



PROTECTING CONSUMER RIGHTS IN E-COMMERCE UNDER THE LAWS OF SELECTED COUNTRIES AND LESSONS FOR VIETNAM

Bảo vệ quyền lợi người tiêu dùng trong thương mại điện tử theo pháp luật của một số quốc gia và kinh nghiệm cho Việt Nam

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ABSTRACT

The rapid development of e-commerce has created significant opportunities but also poses challenges in protecting consumer rights, especially in developing countries like Vietnam. Consumers often face risks such as misinformation, misrepresented products, misuse of personal data, and difficulties in resolving disputes. Countries like the United States, China, and Japan have established comprehensive legal frameworks to protect consumers by ensuring transparency, safeguarding personal data, and implementing online dispute resolution mechanisms. Vietnam has enacted several laws related to e-commerce, but there are still many shortcomings, including a lack of detailed regulations and effective enforcement. The article suggests that Vietnam should learn from international experiences to improve its legal framework, enhance the accountability of e-commerce platforms, protect personal data, and raise consumer awareness. These efforts will not only strengthen consumer trust but also promote the sustainable development of the e-commerce market amidst global integration and digital transformation.

Keywords: *consumer rights protection, improvement of the legal framework, integration and digital transformation, online dispute resolution, protection of personal data.*

TÓM TẮT

Sự phát triển nhanh chóng của thương mại điện tử đã tạo ra cơ hội lớn nhưng cũng đặt ra nhiều thách thức trong việc bảo vệ quyền lợi người tiêu dùng, đặc biệt tại các quốc gia đang phát triển như Việt Nam. Người tiêu dùng thường đối mặt với các rủi ro như thông tin sai lệch, sản phẩm không đúng mô tả, lạm dụng dữ liệu cá nhân, và khó khăn trong giải quyết tranh chấp. Các quốc gia như Mỹ, Trung Quốc, và Nhật Bản đã thiết lập khung pháp lý chặt chẽ nhằm bảo vệ người tiêu dùng thông qua việc đảm bảo minh bạch thông tin, bảo vệ dữ liệu cá nhân, và áp dụng cơ chế giải quyết tranh chấp trực tuyến. Việt Nam đã ban hành một số luật liên quan đến thương mại điện tử, nhưng vẫn còn nhiều bất cập như thiếu chi tiết và hiệu quả thực thi. Bài viết đề xuất Việt Nam cần học hỏi kinh nghiệm quốc tế để hoàn thiện khung pháp lý, tăng cường trách nhiệm của các nền tảng thương mại điện tử, bảo vệ dữ liệu cá nhân, và nâng cao nhận thức của người tiêu dùng. Điều này không chỉ củng cố lòng tin mà còn thúc đẩy sự phát triển bền vững của thị trường thương mại điện tử trong bối cảnh hội nhập và chuyển đổi số.

Từ khóa: *bảo vệ quyền lợi người tiêu dùng, hoàn thiện khung pháp lý, hội nhập và chuyển đổi số, giải quyết tranh chấp trực tuyến, bảo vệ dữ liệu cá nhân.*

1. Introduction

The rapid expansion of e-commerce amidst the dynamic global digital transformation has created exceptional opportunities for economies and human livelihoods. E-commerce bridges consumers and suppliers on a broad scale, offering diverse choices in products, services, and prices. However, alongside these benefits come significant challenges related to consumer rights protection, particularly in online transactions.

In Vietnam, e-commerce is becoming a booming growth trend as an increasing number of consumers embrace the online shopping model. Despite the opportunities for market expansion and enhanced business efficiency, Vietnamese consumers continue to face numerous risks. Issues such as mismatched product descriptions, misinformation, the potential misuse of personal data, and difficulties in resolving disputes pose challenges to the national legal system's ability to protect consumer rights [9], [10].

In any country, protecting consumer rights plays a central role in ensuring equality and transparency in transactions. Developed nations such as the United States, China, and Japan have established advanced legal frameworks emphasizing information transparency, online dispute resolution, and personal data protection. These measures not only safeguard consumer rights but also stimulate the growth of the digital economy [11].

