

TRUST MARK – A WAY TOWARD CONSUMERS' CONFIDENCE IN E-COMMERCE

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Abstract

The objective of the present study is to highlight the current development of electronic commerce in Romania, the main factors of influence, the importance and the achievements of implementing mechanisms aimed at protecting and consumer confidence online. It was conducted an analysis based on data provided by the National Institute of Statistics, literature and European and national legislation and reporting to the European Commission and the ECC-Net e-commerce and consumer protection online. Websites business environment organizations, involved in self-regulation through the development of codes of conduct and the grant of trusted brands online stores show a low degree of adoption of suitable mechanisms to support electronic commerce. Self-regulation is a mechanism for the prevention of unfair trade practices, guaranteeing a certain standard of quality consumer products and services and is a complementary action regulating consumer protection efforts. Without a long history behind it nationally trusted brand is a tool for self-regulation with high potential for a more pronounced trend of e-commerce industry.

Key words: consumer protection, consumer's trust, e-commerce, trust mark, self-regulation

INTRODUCTION

The current context of development of information technology determine an enhanced e-commerce, both from consumers and from the economic operators. While companies benefit from increased visibility and optimization of costs, consumers access faster the products / services they want at lower prices and benefiting from a multiple offer.

Expanding e-commerce at global, regional and local levels is a phenomenon whose development was considered by many researches (Voineagu et al., 2012, Cristache et al., 2015, Onete et al., 2016).

The most obvious disadvantage is related to the physical separation of the seller and buyer (László, 2012), for its elimination and increase consumer trust in this form of trading it is necessary to develop a relationship based on an understanding and respect for consumer rights. Pleșea et al. (2014) analyze the benefits of electronic commerce and barriers of development of the digital single market (Digital Single Market), a major hurdle is related to reduce consumer protection in the online environment.

In the current economic and social context, interests and consumer rights ensure its dominance, representing „*the reference of all actions taken by both the manufacturer and trader*” (Dinu, 2010). Consequently, a general framework for regulating legal aspects on electronic commerce on the Community market as established by Directive 2000/13 / EC is an important step towards increasing consumer confidence by promoting codes of conduct and methods of extra-judicial resolution disputes. Directive 2013/11 / EC on alternative dispute resolution for consumer is a significant complement regulations relating to strengthening consumer confidence in the online environment.

At the national level, the National Authority for Consumer Protection (NACP), aims to create a national legislative framework (NACP, 2015) compatible with the European Union and with the activity of informing and educating citizens on the rights they have as consumers. Ensure a high level of consumer protection and the proper functioning of the market at a national level was made legal by issuing the Ordinance no. 38/2015 on alternative dispute resolution between consumers and traders, in line with Regulation EU No. 524/2013 on online dispute resolution for consumer. The consequence of these actions was the creation of the European platform SOL, a digital instrument facilitating the independent resolution, effective, fast and fair extra judicially dispute.

While legislative regulations guaranteeing free competition, sanctioned fraud or ensure consumer protection, according to the Association for Technology and Internet (2005), the initiatives of the business environment can bring clarity and detail the legal norms, such as regulating acquire reliability application. Self-regulation has been promoted by business as a mean available to consumers to identify traders who respect good commercial practice, guaranteeing a certain standard of quality of products and services and are a response to slower reaction of the authorities to technological developments and trade dynamics. Brand trust is a tool for self-regulation designed to achieve this goal.

In 2013, the European Consumer Centres Network (ECC-Net) published the report "Can I trust the trust mark?", its objective being to disseminate information about trust marks active in the European Union. A widely accepted definition used in this report, the trust mark is related to its granting by a third party as a logo, picture or symbol and that its existence ensures a high level of trust consumers.

ECC-Net report (2013) informs on two trusted brands in Romania: TRUSTED.RO and ARMO. TRUSTED.RO awarding the label is in a national program to certify online stores in Romania initiated by GpeC organizations, the Association for Consumer Protection and Internet laws and requires compliance with a set of standards that is both legal obligations

and best practices, which online stores must meet. Logo reliable RAOS is granted by the Romanian Association of online stores (RAOS), respecting a code of best practices for e-commerce, aimed at providing complete and accurate information for consumers, the relationship with other sites and intellectual property.

MATERIAL AND METHOD

The objective of the study is to highlight, on the one hand, the current development of electronic commerce in Romania and the main influence factors, and on the other hand, the importance and achievements of implementing mechanisms aimed at protecting and consumer confidence online.

