards Institute (CTSI) has revealed that Facebook Marketplace is the online marketplace which is causing Trading Standards and consumer protection professionals the most concern, with complaints about counterfeit, poor-quality and potentially unsafe goods being sold.
3. The online giant, which enables third-party sellers to trade goods on its platform, was criticised by Trading Standards Officers as being unresponsive or uncooperative when contacted about problem sellers. Facebook Marketplace was also criticised for being slow to take action against problem sellers and for enabling misleading product descriptions, counterfeit goods and potentially harmful products to reappear on its platform after being taken down.
4. Over half (53%) of respondents representing around 50 Local Authorities across the UK identified Facebook as the most complained-about online marketplace – more than all of the others combined. In the following order eBay, Amazon, Wish, OnBuy, AliExpress, Etsy, Vinted, TikTok Shop and NotOnTheHighStreet completed the list of online marketplaces most frequently complained about by consumers.
5. CTSI's survey – the first of its kind – also reveals that Trading Standards teams are unable to properly address problems with online marketplaces because of a 'triple whammy' of recurring issues: uncooperative businesses, unsuitable legislation and limited resources. Just 10% of Trading Standards Officers said they have been able to take action against online marketplaces as a result of these three obstacles.
6. Through its work with the All Party Parliamentary Group (APPG) on Consumer Protection, CTSI has been identifying issues affecting consumers using online

marketplaces. The APPG's evidence-gathering sessions coincide with the recent publication of the Digital Markets, Competition and Consumers Bill, which includes proposals to create a Digital Markets Unit which would have the power to hold online firms to account.

**7. CTSI's survey found:**

- Over half (53%) of Trading Standards Officers said Facebook Marketplace is the most-complained about online marketplace – more than all the others combined.
- The vast majority (90%) of Trading Standards Officers have been unable to take action against online marketplaces.
- Almost half (45%) cited a lack of cooperation from online marketplaces is a recurring problem.
- Nearly two thirds (63%) said the law as it stands is not fit for purpose
- 57% received no response when attempting to contact sellers on online marketplaces.
- 59% said they have been unable to locate details about where third-party sellers on online marketplaces are based.
- 29% said they are unable to deal with complaints about online marketplaces because of a lack of time and resources.

**8. Recommendation**

The Committee is asked to note the contents of this report.

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