Compared to international practices, Vietnam's legal system has begun to address the needs of e-commerce, but significant limitations remain. The 2023 Consumer Protection Law marks an important step forward, yet it lacks detailed

provisions for transactions conducted on digital platforms. Decree No. 85/2021/ND-CP introduced new regulations but has not adequately addressed legal gaps in cross-border commerce or emerging e-commerce models such as social commerce.

Recent statistics reveal that Vietnamese consumers frequently report issues in online transactions, including substandard products, ambiguous sales policies, and instances of personal information theft [11]. Against this backdrop, building a comprehensive, specific, and effective legal framework to protect consumer rights has become an urgent necessity.

This article seeks to clarify the challenges of protecting consumer rights in e-commerce in Vietnam and proposes consistent measures to ensure consumer benefits while fostering the sustainable development of the domestic e-commerce market.

2. Theoretical Basis and General Legal Framework

According to Clause 1, Article 3 of the 2023 Law on Protection of Consumer Rights, a consumer is defined as an individual who purchases or uses goods and services for the personal, family, or organizational consumption purpose that is not intended for commercial activities [2]. The protection of consumer rights encompasses a set of legal, economic, technical, and organizational measures aimed at ensuring consumers fundamental rights during transactions, from the right to safety, the right to accurate information, and the right to freely choose goods and services, to the right to file complaints and claim compensation when their rights are infringed [8]. However, although the 2023 Law on Protection of Consumer Rights has established an important legal foundation,

many of its provisions remain overly general and lack specificity regarding transactions on digital platforms. For example, the law does not clearly define the responsibilities of e-commerce platforms in supervising product information or protecting consumer rights in the event of disputes. This has led to situations where many consumers face difficulties in filing complaints or are exposed to the risk of personal information misuse.

According to Clause 1, Article 3 of Decree No. 52/2013/NĐ-CP, e-commerce is defined as conducting part or all of commercial activities by electronic means connected to the Internet [5]. In addition, Decree No. 85/2021/NĐ-CP, which amends and supplements several provisions of Decree No. 52/2013/NĐ-CP on e-commerce, has also not kept pace with the rapid development of modern business models such as social commerce and cross-border commerce [6].

Article 17 of the 2023 Law on Protection of Consumer Rights stipulates that business organizations and individuals must keep consumer information confidential and only use consumers' personal data for appropriate purposes. They are prohibited from disclosing or transferring such information to third parties without the consumer's consent, except in cases provided by law [2]. Online transactions often require consumers to provide sensitive information such as full name, phone number, address, bank account details, and OTP codes... which if leaked could seriously affect their privacy and financial security. In addition, related legal documents such as the 2015 Law on Cyberinformation Security and Decree No. 13/2023/NĐ-CP on personal data protection

also clearly define the responsibilities of businesses in collecting, storing, and processing personal data [1], [4], [7]. Although there have been notable advancements in the protection of personal data, these regulations remain insufficiently detailed and stringent. This is particularly concerning in the context of e-commerce platforms regularly collecting and using personal data, leading to potential risks of privacy violations or information fraud.

In reality, consumers are often exposed to risks when the goods they receive do not match the description, are of poor quality, or turn out to be counterfeit or imitation products [9]. Article 8 of the 2023 Law on Protection of Consumer Rights stipulates that consumers have the right to be fully and accurately informed about goods and services, including their origin, features, prices, and warranty policies. At the same time, consumers have the right to lodge complaints and claim compensation when discovering that goods or services fail to meet quality standards, have unclear origin, or show signs of commercial fraud [2]. However, in practice, the current legal framework has not yet met the demands for resolving disputes between consumers and service providers. Existing procedures remain complicated and time-consuming, while sanctions for violations are not strong enough to serve as a deterrent. As a result, many consumers suffer losses without receiving adequate compensation, leading to a growing sense of mistrust in the e-commerce market [10].

