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EU online Trustmarks Building Digital Confidence in Europe

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Executive Summary

The EU eCommerce market

A recent study shows that Europe is the largest eCommerce market in the world, overtaking North America in 2011. The total value of the European market was estimated at €246bn, and online retail sales account for around 5.1% of the total value of the retail market in Europe. Still, cross-border eCommerce falls behind its targets (20% in 2020) set by the European Commission in the Digital Agenda for Europe. Considering the potential savings of around 16% that can be made by shopping online, cross-border eCommerce has many untapped potential benefits.

In 2010 the online retail market represents around 3.5% (almost €91 billion) of the total retail market in the EU (€2604,5 billion), but variations between the countries can be observed. The three largest eCommerce markets in Europe (United Kingdom, Germany and France) account for around 72% of all online sales that are made within the EU.

Within the EU, eCommerce accounted in 2011 for around 14% of turnover for enterprises employing at least ten persons and has been relatively stable in the last three years. However, there are large sectoral differences in the use of eCommerce.

Overall percentages show that 43% of Europeans have made online purchases from national sellers in the last year, which has grown from 30% in 2007. Regarding EU cross-border online transactions, figures from 2011 show that 10% of Europeans have made purchases online across borders in the past twelve months, and eight countries have 20% or more of their citizens purchasing online across borders.

Barriers to eCommerce

The percentage of consumers buying online domestically has by now already met the target of 40% set by the Digital Agenda for Europe. However, the target of 20% of consumers shopping online across borders, , is not yet in sight. Only 10% of the consumers have made purchases online in another EU country in 2011 .

There are still barriers to (cross-border) eCommerce that need to be overcome, both on the consumer side and on the side of retailers. These barriers can be divided into operational barriers, legal barriers and barriers to trust.

Operational barriers include language barriers, lack of information, issues with payments (especially across borders), issues with delivery and logistics (especially across borders) and a lack of IT-skills. Legal barriers include uncertainty of customers regarding their rights as consumers and the fragmentation of legislation across the EU, for example in the fields of consumer law, VAT regulations and copyright regulations. Trust barriers include fear of fraud, fear of non-delivery, lack of trust in eCommerce and lack of trust in the after-sales process.

Not all these barriers can be overcome by trustmarks. Most legal issues can only be solved by harmonization of regulations and by other types of policy measures, addressing. Besides trustmarks, other instruments exist that can stimulate (cross-border) eCommerce, such as price comparison website, new payment methods, and consumer rating websites.

Online trustmarks

Many webshops carry online trustmarks to enhance trust in eCommerce,. Trustmarks are seals or labels that represent a certification of the webshop by looking at, for example, the validity of its business model, its financial stability and its support of the after-sales support. Online trustmarks thus aim to assure consumers that a particular online seller has been validated by a trustmark provider and is found to be safe. As such, trustmarks are a form of branding.

Therefore, their use is especially important for SMEs, as these are often not a well-known brand of their own.

Trustmarks may cover a wide range of topics, such as compliance with (consumer) regulations, the financial situation of the webshop, privacy and security measures taken to protect transactions and personal data of consumers, clarity of information provided on the website, dispute resolution in case a conflict emerges between webshops and consumers, mystery shopping and payment and delivery methods.

The maturity and extent to which they cover certain aspects are found to reflect the maturity and the development of the market. Based on the information provided by the trustmark providers, around 30.000 webshops in the EU carry a trustmark. However, there may be a significant number of duplications within this number, since webshops may be active in multiple countries. Based on numbers provided by the TrustedShops trustmark provider, this means between 6% and 7,5% of a total of 400.000 to 500.000 EU-based webshops that have online revenue of more than 50.000 euros carry a trustmark.

Main outcomes of the trustmarks inventory within the EU

Our inventory of trustmarks is based on desk research, survey research, and interviews. Among a selection of 75 trustmarks, (54 from within the EU and 21 outside of the EU, mainly in the US and Asia), 46 trustmarks were found to be active (29 from within the EU). This summary will focus only on the EU-based trustmarks. The majority of these (25) operates in only one country, while 4 EU trustmarks operate across borders: SafeBuy (UK), Tüv Süd (DE), Trusted Shops (DE) and ISIS (UK). The latter two are now merged and have by far the largest coverage of webshops within Europe. There are no EU-based trustmarks that have a more or less global coverage, such as the US-based technically oriented trustmarks that perform SSL-certification.

While the core business of trustmarks is to assess the fairness and correctness of the online sales process, they also provide services, such as assurance policies and dispute resolution mechanisms. Most trustmarks providers perform the assessment using a code of conduct. These codes of conduct are usually party based on EU and national regulations and check whether webshops comply with these regulations. In addition, their code of conducts also contain a number of aspects, such as checking whether webshops provide clear information about their products on their website, that are not based on compliance with any law.

Based on the analysis of the trustmark landscape, it becomes clear that trustmarks provide trust in two ways. They create trust upfront by creating 'face-value'; and by supporting the after-sales process in case a transaction is not successful. The first is guaranteed by certifying webshops providing them with a label. The latter is created by ensuring that the webshops that carry the logo will put in place all the measures to solve any conflict which might emerge with the customer. Trustmarks providers enter the online trust business for business reasons or for institutional reasons. The trust activity start from the establishment of a set of uniform criteria which constitute the scheme for the certification of webshops. This scheme specifies and describes the single elements of trust of the webshop which the trustmarks organization will observe and monitor in the initial phase and in the maintenance phase.

The interviews showed that many of the domestic trustmarks do not have any specific plans to operate beyond their own borders. One of the main reasons is that they believe that the trust value of their trustmark is likely to be lower in another country. Rather, some of the major trustmark schemes in Europe are currently trying to collaborate in order to operate cross-border.

The results of the landscape inventory show that, despite the clustering of trustmarks into homogenous groups and subsequently further clustering them into "superclusters", the operating schemes and the trust features of trustmark services are extremely diverse. This diversity is reflected in the approach to certification (e.g. by checking the website or checking the registration and legal form of the webshop) and in the aspects that are included in their code of conduct (e.g. clarity of information provided or compliance of the after-sales processes with the law). Still, three different archetypical types of trustmarks can be distinguished: (1) commercially owned cross-border trustmarks, (2) domestic trustmarks, and (3) single-aspect (such as security or privacy) trustmarks.

The preferential features and characteristics of trustmarks

The third part of this report consists of a survey among the main stakeholders: industry associations, consumer associations, and trustmark providers. A group of experts participated in the assessment of the assessment of the outcomes of the inventory and the survey and helped formulating a set of policy options for the stakeholder platform.

The survey investigated the opinion of different stakeholders on the characteristics of trustmarks by, to identify the characteristics which may increase trust in cross-border eCommerce and should thus be supported by a pan-European stakeholder platform,.

The policy-relevant facts emerging from the survey

The survey confirms that the trustmarks landscape is heterogeneous and dominated by the speed and diversity of developments in the eCommerce market. A number of policy-relevant facts emerge from this research that influence cross-border eCommerce, which lead to a set of policy options for the development and harmonisation of cross-border trustmark services and, in parallel, for the establishment and operation of the EU trustmarks platform envisaged by the Digital Agenda for Europe.

The policy section was structured under the assumption – supported by domain experts attending the workshop – that there is scope for action on the part of the European Commission to support the cross-border development of trustmarks. It is divided into two parts. The first part indicates those facts and results that have emerged and that are relevant for the policy making process, but which are not policy measures in themselves. The second part addresses the policy options, which include a set of specific actions

The percentages of citizens of the EU purchasing online domestically as well as across borders are increasing. The cross-border dimension of online trade seems less developed than the national one, mostly because of the lack of a Europe-wide coordination, just like the cross-border development of trustmark services.

An important factor considered by consumers when they make an online purchase decision is the shop reputation. The different stakeholders confirm that trustmarks are an important factor for the promotion of cross-border eCommerce and that the way they operate is central their trust-building capability. The EC as one of the main bodies in charge of the cross-border dimension in the European Union can effectively contribute to support the cross-border activity of trustmarks.

The cross-border policy coordination needs to be aware that

a) The trust relationship between customer and merchant is of utmost importance;
b) The most important driver is competitive pricing;
c) Not all barriers to eCommerce can be overcome by trustmarks.

The cross-border coordination needs to be aware of

The promotion of cross-border eCommerce requires a comprehensive consideration of fostering and hampering factors and the identification of the most appropriate policy and regulatory solutions, also seeking the commitment of industry.

Trustmarks stakeholders indicate that government bodies are the most trustworthy warrantors in the field, followed by foundations or non-profit organizations. Surprisingly, opinions on trustmarks provided by industry organisations or trade organisations are almost evenly spread when it comes to assessing level of trust and trustmarks provided by private companies are either neutral or provide a low level of trust. The European Commission should take account of this general opinion, probably not so much to engage directly in the provision of trustmark services, but more to leverage the trust-building role of neutral (public) bodies.

It is worthwhile noting that there are several important trustmarks that are promoted or owned by the private sector and by enterprises, in particular single-aspect trustmarks focusing on SSL certification or on privacy.

Stakeholders indicate that a set of minimum trustmark features would be an important step to reduce the heterogeneity in the trustmark field and to define what trustmarks should look like. Policy makers and stakeholders can start from the preferences on the trustmark features as a basis for the discussion in the stakeholder platform and then develop them further to determine the minimum set of features EU for cross-border trustmarks.

There is a significant uncertainty among stakeholders on the regulatory basis for a trustmark. There is no clear preference for EU regulations, trustmarks codes of conduct, or rather national regulations. The position on the regulatory framework of trustmarks operations is most likely related to the very different attitudes, opinions and different levels of information on trustmarks, their operation and their rules. There are very mixed opinions on the regulatory setting, with contradictory positions also within the same respondent group. There is an important scope for action on the part of the European Commission to clarify the situation and create a harmonised view on this important reference framework. The matter of trustmarks regulation should be brought in front of the trustmarks stakeholders to stimulate a key policy discussion for the cross-border operation of trustmarks in Europe.

The trustmark stakeholders provide an indication on which policies the EC should put in place to support the development of cross-border trustmarks:

- Define a minimum set of harmonised trustmarks trust-building features to be guaranteed by the trustmark certification
- Promote awareness-raising actions of stakeholders
- Identify the general, operational, legal, and trust barriers which are within the scope of trustmarks

In conclusion, the stakeholders that were consulted in this study confirm that a cross-border coordinated action – possibly facilitated by the European Commission – can generate a positive effect on cross-border eCommerce. Stakeholders clearly have a preference for the development of a set of minimum criteria to harmonize trustmarks, through a concerted consensus building process. The European Commission could effectively promote and facilitate the agreement on a minimum set of criteria for trustmarks, bring the criteria in front of EU trustmarks stakeholders and discuss their implementation and eventually their integration into a scheme.

The policy options

Four possible policy options can be proposed based on this study:

1) ‘Business as usual’: doing nothing (on the part of the EC) might not stimulate cross-border eCommerce in the way the EC would prefer. There needs to be a growth path to stimulate development. Doing nothing may lead to or continue the current fragmentation of the EU eCommerce market, leaving the initiative to industry and losing control of market failures which would determine a patchy development of trust services in Europe
2) Self-regulation/self-organisation with some non-binding instruments such as standards: the stakeholder group participating in the focus group considers a ‘self-constructed federation’ of trustmarks the most feasible and useful option, as long as it remains voluntary, not mandatory. In this option, the two main players would be the EC and an Industry Forum. The operational rules would indicate the level of responsibility of each of the player. Here the role of EU institutions would be to

merely facilitate the cooperation and talks between stakeholder representatives and the industry. The EC would take a small coordination role but no major organisation role.

3) An European trustmarks accreditation scheme. The scheme would be based on a hierarchical ISO approach, and a European institution/ agency would take up the challenge of accreditation. The development of a European trustmark accreditation scheme could start with the self-regulatory approach (policy option 2) and then further investigate whether the elaborated standard could be part of the European accreditation scheme. Also in this option, one of the main factors could be an Industry Forum where industry would organise itself under the guidance of the EU. The investment to achieve an EU accreditation scheme would be significantly higher and require a stronger role of the Commission in steering the contributions of the industry and the stakeholders.
4) An EU-level trustmark: a European trustmark as a fully-fledged EU trustmark is proposed. European policy makers would set up a European trustmark, comparable to the EU Ecolabel scheme, to be granted to traders. Such a trustmark would compete with existing trustmarks. The award would be following an audit based on a set of requirements and a code of conduct. Stakeholders would participate in setting up the trustmark. This theoretical option would require a major operational investment and go beyond the borders of policy making. Running a EU trustmark would mean creating a complex, multi-layered trust services body capable of operating in the whole of Europe.

The present final report discusses the four options, presents related evidence to allow a founded decision to be made by the European Commission.

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1 Introduction

A recent study shows that Europe has the largest eCommerce market in the world, overtaking North America in 2011.[1] The total value of the European market was estimated at €246bn, and online retail sales account for around 5.1% of the total value of the retail market in Europe.[2] Although eCommerce is firmly established within Europe, especially cross-border eCommerce still falls behind its targets set by the European Commission in the Digital Agenda for Europe.[3]

Cross-border eCommerce has many untapped potential benefits. It is estimated that consumers could save a lot of money (up to 16%) by buying online across borders.[4] However, many cross-border transactions fail, for example because sellers are not willing to ship to certain countries.[5] Besides these practical reasons, one reason for this unfulfilled potential of eCommerce is that citizens may lack trust in cross-border eCommerce.[6]

One of the instruments that may overcome these trust issues is a trustmark. Online trustmarks aim to assure consumers that a particular online seller has been validated by a trustmark provider and is found to be safe. To stimulate cross-border eCommerce and meet its target for cross-border eCommerce, the European Commission formulated an action to "create a stakeholder platform by 2012 for EU online trustmarks, notably for retail websites" (action 17).[7]

The European Commission commissioned TNO and Intrasoft International to conduct a study on trustmarks and their services for cross-border eCommerce. The study aims to make a comprehensive inventory of existing trustmarks and to determine their role, functions and effectiveness in supporting electronic cross-border Business-to-Consumer transactions in Europe. The study will propose a set of policy options for a cross-border trustmark setup and to involve stakeholders, and, if necessary, setting up a European stakeholder platform.

The policy discussion was based on a large scale inventory of trustmarks in Europe, North America and Asia, on a large survey among stakeholders and an evaluation workshop.

This final report is based on two interim reports and on the outcomes of the evaluation workshop in which the policy options were assessed. The first interim report comprised the results of the first two research tasks: identification of barriers to cross-border eCommerce and identification and mapping of the main trustmarks within and outside of Europe.[8] In the second interim report an assessment is made of trustmark schemes and policy options for the European Commission, including a stakeholder evaluation workshop.[9]

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[1] EMOTA newsletter (2012) Europe Confirmed as Leader in Global e-Commerce, 1st June.
[2] EMOTA (2012).
[3] European Commission (2011a) Commission staff working paper. Bringing e-commerce benefits to consumers, draft.
[4] YouGov Psychonomics (2009) Mystery shopping evaluation of cross-border e-commerce in the EU.
[5] European Commission (2011a)
[6] European Commission (2011a)
[7] Digital Agenda for Europe, Action 17, http://ec.europa.eu/information_society/newsroom/cf/fiche-dae.cfm?action_id=175.
[8] TNO & Intrasoft International (2012a) EU Online Trustmarks Building Digital Confidence in Europe SMART 2011/0022, Interim Report 1: Barriers to eCommerce and Trustmarks Inventory, 18.12.2012.
[9] TNO & Intrasoft International (2012b) EU Online Trustmarks Building Digital Confidence in Europe SMART 2011/0022, Interim Report 2: Trustmark Clusters, Stakeholder Evaluation and Policy Options, 18.12.2012.

1.1 Stimulating cross-border eCommerce

The Digital Agenda for Europe, which is part of the Europe 2020 strategy, is concerned with making more effective use of digital technologies and services, supporting the overall economic and social development of the European Union and its Single Market, and aiming at a fully-integrated digital single market.[10] The Commission's target is to have 50% of consumers to buy online by 2015 and 20% of consumers to buy online across borders within the EU by 2015. While Eurostat data show that in 2011 43% of EU consumers shop online, with only 10% of EU consumers purchasing goods and services online across borders in the last 12 months.[11]

Studies suggest that one of the causes of this unfulfilled potential is that the EU eCommerce market is fragmented.[12] On the supply side, online retailers face problems such as language and technical barriers, cross-border logistics, cross-border payments, administrative and regulatory barriers (such as fragmentation of consumer protection rules across Member States and other rules, for example on VAT) and search and advertisement barriers.[13] These factors have a role in hampering retailers to sell in other countries. On the demand side, two main general barriers to (national and cross-border) eCommerce are the preference of consumers to shop offline and a lack of Internet access.[14] These are directly followed by barriers that relate to trust in cross-border eCommerce, including concerns about payment, security, personal details, delivery, redress mechanisms, after-sales support and language barriers.[15]

Trust is generally considered paramount for influencing consumers' attitudes and willingness to participate in eCommerce. Building digital confidence has been an objective of the Commission for several years. After the attempts in the beginning of the millennium to back-up self-regulatory trustmark schemes, the issue of trust for eCommerce is still on the European policy agenda. This is also caused by the difficulties in the implementation of the European Trustmark Requirements,[16] fragmented national initiatives, and the limitations of self-regulation and European Directives. A recent study for the European Parliament echoes these issues and indicates possible solutions: "Enhancing the level of trust in online traders e.g. by establishing regulated (pan-European) trustmarks for online traders; strengthening the TrustedShops initiative; and increasing awareness of current EU level and national level initiatives".[17]

In recent years, the Commission focused on building new consumer protection legislation and the new consumer agenda[18] for eCommerce, thereby already addressing several of the aforementioned barriers. Examples are the Unfair Commercial Practices Directive,[19] Distance

[10] European Commission (2010) A Digital Agenda for Europe. COM(2010) 245 final/2.
[11] Eurostat (2011) extracted 06.12.2012.
[12] European Commission (2009a) Commission Staff Working Document. Report on cross-border e-commerce in the EU. Brussels, 5.3.2009. SEC(2009) 283 final.
[13] European Commission (2009a)
[14] European Commission (2009a)
[15] European Commission (2009a)
[16] BEUC and UNICE (2000) European Trustmark Requirements. e-Confidence project. BEUC/X/179/2000.
[17] London Economics (2011) Consumer behaviour in a digital environment. IP/A/IMCO/ST/2010-08. August 2011. Report for European Parliament.
[18] European Commission (2012) A European Consumer Agenda – Boosting confidence and growth, Brussels, 22.5.2012. COM(2012) 225 final.
[19] Directive 2005/29/EC of the European Parliament and of the Council of 11 May 2005 concerning unfair business-to-consumer commercial practices in the internal market and amending Council Directive 84/450/EEC, Directives 97/7/EC, 98/27/EC and 2002/65/EC of the European Parliament and of the Council and Regulation (EC) No 2006/2004 of the European Parliament and of the Council ('Unfair Commercial Practices Directive'), 11 May 2005.

Marketing of Financial Services Directive[20] and the Directive on Consumer Rights.[21] The Digital Agenda announces additional initiatives, such as the EU strategy to improve alternative dispute resolution and the promotion and improvement of online redress tools and cross-border price comparison tools.[22] The Digital Agenda further aims to increase consumer confidence by promoting EU online trustmarks for online retailers, to be developed in consultation with all stakeholders. A first step is to create a stakeholder platform for EU online trustmarks by 2012 (DAE #17).

1.2 Trustmarks

Trustmarks aim to assure consumers that a particular site or online seller has been validated by a trustmark provider and is found run a safe sales process. They are designed to increase consumers' trust in the webshop that carries the trustmark. To date, a wide variety of online trustmarks related to eCommerce exist. Most are national schemes that are relatively unknown by consumers from other EU countries, but some schemes operate across borders. They vary in scope, business model, quality and level of enforcement. Each trustmark has their own 'trust business model' providing a set of services aimed at promoting the trust relationship between the customer and the retailer. This trust relationship is based on a number of 'trust services' which are more in detail described in section 2.1 of the second interim report.[23] Trustmark organisations verify a certain set of features[24] and provide trust services to both parties – such as dispute resolution – and then grant the use of the trustmark to the webshop. Retailers do not own the mark, which can be withdrawn in case of non-compliance with the setup and rules.

The survey conducted in chapters 5-9 of the second interim report[25] shows that stakeholders confirm the existence of cause-effect relationships between trustmark service, trust and the propensity to engage in (cross-border) eCommerce. At the same time, the precise determination of this cause-effect relationship and the impact of other factors is not clear and difficult to clarify.

The policy evaluation workshop included in chapter 10 of the second interim report[26] concluded that there was a need for European action to implement cross-border trustmarks fostering cooperation between EU and trustmark stakeholders (consumers, traders and trustmarks organisations). The creation of a kind of European accreditation model was widely supported and the easiest way envisaged was to build on the existing models by defining minimum criteria for such accreditation.

1.3 Research objectives

The main research objective is to identify and evaluate policy options for the development of cross-border trustmarks in Europe and, possibly, for a stakeholder platform for EU online trustmarks. In order to derive these policy objectives, this report first provides an overview of

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[20] Directive 2002/65/EC of the European Parliament and of the Council of 23 September 2002 concerning the distance marketing of consumer financial services and amending Council Directive 90/619/EEC and Directives 97/7/EC and 98/27/EC.