The study is developed based on information provided by the National Institute of Statistics using TEMPO-Online database, using methods of quantitative analysis. Has been analyzed the literature about e-commerce in Romania, European and national legislation and reports of the European Commission and the ECC-Net e-commerce and consumer protection online. Investigation of information on self-regulation has targeted business environment websites organizations involved in this activity by developing codes of conduct and by awarding trusted brands online stores. The research assumed observation and critical analysis of the literature, the level of adoption of legal regulations and approaches of self-regulation of economic operators, identifying the extent to which they are put in place measures to protect the consumer and increased confidence in electronic commerce.

RESULTS AND DISCUSSION

Directive 2000/31 / EC on electronic commerce states that its development will lead to "growth of European business and investment in innovation", provided that everyone has access to the Internet. Studies on the development of electronic commerce in Romania, identified as the main cause the consumer access to Internet (Voineagu et al., 2016, Cristache et al., 2015, Pleșea et al., 2014).

Processing of statistical data provided by NIS on access to the Internet, shows a share of 61% of Internet users in the total population in 2015 as to 38.9% in 2010. Although the use of Internet in rural areas is lower than in urban areas, 2015 recorded the smallest difference between the two areas during the period under review. This demonstrates the reduction of the gap between urban and rural areas regarding access to the online environment, favorable premise for the development of electronic commerce.

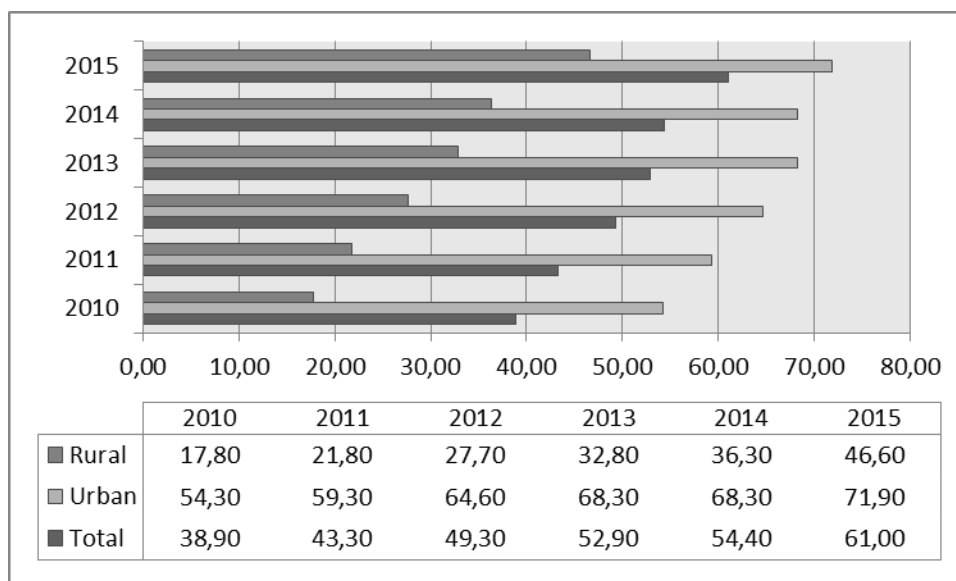


Fig. 1. The share of households with Internet access, by residence, NIS data processing

According to Voineagu et al. (2016), access to information technologies in Romania is still low compared to the EU28, requiring the implementation and promotion of training programs in the use of computers and the Internet, regardless of age, occupation, education level or social background. According to the 11th edition of the Consumer Conditions Scoreboard of the European Commission, The Digital Economy and Society Index confirms that access to the Internet and abilities digital are essential for the development of electronic commerce, which has experienced rapid growth and is considered a market with huge growth potential.

A study on the frequency of use of electronic commerce in Romania in 2013 (Cristache et al., 2015) showed that only 13% of respondents are using this form of trading at least once per month, accounting for 44% accessing the Internet as consumers no more than once a year. According to the 11th edition of the Consumer Conditions Scoreboard issued by the European Commission in 2015, 50% of European consumers have shopped online in 2014, of which nearly 41% in the last three months. While in 2011, 6% of Romanian consumers make purchases of goods or services on the Internet, in the year 2014 their share has gained 4 percentage points, remaining still last in this ranking. In 2014, more than half of online shoppers in the EU (59%) bought clothing and sporting goods in the rankings following the purchase of travel tickets and accommodation, household goods and tickets for events.