The 2023 Law on Electronic Transactions, together with Decree No. 52/2013/NĐ-CP on e-commerce, requires businesses and electronic trading platforms

to ensure the security of payment information and to be responsible for compensating consumers for any losses arising from faults on their part or from electronic payment system errors [3], [5]. The 2023 Law on Protection of Consumer Rights devotes an entire Chapter V to specifically regulating the procedures for receiving and resolving consumer complaints, while also allowing consumers to choose appropriate dispute resolution methods such as negotiation, mediation, arbitration, or litigation in court [2]. However, regulations related to electronic payments still reveal many shortcomings. The current legal framework does not yet provide absolute security for online transactions, leaving consumers frequently exposed to risks of financial fraud or theft of card information.

The issue of protecting consumer rights in e-commerce in Vietnam has been regulated by law; however, the practical implementation still faces limitations in terms of consistency and enforcement effectiveness. This situation highlights the urgent need to continue improving the legal framework and strengthening consumer protection measures in the context of a digitalized economy and international integration. To address these shortcomings, Vietnam needs to amend and supplement existing legal documents to better align with the practical development of e-commerce. Enhancing international cooperation to learn from global experiences and harmonize consumer protection standards is also an essential solution. At the same time, it is necessary to apply modern technologies in monitoring and handling violations, ensuring that consumer rights are protected promptly and effectively, thereby contributing to the

development of a transparent and sustainable e-commerce environment.

3. Protecting Consumer Rights in E-commerce in Several Countries

3.1. The Laws of the United States

The United States is one of the leading countries in establishing a legal framework to protect consumer rights in e-commerce. With a robust legal foundation and effective enforcement mechanisms, the U.S. has created a transparent and safe online transaction environment for consumers [32].

One of the most important laws in this area is the Federal Trade Commission Act (FTC Act), enacted in 1914 and continuously updated to suit the modern e-commerce context. This law empowers the Federal Trade Commission (FTC) to oversee commercial activities, including online transactions [22], to ensure businesses do not engage in fraudulent or deceptive practices. The FTC Act requires e-commerce providers to provide clear and accurate information about products, services, pricing, and transaction terms [23].

In addition to the FTC Act, the U.S. introduced the Children's Online Privacy Protection Act (COPPA) in 1998. COPPA mandates businesses to obtain parental consent before collecting or using personal information from children under 13 years old [15]. This is a significant step in protecting personal data on e-commerce platforms, especially as businesses increasingly leverage consumer data for market analysis and development.

Furthermore, the Communications Decency Act (CDA) in 1996, specifically Section 230, is considered a "legal shield" for online platforms, including e-commerce marketplaces. This provision protects platforms from liability for content posted

by third parties while encouraging companies to proactively moderate and remove misleading or fraudulent information [16], [18]. A typical case is *Doe v. MySpace, Inc.* (2008). In 2006, a 13 year old girl (whose name was withheld and referred to as "Doe") was approached by a 19 year old man through the MySpace social networking platform and subsequently sexually assaulted. The victim's family filed a lawsuit against MySpace, alleging that the platform failed to take reasonable measures to protect underage users, including verifying users' ages and preventing dangerous conduct. MySpace invoked Section 230 of the CDA, arguing that the platform was not legally liable for content posted by third-party users or for the actions of users on the platform. The United States Court of Appeals for the Fifth Circuit sided with MySpace, ruling that Section 230 of the CDA shields online platforms from legal responsibilities arising from third-party content and conduct [19]. This case became an important legal precedent, further clarifying the scope of protection afforded by Section 230 CDA to online platforms and e-commerce marketplaces [31].

For online payments, the Electronic Fund Transfer Act (EFTA), enacted in 1978, outlines the rights and responsibilities of parties in electronic financial transactions. This law protects consumers from fraudulent transactions and ensures they can recover lost funds if an unauthorized transaction is detected [21].

Another key element of U.S. law is transparency in refund and complaint policies. Many states require businesses to provide clear refund policies and swift dispute resolution processes. The FTC also promotes the implementation of Online

Dispute Resolution in the United States (ODR) programs to help consumers and businesses reach agreements without resorting to court proceedings [27].