[21] Directive 2011/83/EU of the European Parliament and of the Council of 25 October 2011 on consumer rights, amending Council Directive 93/13/EEC and Directive 1999/04/EC of the European Parliament and of the Council and repealing Council Directive 85/577/EEC and Directive 97/7/EC of the European Parliament and of the Council.

[22] European Commission (2011a) op. cit.

[23] TNO & Intrasoft International (2012b)

[24] "Trust Features" are intrinsic characteristics of the online sales process. They are checked by the trustmark according to the agreed code of conduct and constitute the basis for the accreditation and audit. Trustmarks provide trust services to their stakeholders and the accreditation process of trust features is one of these services.

[25] TNO & Intrasoft International (2012b)

[26] TNO & Intrasoft International (2012b)

the barriers to cross-border eCommerce, with a special focus on barriers to trust. Secondly, it maps and compares the existing trustmarks and their certification and accreditation policies. Furthermore, it assesses the different types of trustmarks by identifying specific clusters of trustmarks, which are subsequently analysed according to their main characteristics. Finally, the analysis of the different trustmark schemes allowed to elaborate and evaluate policy options , which were proposed to stakeholders in the evaluation workshop.

This study thus consists of three parts. The first part is related to the barriers and solutions analysis, the second part is related to the mapping and comparison of the trustmarks and their policies, and the third part concerns the formulation of policy options for the stakeholder platform and the evaluation of these policy options. Three research questions can be identified and subsequently specified:

1. What are the main barriers to trust in cross-border eCommerce and which solutions can contribute to overcoming these barriers?
    - What is the size of cross-border eCommerce in the EU?
    - What are the drivers and enablers of cross-border eCommerce?
    - Which are the barriers to (cross-border) eCommerce for consumers and retailers?
    - Which instruments exist that may help to overcome these barriers?
    - How do these solutions relate to the barriers that were identified?

2. Which trustmarks currently exist and how can they be categorized?
    - Which are the main trustmarks within the EU and outside of the EU?
    - How did the development of trustmarks in the EU take place?
    - What is the geographical scope and coverage of the trustmarks?
    - Which assurance policies do they provide?
    - Which legal issues do they cover?
    - Which certification and accreditation policies do they have?
    - How can the trustmarks be categorized into clusters and how do the different clusters – and their characteristics – relate to trust building in eCommerce?
    - What are the main characteristics of these categories?
    - What is the importance attached to the trust-building characteristics of trustmarks?
    - How do different stakeholders perceive the value of trustmarks?

3. Which policy options for EU cross-border trustmarks and for a stakeholder platform can be identified and how do stakeholders evaluate them?
    - Which are the policy-relevant facts, which emerged from the research work?
    - What are possible policy options for the European Commission?
    - Which approaches can be used to set up the trustmarks stakeholder platform?

The first research question is answered in five steps. Firstly, the size of cross-border eCommerce is briefly investigated. Secondly, the general drivers and barriers to eCommerce are introduced, followed by an identification and subsequent categorization of the barriers to cross-border eCommerce, including barriers to trust. Fourthly, instruments that may help to overcome these barriers are investigated, and finally they are compared to the barriers that were found.

The second research question is answered in ten steps. Firstly, the main trustmarks within the EU and in the rest of the world are identified. Secondly, background information is provided on the development of trustmarks in the EU. Subsequently, an overview of the different

trustmarks according to their main characteristics is provided: geographical scope and coverage, their assurance policies, legal issues that they cover, and their certification and accreditation policies. And finally, the trustmarks are categorized, and the most distinctive characteristics are described and evaluated.
The third research question is answered in three steps. Firstly, the policy options are derived. Secondly, the policy options are assessed in an evaluation workshop. And thirdly, the outcomes of the workshop are aggregated into recommendations for policy actions.

1.4 Methodology

This first research question is answered using desk research. This means that relevant policy documents and related studies are reviewed to identify relevant barriers to trust in eCommerce. Based on desk research, using academic, industry associations, market studies, EC, OECD and national studies as relevant sources, barriers for cross-border eCommerce – with a specific focus on barriers related to trust – will be identified. A central document is an EC Staff working document on barriers in e-Commerce that was released in 2011.[27] Furthermore, to provide a comprehensive overview, additional sources were used in the desk research. Subsequently, the identified barriers were validated using a target panel, consisting of fourteen organizations representing consumers, retailers and trustmark organizations.
The second part of this report concerns the mapping of existing trustmarks and their certification and accreditation policies. For this task, three different sources of information were used: desk research, survey research, and interviews. First of all, a selection was made of 75 trustmarks, of which 54 are from within the EU and 21 are outside of the EU (mainly in the US and Asia). The websites of these trustmarks and the organizations behind the trustmark schemes were studied. Secondly, a survey was sent out to of the 46 active trustmarks to validate the findings from the desk research. 30 Trustmarks participated in this survey. Thirdly, 16 of the most elaborate and mature trustmark schemes were selected and subsequently interviewed to gather qualitative information that could not be gained from the website or from the desk research. These trustmark schemes are subsequently clustered and the main characteristics of these clusters are described.
The third part of this report consists of a survey among the main stakeholders: industry associations, consumer associations, and trustmark organizations. These different stakeholders were asked to determine the importance of the different trustmark characteristics and of the different policy options for the European Commission. Subsequently, in an evaluation workshop, these policy options were assessed. Based on the survey and the outcomes of the evaluation workshop, policy options can be formulated.

1.5 Outline of the report

Chapter 2 investigates barriers to trust in cross-border eCommerce. Identifying and classifying barriers creates an overview of the relevant barriers.
Chapter 3 presents an overview of the existing trustmarks and their main characteristics, such as geographic coverage and their certification and accreditation policies. Furthermore, it proposes a categorization of trustmark schemes and subsequently it identifies the specific characteristics of every category.
Chapter 4 derives a set of policy options for EU cross-border trustmarks and for the forthcoming European stakeholder platform.

[27] European Commission (2011a)

2 Barriers to cross-border eCommerce

Cross-border eCommerce is a key element of a fully functioning digital single market, which is an objective of the Digital Agenda for Europe.[28] The eCommerce market is by now well established in the EU. However, many barriers to cross-border eCommerce exist that inhibit cross-border online transactions.[29] Barriers experienced by retailers often mirror barriers experienced by consumers.[30] To investigate the potential role for trustmarks in stimulating cross-border eCommerce, this chapter first describes the eCommerce market in the EU and then identifies and categorizes barriers to (cross-border) eCommerce.[31]

2.1 eCommerce in the EU

Business-to-consumers eCommerce has taken off within the EU, especially domestically. The European market is now the largest eCommerce market in the world.[32] The total value of the European market was estimated at €246bn, and online retail sales account for around 5.1% of the total value of the retail market in Europe.[33] In 2010 the online retail market represents around 3.5% (almost €91 billion) of the total retail market in the EU (€2604,5 billion), but variations between the countries can be observed. In the most mature market – the UK – it represents 7.9% of the market, followed by Denmark (5.4%), Finland and Sweden (4%) and France and Germany (3.9%).[34] The UK also has the largest share of the total online retail EU market (34.6%), followed by Germany (19.6%) and France (19.1%). A few other countries follow these three large eCommerce markets: the Netherlands (4%), Spain (3.5%), Italy (3.3%), and Sweden (2.9%), with other countries following at some distance. The three largest eCommerce markets (the UK, Germany, and France) also attract most online shoppers from other EU countries (with Germany attracting 27%, the UK 24%, and France 14%).

Within the EU, eCommerce accounted in 2011 for around 14% of turnover for enterprises employing at least ten persons and has been relatively stable in the last three years.[35] However, there are large sectoral differences in the use of eCommerce.[36] Figure 2.1 shows the growth of enterprises' turnover from eCommerce in Europe since 2007. Enterprises in the Czech Republic have the highest turnover from eCommerce. Some countries have experienced a steep decline in enterprises' turnover from eCommerce after 2009, such as Ireland and Belgium. Over the course of 2009, around 13% of companies across Europe received online orders.[37]

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[28] European Commission (2010)
[29] European Commission (2011a)
[30] European Commission (2009)
[31] This chapter is largely based on the Commission staff working paper 'Bringing e-commerce benefits to consumers' (2011, draft). If not specified otherwise, information presented in this chapter is based on this working paper.
[32] EMOTA newsletter (2012) Europe Confirmed as Leader in Global e-Commerce, 1st June.
[33] EMOTA (2012)
[34] Civic Consulting (2011)
[35] Eurostat, Information Society statistics (September, 2011) retrieved on March 13, 2012.
[36] IMCO (2011) Consumer behavior in a digital environment. Report of European Parliament by London Economics.
[37] Eurostat (2011) extracted 28.03.2012

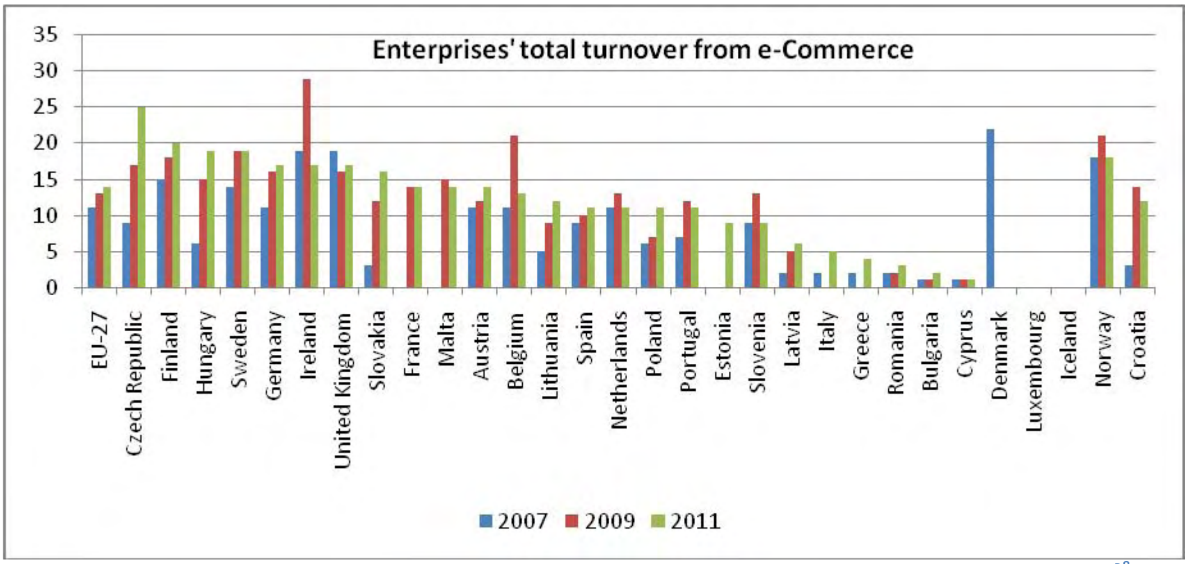

Figure 2-1 Enterprises' total turnover from e-commerce as percentage of total turnover (10 employees or more)[38]

Figure 2.2 provides an overview of individuals shopping online in the last years, distinguishing between buying products or goods from national sellers, from other EU-countries and from countries in the rest of the world in 2011. Overall percentages show that 43% of Europeans have made online purchases in the last year from national sellers, which has grown from 30% in 2007. Countries with a large part of the population shopping online (from national sellers) are the United Kingdom (68%), Sweden (66%), the Netherlands (64%) and Germany (62%). Countries with a relatively low percentage of the population shopping online (from national sellers) are Bulgaria (5%), Malta (5%), Romania (5%) and Cyprus (3%). In four countries domestic online shopping is growing relatively fast since 2010, which are Finland (7%), Belgium (4%) and Ireland (4%).

Regarding EU cross-border online transactions, overall percentages show that 10% of Europeans have made online purchases in the last year from retailers in other countries.[39] Eight countries have 20% or more of their citizens purchasing online across-borders in 2011 (Luxembourg, Malta, Austria, Norway, Denmark, Finland, Belgium and Ireland). Luxembourg has the highest percentage of individuals shopping online in other EU-countries (56%), followed by Malta (38%) and Austria (32%). In twelve countries 10% or less of consumers have bought something online in the last year from another EU country.

When asked whether they would purchase across borders, online shoppers from Malta (94%), Luxembourg (88%), Cyprus (83%), Austria (77%), Ireland (68%) and Belgium (54%) indicated that they are most likely to make cross-border purchases of goods in the EU.[40] A main reason for these countries having a high percentage of people willing to shop online across borders is likely that they have a relatively small domestic market, while having a larger neighbouring country with which they share the language. Noteworthy is that in the countries in which domestic online shopping is popular, cross-border shopping (in the EU) percentages are around average, with 16% in Sweden, 14% in the Netherlands and 10% in United Kingdom. There seems to be a certain direct correlation between a mature national eCommerce market and the low propensity to cross-border online shopping.

Iceland (28%), Malta (20%), Norway (18%) and Luxembourg (15%) have the highest percentages of individuals shopping online from non-EU countries. The overall percentage of individuals in the EU shopping online from non-EU countries is 5% and is relatively stable

[38] Eurostat (2011) extracted 28.03.2012
[39] Eurostat (2011) extracted 6.12.2012
[40] Gallup Organisation (2011a)

since 2008. Fifteen countries in 2011 have 5% or less of the individuals that shop online from non-EU countries.

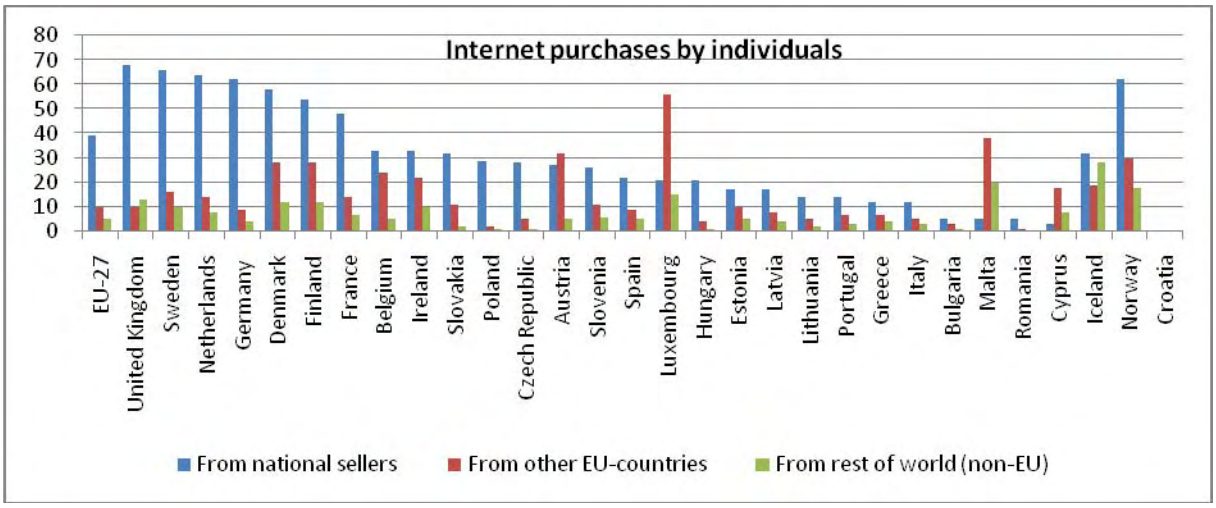

Figure 2-2 Internet purchases by individuals in 2011 (individuals who ordered goods or services over the Internet from national sellers, from other EU-countries and from non-EU countries in the last 12 months, measured as a percentage of individuals).[41]

Figure 2.3 shows the percentage of retailers in the EU that sell online, domestically, to other EU-countries or to the rest of the world in 2011 (for at least 1% of their turnover). The overall percentage of EU retailers selling online is 13% since 2010. The overall percentage of EU retailers selling domestically is 14%, cross-border within the EU 6% and to the rest of the world 4%. In nine countries 20% or more of the retailers sell online to the domestic market: Norway (31%), Denmark (26%), Czech Republic (24%), Lithuania (24%), Sweden (24%), Belgium (23%), the Netherlands (23%), Ireland (21%) and Finland (20%). In seven countries less than 10% of retailers sell online (to the domestic market): Poland (9%), Greece (8%), Latvia (8%), Cyprus (7%), Bulgaria (5%), Italy (5%) and Romania (4%).

Regarding cross-border eCommerce, in six countries 10% or more of the retailers sell online to other EU-countries: Ireland (13%), Malta (13%), Belgium (12%), Czech Republic (12%), Lithuania (12%) and Luxembourg (11%). Cross-border shopping to the rest of the world is relatively low, ranging from 9% in Ireland to 1% in Romania.

Data from Eurobarometer on cross-border eCommerce show substantial higher percentages of businesses selling online to other EU-countries. On average, in 2010, 53% of EU-27 retailers indicated that they sell via the Internet and 22% is conducting cross-border transactions (down from 29% in 2006, EU-25).[42] Large variations between countries can be observed, ranging from 19% in Romania to 78% in the UK.[43] However, the sample size of the Eurobarometer research is very limited.

Eurostat data show that the overall percentage of EU retailers selling online is 13% since 2011. 14% of EU retailers sell domestically, 6% sell cross-border within the EU and 4% sell to the rest of the world. In nine countries 20% or more of the retailers sell online to the domestic market: Norway, Denmark, Czech Republic, Lithuania, Sweden, Belgium, the Netherlands, Ireland and Finland. In seven countries less than 10% of retailers sell online (to the domestic market): Poland, Greece, Latvia, Cyprus, Bulgaria, Italy and Romania. Regarding cross-border eCommerce, in six countries 10% or more of the retailers sell online to other EU-countries: Ireland, Malta, Belgium, Czech Republic, Lithuania and Luxembourg.

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[41] Eurostat (2011) extracted 28.03.2012

[42] Gallup Organization (2011b) Retailers' attitudes towards cross-border trade and consumer protection. Flash EB Series #300

[43] Gallup Organization (2011b)

Cross-border shopping to the rest of the world is relatively low, ranging from 9% in Ireland to 1% in Romania. Figure 2.3 shows the percentage of retailers in the EU that sell online, domestically, to other EU-countries or to the rest of the world in 2011 (for at least 1% of their turnover).

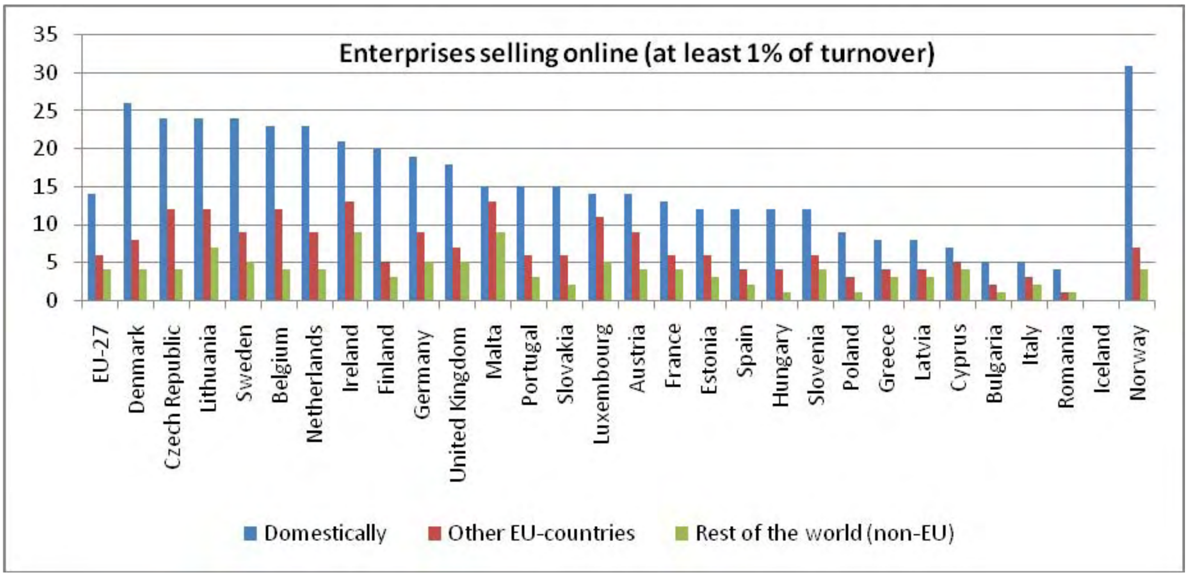

Figure 2-3 Enterprises selling online (at least 1% of turnover) in 2011, domestically, to other EU-countries and rest of the world, as percentage of all enterprises (10 persons employed or more).[44]

A EU study on cross-border online shopping showed that on average it was possible to place an order in a shop located in another country in 39% of cases tested. However, 61% of orders would have failed mainly because traders do not have a retail outlet to the consumer's country to serve the consumer's country.[45] Few (4%) online cross-border retailers sell to ten or more member states[46], with most selling in more than four countries (62%), 29% in two or three countries, and 9% selling in one country.
The Commission's target is to have 50% of consumers to buy online by 2015 and 20% of consumers to buy online across borders within the EU by 2015. The EU lags behind Korea, Japan, and the US in percentage of consumers shopping online.[47] Based on Eurostat data, the Commission has achieved its target of domestic online shopping in 2009 with currently 53% of the individuals using the Internet shopping online domestically. For cross-border eCommerce it still requires a substantial increase from the current 10% of individuals to the desired 20%. Although this seems to be a large increase, there are indications that there is a potential for cross-border eCommerce growth.[48] To determine how trustmarks can contribute to reaching this potential, barriers to (cross-border) eCommerce are identified and subsequently compared to the role of trustmarks in stimulating (cross-border) eCommerce.
No clear figures exist for the market share of trustmarks in the EU. Some of the trustmark providers have estimated their own market share, but it is not possible to calculate a precise figure for the 'penetration' of trustmarks in the EU eCommerce market. Since the development of trustmarks follows the development of the eCommerce market, it is also likely that the market shares and development of trustmarks vary widely across EU member states.

