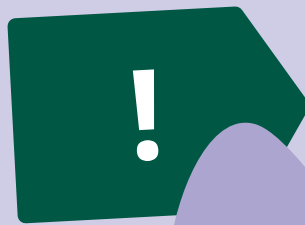


Pushed to purchase



Counting the cost of
deceptive digital design
in e-commerce

July 2023

**citizens
advice**

Deceptive digital design is costing consumers dearly...

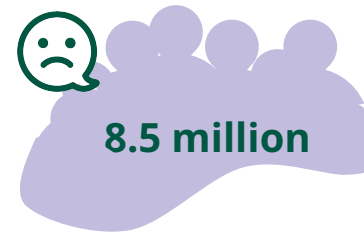
Whether we're conscious of it or not, design tactics often play a role in influencing how we behave online - from how much data we let companies collect, to how we end up spending our money.

These tactics aren't always bad news for consumers, but sometimes they can be used to pressure, mislead, or push people towards purchases they may later regret... or may not even know they're making.

Our latest research explores the variety of ways digital design can be used to push consumers into purchasing things they don't want, need or regretted, and sheds light on just how much these design tactics are costing consumers.

Our new data highlights the urgent need to protect consumers from deceptive design while shopping online - and shows why the proposed measures in the new Digital Markets, Competition and Consumers Bill must be the start of reforms, not the end.

The cost of being pushed to purchase



In the last 12 months, **8.5 million people** ended up spending money on something they **didn't want**, need or regretted, because of **the way a shopping platform was designed**.

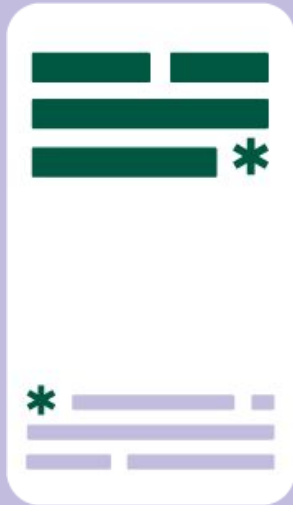
Consumers **spent a total of almost £2.1 billion** on things they **didn't want, need or regretted** because of digital design in the last 12 months.



On average, deceptive design tactics **cost affected consumers £276 each** last year.

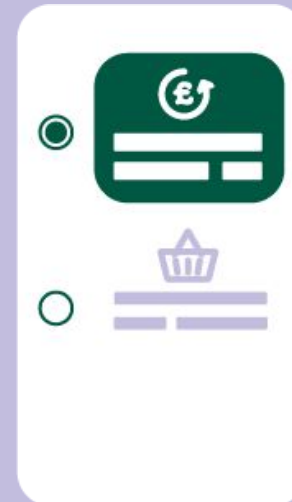
What does deceptive design look like?

Common design tricks



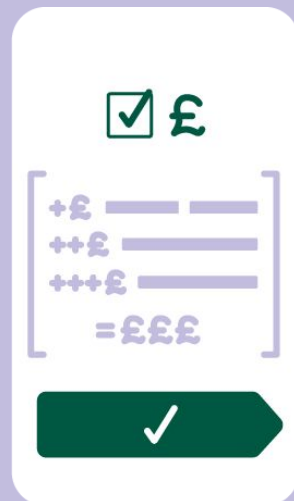
Missing, misleading and manipulative messaging

Bright colours and large buttons might encourage you to click the “best value” deal, but complex terms and conditions can be difficult to find and leave out key pieces of information.



Beware of the subscription traps

With sign-ups so smooth that you might not notice them until the money leaves your account, sometimes it feels like companies are just sneaking these into our shopping baskets.



Too good to be true pricing

Have you ever been hooked in by a great deal, but found the costs have mounted by the time you reach the checkout? You might have encountered “drip-pricing”, where companies reel customers in with low prices that hide add-on costs or hidden fees.

What does deceptive design look like?