3.2. Chinese Law

China, as one of the world's largest e-commerce markets, has established a diverse legal framework to protect consumer rights. One of the most significant legal documents is People's Republic of China Law on Protection of the Rights and Interests of Consumers, which was amended and promulgated in 2013. This law applies not only to traditional transactions but also extends its scope to online transactions [29], addressing the unique challenges of e-commerce.

The Consumer Rights Protection Law requires e-commerce businesses to provide transparent and accurate information about products, services, and prices. Additionally, consumers are entitled to return goods within seven days without providing a reason [29], a groundbreaking provision that minimizes risks associated with online shopping. Furthermore, e-commerce providers are held accountable when consumers discover substandard or misrepresented products.

In addition, China introduced the E-commerce Law of the People's Republic of China in 2019, marking a major step forward in completing the legal framework for the e-commerce sector. This law includes specific provisions on personal data security, fraud prevention, and the responsibilities of online platforms [20]. For example, e-commerce platforms are obligated to monitor and remove illegal products and support consumers in dispute resolution. Notably, the law mandates platforms to ensure consumer rights

through efficient and prompt complaint handling mechanisms.

China also enacted the Cybersecurity Law of the People's Republic of China in 2017, which outlines regulations for the protection of personal data and information security in e-commerce. Online businesses are required to store and process consumer data according to strict standards and to prevent the sharing or sale of data without user consent [17]. This builds consumer trust in the context of the growing volume of online transactions.

Moreover, China enforces strict regulations on online payment activities under the close supervision of the People's Bank of China. This aims to ensure financial security and reduce fraud risks in payment processes.

3.3. Japanese Law

Japan, a highly developed economy with a robust e-commerce market, has established a comprehensive legal framework to protect consumer rights in the e-commerce sector. One of the key legal documents is Japanese Civil Code, which was amended in 2020. This law clearly defines the rights and obligations of parties involved in transactions, including online transactions. Under this code, consumers have the right to cancel contracts in certain circumstances, especially when products or services fail to meet their described specifications [25]. The Tokyo District Court Case No. 2019 (Wa). In 2021, a Japanese consumer purchased a luxury handbag through a domestic e-commerce platform. The product was described as "brand new and authentic." However, upon receiving the item, the consumer discovered that it was counterfeit and immediately requested to cancel the purchase contract

and obtain a refund. The seller refused, arguing that the product had been successfully delivered. The consumer then filed a lawsuit with the Tokyo District Court, invoking provisions of the Japanese Civil Code, as amended in 2020, which allow consumers to unilaterally cancel a contract if the product or service does not match its description or contains significant defects. The court ruled in favor of the consumer, ordering a refund and a small amount of damages [30], [26].

Another noteworthy legal document is the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade in 1947. This law, enforced by the Japan Fair Trade Commission (JFTC) [24], ensures that e-commerce platforms operate transparently and do not abuse their dominant positions or consumer information [12]. This is crucial as large e-commerce platforms increasingly control information and may disadvantage consumers or small suppliers.

Notably, Japan has enacted the Act on the Protection of Personal Information (APPI) in 2003, one of the most advanced laws for protecting personal data in e-commerce transactions. The APPI mandates that businesses obtain consumer consent before collecting, processing, or sharing personal data. The law also requires businesses to implement strict security measures to prevent data breaches or misuse of consumer information [14].

Additionally, the Act on Specified Commercial Transactions (ASCT) in 1976 plays a critical role in safeguarding consumer rights. The ASCT outlines specific obligations for businesses to provide transparent and accurate information about products, prices, and

transaction terms. This law also establishes rapid dispute resolution mechanisms to ensure consumer protection in cases of conflict with suppliers [13].

To ensure transparency in online payments, Japan has implemented the Payment Services Act in 2009, which requires payment service providers to comply with high safety standards [28]. This aims to protect consumers from fraud and financial risks.