[44] Eurostat (2011) extracted 28.03.2012
[45] YouGov Psychonomics (2009)
[46] European Commission (2009)
[47] Commission staff working paper (2011) Online services, including e-commerce, in the Single Market. Brussels. SEC(2011) 1641.
[48] Civic Consulting (2011)

Based on figures provided by the trustmark providers in Annex 4 of the first interim report,[49] the EU-based trustmarks that were selected for this study jointly have 30.000 subscribing webshops. Almost half of this number consists of webshops that carry the TrustedShops label. However, this total number of subscribers may be inflated as webshops that operate across borders may carry multiple trustmarks. The total number of webshops (with an annual turnover of over 50.000 euros) in the EU is estimated by figures collected by TrustedShops as between 400.000 and 500.000.[50] This would mean that between 6% and 7,5% of all EU-based webshops carry a trustmark.

Two examples may shed some light on the market size of trustmarks: Thuiswinkel Waarborg and TrustedShops. These two organizations monitor the share of webshops that carry their labels. Thuiswinkel Waarborg in the Netherlands, which is a relatively well-developed eCommerce market, estimates its own market share in two ways. By estimating the total number of webshops in the Netherlands at 37.000[51] it can be concluded that their market share is around 5%, since 1750 webshops carry the trustmark[52]. Furthermore, the trustmark provider, the largest in the country, estimates its share in the number of online purchases at 75%, meaning that 75% of all online purchases are made at webshops that carry the trustmark.[53]

TrustedShops has issued 17,717 certificates to eCommerce sites.[54] This figure represents between 4,43% and 5,06% of the overall number of European webshops. They estimate that Germany, as their more mature TrustedShops market, currently has between 90.000 to 100.000 eCommerce sites (with an annual turnover of over 50.000 euros). Between 13% and 15% of the German webshops display the TrustedShops seal of approval. TrustedShops estimates that around 20%-30% of all webshops will eventually carry a trustmark.

2.2 Barriers and potential solutions for (cross-border) eCommerce

The comparison between actual statistics on cross-border eCommerce and the indicators for the potential of cross-border eCommerce indicates that certain barriers exist that lead to the relatively low percentage of cross-border eCommerce in the EU. A distinction can be made between barriers to eCommerce in general, and to cross-barrier eCommerce specifically. These barriers can be identified on the demand side (consumers) as well as the supply side (retailers). Especially regarding cross-border eCommerce, a major group of barriers is related to a lack of trust. Four categories of barriers are identified: general barriers to eCommerce, operational barriers, legal and regulatory barriers, and barriers to trust. The full list of barriers is presented in section 2.5 of the first interim report.[55]

These barriers can be found on the consumers' side and on the side of the retailers (see table 2.1). However, by looking at table 2.1, it becomes clear that trustmarks are not the only solution for stimulating (cross-border) eCommerce. Other solutions include enabling tools that are meant to stimulate cross-border eCommerce, such as price comparison tools and rating and review websites, as well as harmonization of regulation that aims to overcome the legal issues that retailers get into when they want to do cross-border transactions. The barriers to and solutions for cross-border eCommerce are summarized and categorized in table 2.1.

Consumers' barriers to cross-border eCommerce were categorized into operational barriers, legal and regulatory barriers, and barriers to trust. Retailers' barriers can be largely overcome by investing more to overcome operational and legal and regulatory barriers and could thus

[49] TNO & Intrasoft International (2012a)
[50] Figure provided by the TrustShops trustmark. 2012
[51] http://www.thuiswinkel.org/aantal-thuis-en-webwinkels-in-nederland, accessed 30 November2012.
[52] http://www.thuiswinkel.org/leden-thuiswinkel-waarborg, accessed 30 November21012.
[53] TNO & Intrasoft International (2012a)
[54] Figure as of 11.12.2012 provided by Jean-Marc Noel, Managing Director of TrustedShops.
[55] TNO & Intrasoft International (2012a)

also be seen as cost-benefit decisions. Although the first category may represent cost-benefit decisions, especially the costs that need to be made to overcome the legal and regulatory differences between EU member states are perceived as barriers.[56] The barriers were validated using a target panel consisting of consumer organizations, industry organizations, and trustmark organizations (see Annex 1 of the first interim report[57]).

Table 2-1: An overview of barriers and possible solutions.

Barriers to cross-border eCommerce (consumers)	Barriers to cross-border eCommerce (retailers)	Instruments
Operational - Lack of foreign language skills - Lack of information - Delivery times - Extra charges - Environmental issues	Operational - Language - Search and advertisement - Cross-border payments - Cross-border logistics - Costs - Lack of IT skills	- **Trustmark schemes (including security certificates)** - Price comparison websites - Uniform payment schemes
Legal and regulatory - Uncertainty about their rights as consumers	Legal and regulatory - Fragmentation of consumer protection regulations - Fragmentation of VAT regulations - Fragmentation of copyright regulations - Fragmentation of electric waste disposal regulations - …	- Harmonization of legislation across EU member states - Information provisioning by European consumer organizations
Trust barriers - Fear of scams and fraud - Lack of confidence - Resolutions, complaints handling, and redress	Trust barriers - Risk of fraud and non-payment	- **Trustmark schemes (including security certificates)** - Rating websites - Dispute resolution

Table 2.1 shows the comparison of barriers to (cross-border) eCommerce identified in section 2.5 of the first interim report to instruments for stimulating cross-border eCommerce, such as trustmarks, price comparison websites and consumer ratings. While trustmarks clearly address some of the trust barriers, this comparison also shows that the scope of trustmark schemes is also limited. For example, legal barriers related to the differences between legislation in EU member states cannot be addressed by trustmarks, nor by other instruments such as consumer ratings. Furthermore, some other barriers to eCommerce are out of the scope of any of these instruments. These general barriers comprise problems such as the lack of Internet access and a preference to shop offline.

[56] The Gallup Organisation (2011b)
[57] TNO & Intrasoft International (2012a)

Still, one area that may be addressed by trustmarks is the trust in cross-border eCommerce. Considering that while the Commission's targets for domestic eCommerce are nearly achieved, cross-border eCommerce remained largely stable over the past years – showing only a small increase. Trust barriers to eCommerce are higher for cross-border eCommerce than for domestic eCommerce. Therefore, it would be useful if trustmarks help to stimulate the cross-border dimension of eCommerce. Currently however, many trustmarks are domestically oriented. Therefore, establishing a European dimension of trust may help to diminish some of the cross-border barriers to eCommerce.

3 Trustmarks landscape

This chapter presents an overview of trustmarks and their main characteristics, especially in relation to stimulating cross-border eCommerce. From the barrier identification in the previous chapter, it became clear that trustmarks may especially target creating trust in cross-border eCommerce as the objectives set by the European Commission for domestic eCommerce are nearly met. Furthermore, the perceived barriers related to trust are higher in cross-border eCommerce than in the domestic market. This chapter describes the trustmark landscape in three steps. First, an overview of the main trustmarks within and outside of Europe is presented. Then, focusing on the European trustmarks, a clustering of trustmarks is proposed based on the main distinguishing trust services of trustmarks. And finally, the main characteristics of trustmarks are evaluated in a survey among the most important stakeholders to identify which aspect of trustmarks are considered most important.

3.1 Overview of the main trustmarks within and outside of Europe

This section presents an overview of the main trustmarks within and outside of Europe. It is not a comprehensive assessment of the different characteristics of trustmarks. Rather, it shows the outlines of the trustmarks and some of their main aspects. Based on this first investigation, several types of trustmarks can be derived and a clustering is proposed in the next section.

3.1.1 Development of trustmarks within Europe

Trustmarks aim at building consumers' trust in a website by offering a sign of trust to an individual that the retailer will behave as expected.[58] As such, they are a form of branding. Therefore, their use is especially important for SMEs, as these are often not a well-known brand of their own but require extra measures to attract customers. Trustmarks may cover a wide range of topics. An elaborate overview is provided in Annex 9 of the first interim report[59] and includes compliance with (consumer) regulations, the financial situation of the webshop, privacy and security measures taken to protect transactions and personal data of consumers, clarity of information provided on the website, dispute resolution between webshops and consumers, mystery shopping and payment and delivery methods. The maturity and extent to which they cover certain aspects are found to reflect the maturity and the development of the market.

eCommerce took off together with the widespread use of the Internet in the mid-1990s. With the rise of eCommerce, trustmarks were introduced to increase trust in webshops. To stimulate eCommerce, the European Commission's DG Enterprise launched the Webtrader scheme.[60] In March 2001 1619 webshops in Europe were carrying the Webtrader logo.[61] However, the scheme was closed down in 2003 because it was too costly to run. After the Internet bubble crashed, the Webtrader scheme also vanished.

As shown in section 2.1 of the first interim report,[62] most of the trustmarks currently active in Europe were set up between 2001 and 2006.[63] An overview of the EU-based trustmarks found

[58] Palmer, J., Bailey, J., Faraj, S. (2000) The role of intermediaries in the development of trust on the WWW: The use and prominence of trusted third parties and privacy statements. *Journal of Computer Mediated Communication*. 5; McKnight, D.H., Kacmar, C.J., Choudhury, V. (2010) Shifting Factors and the ineffectiveness of Third Party assurance seals: A two-stage model of initial trust in a web business. *Electronic Markets, 14(3),* pp. 252-266.

[59] TNO & Intrasoft International (2012a)

[60] Nannariello, G. (2001) E-commerce and consumer protection: A survey of codes of practice and certification processes. European Commission Joint Research Centre. Institute for the protection and the security of the citizen cybersecurity sector (EUR 19932 EN).

[61] Nannariello, G. (2001)

[62] TNO & Intrasoft International (2012a)

in 2006 and 2012 can be found in Annex 1. The list of trustmarks presented in Annex 1 table is by no means exhaustive (as it is very difficult to determine the exact amount of trustmarks in any country), but it gives an overview of the main trustmark schemes across Europe and their development between 2006 and 2012.

The Western European trustmarks (including those from Germany, Belgium, the Netherlands) consolidated their position since 2006, with the main trustmarks still in place. In the UK old trustmarks have disappeared and new ones emerged. In the Southern European countries (most notably in Italy and Greece) many trustmarks have disappeared, with almost none remaining active. In the Scandinavian countries, Denmark has consolidated its trustmark, while in the other countries several trustmarks have been set up over the past years. Finally, in many of the Eastern European countries (except for Poland and Czech Republic, which consolidated its position) many new trustmarks are being developed.

Furthermore, three collaborative networks of trustmarks exist that operate across borders. The first Euro-label, which is a collaboration between six different domestic trustmarks that also carry the Euro-label. Euro-label is active in Germany, Austria, Poland, Spain, Italy and France. The second is EMOTA, the pan-European distant selling association, and the third is Ecommerce Europe, which is a collaboration between seven domestic trustmarks: Fevad (FR), BeCommerce (BE), Thuiswinkel Waarborg (NL), FDIH (DK), Svensk Distanshandel (SE), Distansehandel Norge (NO) and Netcomm (IT) (see Annex 2).

The maturity and development of a trustmark is related to the maturity and development of the eCommerce market – as well as on the size of the market.[64] More mature eCommerce markets usually have more mature trustmarks, while in smaller and developing eCommerce markets trustmarks are also still developing. Furthermore, the state of the economy is also seen to be a decisive factor in determining the level of maturity of a trustmark. Both the Internet bubble of 2000 and the economic crisis after 2007-2008 have had an impact not only on the eCommerce market, but also on trustmark developments. After the Internet bubble burst, many webshops went bankrupt and many trustmarks disappeared. The growth of the eCommerce market between 2001 and 2008 gave rise to the development of most trustmarks that still exist today. And as eCommerce is only recently taking off in Eastern European countries such as Lithuania, the trustmark providers in these countries indicated that they a large growth.

3.1.2 Mapping the trustmarks

The mapping exercise in this section was carried out using desk research, survey research and interviews. Firstly, using desk research, we studied 54 European trustmarks schemes (shown in Annex 1) and 21 trustmarks outside of Europe (mainly in the US and in Asia, shown in Annex 3). Of these 75 trustmarks, 46 were found to be still active. Secondly, an online survey was sent out to these trustmarks. We collected 30 responses that were subsequently analyzed. Thirdly, we made a selection of 16 well-developed trustmark schemes and we interviewed the organizations behind these schemes. The elaborate description of trustmarks and their characteristics can be found in chapter 3 of the first interim report.[65] Here, some highlights of the inventory are presented. First, we show how many countries trustmarks cover to see how many of the trustmarks operate across borders. Then, the services trustmarks provide are discussed. Thirdly, the type of organization of the trustmark providers is discussed. Fourthly, the certification policies are presented. And finally, the issue of accreditation of trustmarks is briefly mentioned.

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[63] Nannariello, G. (2001)

[64] Trzaskowski, J. (2006) E-commerce trustmarks in Europe – an overview and comparison of trustmarks in the European Union, Iceland and Norway. Copenhagen Business School.

[65] TNO & Intrasoft International (2012a)

3.1.2.1 Cross-border activity of trustmarks

Some trustmarks are active in multiple countries. Table 3.1, which is based on chapter 3 of the first interim report shows which of the 46 active trustmarks operate domestically and which trustmarks operate across borders.[66]

Table 3-1: Number of countries covered by the trustmarks

Activity	European trustmarks	Other trustmarks
More or less active world-wide		VeriSign/Norton Secured (US) Truste (US) Trustwave SSL certificates (US) Comodo SSL certificates (US) GeoTrust (US) McAfee (US) ChamberTrust business seal (US)
Active in more than ten countries	TrustedShops (DE) SafeBuy (UK) EuroPrise (DE) Segala (IE)	CPA Webtrust (CA)
Active in two to ten (European) countries	EHI Geprüfter Online Shop (Euro-label) (DE) Güte Zeichen (Euro-label) (AU) TÜV Süd (DE) Qshops keurmerk (NL) ISIS (UK) Safe2Shop (NL)	BBBOnline (CA)
Domestic trustmarks	Sicher einkaufen (AU) APEK (CZ) SOAP (CZ) Thuiswinkel Waarborg (NL) Webshop Keurmerk (NL) mkbOK (NL) Trusted.ro (RO) InfoCons (RO) Confianza Online (ES) Confianca Online (POR) Euro-label (POL) E-Mark (DK) Certifierad E-handel (SE) Trygg e-handel (SE) Trygg e-handel (NO) BeCommerce (BE) eShops (LT) eShops (MT) VSV-Garantie (CH) Fia-net (FR) Fevad (FR)	Online Shopping Trust (JP) TradeSafe (JP) SureSeal (PH) TrustVN (VN) TrustSg (SG) CaseTrust for Webfront (SG) Trustmark Thai (TH)

[66] TNO & Intrasoft International (2012a)

Table 3.1 shows that while the majority of trustmarks operates in only one country, some operate across borders. Seven trustmarks have a more or less global coverage. These are all large North America-based commercial trustmarks concerned with specific aspects of eCommerce activities, such as VeriSign/Norton secured, which sells SSL certificates that can be checked real-time, and Trust*e*, offering a privacy seal based on the privacy statement of organizations. These trustmarks target one specific element of web shops that does refer to a legal basis, which makes it easy for them to use the same seal across borders.

One international and four EU-based trustmarks cover more than ten countries: WebTrust (US), Segala (IE), TrustedShops (DE), SafeBuy (UK), and EuroPrise (DE). Seven trustmarks (of which six are located in Europe) were found to operate in more than one country. Except for TÜV Süd, these are all trustmarks operating within one language. It thus appears that domestic trustmarks more easily branch out to other countries with which they share the language.

Moreover, based on the interviews that we carried out, we found that many of the domestic trustmarks do not have plans to operate beyond their own borders, stating that the value of their trustmark is likely to decrease in other countries. Rather, some of the major trustmark schemes in Europe (recently) started collaborating (see Annex 2). As of yet there are no clear outcomes of this collaboration regarding trust in eCommerce. Another form of cooperation was found between Trygg eHandel Sweden and Norway. They have nearly identical websites, but they are only collaborating to learn from each other, rather than being internationally operating trustmarks. While the Western European trustmarks all seem rather stable, the Lithuanian trustmark eShops sees a role for itself in other Central or Eastern European countries and aims to expand to, for example, Latvia, Estonia, Romania, Bulgaria, Slovakia, and Croatia.

3.1.2.2Services of trustmarks

This section looks at the services trustmarks provide. The services that are included in this inventory are the legal basis of the certification of trustmarks (based on national or EU regulations, or on a code of conduct), dispute resolution, consumer ratings, money back guarantee and price comparison. The results from the survey are shown in table 3.2. Trustmark organizations could indicate that they provide multiple services.

Table 3-2: Services provided by trustmarks

Services of trustmark providers	**Trustmarks**
Certification based on EU regulations	Gütezeichen (AU), EuroPrise (DE), Euro-label (POL), Qshops keurmerk (NL), Thuiswinkel Waarborg (NL), SafeBuy (UK), EHI Geprüfter Online Shop (Euro-label) (DE), Euro-label (AU), InfoCons (RO), ISIS (UK), Trygg E-handel (NO), Safe2Shop (NL), Confianca Online (POR), SOAP (CZ), eShop (MT), TrustedShops (DE)
Certification based on national regulations	Gütezeichen (AU), EuroPrise (DE), Euro-label (POL), Qshops keurmerk (NL), APEK (CZ), Thuiswinkel Waarborg (NL), SafeBuy (UK), EHI Geprüfter Online Shop (Euro-label) (DE), Euro-label (AU), InfoCons (RO), ISIS (UK), E-mark (DK), Trygg E-handel (NO), BeCommerce (BE), Safe2Shop (NL), Confianca Online (POR), SOAP (CZ), eShop (MT), TrustedShops (DE)
Certification based on a code of conduct	Gütezeichen (AU), Euro-label (POL), Qshops keurmerk (NL), APEK (CZ), Thuiswinkel Waarborg (NL), Trusted.ro

Services of trustmark providers	Trustmarks
	(RO), EHI Geprüfter Online Shop (Euro-label) (DE), Euro-label (AU), InfoCons (RO), ISIS (UK), Confianca Online (ES), E-mark (DK), Certifierad E-handel (SE), eShops (LT), Safe2Shop (NL), Confianca Online (POR), TüvSüd (DE), TrustedShops (DE), VSV-Garantie (CH) WebTrust (US), Trust*e* (US), VeriSign/Norton Secured (US),
Dispute resolution	Gütezeichen (AU), Euro-label (AU), EHI Geprüfter Online Shop (Euro-label) (DE), EuroPrise (DE), TüvSüd (DE), TrustedShops (DE), Euro-label (POL), Qshops keurmerk (NL), Thuiswinkel Waarborg (NL), SafeBuy (UK), ISIS (UK), Confianca Online (ES), Confianca Online (POR), E-mark (DK), Certifierad E-handel (SE), Trygg e-Handel (NO), InfoCons (RO), VSV-Garantie (CH) Trust*e* (US)
Assurance policies	SafeBuy (UK), VeriSign (US)
Consumer ratings and reviews	Euro-label (AU), SafeBuy (UK), Euro-label (POL), EHI Geprüfter Online Shop (Euro-label) (DE), TrustedShops (DE), Safe2Shop (NL), InfoCons (RO), eShops (LT)
Price comparison	SafeBuy (UK), EHI Geprüfter Online Shop (Euro-label) (DE), TrustedShops (DE), InfoCons (RO), E-mark (DK), eShops (LT)
Money back guarantee	Euro-label (AU), TrustedShops (DE), SafeBuy (UK), Trygg e-Handel (NO)

According to the survey results shown in table 3.2, the two services that are provided most are certification (based on national and/or EU regulation and/or on a code of conduct) and dispute resolution. Certification checks whether webshops are compliant with the applicable regulations, such as consumer regulations. Certification based on a code of conduct implies that the trustmarks are certified based on a number of criteria developed by the trustmark provider, including those criteria that are derived from regulations. The three types of certification are not mutually exclusive. 22 trustmarks (out of 30) have some form of certification based on a code of conduct, while 16 and 19 (out of 30) trustmarks are based on national and EU regulations respectively.

Most trustmarks thus use a combination of the two. This means that their code of conduct is based on EU and/or national regulation (such as consumer law) as far as legal aspects are concerned (delivery times and cool-down periods, for example). But they also certify aspects that do not have a legal basis, such as the clarity of information provided on the website. Among the European trustmarks, the regulatory basis is often a combination of EU and national regulations regarding consumer laws. This does not mean that trustmarks providers can enforce any regulations, but rather that they check whether web shops are compliant with national and/or EU regulations and that they only receive the logo when they are compliant.

Based on the interviews we found that some trustmarks have a code of conduct that is mainly based on the law, while some others have a code of conduct based on self-regulation. This distinction appears to be related to the distinction between commercially owned trustmark schemes and trustmark schemes set up by industry organizations (see next section). Commercially owned trustmarks (such as TrustedShops, DE) are businesses that aim to generate profits. Trustmark schemes set up by industry organizations are usually trustmarks set up by a sectoral or a lobby organization such as the national eCommerce industry association. The trustmarks that are mainly regulatory based. i.e.: that make basically a check of the operations, indicate that they intend to install a few additional aspects in their code of conduct based on self-regulation, but their basis remains firmly in checking whether web shops comply with regulations. A typical example is Thuiswinkel Waarborg (NL).