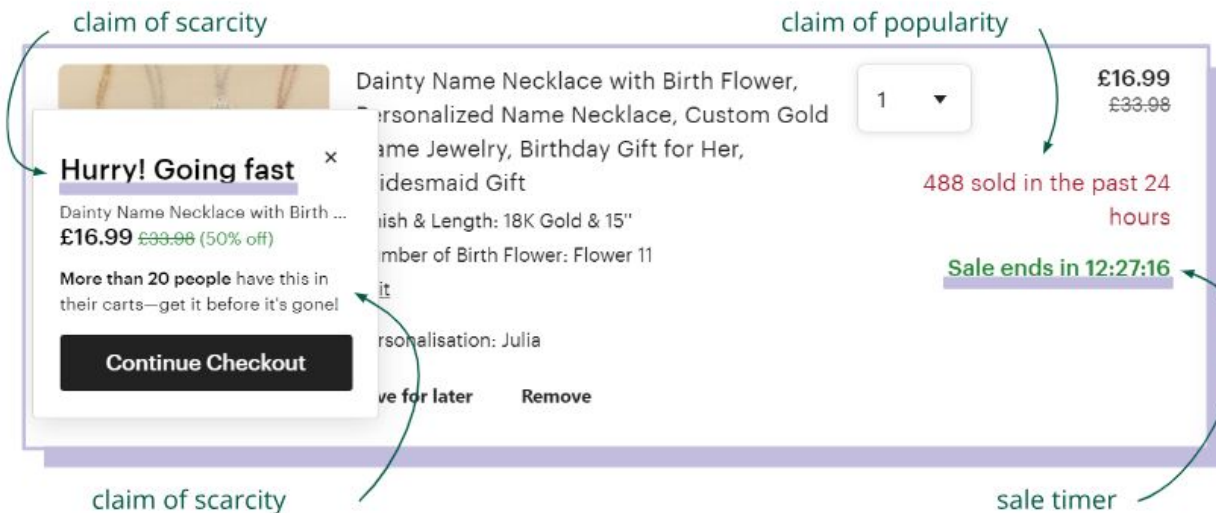
Piling on the pressure

Claims like “hurry! It’s going fast”, “Popular! 45 shoppers have this in their bag”, and even the subtle ticking of the clock, are all strategies that companies use to put pressure on customers to buy now, and to deter them from shopping around. These practices include limited stock claims or countdown timers. Whilst some consumers might find these helpful, [our previous research](#) found that these can also result in customers spending more than they intended, feeling pressured to purchase and even anxious.



Dodgy defaults

Opt-in, opt-out - these seemingly simple check boxes can catch us unaware, resulting in costly add ons, stumbling into contracts or endless emails from newsletters you can’t remember signing up for.



Design tactics in action

Screenshot from a website using scarcity claims and countdown timers simultaneously.

Deceptive design in action

Which tactics are costing consumers most?

Countdown timers or sneaky subscription options are familiar frustrations to many people who shop online - we know from our [previous research](#) that **more than 2 in 5 online shoppers think that websites often make it too easy to click the wrong button** or make the wrong choice.

But our latest research reveals that these deceptive tactics are not just annoying for shoppers - they're also **regularly costing us money**.



1 in 6 people (16%) ended up spending money on something they didn't want, need or later regretted because of these deceptive design tactics, in the last 12 months alone.

These consumers, in other words, are being **pushed to purchase by deceptive design tactics** - here are the most common.



27%

reported they bought the wrong thing because the information was **misleading or difficult to find**



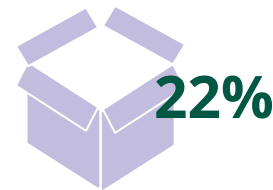
21%

felt **rushed** into making a purchase because of **countdown timers**



25%

had experienced drip-pricing, where they had spent more on an item than they wanted to because it was **initially advertised as cheaper**



22%

felt **rushed** into making a purchase by **limited stock claims**



23%

said they **signed up to a subscription without intending to** or not knowing all of the conditions



14%

spent **more than they wanted** or bought the wrong thing because **default items were selected**.

The impact of deceptive digital design

Design isn't neutral, and the tactics used to guide customer choices online have real world consequences. We've already shown that huge numbers of consumers are being pushed into purchases, but the effects don't just stop there...

Our research shows that **over half (51%) of consumers who were pushed to purchase due to deceptive design reported that the experience had a negative impact on their mental health.**

Digital design tactics are also hitting customer's wallets, at a time when cost of living pressures mean budgets are stretched to breaking point.

2 in 3 (65%) consumers reported that being pushed to purchase had a negative impact on their household finances.

