What is online shopping?

Online contracts are classified as distance contracts, which means that the trader (service provider, seller) and the consumer (natural person who is acting for purposes which are outside his trade, business or profession), in lack of their simultaneous, actual and physical presence enter into contract not by meeting in person (e.g. in commercial premises, market, open-air market, via trade agent etc.), but only in an electronic way.

How is a contract concluded electronically in practice?

The consumer in front of a screen orders the selected product by clicking in the webstore or by sending an e-mail. The process of virtual purchasing in most cases includes the preliminary registration on the website, the studying of the offers, the selection of the products and putting them into the basket, the possibility of refreshing and cancelling the content of the basket, the selection of the conditions of the performance and delivery (such as address, date, other special conditions) and also the submission of the order. Upon receiving the order the trader is obliged to send an electronic confirmation to the consumer.

Are electronically concluded contracts legally permitted?

Yes, based on both the EU and Hungarian legislation legal contracts can be concluded electronically, namely, also by using internet as one of special the means of communication the contractual will can be validly expressed. This means that the same legal consequences arise from such contracts as in case of contracts concluded in a traditional way (in written, oral form or via phone), therefore rights and obligations may also follow for the contracting parties, thus the concluded online contract in accordance with its content shall be performed by both the
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trader and the consumer. Since such a contract is concluded by simple clicking it is advised to read the content beforehand!

What is cross-border online shopping?

The world of internet practically can be considered as an endless market, where a consumer living in any country of the world can get into a contractual relation with a trader operating in any other country of the world. From this aspect a cross-border purchase is when the consumer buys goods from any webtrader settled anywhere in the world outside his/her country of residence. Due to the differences in language and legislation environment, furthermore sometimes in commercial traditions it is particularly essential to consider whether to buy the selected product from a webstore operated by a foreign trader.

What are the advantages of online shopping for consumer?

The consumer, in case of online shopping can buy the selected product rapidly by doing some clicks from home or work saving time and energy in spite of the larger distance arising from the endless and unlimited market offered by the internet. In addition, the internet can also facilitate the shopping of consumers with reduced mobility. Since the consumer does not have to go to the premises of the trader, and is not limited by the opening hours, he/she can place an order at all times. Such items can also be purchased that are not available in the surroundings of the consumer, thus the choice of goods is significantly broader, and furthermore the delivery can be requested not only to the place of residence but to the workplace, as well. The offers on the internet can be easily compared, therefore the consumer can buy the product with the most favourable conditions (price, quality, other discounts) tailored to the individuals needs.
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What are the risks of online shopping in contrast to the advantages?

Besides the advantages however, it is good to know that there may also be risks connecting to online shopping, since the conclusion of the contract is done without personal interaction, and the consumer sitting in front of a computer/screen tends not to think over or consider his/her intention of buying. The consumer being as a layman not a professional player of the deal is in a more defenceless situation. This is manifested in a twofold information deficit concerning on the one hand the product to be bought and on the other hand concerning the identity of the trader.

What are the lacking pieces of information for a consumer concerning a given product?

The consumer only has a limited amount of information concerning the product, which is provided by the trader on the website, moreover he/she can not physically check or try the product, whether the actual characteristics are matching the stated ones referred to on the website or not, and its quality is the same as expected.

What are the doubts concerning the identity of the supplier during online shopping?

The consumer and the trader do not meet during the transaction, so it is dubious whether the trader selling the product does actually exist or not, how reliable it is and whether the trader possesses all the necessary permits for carrying out business activity.
What other risks do consumers face while ordering online?

Buying medicines or food supplements online may entail health risks for consumers. It may happen that traders try to sell products endangering health and safety of consumers, which are withdrawn from the market or recalled from consumers, thus these products are illegally sold on the internet. The list of the dangerous products is available on the following website: http://ec.europa.eu/consumers/dyna/rapex/rapex_archives_en.cfm. Furthermore as a result of the absence of the parties the risk of purchasing counterfeit is extremely high.

How can I avoid these risks during the purchase?

For strengthening the consumers' confidence related to electronic commerce and the minimization of the previously mentioned risks the relevant regulations oblige the operator of the webshop to inform their clients about their products in details and also ensure a so called time for consideration (waiver clause, right to withdrawal from the contract) for the clients. We can protect ourselves from many difficulties and annoyance, moreover we can avoid future legal disputes if we purchase on a website where detailed information is available, and we are also aware of the specific conditions of exercising the right of withdrawal from the contract. In addition, we should keep a respectful distance from campaigns and discount offers, as golden rule of “it is just too good to be true” is always prevalent. Follow the general tips and advices as guidance for everyday use.

Is there a difference in the content of the consumer protection if we are shopping in the EU or from a third country (from a non-EU country)?
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Yes, the major difference is that due to the common regulations in the EU consumers have almost the same rights in all Member States (right of withdrawal), however, a third county’s regulation might not provide such specific rights.

What additional precautionary measures are advisable before ordering a product online?

Before ordering a product online it is advisable to collect all the possible information concerning the trader and the shopping conditions. Read thoroughly and carefully the general contract terms available on the website to avoid unwanted surprises. Furthermore it is also recommended to save and print the conditions prior to the purchase. Thus later it can be proved what information was provided on the website during the purchase, and it can contribute to avoid potential later legal disputes.

Which e-mail address shall I use for our online transactions?

To avoid unsolicited e-mails (spam) it is recommended to use an e-mail address of a free mailing programme - created e.g. especially for online shopping. We can subscribe to the newsletters at this particular address and it won’t be filling up our private or work related mailbox.

How can I test the reliability of a website?
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It is recommended to order a low priced product first. Thus we can make sure of receiving the item we ordered in the required quality, by the set deadline, at the selling price and with the delivery cost it was indicated on the website, whether receiving an invoice, a clearly formulated operation manual and information about unexpected circumstances potentially arising before or during delivery. The appropriate fulfilment of a single contract – of course - can not guarantee the reliability of the trader in case of future orders (of higher value), but based on the experiences the first conclusions can be drawn. Besides, it is worth looking through the comments of several forums (nevertheless none of them is a 100% reliable) available on the internet.

Is the participation in an online auction considered to be an online shopping?

Yes, the online auctions are becoming more and more popular among the consumers which are also considered as a special type of the distance contracts. Such transactions require careful consideration to a greater extent than a regular online shopping.

What are the most important regulations related to online shopping?

Referring to the data of the trader, the process of concluding an electronic contract the Act CVIII of 2001 on certain aspects of electronic commerce and information society includes provisions, while the rules on information requirements applicable to traders and the specific conditions of executing the right to withdrawal from the contract are regulated by the Government Decree 45/2014. The Government Decree entered into force on 13th of June 2014, and it has to be applied to contracts concluded as of 13th June 2014. In case of the contracts concluded before 13th June 2014 the former legislation is applicable. The new Government Decree repealed the Government Decree 17/1999 on distance contracts and the Government Decree 213/2008 on off-premises contracts. In addition, the provisions of the Act CLV of 1997 on consumer protection, as well as those of the Act V of 2013 on Civil Code also address online shopping.