Twenty trustmarks participating in the survey (see table 3.2) provide dispute resolution. Only two trustmarks provide an assurance policy: SafeBuy (UK) assures payment and delivery and VeriSign (US) compensates the users of its security certificates in case they lose data that is supposed to be secured, Eight trustmarks provide customer ratings and reviews, six trustmarks provide price comparison tools and four trustmarks provide money back guarantees. . Only few of the trustmarks that we interviewed indicated that they aim to develop assurance policies in the future. Most indicate that they see their certification process as an assurance policy by itself and retailers should provide product assurance.

Dispute resolution is concerned with solving any issues that arise between webshops and consumers and that are not solved by the webshops themselves. For example, dispute resolution of a trustmarks undertakes action as soon as a consumer files a complaint with a trustmark about a failed sales process. Based on the interviews that we undertook, we found that many of the trustmarks that do not have a dispute resolution service yet, plan to operate some form of this in the future.

We also observed in section 3.3.2 of the first interim report that there are large differences between the dispute resolution mechanisms.[67] They may give different guarantees to customers and their means of solving dispute may differ. Some trustmark providers, for example, have set up an online complaints form that consumers can use to complain about webshops. Others actively engage in discussion between webshops and consumers to resolve a complaint and they revoke the trustmark in case a web shop does not resolve the complaint to their satisfaction. And still others also publish those webshops of which the trustmark is revoked. The most advanced trustmarks have a form of dispute resolution that is run by a third party.

All trustmark organizations that were interviewed indicate that they aim to solve an issue before revoking the trustmark. That is why few trustmarks show on their websites which web shops have been revoked, as they still would like to give the opportunity to regain the trustmark in the future when they are compliant again. Transactions that were undertaken before a trustmark was revoked usually remain part of the dispute resolution.

In the past, an attempt was made to create a dispute resolution mechanism for cross-border eCommerce in Europe: Online Confidence.[68] Online Confidence was a pilot project carried out in 2001-2003 aiming to set up an online dispute resolution mechanism that would serve as a platform for assisted negotiation and third party involvement (mediation/evaluation). It was intended to be linked to a (pan-European) trustmark. The platform for dispute resolution was supported by Eurochambres and by a number of Chambers of commerce across Europe. However, the platform was never developed, as the business model was not sustainable. The high administration costs of such a cross-border platform as well as the costs of the third party dispute resolution (which could be higher than the value of the dispute itself) were the main cause of its failure.

Based on the analysis of the types of services trustmarks provide, we can conclude that most trustmarks create trust in eCommerce through a combination of creating trust up-front, and facilitating the after-sales process. While the core business of trustmarks – certifying

[67] TNO & Intrasoft International (2012a)

[68] Tilman, V., OnlineConfidence: a new tool for resolving disputes online, Proceedings of the UNECE Forum on ODR 2003.

webshops and giving them a label that is recognized as trusted by consumers – may provide trust upfront, dispute resolution supports consumers in case something goes wrong with making a purchase online. Trust is only provided when both can be guaranteed by a trustmark, as it is useless to provide a logo that does not guarantee any help when things go wrong.

3.1.2.3Type of trustmark providers

The different types of trustmark providers are shown in table 3.3, based on the survey results among 30 trustmarks. A distinction was made between three major categories: industry organizations (trustmarks set up by industry associations), government institutes (trustmarks set up by the government), and private firms (the commercially owned trustmarks).

Table 3-3: Type of trustmark providers

	European trustmarks	**Other trustmarks**
Industry organizations	ISIS (UK) Trygg E-handel (NO) EHI Geprüfter Online Shop (Euro-label) (DE) Güte Zeichen (AU) Euro-label (AU) Thuiswinkel Waarborg (NL) Eurolabel (RO) E-mark (DK)	Online Shopping Trust (JP)
Private organization (commercially owned)	SafeBuy (UK) Trusted.ro (RO) eShops (LT) Safe2Shop (NL) TüvSüd (DE) TrustedShops (DE)	Norton Secured (US) Trust*e* (US)
Government institutes	EuroPrise (DE) eShop (MT)	

From table 3.3 it appears in this study that industry organizations or associations, thereby indirectly representing webshops, set up most trustmarks. This is thus a form of self-regulation of webshops. The second largest group of trustmark organizations are the privately owned, commercial trustmarks. Governments set up a small share of existing trustmarks: only two trustmarks are government-owned: EuroPrise (DE), which was set up by the federal state of Schleswig-Holstein and eShop (MT). In some cases ownership was seen to change over the last years. For example, e-Mark (DK) and Online Shopping Trust (JP) were set up by the Danish and Japanese government respectively, but are independent organizations today.

3.1.2.4Certification criteria

Certification criteria are related to the process of handing out the certificates to the webshops applying for them. While in a previous section the different types of services trustmarks provide were presented, this section presents the criteria that are covered by the codes of conduct of trustmark providers.

As shown in table 3.4, most trustmark schemes cover various aspects of safety of eCommerce, such as payments, personal data, after-sales services, delivery, and redress. In general, certification criteria of the studied trustmarks are similar – often differing only in their extensiveness, only SSL trustmarks and privacy seals have different criteria.

Table 3-4: Certification criteria

Certification criteria	Trustmarks
Security of data exchange and payment methods (including SSL certificates)	Gütezeichen (AU), Euro-label (POL), SafeBuy (UK), EHI Geprüfter Online Shop (Euro-label) (DE), ISIS (UK), Euro-label (AU), Eurolabel (RO), Confianca Online (ES), Trygg E-handel (NO), Certifierad E-handel (SE), BeCommerce (BE), Confianca Online (POR), TüvSüd (DE), SOAP (CZ), TrustedShops (DE), VSV-Garantie (CH) VeriSign/Norton Secured (US)
Privacy (security of personal data storage and transfers)	Gütezeichen (AU), EuroPrise (DE), APEK (CZ), Thuiswinkel Waarborg (NL), SafeBuy (UK), Trusted.ro (RO), EHI Geprüfter Online Shop (Euro-label) (DE), ISIS (UK), Euro-label (AU), Euro-label (RO), Confianca Online (ES), Trygg E-handel (NO), Certifierad E-handel (SE), BeCommerce (BE), Confianca Online (POR), TüvSüd (DE), SOAP (CZ), TrustedShops (DE), VSV-Garantie (CH) WebTrust (US), VeriSign/Norton Secured (US), Trust*e* (US)
After-sales services	Gütezeichen (AU), APEK (CZ), SafeBuy (UK), EHI Geprüfter Online Shop (Euro-label) (DE), ISIS (UK), Euro-label (AU), Euro-label (RO), Confianca Online (ES), E-mark (DK), Trygg E-handel (NO), Certifierad E-handel (SE), BeCommerce (BE), Safe2Shop (NL), Confianca Online (POR), SOAP (CZ), eShop (MT), TrustedShops (DE), VSV-Garantie (CH) VeriSign/Norton Secured (US)
Delivery	Guete Zeichen (AU), APEK (CZ), SafeBuy (UK), EHI Geprufter Online Shop (Euro-label) (DE), ISIS (UK), Euro-label (AU), Euro-label (RO), Confianza Online (ES), E-mark (DK), Trygg E-handel (NO), Certifierad E-handel (SE), BeCommerce (BE), Safe2Shop (NL), Confianca Online (POR), TüvSüd (DE), eShop (MT), TrustedShops (DE), VSV-Garantie (CH) WebTrust (US)
Redress	Thuiswinkel Waarborg (NL), SafeBuy (UK), Trusted.ro (RO), EHI Geprufter Online Shop (Euro-label) (DE), ISIS (UK), Euro-label (AU), Euro-label (RO), Confianza Online (ES), Certifierad E-handel (SE), BeCommerce (BE), Confianca Online (POR), SOAP (CZ), eShop (MT), TrustedShops (DE), VSV-Garantie (CH) WebTrust (US)

Some trustmarks sell SSL certificates and thus focus mainly on data or payments protection, such as VeriSign/Norton Secured (US). All of these SSL certifiers are based in the US.
In case a trustmark is a privacy seal, it ensures the safety and privacy of data. The certification criteria specify the criteria for the data treatment on the retailers' websites. Examples include EuroPrise and Trust*e*. Trust*e*, for example, certifies only privacy practices, looking at which data is collected, how data is processed and which third parties data are shared with.
Most of the trustmarks base their certification criteria on consumer protection and distance selling legislations, both from the national and EU level. For example, many of the European (domestic) trustmarks focus on the certification of after-sales services, delivery and redress mechanisms. Trustmarks that are active internationally usually adopt different certification criteria according to national legislation. The certification criteria of TrustedShops (DE), for example, differ from country to country based on the different national laws. Furthermore, many codes of conduct also encompass criteria related to the quality of information the retailer has to provide to its customers.
Asian trustmarks are similar to the European trustmarks as they certify multiple aspects of eCommerce. But there are some differences. Some of the Asian trustmarks have certification criteria regarding the advertising practices of their subscribers (e.g. Trustmark Thai, Online Shopping Trust Japan). In the 2006 research, it was also found that many of the European trustmarks certified the advertising practices of web shops,[69] but currently we hardly observed this.
The codes of conduct are usually binding. In case a retailer violates the code of conduct, the revocation procedure starts. Few code of conducts are approved by third parties, but Confianca Online (ES) is different in this respect: its Code of Ethics has been registered in the General Register of the Spanish Data Protection Agency as a standard code regarding data protection in the field of the e-commerce. Furthermore, the code of conduct of Thuiswinkel Waarborg is developed in collaboration with the consumers' organization Consumentenbond.
Certification is normally done by means of documentation study (the code of conduct, registration of e-shop, financial reports and other relevant documents), desk research (the information available on the website: description of the goods, privacy, shopping cart, etc.), interviews and mystery shopping. Often, when a web shop requests a trustmark, it has the opportunity to change its website according to the recommendations of the trustmark provider, before the trustmark is awarded.
In most of the cases is the certifying authority (part of) the trustmark organization. Only in a few cases we found that an independent third party does the certification. This is the case with Thuiswinkel Waarborg in the Netherlands and BeCommerce in Belgium. Yet others perform real-time auditing, such as the technically oriented trustmark VeriSign (US). Furthermore, the Czech trustmark APEK uses mystery shopping for part of their certification process.

3.1.2.5Accreditation of trustmarks providers/organizations

Accreditation concerns the process of verification of the trustmark organizations themselves. Only in two countries (The Netherlands and Japan) trustmarks (Thuiswinkel Waarborg and Online Shopping Trust, respectively) are found that are accredited by a third party. While accreditation can improve trustmark operations, as a minimum level of criteria for trustmarks can be established by the accrediting organization, the actual performance of accreditation is not always considered useful. For example, the interviewees from Thuiswinkel stated that they do not see this accreditation process as valuable for their business. For them it is more important that their code of conduct is written based on provisions of the Dutch consumers' organization. Accreditation, however, is an area where many of the interviewees indicate that

[69] Trzaskowski, J. (2006)

a supernational entity could play a coordinating and harmonising role. This entity could set up procedures to perform checks on the trustmark schemes to see whether their certification process meets specific minimum standards. In this way, the accreditation could become a 'trustmark' for trustmarks. The trustmark of trustmarks would have a key impact on the cross-border acceptance of the brands, contributing to the assurance of the webshop. In some of the more mature eCommerce markets, a lot of trustmarks are operational, leaving consumers doubting which of these are truly trustworthy. Thus, some of the more developed trustmarks indicate that the EU could play a role in indicating which trustmark schemes are trustworthy.

3.2 Trustmark clusters

After an inventory of the main trustmarks, their characteristics and their role within cross-border eCommerce was made, we categorized trustmarks into eight 'typical' trustmark schemes: trustmark clusters. For this categorization we used the main characteristics of trustmarks identified in the previous section. Subsequently, we analysed these trustmark clusters by looking at two different categories of characteristics: trustmark features and certification steps. Trustmark features are those aspects that are included in the code of conduct and encompass all aspects that webshops need to have in place for them to receive a trustmark. Certification steps are those actions that trustmarks undertake to carry out the certification of webshops. For the clustering we used the costs and benefits of these clusters and their underlying features and certification steps were then assessed taking into consideration the costs per subscription fees, the number of webshops subscribed, and the trustmark features, certification steps and clusters impact on (partly) overcoming barriers to trust in eCommerce. The full analysis is presented in Annex 1 of the second interim report.[70]

3.2.1 Trustmark features

Trustmarks are unevenly developed. While some of the trustmarks are well-developed in terms of their number of subscribers, their years of activity, the scope of their action, their geographic reach, and the refinement of their regulatory, operational and technical setups, others are not as well-developed. However, all trustmarks have demonstrated a specific and clear 'business model'. This business model, integrating rules, operations, procedures and technical settings determines the distinctive service proposition of a trustmark.

Trustmark features are those characteristics of the trustmark scheme, which cover the internal regulatory, service, operations and technical elements of the service delivered to both customers and stakeholders:

a) The webshops, taking advantage of trustmarks in their eCommerce business;
b) The online customers, who to a higher or lower extent base their purchasing decisions on the presence of the trustmark and the associated assurance and services.

The trustmark features are at the same time the service components, and the elements through which the trustmark providers are delivering trust to their stakeholders. Nine trustmark features have been analysed:

1. **SSL certification**. A quite common trust service, which certifies the Secure Sockets Layer (SSL). Secure Sockets Layer (SSL) is a protocol designed to enable applications to transmit information back and forth securely. Applications that use the Secure Sockets Layer protocol inherently know how to transmit and receive encryption keys with other applications, as well as how to encrypt and decrypt data sent between the two. SSL certification ensures proper implementation of the protocol on the webshop.

[70] TNO & Intrasoft International (2012b)

2. **Regulatory basis of webshop.** This feature deals with the compliance of the webshop to (EU and/or national) regulatory basis.
3. **Transparency of information**. This feature deals with the clear and understandable presentation and documentation of the products that are placed on the website; the provision of prices including specification of shipping cost or taxes; the comprehensive description of payment procedures; the comprehensive description of consumer rights; etc.
4. **Privacy protection verification**. This feature certifies that webshops adhere to standards of the trustmark policies assuring safety of personal data, privacy rules and management of personal data.
5. **Dispute resolution system (DRS).** This feature includes formal procedures to manage and solve complaints from customers to webshops. Here we consider the dispute resolution system in the web shop and not the system setup by some of the Trustmark organisations as a trust service. DRS can also be an online complaint form, where customers express dissatisfaction with products, packaging, or delivery time. The complaints are followed up by mediation. DRS can also involve a third party authority that provides legally binding dispute resolution.
6. **Money back guarantee.** This feature is an insurance-type service provided to customers. Money is refunded if after unsuccessful dispute resolution mediation a customer is still dissatisfied regardless of the underlying complaint reasons.
7. **Consumer rating.** This feature allows customers to attach a rating to their purchase experience. This helps other customers and might also provide a comprehensive rating of the webshop.
8. **Publishing revocation.** Trustmarks having this feature publish those webshops whose trustmark seals were withdrawn.
9. **Accreditation.** According to this feature, trustmark organisations (TMO) are accredited by third parties hereby ensuring that the codes of conduct of the trustmarks have a minimum level.

3.2.2 Trustmarks' certification model

We further examined the certification model of the trustmarks. While the trustmark features comprise the services trustmarks deliver to webshops and consumers, the certification steps are the activities that trustmarks undertake to perform the certification of webshops. The certification dimensions include checking the compliance with regulation, the performance of mystery shopping and the involvement of public authorities. The assessment of the complexity of certification is an important indicator on how the trustmark certification process is set up. The more certification assessment objects, the more complex the certification process is. Our inventory identified the following nine certification steps:

1. **Administrative validity of online webshop.** This certification step deals with both the verification of the existence and registration of merchant webshop, as well as with the verification of its physical existence. It includes both an administrative check (country of incorporation, VAT number, company register, bankruptcy register, etc.) and a physical check (address, fixed phone line, etc.).
2. **Legal check of sales regulation.** This certification step deals with the check of compliance of a webshop to (EU and/or national) regulations.
3. **Check of information transparency.** This certification step deals with the transparency on information concerning the clear and understandable presentation and documentation of the way products are placed on the website. Also it deals with clear and understandable provision of prices including specification of shipping cost or taxes; with the comprehensive description of payment procedures; with the comprehensive description of consumer rights; etc.

4. **Check of privacy rules.** This certification step deals with the webshop's adherence to the standards of the trustmark policies with regard to assurance for safety of data, privacy rules and management of personal data.
5. **Check of redress procedures.** This certification step deals with the recovery procedure for stage after sales/delivery and prior to conflict. It comprises remedy for faulty or damaged goods free of charge for the customer. As mentioned above, it concerns the procedures embedded in the webshop's sales procedure and not the one setup by the trustmark.
6. **Test order/Mystery shopping, simulated purchase process.**
7. **Physical company on-site visit and audit.**
8. **Auditing.** This certification step deals with doing interim (review) certification/audits according to established quality criteria that include conformity with the law, user convenience, and security of web functionalities. Usually auditing is carried out on an annual basis. Sometimes an audit may also be performed after an incident is reported by customers or in the media.
9. **Third party certification.** This certification step deals with the trustmark certification that is carried out by a third party to whom the trustmark organisation hands a set of information.

3.2.3 Eight trustmark clusters

The trustmarks inventory has shown a large variety of trustmarks with different characteristics. The purpose of the clustering of trustmarks is to aggregate each trustmark by means of their features and certification steps. These homogeneous features and certification steps allow a joint assessment of the trustmarks and relate them to the actual trust building effects and impacts. We have examined 46 trustmarks in Europe, North America and Asia, thus the relative share presented should be understood as the share of the specific cluster in our sample.

A clarification is necessary. The classification into clusters is necessarily a simplified synthesis of aggregated trustmark features. On the other hand the trustmarks have very differentiated features, so the classification in one or the other cluster is ambiguous in some cases. The attribution to one or the other cluster therefore merely serves the general policy design purpose and in no case intends to make definitive and final judgements. In section 2.2 of the second interim report,[71] we identified in total eight clusters:

3.2.3.1 Cluster A: Trustmarks focussing merely on privacy

Trustmarks that mainly focus on privacy belong to this cluster. 2 out of the reviewed 46 trustmarks merely focus on privacy and thus belong to Cluster A.

3.2.3.2 Cluster B: Technically oriented trustmarks (SSL, W3C, hacker testing, etc.)

Trustmarks that mainly use technical systems to protect online transactions and to help increase trust in eCommerce websites belong to this cluster. One example is checking the implementation of the Secure Socket Layer (SSL). SSL certificates and certification bodies are on the one hand trustmarks themselves; on the other they are certification technology providers. SSL ensures:

a) Encrypting sensitive information during online transactions
b) Providing unique, authenticated information about the SSL certificate owner

[71] TNO & Intrasoft International (2012b)

c) Identification of the certificate owner by SSL Certificate Authority upon issuing.

Other technical means of a trustmark include World Wide Web Consortium (W3C) standards or daily hacker testing. 7 out of the reviewed trustmarks are technically oriented and thus belong to Cluster B. These trustmarks are all based in the US.

3.2.3.3 Cluster C: Trustmark merely looking at a webshop's 'documents' and at the results of registry enquiries ('simple online business certification')

The trustmarks in this cluster undertake a basic verification of the webshop's processes checking registrations, the sales process, and the transparency of information towards the customer. With the service setup, the trustmarks in this cluster verify and take a certification responsibility for the sales process and its articulation, without entering into further detail of the back-office management of the sales process, without providing any dispute resolution support to the parties, without payment assurance (warrant of the funds transfer) or money back guarantee (warrant for the full satisfaction of the customer and thus the refund). 8 of the reviewed trustmarks simply verify and certify the webshop, the sales process and its setup and thus belong to Cluster C.

3.2.3.4 Cluster D: Trustmarks undertaking comprehensive business model certification, including dispute resolution

The trustmarks belonging to this cluster offer a more comprehensive service setup for the verification of the webshop's business model. These trustmarks cover the formal, the physical and the process checks on the merchant. In addition to this comprehensive system, rules and process assessment, these trustmarks provide a dispute resolution system. These dispute resolution systems normally include a structured communication process, either web-based or through a direct contact. In most cases the trustmark provider acts as an intermediary between the complaining customer and the merchant/retailer, in an attempt to balance expectations and requests. 13 of the reviewed trustmarks undertake a comprehensive business model certification, including dispute resolution, and thus belong to Cluster D.

The following Clusters E – H offer all services of Cluster D trustmarks, adding more features and characteristics:

3.2.3.5 Cluster E: Trustmarks undertaking comprehensive business model certification and publishing revocation

The trustmarks belonging to this cluster offer all services of Cluster D type trustmarks. In addition, they publish revocation, which is the feature where the trustmark provider publishes retailer names whose trustmark seals were withdrawn or suspended. 7 of the reviewed trustmarks undertake a comprehensive business model certification, publishing revocation, and thus belong to Cluster E.

3.2.3.6 Cluster F: Trustmarks undertaking comprehensive business model certification and offering a money back guarantee"

The trustmarks belonging to this cluster offer all services of Cluster D type trustmarks. Cluster F trustmarks also offer money back guarantees. This money back guarantee can be compared to an insurance, as it is only used for rare occasions in which a conflict between a webshop and a consumer is not resolved and the consumer turns to the trustmark provider for help. Several TMO representatives that have been interviewed as part of the trustmark mapping exercise had indicated that a 'money back guarantee' is outside their scope of action.