And worryingly, **1 in 10 consumers had to cancel other payments to cover the cost of an item they purchased as a result of deceptive online choice architecture.**

This rose to 17% among consumers in receipt of Universal Credit, who were more likely to report that they had to cancel a payment as a result of purchases made due to deceptive design. This shows that the impacts can be even more severe for some consumer groups.

Deceptive design is wasting precious time.

Beyond the impact on wallets and wellbeing, deceptive digital design tactics also waste customers' time.

We estimate that **last year consumers wasted more than 49,000,000 hours trying to fix the problems caused by these deceptive digital design tactics.**

And in the last year, affected consumers spent on average more than one working day dealing with the consequences of purchases they'd come to regret. This includes hours spent returning items, writing letters or making calls to complain.



Consumer confidence is showing the strain

Customers are fed up with companies pushing them into purchases with design hacks.

2 in 5 (39%) consumers who have been pushed into purchases by deceptive design report feeling **frustrated** by the tactics companies employ, and **1 in 5 (21%)** report that these tactics make them feel **anxious**.

Nearly 1 in 3 (29%) consumers report that the experience made them feel **ripped off**, and similar numbers (32%) felt misled.

With lost money, wasted time, stress and financial woes, it's not surprising that consumers report that deceptive digital design has knocked their trust in online retailers.

68% of people who were pushed into purchases by deceptive design report that it's had a **negative impact on their trust** in online retailers.

66% of consumers who have experienced deceptive design report that it has had a **negative impact on their confidence in shopping online** for products and services.



Bethan's story

"I noticed I had been signed up for the premium service for an online retailer, when I noticed a charge on my bank statement. When I spoke to their customer services they said that by default the subscription is highlighted and I would have had to change it to avoid being signed up. I was really angry. How is that fair or legal? Why should someone have to opt out of a subscription when buying something?"

It is ridiculous and underhand that companies can get away with tricking people into signing up for their premium services."



Bob's story

"Recently I was looking for flights, and I found what seemed to be cheap flights. I selected my departure times, and moved onto seat reservations and baggage. After adding all these extras what was initially a cheap flight turned out to be dramatically more than the price that lured me onto their website.

I had spent so much time on their website, that by the end of it I was fed up and decided to go elsewhere. By not being transparent and clear with pricing they are actually misleading customers."

Spotlight on subscription traps

Subscriptions are still sneaking up on us.

Our [previous research](#) sounded the alarm on subscription traps and the massive amount consumers pay each year for subscriptions they don't use. Our latest data shows this is still a huge problem.

- **1 in 4 consumers** have **ended up in a subscription without intending to** in the last 12 months.
- **1 in 10 consumers** are currently **paying for a subscription they do not use.**
 - Of these consumers, **65%** are **paying more than £11 a month** for unnecessary subscriptions.

We welcome the inclusion of subscription traps in the new Digital Markets, Competition and Consumer Bill, but our evidence shows the proposed measures must go further.

We're calling on the Government to **ban auto-renewal** at the end of fixed-term contract subscriptions.

We also want action to stop consumers being slipped into subscriptions at the end of free trials, by requiring that the default position at the end of a free trial is that customers have to opt-in to continue, rather than opt-out.

What would tackling deceptive design in e-commerce look like?

Our research shows that the **online marketplace isn't working for consumers**. Companies are profiting from tripping customers up with design tactics that result in frustration and regret.

We want to see companies competing on the strength of their products and the quality of their services. But we share the [concerns of the Competition and Markets Authority \(CMA\)](#) that businesses are instead incentivised to compete on other grounds, such as price displayed upfront or pressure to buy.

Our latest data set out in this report shows that **just expecting companies to have consumers' backs isn't enough.**

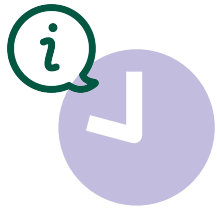
We're glad to see the government begin to tackle the urgent problem of deceptive design, with the new **Digital Markets, Competition and Consumers Bill**, which takes important steps towards protecting consumers for the worst practices used by companies.

In addition to the proposed measures to tackle subscription traps, the bill will also strengthen the powers of the CMA, and allow the government to more easily add to a list of practices which are banned outright because they are unfair.

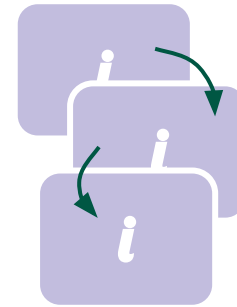
...but clamping down on bad practice isn't enough.