In Romania, the percentage of online purchasers of clothing, footwear and sporting goods was 57.9%, increasing by nearly 10 percentage points in

2015. The data in Table 1 show a similar share of purchases of books, electronic equipment and accommodation and travel.

Table 1

The percentage of persons who have shopped online in the past 12 months

Goods / Services ordered / purchased on the Internet	2010	2011	2012	2013	2014	2015
Household goods	11,60%	13,3%	12%	18,8%	15,9%	15,3%
Movies, music	35,4%	31,8%	21,9%	20%	15,1%	9,4%
Books, e-books, magazines, newspapers	50,4%	47,2%	36,4%	38,5%	25,2%	21,1%
Clothing, footwear, sporting goods	35,7%	52,8%	53,4%	54,4%	57,9%	66,7%
Hardware products	15,1%	16,6%	8,2%	6,7%	11,2%	7,3%
Electronic equipment	16,8%	22,3%	18,7%	16,3%	20,9%	21%
Travel arrangements, accommodation	28,6%	40,5%	33,4%	29,6%	20,9%	21,6%
Tickets for various events, events, performances	24,4%	27%	18,1%	18,7%	18,1%	16,7%

Sours: NSI data processing, 2016

Gpec report (www.gpec.ro) concerning the e-commerce market from 2015 mentions 5,000 active online shops from 20,000 with the "add to cart" function and a value of 1.5 billion lei online purchases of goods (excluding services) reflecting an increase in the last year 36% of sales.

While Voineagu et al. (2016) emphasizes the influence of e-commerce on the attitude of consumers and businesses, a study conducted in 2014 by Ernst & Young (Onete et al., 2016) show that 32% of online consumers in Romania appreciates most aspects of quality of acquisitions guarantees given by sellers. Decision of consumer purchasing globally is influenced primarily by price and delivery (29%), while these factors are in second place for Romanian buyers.

Econometric analysis carried out by Braşoveanu et al. (2014) identifies a good position for Romania to resolve disputes related to, but below average on consumer protection and product safety complaints. However, although there are public mechanisms of alternative dispute resolution (NACP resolves the disputes between individual consumers and ANCOM, the disputes in the electronic communications sector), there is far ADR entity native of the Regulation on Online Dispute Resolution in the

consumer applicable from the beginning of 2016 under Directive 2013/11 / EU.

Pleșea et al. (2014) shows that confidence is the main factor influencing consumer behavior, main obstacles were related to the adoption of consumer protection mechanisms. With a share of 45%, Romania is below the European average of 55% on the part of public or private trust on consumer protection.

Seed et al. (2012) argues that trust means a level of anxiety and uncertainty fell on transactions between parts relative foreign. Stressing the impersonal nature of online interactions between the seller and the buyer, it is stated the importance of trust as a stimulating factor for online trade.

Complementary to legislative efforts and increase consumer confidence in electronic commerce, involving the business environment through the adoption of codes of conduct led to obtaining certification of online shops. Compliance with codes of conduct specific online business leads to a trust mark. In the European Union, Euro Label is a trusted brand for e-commerce, is promoted by a consortium of organizations in the commercial sector in 6 European countries. According to data from the website www.euro-label.ro currently are 365 websites certified with European trust mark.

Since 2008, GPeC (www.gpec.ro) introduced the first trusted brand in Romania, with "certification GPeC" online store that comply with legal process and the code of good practice, in 2011, it transformed into national program TRUSTED.RO certification. Research identifies 32 companies with the logo ARMO and TRUSTED.RO certified 160 companies, 70 companies gaining brand TRUSTED.RO in 2016.

Although the results of the report ECC-Net (2013) revealed a poor understanding of how consumers can identify if a website has a trusted brand, they considered that its existence would give them more confidence in accessing a seller has a trusted brand. 63% of respondents said they check for the mark of confidence, 33% have reasoned that it gives them the confidence to buy using that website and 19% were related to the security of payment methods practiced. The research also found that 53% of respondents do not trust websites that have a trusted brand because they do not know what is leading to this criteria, emphasizing the importance of ensuring transparency on standards to be respected for the grant of a trademark.

CONCLUSIONS

Electronic commerce in Romania registered a pronounced trend, especially in recent years, but remains the gap with other European countries that consistently places Romania on the last place. National,

European legislation on electronic commerce and consumer protection online is adopted and implemented slowly, which attracts the absence of mechanisms to support real-time development of domestic industry. Research on protection and consumer behavior online (Onete et al., 2016 Pleșea et al., 2014 Seer et al., 2012) show that trust can be fostered by providing guarantees in e-commerce as a means of trading and technology used.

Implementation of significant consumer protection regulations is in a not so advanced stage and the measures taken towards self-regulation of business have not an accelerated pace.

Increasing the number of traders who have trusted brands can be a determining factor for a more pronounced development of e-commerce industry. Research efforts and the business environment should further consider efficient mechanisms of self-regulation, and their knowledge by the online sellers is a starting point. Because studies show (Onete et al., 2016) consumer interest towards quality and guaranteed product, we need greater focus on implementation of transparent and clear responsive to the need for consumer confidence in e-commerce.

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