4 out of the reviewed trustmarks undertake a comprehensive business model certification and offer a money back guarantee service, and thus belong to Cluster F. The money back guarantee service rarely appears without offering also some other extra services. It should be noted that two of these also belong to Cluster G, and one also belongs to Cluster H.

3.2.3.7 Cluster G: Trustmarks undertaking comprehensive business model certification and offering consumer rating

The trustmarks belonging to this cluster offer all services of Cluster D type trustmarks. Cluster G trustmarks include a consumer rating system which allows customers to provide a rating of webshops based on their purchasing experience. This trustmark feature is an officially accepted rating element for their clients, the webshops. 4 out of the reviewed trustmarks undertake a comprehensive business model certification and offer consumer rating, and thus belong to Cluster G. It may be noted that 2 of these also belong to Cluster F.

3.2.3.8 Cluster H: Trustmarks undertaking comprehensive business model certification, with third party certification

The trustmarks belonging to this cluster offer all services of Cluster D type trustmarks. In addition to this, Cluster H trustmarks officially certify webshops by a third party to whom the trustmark organisation hands a set of information. 4 out of the reviewed trustmarks undertake comprehensive business model certification with third party certification, and thus belong to Cluster H. It may be noted that one of these also belongs to Cluster F.

3.2.4 Analysis of the size, costs and coverage of trustmark clusters

This section presents the main characteristics of the eight trustmark clusters. First, the trustmarks that are included in this study are mapped according to the trustmark clusters. Then, the clusters are described according to their coverage (whether they operate domestically or cross-border), their size (the number of subscriptions: the websites that carry the trustmark) and their subscription fees. Finally, based on this analysis, this section presents three archetypical trustmark types or 'superclusters' and reflects on the heterogeneity of the trustmarks.

3.2.4.1 Mapping the trustmarks to the trustmarks clusters

Table 3.5 presents the eight trustmarks clusters, including all the trustmarks that were included in this study. This mapping was presented in section 2.5 of the second interim report.[72]

Table 3-5: Distribution of trustmark clusters

Cluster Type	Trustmark Name	Count	Percentage*
Cluster A: Focusing merely on privacy	Europrise (DE), TrustE (US)	2	4,35%
Cluster B: technically oriented trustmarks (SSL, W3C, hacker testing, etc.)	TrustWave SSL certificates (US), VeriSign (being renamed into Norton Secured) (US), Comodo SSL certificates (US), CPA Webtrust (CA), GeoTrust (US), McAfee (US), Segala (IE)	7	15,22%

[72] TNO & Intrasoft International (2012b)

Cluster Type	Trustmark Name	Count	Percentage*
Cluster C: trustmark merely looking at 'documents' and at the results of registry enquiries (simple online business model certification)	SOAP (CZ), Trygg eHandel (SE), InfoCons (RO), Trade safe (JP), Sure Seal (PH), BuySafe (US), TrustVn (VN), ChamberTrust business seal (Worldwide)	8	17,39%
Cluster D: trustmark undertaking a comprehensive business model certification, including a DRS	e-Mark (DK), Fia-net (FR), Tüv Süd (DE), eShop (MT), Webshop Keurmerk (NL), Confianca Online (PT), Trusted.ro (RO), Confianca Online (ES), VSV (CH), TrustSg (SG), Trustmark Thai (TH), BBBOnline (CA), Eurolabel Poland (PO)	13	28,26%
Cluster E: cluster D services plus publishing revocation	Gütezeichen (AT), APEK (CZ), Qshops (NL), Trygg eHandel (NO), Radet for EhandelscertifierIng (SE), ISIS (UK), JDMA-Online Shopping Trust (JP)	7	15,22%
Cluster F: cluster D services plus money back guarantee service	CaseTrust for Webfront (SG)	1	2,17%
Cluster F+G: trustmark adding money back guarantee and consumer ratings	Trusted Shops (DE), SafeBuy (UK)	2	4,35%
Cluster F+H: trustmark adding money back guarantee plus official third part certification	Thuiswinkel Waarborg (NL)	1	2,17%
Cluster G: cluster D services plus consumer ratings	EHI - Eurolabel (DE), eShops (LT)	2	4,35%
Cluster H: cluster D services plus official third part certification	Sichereinkaufen (AT), BeCommerce (BE), mkbOK (NL)	3	6,52%

*It may be noted that the percentage presented in the fourth column refers to the sample of trustmarks used in this study, not to the total amount of trustmarks that exists.

Table 3.5 shows that most European trustmarks undertake comprehensive business model certification (Clusters D – H). Around two thirds (64%) of the trustmarks included in this research undertake such certification: Cluster D is the most prevalent form of trustmarks with almost every third trustmark belonging to this cluster. Clusters E – G have all characteristics of Cluster D and offer some additional services (publishing revocation, money back guarantees, consumer ratings, and third party certification). Around one third of the trustmarks belong to Clusters E – G. Less than one fifth (17%) of the trustmarks confines themselves to simple online business certification (Cluster C). It may be noted that Cluster C trustmarks are often found outside the EU (two thirds of the Cluster C trustmarks are located outside the EU).

Another trustmark model exists, relying on technical systems to protect online transactions. This model is most often found in the US. Over 15% of the trustmarks belong to Cluster B. Of these the US trustmarks constitute the largest group (two-thirds of the US trustmarks of our sample are technically oriented; and 6 out of 7 Cluster B trustmarks originate in the US). Cluster A comprises the category of trustmarks that focus merely on privacy issues and do not deal with payment or product delivery certifications. Less than 5% of trustmarks included in this study belong to this cluster.

Trustmark clusters can be distinguished by their geographical coverage: do they operate domestically or across borders? By comparing table 3.1 and 3.5, we find that single aspect trustmarks aiming at privacy protection and at the security of online transactions (Cluster A and B) all operate across borders. Since they sell a standardized online product, their business can be as global as the internet. Business model certification is more often observed to be undertaken by domestic trustmarks: 6 out of the 8 Cluster C trustmarks operate nationally, while only 2 of Cluster C trustmarks operate internationally: BuySafe (US) and Chamber

Trust (US). The same tendency is observed in Cluster D trustmarks: 11 out of the 13 trustmarks in that category operate nationally and only 2 operate across borders: TüvSüd (DE) and BBBOnline (CA)Additional trustmark features (such as publishing revocation, money back guarantees, consumer ratings and third party certification) are more often observed to operate internationally. 6 out of the 16 Cluster E – H trustmarks operate internationally: ISIS (UK), which since merged with TrustedShops (DE), Qshop keurmerk (NL), Gütezeichen (AU), EHI Geprüfter Online shopping, and SafeBuy (UK).

3.2.4.2 Trustmarks' subscription base and subscription fee

Taking a closer look at the number of subscribed webshops and the fees of carrying a trustmark, large variations appear between the different clusters. The technically oriented trustmarks (Cluster B) tend to have the largest customer base. The main reason for this is that Cluster B trustmarks certify websites rather than webshops, which leads to a much larger potential customer base. While Cluster A trustmarks also operate world-wide, their certification process concerns webshops rather than websites and therefore, their subscription base is lower than that of Cluster B trustmarks (on average, Cluster A trustmarks have a client base of over 2550 webshops world-wide against Cluster B trustmarks having an average client base of 130 million different websites world-wide). An indication of the ranges of the subscription base can be found in section 3.3.3 of the first interim report,[73] a more extensive list can be found in Annex 1 of the second interim report.[74] Furthermore, it appears that the fees that trustmarks charge not only differ in height, but also in the way the fee is calculated. Some trustmarks charge a flat fee, while other trustmarks differentiate their fees according to size of turnover, number of employees, or number of websites per subscribed companies. An overview of these differences is presented in Annex 1 of the second interim report.[75]

Furthermore, the height of the subscription fees was related to the relative complexity of the certification model. The complexity of the certification model generally increases from Cluster B to Cluster H. Although it was only possible to make a rough estimation, it could be noted that on average technically-oriented Cluster B trustmarks are cheaper than those that carry out business model certification. Furthermore, we found that simple business model certification (Cluster C trustmarks) is generally cheaper than comprehensive business model certification (Cluster D – H trustmarks). Additional services to comprehensive business model certification and dispute resolution, such as offering a money back guarantee and third party certification, tend to increase the costs of carrying a trustmark. A Cluster F trustmark may cost two to three times more than a Cluster D seal, and a Cluster G trustmark costs more than a Cluster D trustmark. An increase in the fee that is charged is not observed in the case of publishing revocation or consumer rating, which were not found to be more expensive.[76]

In figure 3.2 trustmarks are mapped according to the complexity of the business model certification (simple or comprehensive business model certification), and according to whether they operate across borders. The X-axis shows the number of subscribers to the trustmark. Negative values were used for the trustmarks operating domestically and positive values for those that operate across borders. The scale was adapted to show the differences between the number of subscribers, ranging from 3 to 10.000 (representing the number of subscribers of the trustmarks). Although the trustmark with the most subscribers has more than 10.000 subscribers, this would mean that many dots would be outliers because of this large difference in scale. Therefore, 10.000 was used as a maximum. The dots depicted as half dots show those trustmarks that have a much larger number of subscribers. On the Y axis the

[73] TNO & Intrasoft International (2012a)
[74] TNO & Intrasoft International (2012b)
[75] TNO & Intrasoft International (2012b)
[76] TNO & Intrasoft International (2012b)

complexity of the certification process is shown. Trustmarks using simple business model certification (trustmark clusters A, B and C) are placed at the bottom of the graph, while those using comprehensive business model certification (trustmark clusters D, E, F, G and H) are placed at the top. The relative position of a trustmark among its own cluster is coincidental – the placement of a red dot underneath another does not mean that it is more advanced.
Figure 3.3 elaborates figure 3.2, as in this figure the size of the dots represents the height of the fees of the trustmarks. This figure also shows that trustmarks using relatively simple business model certification are less expensive than those using comprehensive business model certification, and includes the country of origin of a trustmark.

1	Single Aspect Trustmark	From 0 to 5
2	Simple Business certification	From 5 to 10
3	Extensive business model certification	From 10 to 15
4	Extensive business model certification and other features	From 15 to 20

Figure 3-1: Mapping of trustmarks according to their level of business model certification and their coverage

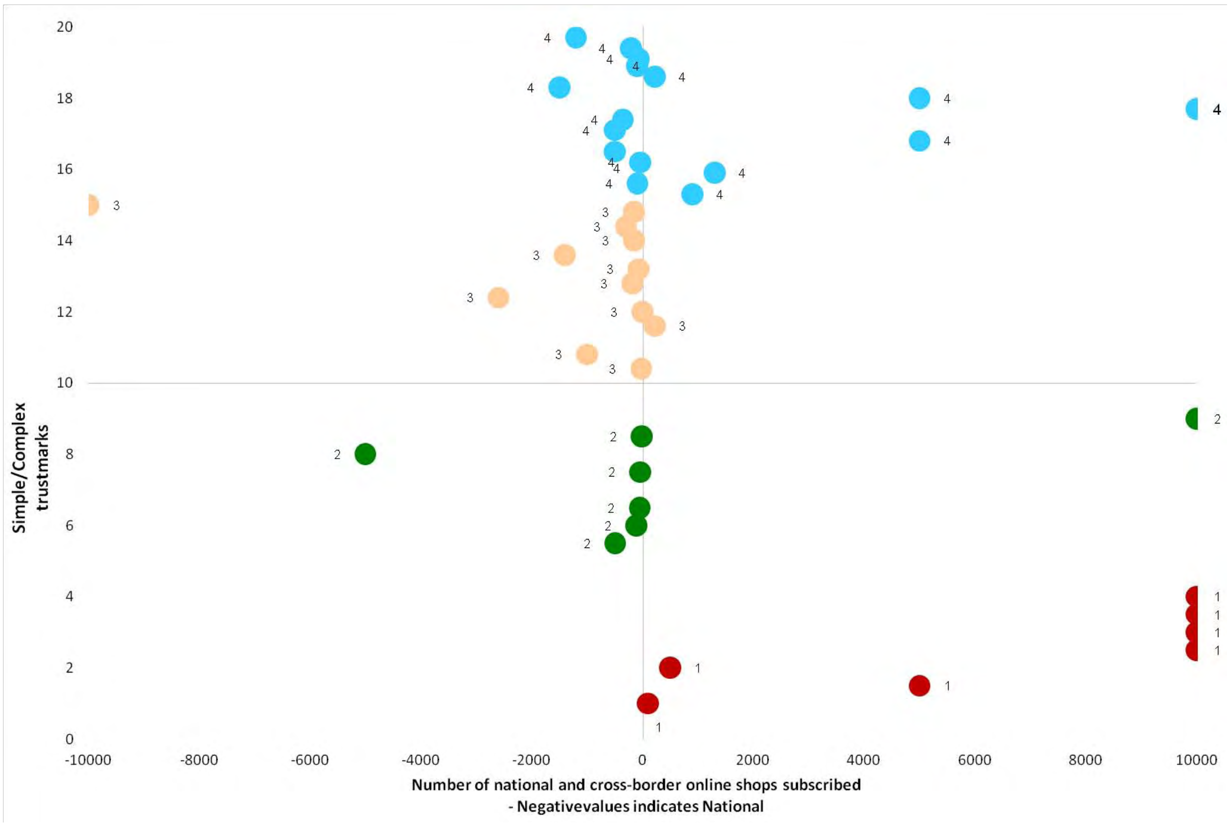
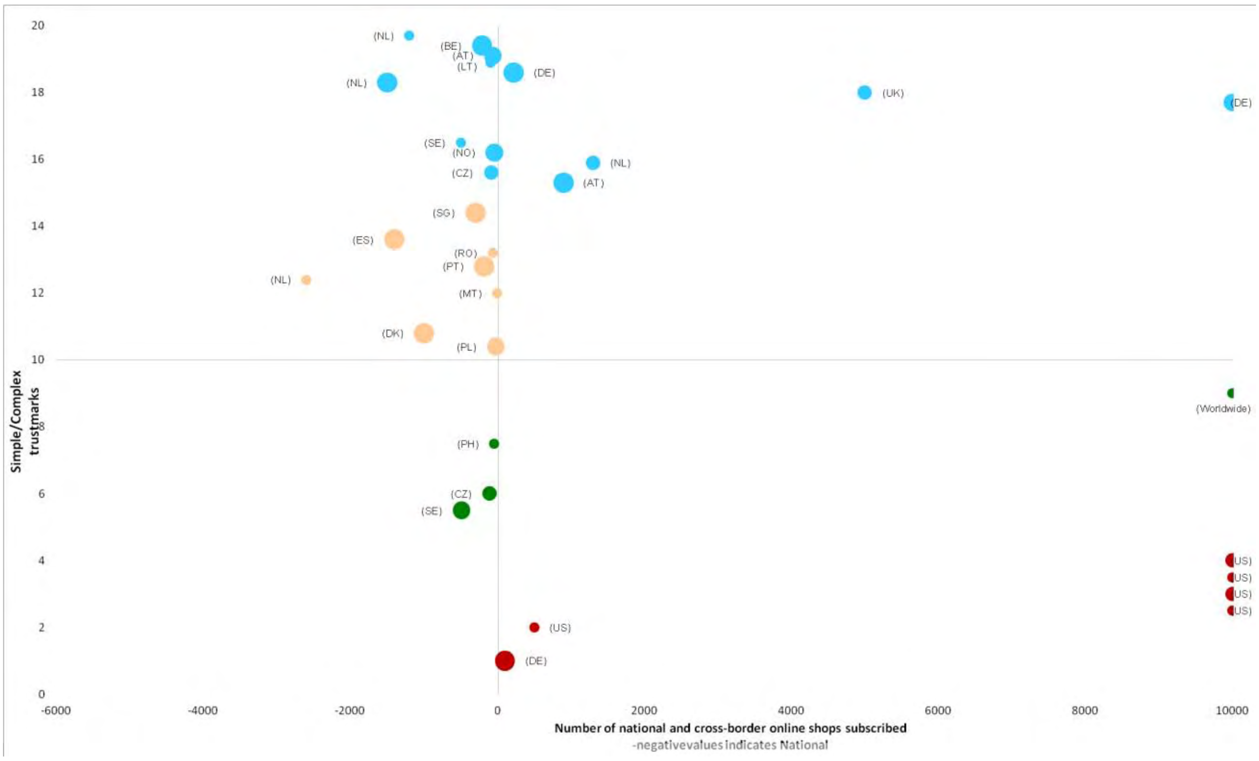


Figure 3-2: Trustmarks costs to subscribing companies categorized in Clusters appearing per trustmark and cluster.



3.2.4.3 Heterogeneity of the trustmark landscape

The graphs in figure 3.2 and 3.3 show that more comprehensive certification processes are generally more expensive than those that use simple business model certification, such as technically oriented trustmarks. However, it is hard to draw more refined conclusions than this. The reason for this is that trustmarks encompass a wide variety of seals for webshops: from those that merely check the security of the data connection to those that perform a comprehensive check of a webshop, perhaps including a visit to the physical location of the webshops. Thus, based on this analysis it becomes clear that the heterogeneity of the trustmark landscape is very large.

Furthermore, the trustmark clusters are mapped to the barriers to eCommerce to find which individual characteristics of trustmarks may contribute most to increasing (cross-border) eCommerce. This mapping exercise is described in section 2.4 of the second interim report.[77] This comparison shows that a number of barriers on the consumer side can be addressed by trustmarks, including uncertainty regarding consumer rights, a lack of information on products, delivery, payment, redress etc., a lack of confidence in eCommerce, lack of branding of webshops, and fear of fraud. Three barriers on the consumer side were found that trustmarks cannot address: delivery times, language barriers, and barriers as a result of differences in legislation across member states. On the side of the retailers, the barriers that can be overcome by trustmarks include the lack of branding, the lack of fraud by consumers and search and advertisement. Prominent issues for retailers that cannot be overcome are fragmentation of regulations across member states, and problems regarding delivery.

This variety of trustmark characteristics that may help to increase (cross-border) eCommerce by overcoming barriers on the side of consumers and webshops also indicates why the variety

[77] TNO & Intrasoft International (2012b)

of trustmarks is large. As heterogeneous barriers need to be overcome, trustmarks may be complementary and address different obstacles. For example, the technically oriented trustmarks and the privacy-oriented trustmarks merely focus on one single aspect of the lack of confidence in webshops: security and protection of personal data. But those trustmarks that perform (comprehensive) business model certification aim to generally boost the confidence of a single webshop by addressing multiple trust-building characteristics.

Therefore, based on the analysis of the trustmark clusters, we can observe that rather than distinguishing eight clusters it may be more relevant to distinguish three 'superclusters', each of which comprises at least two of the eight clusters. These superclusters are (1) commercially owned cross-border trustmarks (usually belonging to Cluster E – H), (2) domestic trustmarks (Cluster C, D, and some belonging to Cluster E –H), and (3) single aspect trustmarks (Cluster A and B). The first set includes trustmarks, which are commercially owned, allowing them to easily operate across borders and offer extensive services to webshops and consumers. The second set of trustmarks includes usually trustmarks set up by industry organizations based in one country, offering comprehensive business model certification. The third supercluster is formed by the single aspect trustmarks, comprising the trustmarks focusing on privacy and the technically oriented trustmarks. In the next section, these three types of trustmarks will be evaluated in a survey among these features and characteristics are evaluated in-depth using a survey.

The results of the trustmark inventory show that, despite the clustering of trustmarks and the subsequent construction of the superclusters, the core characteristics and features of trustmark services are extremely differentiated. It appears that trustmark providers set up their business according to specific and individual market perceptions and vision of how eCommerce can be secured and how trust between customer and merchant can be built. This leads to a completely fragmented supply scenario, where there is no sign of a homogenous structuring of trustmark services. Consumers and retailers therefore need to make a significant effort to gain a proper understanding of the trustmark services supplied and of their effectiveness and benefits.

3.3 Securing trustmarks: the issue of fake trustmarks

Trustmarks aim to assure consumers that a trustmark provider has validated a particular site or online seller and that the trust process is safe according to the criteria defined by the trustmark provider itself. They are designed to increase consumers' trust in the webshop that carries the trustmark. To date, a wide variety of online trustmarks related to eCommerce exist.

In this section of the report we test the different trustmarks and examine the information a user can access when he visits a website that markets itself as being trustworthy through the use of trustmarks. The approach followed was to look for webshops and sites that illustrate that they use a trustmark and check if the logo/ certificate is visible on the trustmarks website. If there is a link from the logo to the certificate and if this link is secured (https://) so that to have a feeling if the information provided "looks" trustworthy.

Based on the information available the 46 trustmarks were grouped in 3 major categories (see table 3.6). The green category where the sites examined display both the trustmark logo and the logo links to a secure page (https://) where the certificate is displayed. This category includes 15 trustmarks.

A second category is the yellow category. This category includes the trustmarks whose logos are displayed in the page and they link to a certification page, yet this page is not secure (normal http:// page). The yellow category includes 18 trustmarks.

The third category is the orange category. This category includes the trustmarks that appear only as logos in the website examined and without a link to a certificate. This category is illustrated as orange since the absence of a link to a certification page could be either a neglect from the webshop to link to the certification page or could indicate a possible risk as either i) the trustmark does not provide such a certificate or ii) the webshop does not enable users to have access to this information or iii) the webshop tries to fake the verification. This category includes 7 trustmarks.