The proposed new measures are welcome. But crucially, they need to be the **start of reforms in this area, not the end.**

One issue is that **not all design tactics that can be used to push consumers into purchasing can be, or should be, banned outright.**



With some tactics context is key. Where used genuinely, some shoppers might find that countdown timers can help them to take advantage of a limited time deal. But all too often these tactics are used in misleading ways, and our [previous research](#) has shown that many consumers feel pressured by these practices.



Other design features are **impossible to avoid altogether.** For example, designers will always have to make difficult decisions about how much information to present up front and what order to place information in, but this presentation can (and does!) steer consumer choices.

Better outcomes by design

The current regulatory approach puts the **burden of vigilance against consumer harm on the shoulder of regulators and the government, rather than businesses themselves.** It's down to the CMA to take action if a company is treating consumers unfairly, or the government to move to ban practices that are especially egregious. Protecting consumer interests, in other words, is always one step behind the pace of technological change, chasing down bad practice when it shows up.

If we want to tackle deceptive design at the source, before it has the chance to harm consumers, then we need to **shift the burden of responsibility for promoting consumer best-interests onto companies themselves.**

To achieve this transformation, we think a **new outcomes-based regulatory framework is needed.** This would work alongside the current approach of bans and enforcement action for the worst practices, but would introduce requirements for firms to promote good outcomes for consumers when making decisions about how their platforms are designed.

Recommendations

Our research underscores how urgently **consumers need regulatory change** on the issue of deceptive digital design.

Online shopping platforms **can be designed in ways that empower consumers to make the right purchasing decisions** for them. But as things stand, businesses can profit by pushing consumers to make purchasing decisions that they often regret. This is bad for consumers - but also bad for businesses, with worrying knock-on effects on consumer trust and confidence in online retailers.

If we want the digital marketplace to work well for consumers and business alike, we not only need to clamp down effectively on bad practice - we also **need a regulatory framework that incentivises businesses to promote good outcomes** for their consumers.

That's why we're calling for:

1

The Government to ensure that the **new measures being proposed in the Digital Markets, Competition and Consumers Bill are used to best effect** to protect consumers from some of the most egregious examples of deceptive digital design:

The proposed measures on subscription traps should be strengthened to include a **ban on auto-renewing fixed-term contract subscriptions**, and ensuring that entering a subscription after a free trial is **opt-in**, not opt-out.

The Government should **add drip-pricing to the list of banned practices** - unavoidable costs should be flagged up front and genuine add-ons should be opt-in not opt-out.

2

The Government should use its expected consultation on what practices should be added to the list of banned practices to **explore the role of a new outcomes-based regulatory framework** requiring digital businesses to ensure that they promote good outcomes for consumers in the design decisions they make.

Research note

Citizens Advice commissioned Opinium to survey 4,003 UK-based adults, to find out more about their online shopping habits, and experience of common design tactics. Fieldwork took place between 17-22 May 2023, and responses were weighted to be nationally representative. This has been used as the basis for estimating population level detriment.

Further detail on questions included in the survey and the method for calculating key statistics is provided below.

- 1. In the last year consumers have spent £2.1 billion because of deceptive digital design tactics and consumers who have been tricked by deceptive design have spent £276 on products they didn't want, need or regretted.**

The survey asked “thinking of the past 12 months , were there any occasions where you purchased items or services that you didn't want, need, or came to regret buying because of the design of the platform you were using?” 16% of online shoppers replied yes. The current UK population was used to estimate the number of consumers across the UK this represented.

On average each consumer who reported that they had bought a product that they didn't need, want or came to regret because of the way an online platform was designed, reported that this has happened 3.5 times. On average £78.90 had been spent per product. These numbers have been used to estimate the cost per consumer, which has been used to estimate population level detriment.

- 2. Last year consumers wasted more than 49,000,000 hours trying to fix the problems caused by these deceptive digital design tactics.**

Where consumers reported they had purchased items or services that they didn't want, need or came to regret buying because of the design of the platform they were using, they were asked if they took any action (including returns, calls to complain), and were asked “how much time do you estimate you spent on these actions in total?”. On average consumers who took action reported they spent 2.5 hours on these actions the last time they experienced this. This has been multiplied by 3.5 - the average number of times consumers reported they had purchase something they later came to regret because of the the platform they were using.

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