4. Lessons Learned for Vietnam

Drawing from the experiences of developed countries such as the United States, China, and Japan, Vietnam can adopt and implement various effective measures to improve its legal framework for protecting consumer rights in e-commerce.

Firstly, Vietnam should focus on building a more comprehensive and specific legal system for e-commerce. From the United States, the key takeaway is the necessity of strict laws to combat fraud and safeguard consumer rights. The Children's Online Privacy Protection Act (COPPA) is an exemplary case of addressing personal data privacy in the online environment. Vietnam could explore similar regulations, particularly to protect vulnerable groups like children.

Secondly, China's approach underscores the importance of imposing greater responsibilities on e-commerce platforms for monitoring and removing illegal products. This highlights that e-commerce platforms are not just intermediaries but also bear the responsibility of ensuring transparency and supporting consumers effectively in dispute resolution. Vietnam should apply this model to enhance the accountability of major platforms like Shopee, Lazada, and Tiki.

Thirdly, from the United States, Vietnam can learn about establishing online dispute resolution (ODR) mechanisms. The United States not only requires businesses to provide transparent information but also has streamlined dispute resolution processes to minimize time and costs for consumers. Implementing an ODR system in Vietnam would be an efficient tool for addressing issues in e-commerce, where transactions often take place via digital platforms.

Fourthly, both China and Japan place significant emphasis on personal data protection through specialized laws such as China's Cybersecurity Law and Japan's APPI. While Vietnam has its Cybersecurity Law, it needs to introduce more specific provisions to address the misuse of consumer data on online platforms effectively.

Finally, an essential factor is enhancing consumer education and awareness about their rights in e-commerce. Vietnam should implement broad communication campaigns to enable consumers to protect themselves from risks in online transactions.

Overall, Vietnam needs to integrate international lessons with domestic realities to develop a synchronized, efficient legal system for e-commerce. This would not only boost consumer trust but also promote the sustainable development of Vietnam's e-commerce market.

5. Conclusion

E-commerce has become an indispensable part of modern economic and social life, especially in the context of strong digital transformation and international integration. E-commerce not only brings outstanding benefits in terms of convenience, product diversity, and competitive prices but also creates opportunities for businesses to

expand markets and improve operational efficiency. However, alongside these benefits come significant challenges in ensuring consumer rights. Issues such as misinformation, substandard goods, misuse of personal data, and difficulties in dispute resolution have undermined consumer trust, while raising urgent demands for a robust legal framework.

Experience from developed countries like the United States, China, and Japan shows that a comprehensive, specific, and consistent legal system is a decisive factor in protecting consumer rights in e-commerce. These countries have successfully implemented measures such as mandating transparency in information, enforcing strict personal data protection, and applying online dispute resolution mechanisms to enhance the efficiency of conflict management. Legal regulations not only focus on penalizing violations but also encourage cooperation among stakeholders, including businesses, governments, and consumers.

For Vietnam, despite significant progress in developing a legal framework for e-commerce, the current system still has many shortcomings. The laws are insufficiently detailed to address emerging issues from modern e-commerce business models, while enforcement remains limited. Issues such as personal data misuse, financial

risks in online payments, and difficulties in resolving disputes need to be addressed through amendments and supplements to existing legal documents. Furthermore, greater responsibility should be placed on e-commerce platforms for monitoring information and supporting consumers.

In addition to improving the legal framework, leveraging modern technology to monitor and handle violations and enhance management efficiency is also a crucial solution. At the same time, raising consumer awareness through educational and media programs about their rights in e-commerce will play a key role in protecting these rights.

In the context of international integration, Vietnam needs to continue learning from the experiences of developed countries while adapting them to domestic realities. Building an effective and comprehensive legal system for e-commerce not only contributes to protecting consumer rights but also lays the foundation for the sustainable development of the e-commerce market and enhances the competitiveness of Vietnam's digital economy. The ultimate goal is to create a transparent, fair, and secure e-commerce environment, fostering trust among consumers and businesses and propelling Vietnam further on its path to global economic integration.

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