Two further trustmarks could not be grouped in the above categories. The first is ISIS that has recently merged with TrustedShops. In the example we checked although the ISIS logo appears in the website there is no link, yet this might be also due to the merge. The second case includes the SureSeal trustmark from the Philippines. In this case there is both a logo and a secure link however for the site checked the seal has expired since 2010. Yet the trustmark provider clearly shows that the trustmark status verification has expired.

Finally there were four trustmarks were we could not find websites that were using them.

Table 3-6: Testing the trustworthiness of the displayed trustmarks

NAME of Trustmark	Is certificate visible on the trustmarks website?	Is link secured?	Does the certificate "look" trustworthy? Categories
Segala (IE)			Not possible/No info found
InfoCons (RO)			Not possible/No info found
TrustVn (Vietnam)			Not possible website does not seem to exist
Confianca Online (PT)			Not possible
VSV (CH)	YES but only logo		Since only logo could be also fraudulent/fake
TrustSg (Singapore)	YES but only logo		Since only logo could be also fraudulent/fake
APEK (CZ)	YES but only logo		Since only logo could be also fraudulent/fake
ISIS (UK)	YES but only logo		Now merged to Trusted Shops
JDMA (Japan direct marketing association) - Online Shopping Trust (JP)	YES but only logo		Since only logo could be also fraudulent/fake
CaseTrust for Webfront (Singapore)	YES but only logo		Since only logo could be also fraudulent/fake
eShops (LT)	YES but only logo		Since only logo could be also fraudulent/fake
BeCommerce (BE)	YES but only logo		Since only logo could be also fraudulent/fake
TrustE (US)	YES	NO	YES but no secure link
Comodo SSL certificates (US)	YES	NO	YES but no secure link
Trygg eHandel (SE)	YES	NO	YES but no secure link
SOAP (CZ)	YES	NO	YES but no secure link
ChamberTrust business seal (Worldwide)	YES	NO	YES. Provides info for the merchant but no secure link
Eurolabel Poland (PO)	YES	NO	YES but no secure link
e-Mark (DK)	YES	NO	YES but no secure link
Fia-net (FR)	YES	NO	YES but no secure link
Tüv Süd (DE)	YES	NO	YES but no secure link
eShop (MT)	YES	NO	YES but no secure link
Webshop Keurmerk (NL)	YES	NO	YES but no secure link
Trustmark Thai (Thailand)	YES	NO	YES but no secure link

NAME of Trustmark	Is certificate visible on the trustmarks website?	Is link secured?	Does the certificate "look" trustworthy? Categories
BBBOnline (US)	YES	NO	YES but no secure link
Gütezeichen (AT)	YES	NO	YES but no secure link
Trygg eHandel (NO)	YES	NO	YES but no secure link
SafeBuy (UK)	YES	NO	YES but no secure link
Sichereinkaufen (AT)	YES	NO	YES but no secure link
mkbOK (NL)	YES	NO	YES but no secure link
EuroPrise (DE)	YES	YES	YES
CPA Webtrust (US)	YES	YES	YES
GeoTrust (US)	YES	YES	YES
McAfee (US)	YES	YES	YES
TrustWave SSL certificates (US)	YES	YES	YES
VeriSign (being renamed into Norton Secured) (US)	YES	YES	YES
Trade safe (JP)	YES	YES	YES
Sure Seal (Philippines)	YES	YES	The trustmark has a logo and a secure link. However the status of the trustmark is expired.
BuySafe (US)	YES	YES	YES
Trusted.ro (RO)	YES	YES	YES
Confianca Online (ES)	YES	YES	YES
Qshops (NL)	YES	YES	YES
Radet for EhandelscertifierIng (SE)	YES	YES	YES
Trusted Shops (DE)		YES	YES
Thuiswinkel Waarborg (NL)	YES	YES	YES
EHI (Eurolabel DE)	YES	YES	YES

Table 3.6 shows that

1) In five cases it was not possible to find a the logo on the website
2) In eight cases there was the trustmark logo but no embedded link leading to the trustmarks website
3) In 33 cases there was the logo and the embedded link
4) Il twelve cases le link was not verifiable
5) In eighteen cases the link was secured
6) In sixteen cases the link was secured through an SSL certification.

3.3.1 General reflections on the fake trustmark issue

All in all it seems that the issue of securing the authenticity of the trustmark displayed on the website is addressed only by a relatively small share of the examined trustmark providers. This is surprising, because securing the authenticity of the trustmark itself is a relatively simple task, operationally and technically.

It must be emphasised that fraud and fake marks, seals, credit cards, ID documents are always possible. Hackers and fraudsters also develop fake websites to capture credit card and other personal data.

It is always possible and relatively easy to construct a fake trustmark for different purposes

a) To fraudulently collect subscriptions to the trustmark. The subscribers are basically buying a mark without any "background". Here the potential damage concerns the payment of a trustmark fee without a service;
b) A more sophisticated fraud, where the fake trustmark is used to endorse a fake website with a fraudulent intent. Here the potential damage is related to the fraud perpetrated through the website. The damage is dependent on several different elements (the behaviour of the purchaser, the level of the web-site fraud, etc.). It also seems that the direct connection of the fake trustmark with the damage of the fraud produced by the fake website is weak;
c) A fake trustmark will probably not have the 'market circulation"[78]' of a real one, it will not be part of any 'circuit' and will definitely not be able to build a 'brand name': these internet fraud cases do not work on a large scale brand name but usually build on the naivety of customers and their short-term circulation.

On the other hand it will be quite easy to put in place verification mechanisms of the trustmark: Google already has this, and several 'serious' trustmarks already use a verification certificate, exactly like the SSL certificates. So it will be easy for the customer to click on the seal and to be led to the trustmark's website where he can securely check the certificate of authenticity of the seal. Just as any other website.

3.4 Characteristics of trustmarks in relation to cross-border eCommerce

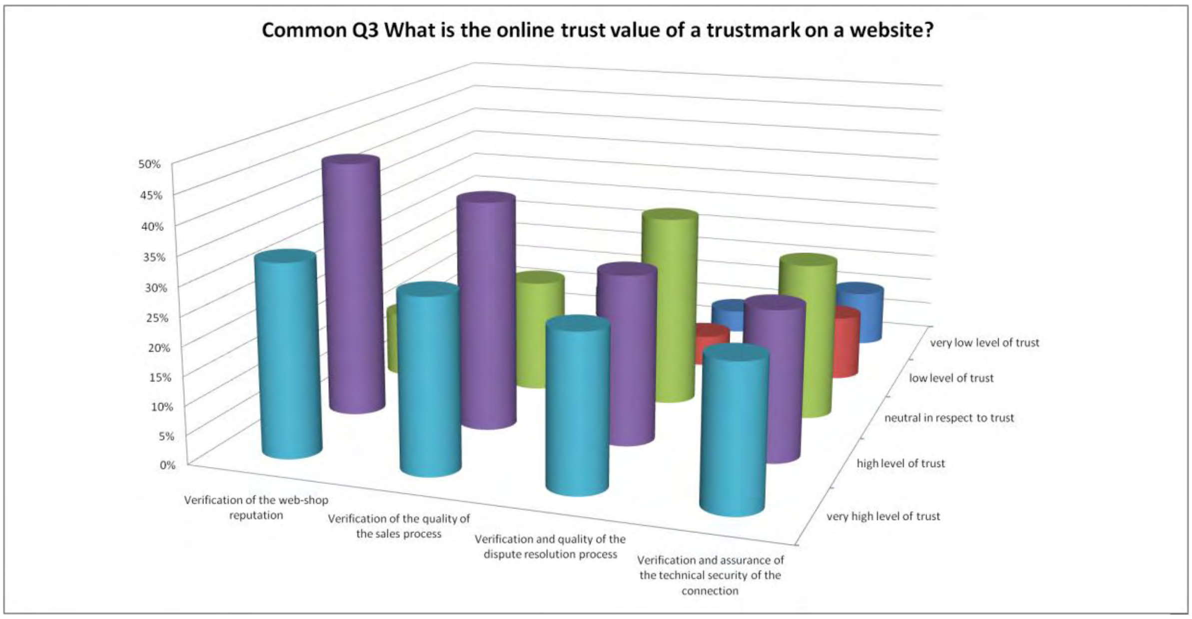
In the previous section we distinguished different trustmark clusters that were categorised according to their main characteristics. We have investigated the importance attached to the characteristics of trustmarks by different stakeholders, to find which of these characteristics may increase trust in cross-border eCommerce and should thus be supported by a pan-European stakeholder platform, the next step is to investigate the importance. A survey was sent to three different stakeholder groups: consumer associations, trader associations, and trustmark providers. The aim of this survey was to distinguish the importance of the different characteristics of trustmarks in relation to policies stimulating cross-border eCommerce domain. This section describes the main findings from this survey. These findings are described more in detail in chapters 5-9 of the second interim report on the survey results.[79] This chapter describes the aggregated findings (aggregating the responses from the three stakeholder groups) and the findings from individual stakeholder groups depending on which is most relevant to the purpose of this study.

3.4.1 Value of a trustmark for consumers

The different stakeholders were asked to indicate the value of a trustmark for consumers. It showed that the stakeholders consider the verification of the webshop reputation and the verification of the quality of the sales process to be the most important characteristics of trustmarks (see figure 3.4).

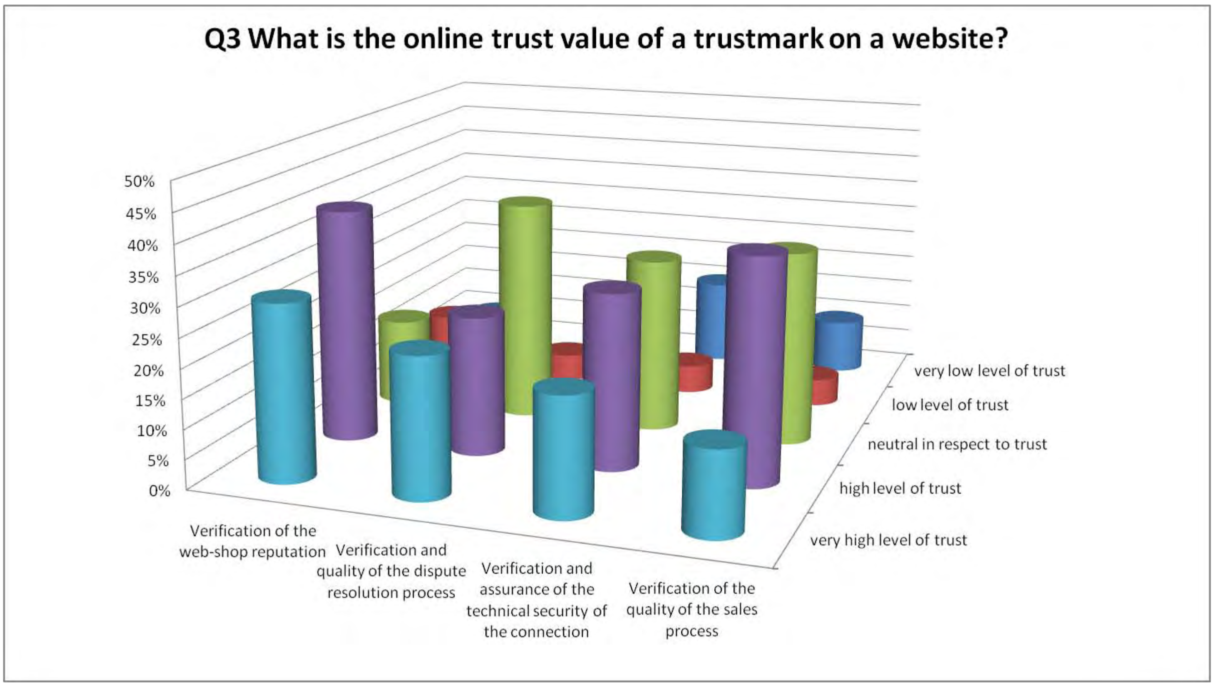
[78] With "market circulation" we indicate the size of the trustmark in terms of subscription and geographical coverage.
[79] TNO & Intrasoft International (2012b)

Figure 3-3: The value of a trustmark for consumers according to all stakeholders



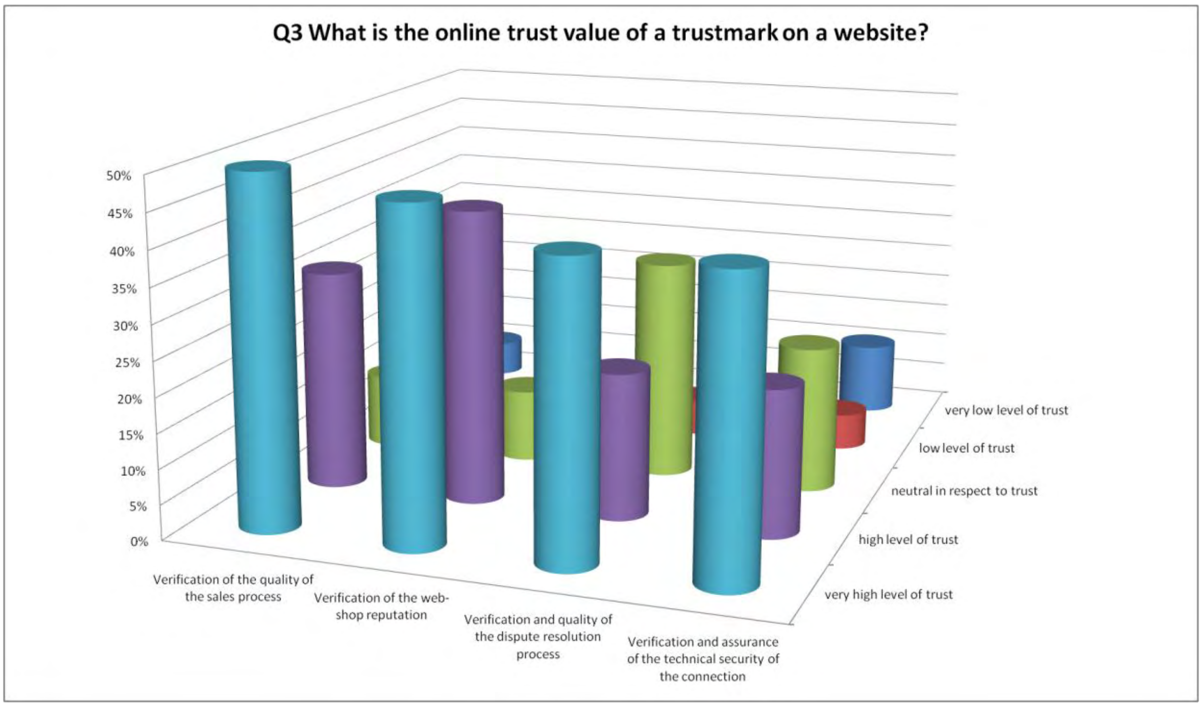
While figure 3.3 shows the aggregate answer by all stakeholders, the different stakeholder groups give different answers. While the results from the consumer associations are similar to the aggregate results, industry associations (see figure 3.5) and trustmark providers (see figure 3.6) give a slightly different answer. While they also believe that the trust value provided by a trustmark lies in the verification of the webshop reputation and in the verification of the quality of the sales process, they attach less importance than the consumer organizations to the verification and quality of the dispute resolution process, the verification and assurance of the technical security of the connection, and the verification of the quality of the sales process.

Figure 3-4: Value of a trustmark for consumers according to trade associations



Trustmark providers indicate – similar to the other stakeholders – that the key trust-building features of a trustmark are the verification of the quality of the sales process, the verification of the web-shop reputation, the verification and quality of the dispute resolution and the verification and assurance of the technical security of the connection. However, they attach far more importance to these attributes than the other stakeholder groups (see figure 3.5).

Figure 3-5: Value of a trustmark for consumers according to trustmark providers



3.4.2 Value of a trustmark for webshops

Trade associations and trustmark providers were asked to assess the value of a trustmark for webshops (see figure 3.6). The general agreement among the different stakeholders is that the reputation of a trustmark is the most important marketing factor for online traders. The cost of the certification procedure or the subscription fee and the easiness of the certification procedure are considered somewhat less, but still important. There is a significant share of trustmarks stakeholders who consider the trustmark procedure itself and the support to the improvement of the online sales process neutral in respect to the value of trustmark for a webshop.

Figure 3-6: The value of a trustmark for webshops according to trade associations and trustmark providers

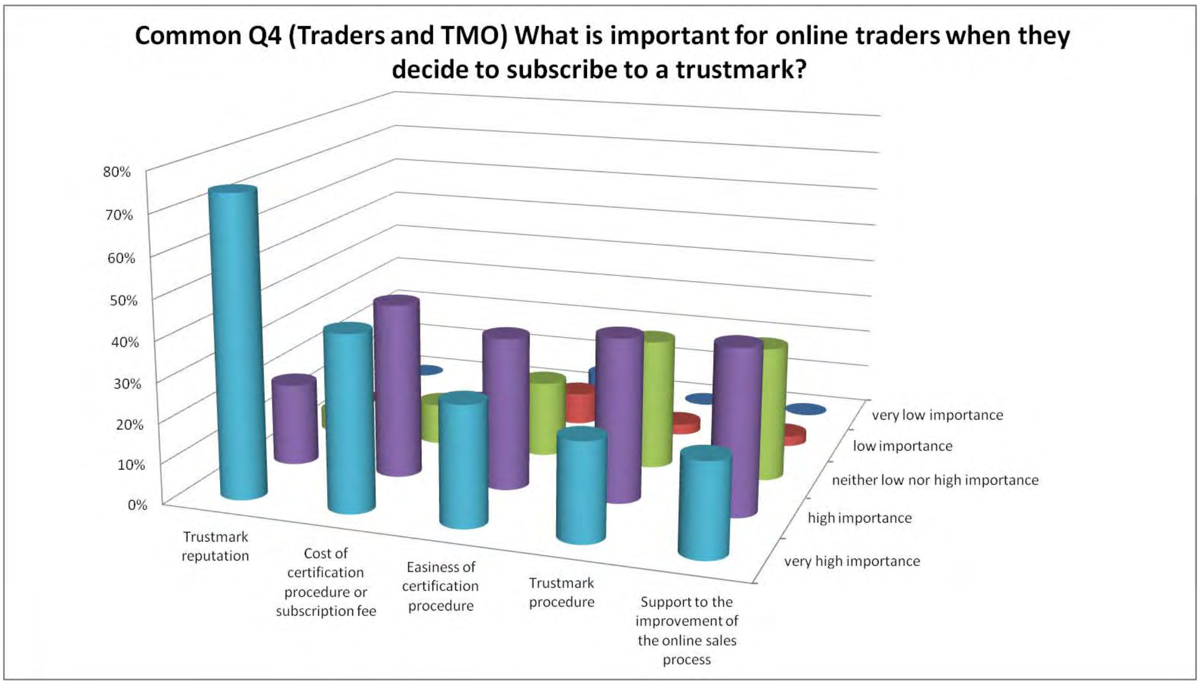


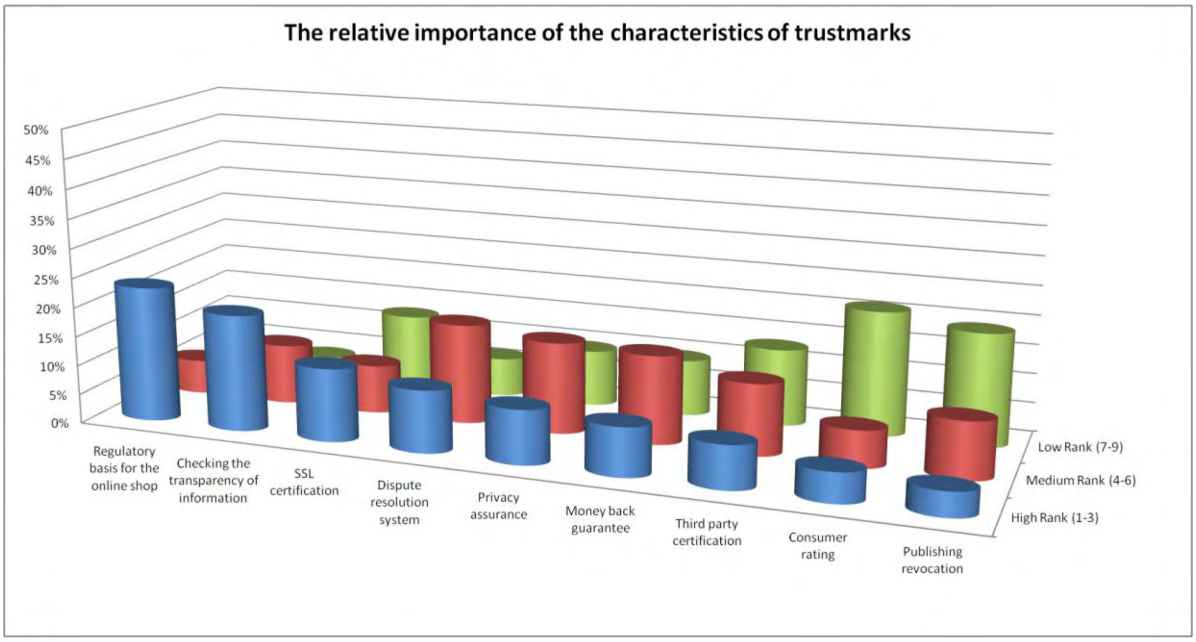
Figure 3.7 shows the aggregated responses to the question to trade associations and trustmark providers about the value of a trustmark for webshops. The prominence of the trustmark reputation in this graph can be attributed to the responses from the trustmark providers rather than that of the trade associations, which is main difference between the two sets of answers. Furthermore, as may be expected, trustmark providers value the trustmark attributes higher than the trade associations.

3.4.3 The relative importance of trustmark characteristics

In section 3.2 we concluded that the heterogeneity of the trustmark landscape makes it difficult to determine the importance of the characteristics of trustmarks for establishing trust. Therefore, the different stakeholder groups were asked to indicate the importance of the different trustmark features and characteristics (see figure 3.7). The survey confirms the findings from the inventory of the trustmark landscape that trustmarks both have a role in creating trust upfront (at face value) and by ensuring that the after-sales process can be trusted. Creating trust upfront should, according to the answers to the survey, take place by checking whether the regulatory basis for a webshop is valid and whether the webshop is transparent in displaying the correct information. At the same time, it becomes clear that elements that ensure trust in the after-sales process are important, such as providing money back guarantee and ensuring dispute resolution.

Although the different characteristics of trustmarks were investigated in a survey held among different stakeholders, it was found that many different factors determine the impact of trustmarks on cross-border eCommerce. Still, the survey results show that verification of the regulatory basis of the webshop and checking the transparency of information provided by the webshop are considered important characteristics of trustmarks. Furthermore, also the technically oriented aspects of single aspect trustmarks, providing a money back guarantee, and ensuring dispute resolution in case something goes wrong in the after-sales process, were found important aspects of trustmarks in relation to (cross-border) eCommerce. Aspects of trustmarks that were hardly considered to contribute to (cross-border) eCommerce are consumer ratings and publishing revocation of webshops that are no longer allowed to carry a trustmark. The answers among the different stakeholder groups do not differ significantly.

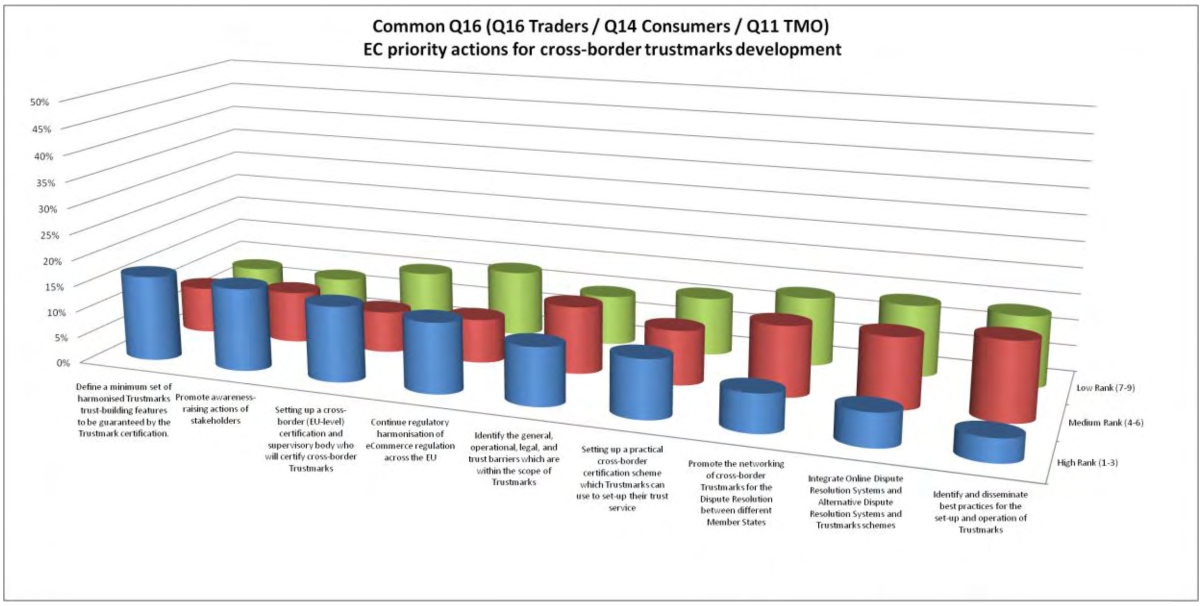
Figure 3-7: the relative importance attached to the characteristics of trustmarks in relation to cross-border eCommerce



3.4.4 Policies stimulating cross-border eCommerce via trustmarks

All trustmark stakeholders were asked which actions could be undertaken by the European Commission to support trustmarks developments that stimulate cross-border eCommerce (see figure 3.8). The figure shows that the different stakeholders see a basis for policy action via trustmarks by the European Commission in order to stimulate cross-border eCommerce. The policy actions that are most often mentioned are to define a minimum set of trustmark' features, to undertake awareness-raising actions and to identify the general, operational, legal, and trust barriers which are within the scope of trustmarks. Policy actions about which stakeholders have not expressed clear preference include to set up a cross-border (EU-level) certification and supervisory body who will certify cross-border trustmarks, to continue harmonisation of eCommerce regulation across the member states, and to set up a cross-border accreditation scheme which trustmarks can use. Policy actions by the European Commission, which are considered not so important for trustmarks, are to promote a network of trustmarks to create cross-border dispute resolution within member states, to integrate online dispute resolution and alternative dispute resolution and trustmarks and to identify and disseminate best practices for the set-up and operation of trustmarks.

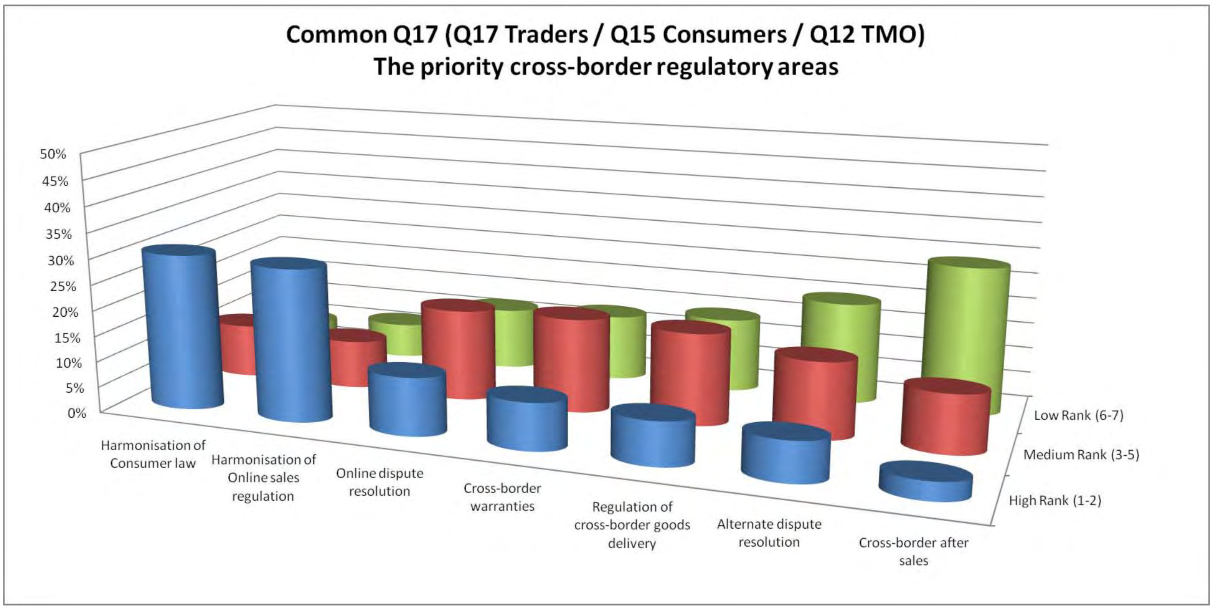
Figure 3-8: Priority actions to be undertaken by the European Commission to support cross-border trustmarks development



3.4.5 Regulatory actions by the European Commission

Section 3.4 has shown that there is a clear mandate for the European Commission to undertake action with the stimulation of cross-border eCommerce via trustmarks. Therefore, the next question is to ask the stakeholders to indicate their preference regarding the regulatory actions by the European Commission (see figure 3.9). The Commission' policy actions proposed by the trustmark stakeholders are: the harmonisation of consumer law and the harmonisation of online sales regulations across member states. Actions that are attached less importance include online dispute resolution, cross-border warranties, and regulation of cross-border goods delivery. Actions that are attached least importance are alternate dispute resolution, and cross-border after sales.

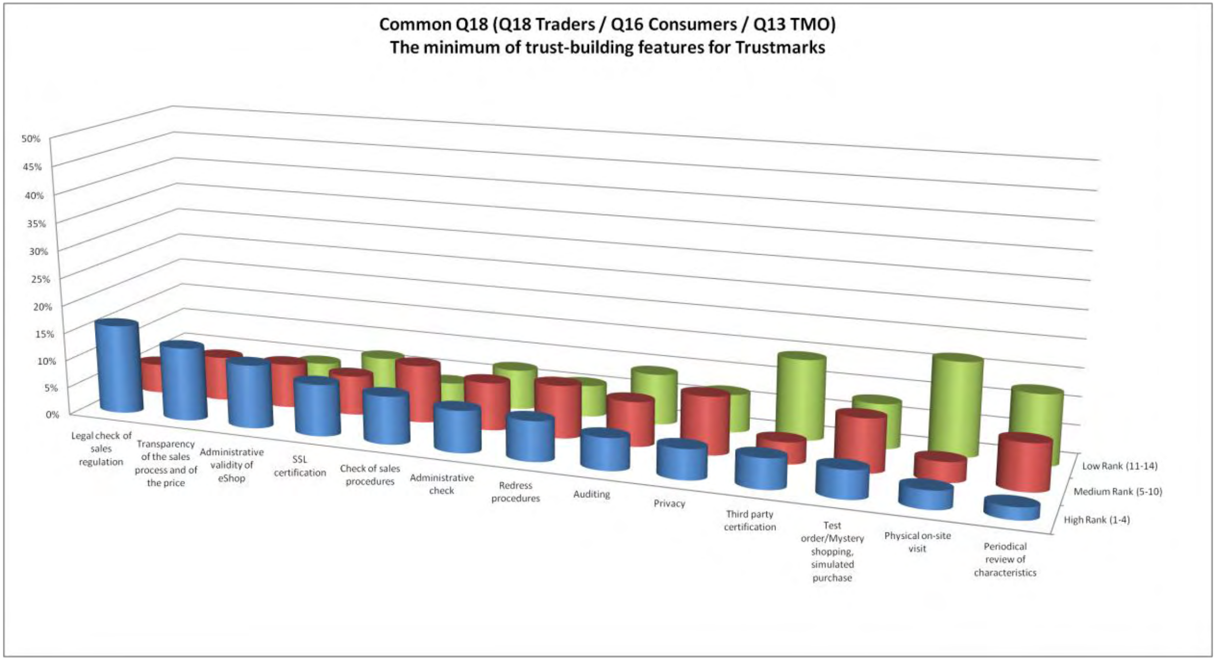
Figure 3-9: Cross-border regulatory actions



3.4.6 Minimum set of requirements for trustmarks

A policy action that was regarded relevant by the different stakeholder groups was the set-up of minimum requirements for trustmarks. Therefore, a question in the survey investigated which features should be included in such an approach (see figure 3.10). The primary trust-building features concern the legal check of sales regulation, transparency of the sales process and of the price, administrative validity of a webshop, verification of the redress procedures, check of sales procedures, and privacy. Less high important features indicated are SSL certification, and administrative check, auditing, and doing a test order/mystery shopping/simulated purchase. Least priority features include third party certification (the certification of the certification provided by the trustmark by a third party), a physical on-site visit, and periodical review of characteristics.

Figure 3-10: Minimum trust-building features for trustmarks



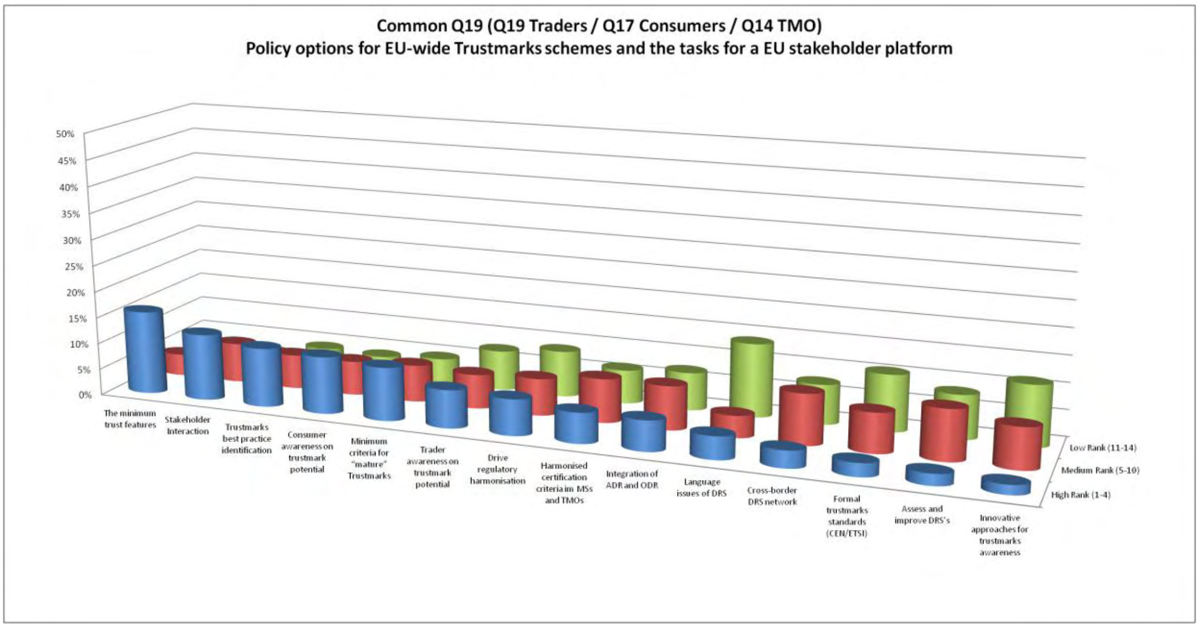
3.4.7 Policy options for a EU stakeholder platform

The stakeholders participating in the survey have expressed their opinion on the policy options for a EU stakeholder platform, considering their effectiveness for the governance of the schemes (see figure 3.11). The important options are to develop minimum criteria and trust-building features for trustmarks, promote the interaction between the stakeholders of trustmarks for eCommerce, develop a methodology to identify trustmarks best practices in operational, technical, procedural and regulatory terms, promote awareness on the possibilities of the trust-building effects of trustmarks among consumers, and to define the minimum criteria for “mature” trustmarks.

Medium priority options are to promote awareness on the potentialities of the trust-building effects of trustmarks among online merchants, identify the needs for regulatory harmonisation, promote the harmonisation of quality and certification procedures among member states and trustmark providers, promote the integration of alternative dispute resolution and online dispute resolution, and to assess the effectiveness of dispute resolution systems and elaborate plans for improvement and best practices.

Relatively low-level options are to promote a cooperative network of trustmarks to solve, inter alia, the issue of cross-border dispute resolution, to promote supportive measures: inclusion of standardisation/certification mechanisms (CEN/ETSI), to address the general language issues of dispute resolution, and to promote innovative approaches to the diffusion of knowledge on trustmarks. Based on these findings, the next chapter will elaborate and evaluate the policy options for the European Commission and the stakeholder platform.

Figure 3-11: Policy options for EU-wide trustmark schemes and the EU stakeholder platform



4 The Policy Options

The trustmarks landscape is heterogeneous and diversified. The developments of trustmark and eCommerce are dominated by the speed and diversity of driving forces affecting eCommerce and the trust-building processes. The trustmarks study aims to analyse the trustmark landscape to develop policy options to increase the level of cross-border eCommerce. The combined review and analysis of the results of the different research activities undertaken by the trustmarks study leads to a set of proposals for policy options for the development and harmonisation of cross-border trustmark services and, in parallel, for the establishment and operation of the EU trustmarks platform envisaged by the Digital Agenda for Europe.

The present trustmark study, which is based on a wide set of research activities – an inventory, a clustering and classification, a survey aimed at consumer associations, trader associations and trustmarks providers, and a focus group of stakeholders – presents a preliminary outline of the characteristics of the trustmarks domain to create a conceptual basis. The proposed policy measures and options for the stakeholder platform build on this conceptual basis to define a development path towards an effective support of cross-border eCommerce.

The policy section was structured under the assumption – also backed up by the experts in the focus group – that there is scope for action on the part of the EC. It is divided into two parts. The first part indicates those facts and results which have emerged from the study's research on trustmarks which are relevant for the policy making process, but which are not policy measures in themselves, even though they could lead to specific policy measures. The second part addresses the actual possible policy options. These policy options encompass a set of specific actions, also stemming from the policy relevant facts, which need to be assessed, probably by the EU trustmarks platform.

4.1 A synthesis of the highlights emerging from the questionnaires

The results presented in the previous paragraphs show a number of policy relevant facts from the different points of view of stakeholders.

They are synthesised below.

4.1.1 The point of view of consumer associations

The most important highlights presented by the consumer associations in their responses to the survey are:

- A majority believes that customers look for a trustmark on a webshop and that this is an important step of their purchase process. (Q1)
- Shop reputation and brand reputation are a very important factor for the online purchasing decision and the majority of consumer associations affirms it. There is obviously a scope for trustmark services to promote eCommerce. (Q2)
- Consumer associations indicate that the value of trustmarks is very much related to the verification of the webshop reputation and the quality of the sales process. (Q3)
- The respondents indicate that the verification of the quality of the dispute resolution system and the technical assurance of the connection is less important for the construction of a trust relationship, The former may be the result of the current uncertain scenario in dispute resolution at the national level, and more important, at the EU level. (Q3)

- The majority of consumer associations do not seem to believe that trustmarks are the principal factor to induce a consumer to make an online purchase. (Q4)
- Nevertheless, the majority of consumer associations confirm that a trustmark on a website is of high importance to establish a trust relationship between purchaser and trader. (Q5)
- The majority of consumer associations indicate that a competitive product price, payment security and competitive product availability and choice are the key trust-building factors in an online purchase decision. It needs to be noted that the payment security is referred to the process of payment itself, the care in securing the specific financial transaction, and not the assurance of the link through a certified SSL connection. (Q6)
- From the consumer association perspective it is absolutely important that trustmarks verify the compliance with consumer or e-commerce regulations at EU or member state level, the complaints resolution and redress process, and the legal protection of consumers. Trustmarks should not verify the webshop reputation, since this would be very difficult and, more important; it is the task of the trustmark to act as a warrantor of the webshop reputation. (Q7)
- The opinions of the relative importance of the trust-building features trustmarks should provide are scattered. The explanation for this result might be that the whole domain is still so uncertain, at national and, more important, at cross-border level, that the preferences are differentiated. Consumer associations indicate that the trust features (requirements) the trustmarks should provide should include the regulatory basis for the webshop, checking the transparency of information, and a dispute resolution system. Less important features include third party certification, SSL certification, consumer rating, and publishing revocation. Clearly there is an emphasis on the features, which more directly impact on the trust between trader and purchaser. (Q8)
- Consumer associations state clearly that the institutional setup of the trustmark is important for trust building (Q9) and that trustmarks provided by governments and by foundations and non-profit organisations are considered the more trustworthy.
- There is a clear preference for compliance with national regulations and with EU regulations, while the certification according to a code of conduct formulated by the trustmark organisation is not a clear preference for all consumer associations. (Q10)
- Consumer associations indicate clearly that the number of subscribers is a positive trust-building factor for trustmarks, much less the size in terms of covered countries. (Q11)
- In respect to trust features of trustmarks, the responses are again extremely scattered, but there is clear preference for a money back guarantee, the design of the dispute resolution system, the regulatory basis of the trustmark and the transparency of the sales process and of the price. (Q12)
- The consumer associations indicate that the trust features having the highest impact on the cross-border trade transactions are money back guarantee, dispute resolution system, third party certification by an EU institutional body, the regulatory basis of a trustmark, and the transparency of the sales process and of the price. Low preferences are indicated for consumer ratings, revocation publishing, third party certification, privacy assurance and SSL certification. (Q13)
- According to consumer associations the European Commission should (Q14):
    - Define a minimum set of harmonised trustmarks trust-building features to be guaranteed by trustmark certification

- Promote awareness-raising actions of stakeholders
- Setting up a cross-border (EU-level) certification and supervisory body who will certify cross-border trustmarks
- Promote the networking of cross-border trustmarks for the dispute resolution between different member states
- Identify and disseminate best practices for the set-up and operation of trustmarks
- Integrate online dispute resolution and alternative dispute resolution and trustmarks schemes

- The European Commission should take regulatory measures towards (Q15):
    - Harmonisation of online sales regulation
    - Harmonisation of consumer law
    - Online dispute resolution
    - Cross-border warranties
- Any trustmark should have the following minimum trust-building features (Q16)
    - Legal check of sales regulation
    - Transparency of the sales process and of the price
    - Verification of the redress procedures
    - Check of sales procedures
    - Administrative validity of the webshop
- The EU trustmark policy platform should deal with actions aimed at (Q17)
    - Developing minimum criteria and trust-building features for trustmarks
    - Developing a methodology to identify trustmarks best practices in operational, technical, procedural and regulatory terms
    - Promoting awareness on the potentialities of the trust-building effects of trustmarks among consumers
    - Promoting the interaction between the stakeholders of trustmarks for eCommerce
    - Defining the minimum criteria for “mature” trustmarks.

4.1.2 The opinion of trader associations

Through the responses to the online questionnaire the trader associations have provided a number of policy relevant key indications:

- The majority of trade associations indicate that consumers consider the certification of a webshop by a trustmarks before engaging in an online purchase. (Q1)
- Shop reputation and brand reputation are the most important factors when consumers make their online purchase decision (Q2)
- For the majority the online trust value of trustmarks resides in the verification of the web-shop reputation. All other features (quality of DRS, technical assurance of the connection, verification of the sales process) are much less important. It still notable that in fact the verification of the webshop reputation is also somehow overarching the other three checks. (Q3)
- When traders choose a trustmark they consider the trustmark reputation, the cost of the certification procedure or subscription fee, and the ease of the certification procedure. They care much less for the trustmark procedure and the services provided by the trustmark. (Q4)

- The majority of trader associations indicate that trustmarks can play a high role in inducing consumers to make an online purchase. There are two important results from this question: that a small, but significant amount of respondents indicate that the importance is not very high and almost 30% indicate that the role of a trustmark is neutral. (Q5)
- A trustmark on a website is of high importance to establish a trust relationship between purchaser and trader (Q6).
- The most important trust-building features in the trader-customer relationship are competitive product availability and choice, competitive product price, webshop reputation, payment security. There are different perceptions between traders and consumers, where the latter prefer general shop and brand reliability and the formers more concrete sales factors. (Q7)
- Traders expect that trustmarks are able to tackle member state level eCommerce dispute resolution, risk of fraud and non-payment, payment security, support cross-border eCommerce dispute resolution, trust in the webshop. (Q8)
- According to traders, trustmarks should base their certification on the administrative check of a shop, on the webshop reputation, compliance with consumer or eCommerce regulations at the EU or member state level, on the sales process fairness and transparency, prices and extra charges, and on the legal protection of consumers. (Q9)
- Trade associations have indicated that trustmarks should require a verification of the transparency of information provided by the webshop (checking the transparency of information), a verification of the regulatory basis for the online shop, providing SSL certification, and set up dispute resolution. (Q10)
- A significant majority indicates that that the institutional set-up of a trustmark is important in respect to its trust-building capability. (Q11)
- The trade associations indicate that the highest level of trust would be provided by trustmarks provided by government bodies. Trustmarks provided by industry organisations or trade associations and trustmarks provided by foundations or non-profit organisations would provide significant levels of trust. (Q12)
- The majority of trader associations affirm that there is a direct correlation between the number of subscribers and the level of trust potentially perceived by traders. When the size of the covered geographical scope by the trustmark is considered, the correlation is much weaker and a significant – even if minority – share of consumer associations believes that this dimension is either neutral or of low importance. (Q13)
- Considering the influence of trustmark features on current and future cross-border eCommerce, trader associations indicate that the ones with the highest impact are money back guarantee, transparency of the sales process and of the price, dispute resolution, third party certification by an EU institutional body", regulatory basis of the trustmark, and third party certification. (Q14)
- The majority of trader associations indicate that they would prefer a flat fee higher than 120€ per annum and lower than 200€ per annum, followed by a turnover-related fee less than 150€ per annum. (Q15)
- According to trade associations, the European Commission should proceed towards (Q16):
    - Setting up a cross-border (EU-level) certification and supervisory body who will certify cross-border trustmarks
    - Setting up a practical cross-border certification scheme which trustmarks can use to set-up their trust service

    - Define a minimum set of harmonised trustmarks features to be guaranteed by the trustmark certification
    - Identify the general, operational, legal, and trust barriers which are within the scope of trustmarks
    - Promote awareness-raising actions of stakeholders
- The European Commission should take regulatory measures towards (Q17):
    - Harmonisation of consumer law
    - Harmonisation of online sales regulation
- Any trustmark should have the following minimum trust-building features (Q18)
    - Legal check of sales regulation
    - Transparency of the sales process and of the price
    - Administrative validity of the webshop
    - SSL certification
    - Auditing
- The EU trustmark policy platform should deal with actions aimed at (Q19)
    - Promoting the interaction between the stakeholders of trustmarks for eCommerce
    - Developing minimum criteria and trust-building features for Trustmarks
    - Developing a methodology to identify trustmarks best practices in operational, technical, procedural and regulatory terms
    - Promoting awareness on the possibilities of the trust-building effects of Trustmarks among consumers
    - Identifying the needs for regulatory harmonisation

4.1.3 The position of trustmark providers

The trustmarks organisations – TMOs – provide a comprehensive set of responses to the online survey with policy relevance:

- Over two-thirds of the trustmarks providers state that customers consider a trustmark before they decide to purchase from a particular webshop and only a minority believes that the trustmark is considered only when something went wrong with the transaction. Of course this figures reflect the 'original bias' of respondents, i.e.: the trustmarks providers in respect to consumers and traders. (Q1)
- Trustmark providers confirm that the most important aspects for consumers in their online purchase decision are the webshop reputation and the brand reputation. There is also quite a preference for SSL certification, probably due to quite a number of trustmark providers who choose this as their core business (Q2)
- The verification of the quality of the sales process and the verification of the webshop reputation are the most important trust value provided to traders by trustmarks. It should be noted that a significant number of trustmarks believe that the verification and quality of the dispute resolution process and the verification and assurance of the technical security of the connection are neutral in respect to trust building. (Q3)
- According to trustmark providers the most important factor according to which traders choose to subscribe is the trustmarks reputation. (Q4)
- The most important customer decision-making factors are webshop reputation, the sales conditions transparency, price and extra charges; external sales process certification (by a trustmark), and transparent sales and payment conditions. (Q5)

- The most important factors to establish a trust relationship are webshop reputation, competitive product availability and choice, and payment security. (Q6)
- According to trustmark providers, trustmarks can effectively overcome the trust barriers related to trust in the webshop, payment security, support cross-border eCommerce dispute resolution, support the member state level eCommerce dispute resolution, and enable the webshop to increase the market presence and scope. (Q7)
- The most important trust factors trustmark providers should verify include administrative check of a webshop, payment security, legal protection of consumers, sales process fairness and transparency, prices and extra charges, as well as complaints resolution and redress. (Q8)
- Trustmark providers should include the following requirements in their certification: the regulatory basis for the online shop, checking the transparency of information, dispute resolution, privacy assurance, and money back guarantee. (Q9)
- According to trustmark organisations, the key regulatory verification should refer to the certification of compliance with national regulations. Certification according to a code of conduct formulated by the Trustmark organization is most important to a significant share of trustmark organisations and of relatively low importance to an equivalent number of trustmark organisations. The reason for this might be the different business model adopted by the different trustmarks as well as the specific technical orientation of some of the trustmark service providers. The certification of compliance with EU regulations is important to several trustmarks and at the same time of low importance to another significant amount. The background thinking might be related to the difficulty and the length of enforcement in this field and also the difficulty of enforcing the code of conduct. (Q10)
- The European Commission should proceed towards (Q11):
    - Promote awareness-raising actions of stakeholders
    - Define a minimum set of harmonised trustmarks features to be guaranteed by the trustmark certification.
    - Setting up a practical cross-border certification scheme which trustmarks can use to set-up their trust service
    - Setting up a cross-border (EU-level) certification and supervisory body who will certify cross-border trustmarks
    - Continue regulatory harmonisation of eCommerce regulation across the EU
- The European Commission should take regulatory measures towards (Q12):
    - Harmonisation of consumer law
    - Harmonisation of online sales regulation
    - Online dispute resolution
    - Cross-border warranties
- Any trustmark should have the following minimum trust-building features (Q13)
    - Legal check of shop's sales regulation
    - Transparency of the sales process and of the price
    - Privacy
    - Check of sales procedures
    - Periodical review of characteristics
    - Administrative check
- The EU trustmark policy platform should deal with actions aimed at (Q14)
    - Develop minimum criteria and trust-building features for trustmarks

- Promote the interaction between the stakeholders of trustmarks for eCommerce"
- Define the minimum criteria for "mature" trustmarks
- Develop a methodology to identify trustmarks best practices in operational, technical, procedural and regulatory terms.

4.1.4 The common questions

The three online questionnaires were customised for the different target groups of stakeholders. Each group has a different role in the trustmark landscape, different perspectives, opinions and points of view.
However some of the questions are common: to all three groups of stakeholders or to pairs of stakeholders. The present paragraph shows the policy relevant outcomes of the common questions.

4.1.4.1 The common opinions of consumer and trader associations and trustmark providers

Several questions are in common for consumer and trade associations and trustmark providers. The resulting highlights are that:

- The survey results show that, unlike the opinion expressed by some of the trustmarks organisations, consumers are aware of the benefits of trustmarks and consider them as a key trust building factor within online transactions. The vast majority of customers are directly drawn to a webshop when they see a trustmark. Only a minority of the customers (about 20%) does not consider the trustmark unless something went wrong with the transaction.
- For the majority of the respondents to the trustmarks survey, the relatively most important factors considered by consumers when they make their online purchase decision are the shop reputation and the brand reputation.
- The online trust value of a trustmark on a web site is the verification of the reputation of the webshop and the verification of the quality of the sales process.
- The most important trust-building features to all stakeholders responding to the survey are competitive product price, payment security, and webshop reputation.
- According to all stakeholders the most important features, which should be provided, are the regulatory basis for the online shop, checking the transparency of information. Dispute resolution, privacy assurance and money back guarantee are also considered important.
- All trustmarks stakeholders give priority to compliance with EU regulations and with national regulations in respect to the regulatory basis of trustmarks. Surprisingly the certification according to a code of conduct formulated by the trustmark provider is less important, indicating still a strong orientation towards 'traditional' regulations and enforcement.
- It is advisable that the European Commission puts in place some kind of coordination support to
    - define a minimum set of harmonised trustmarks features to be guaranteed by the trustmark certification
    - promote awareness-raising actions of stakeholders
    - Clearly identify those trust barriers which actually can be dealt with by trustmarks. On the other hand the European Commission should promote

awareness of those barriers which are outside the scope of trustmarks and require different policy measures.

- The European Commission should take regulatory measures for the
    - Harmonisation of consumer law
    - Harmonisation of online sales regulation
    - Online dispute resolution
    - Cross-border warranties
    - Regulation of cross-border goods delivery
- Any trustmark should have the following minimum trust-building features
    - Legal check of sales regulation
    - Transparency of the sales process and of the price
    - Administrative validity of the webshop
    - Verification of the redress procedures
    - Check of sales procedures
    - Privacy
- The EU trustmark policy platform should deal with actions aimed at
    - Developing minimum criteria and trust-building features for trustmarks
    - Promoting the interaction between the stakeholders of trustmarks for eCommerce
    - Developing a methodology to identify trustmarks best practices in operational, technical, procedural and regulatory terms
    - Promoting awareness on the possibilities of the trust-building effects of trustmarks among consumers
    - Define the minimum criteria for “mature” trustmarks
    -

4.1.4.2 Trader associations and trustmark providers

The questions in common between trade associations and trustmark providers indicate that:

- The most important factor traders consider when deciding to subscribe to a trustmarks is its reputation.
- Considering the trust barriers which can be tackled by trustmarks services, the traders and trustmarks organisations indicate that trustmarks are most important in respect to trust in the webshop, support of the member state level eCommerce dispute resolution, payment security, supporting cross-border eCommerce dispute resolution, and risk of fraud and non-payment.

4.1.4.3 Trader and consumer associations

The joint assessment of trade and consumer association leads to a set of policy relevant highlights:

- When they assess the role of a trustmark on a website to induce a consumer to make an online purchase, about half indicate that trustmarks are neutral or have a low importance in respect to the consumer decision to make an online purchase and about 50% indicate that the importance is high or very high.
- Considering the importance to establish a trust relationship between customer and trader, the majority of respondents indicate that a trustmark is of high importance or of very high importance.

- Trade associations and consumer associations indicate that trustmarks run by government bodies and by foundations or non-profit organisations are the trust worthiest ones.
- To both trade and consumer associations the size of a trustmark in terms of subscribers is an important trust-building factor.

4.2 Policy-relevant findings

The different analytical activities of the trustmark study have produced a number of policy-relevant results, in other terms, facts, which need to be taken into account when the overall trustmarks policies are set up. These results need to be considered for the design of the coming policy measures concerning trustmarks directly and the promotion of cross-border eCommerce at large. The present chapter highlights these policy-relevant facts, relates them to the evidence emerging from the research activities and suggests consequential policy options.

4.2.1 Policy-relevant fact nr. 1.: The heterogeneity of the eCommerce Landscape and of the trust factors which are related to it

From the inventory of the trustmark landscape and the trustmark clustering it becomes apparent that the trustmark landscape is very diversified: trustmarks may have millions or just three subscribers, the fees may vary widely from thousands of euros yearly membership costs for large companies, to a few hundred euros certification costs for a single website or webshop, and the characteristics that they address range from addressing a single aspect such a SSL certification to comprehensive business model certification including mystery shopping or an physical visit to the webshop. We have built three "superclusters" using the eight original ones.: (1) single-aspect trustmarks which address the security and privacy of websites, (2) commercially owned cross-border trustmarks which often have features such as money back guarantee and customer ratings, and (3) domestically active trustmarks often set up by (trade) associations with business model certification. Therefore, it is difficult for the European Commission to come up with a general approach that addresses all these different types of trustmarks at once.

Factual evidence from the focus group:

The participants agree on the heterogeneity of the trustmark landscape.
"*… the heterogeneity of the trustmarks and the variety of their trust building features is the result of the fast-changing eCommerce market in which many different aspects can be covered by trustmarks. It is also a result of the heterogeneity of the webshops, which range from large and internationally oriented webshops to very small (often owned by one person) webshops. This heterogeneity also calls for an approach that fosters it rather than confines it with a 'one size fits all'-approach. Stakeholders express the usefulness of (European) standards for trustmarks. According to some stakeholders, consumers are especially interested in trustmarks covering the after-sales process in case something goes wrong.*"

4.2.2 Policy-relevant fact nr. 2.: Size and trends in cross-border eCommerce

The percentage of citizens of the EU purchasing online domestically and cross-border purchases are increasing[80]. Although there are certain shares of the population which have a

[80] Paragraph 2.1 of the final report

low or nil propensity to purchase online, as they do not have internet access at all or because they prefer to shop offline, but overall there is an increasing trend of online purchases in the EU. This trend is not homogenous across the entire Union, as large differences exist between different countries.

4.2.2.1 The relevance of trustmark features for making a purchase decision

The survey findings show that the reputation of a webshop is a central element for establishing the reputation of a webshop. The focus group participants have emphasised that this does not mean that trustmarks do not have an effect. Both branding of a webshop and a trustmark may influence the reputation of a webshop. One issue is that the existence of too many trustmarks may have a negative effect on the reputation of every webshop, also the serious trustmarks. In that case, consumers may no longer understand which trustmark is reliable. Especially the after-sales process is important, since this is what consumers need to be able to rely on when something goes wrong in the sales process. The participants in the focus group confirm that consumers simply want trustmarks to guarantee what is stated in their code of conduct. Consumers need to be able to rely on trustmarks to ensure that webshops comply with the code of conduct of a trustmark. Even the large webshops see the need for a trustmark, although they may not need one, as they are well known by themselves.

Factual evidence:

In the Digital Agenda the European Commission has outlined its objective to establish a fully functioning digital single market. As part of this resolution, it has adopted objectives for percentages of Europeans shopping online: 40% of Europeans will shop online domestically and 20% of European will shop online across borders by 2020. While the percentage of Europeans shopping online domestically is nearly at the target that is set, but the percentage of European shopping online cross-border is falling behind target at it remained around 8-9% over the past years. Consumers, however, can obtain large gains in terms of price, choice and quality.[81] Since price is a large incentive for consumers to buy online rather than in a physical store,[82] there is a large potential for cross-border eCommerce.

Considerations on policy making:

This emerging fact has an important consequence on EU policy making: the size and the growth, as well as the growth opportunities of the European internal market should be exploited. The EU-wide exploitation of eCommerce for wealth, growth and jobs would significantly benefit from a cross-border coordination fostered by the European Commission. The study shows strong growth dynamics and it is within the mandate of the EC to take action to promote the smooth development of trustmarks as one of the many promoting factors of cross-border eCommerce. In particular the EC needs to take care of those areas, which lag behind for different reasons, and put in place measures which counter the discrimination of citizens and businesses.

Possible related policy action:

The growing size and critical mass of cross-border eCommerce and the disparity of developments across the EU justify a policy intervention by the EC.

[81] European Commission (2011a)
[82] TNO & Intrasoft International (2012a)

4.2.3 Policy-relevant fact nr. 3.: The centrality of the shop reputation and the role of trustmarks

The relatively most important factor considered by consumers when they make an online purchase decision is the shop reputation.[83] At the same time the majority of respondents to the survey indicate that the online trust value of a trustmark is precisely in the verification of the webshop reputation[84]. Similarly, a large number of stakeholders confirm that trustmarks are either of high or very high importance to establish a trust relationship between purchaser and trader.[85]

4.2.3.1 Role of the reputation of a trustmark

The survey findings show that the reputation of a trustmark is central to its effectiveness. How can trustmarks improve their reputation? According the focus group participants, the answer to this question may lie in a standard to which all trustmarks adhere in order to make eCommerce a trusted platform. A problem is however, according to them, that it is not the companies that are not trusted by consumers, but the Internet itself. The standards or minimum requirements for trustmarks can be defined at the European level to ensure trust in cross-border eCommerce. Trustmarks may be used as pre-contractual harmonization of the sale process.

The trustmark reputation, and therefore its pattern of operation is very important to traders.

Factual evidence:

- Consumer Questionnaire, Q2: 84% of the respondents indicate that reputation has high or very high importance.
- Consumer Questionnaire, Q3: 77% of consumers indicate that the online trust value of a trustmark is the verification of the webshop reputation, and 74% indicates that the Verification of the quality of the sales process is a strong trust enabler. Trustmarks are therefore considered a key factor for shop reputation.
- Consumer Questionnaire, Q5: 58% of consumers indicate that trustmarks are of high or very high importance in the relationship between purchaser and trader
- Consumer Questionnaire, Q6: 22% of the respondents indicate that the shop reputation is one of the key trust-building features in the purchase decision.
- Traders Questionnaire, Q2: 95% indicate that the verification of the shop reputation is important or very important, 55% of the respondents indicate that a trustmark is important for the consumer purchase decision.
- Traders Questionnaire, Q3: 70% indicate that the verification of the web-shop reputation is important or very important. 52% indicate that trustmarks are very important to increase the consumer’s trust value in a webshop.
- Trader’s Questionnaire, Q4: 70% indicate that the trustmark reputation is of high or very high importance for the trust relationship, therefore a ‘trusted trustmark’ is perceived as very important to support cross-border eCommerce.

[83] Survey, common question Q2
[84] Survey, common question Q3
[85] Survey, common question Q6 (Q5-Consumers, and Q6-Traders)

- Trader's Questionnaire, Q5: 57% of respondents indicate that trustmarks are important or very important to induce a customer to make a purchase.
- Trader's Questionnaire, Q6: 68% indicate that a trustmark on a website is of high or very high importance for the trust relationship between purchaser and trader.
- Trader's Questionnaire Q7: 29% of the respondents indicate that the webshop reputation is very important for the customer-trader trust relationship.
- Trader's Questionnaire Q9: webshop reputation is the most important trust feature for traders and 24% of the respondents indicate that trustmarks should verify it.
- Trustmarks Organisations Q2: webshop reputation and brand reputation are the most important factors for consumers' purchase decisions (95% and 72% respectively)

Considerations on policy making:

This fact emerging from the research activities has no direct specific policy making consequence, but provides an important basis for action: it confirms that trustmarks are an important factor for the promotion of cross-border eCommerce and that the way they operate is very relevant for their trust-building capability. Trustmarks are a key factor to promote trust in trade in the cyberspace, and all stakeholders confirm this. Trustmarks therefore have a role in promoting cross-border eCommerce and it is important that their trust features and their operations are reputable. The reputation aspect and the related trust aspect need to be secured and guaranteed across the entire Union. The coordination by the European Commission would ensure an even diffusion of trusted cross-border eCommerce.

Possible related policy action:

Stakeholders have concretely recognised the role of reputation in eCommerce and in cross-border eCommerce and within this context the potentialities of the effects of trustmarks. There are two key dimensions which require attention by the policy maker: the even diffusion of trust services across the entire European Union and the cross-border level of trust services. this means that, since the development of trustmarks appears to be related to the level of development of eCommerce, some EU member states may lag behind and their citizens may be offered less security and less opportunities. The fact that the European Commission has an almost unique role of EU-level coordination and policy making provides for a concrete scope for action.

4.2.4 Policy-relevant fact nr. 4.: The drivers of trust in eCommerce and the barriers to cross-border eCommerce

Stakeholders are aware of the importance of the trust relationship in cross-border eCommerce, but still the most important driver of trust is the competitive product price[86]. Of course stakeholders confirm that trustmark-related features are important in the consumer-trader relationship, thus confirming a role of trustmarks in the field, but still the policy maker needs to be aware that not all the barriers to cross-border eCommerce can be dealt with by trustmarks. The survey confirms that the stakeholder believe that trustmarks have a limited scope of action when dealing with cross-border delivery and logistics and with language barriers.[87]

[86] Survey, common question Q7 (Q6 Consumers/Q5 TMOs)
[87] Survey, common question Q8 (Q8 Traders/Q7 TMOs)

Factual evidence:

- Consumer Questionnaire, Q6: 44% of the respondents indicate that transparent sales and payment conditions are a key trust factor, and 27% indicate payment security. Trustmarks have a scope here, since they can certify both. The same question also indicates that main drivers of eCommerce are also the competitive product price and competitive product availability and choice. These are key elements for the promotion of cross-border eCommerce which are not directly within the scope of trustmarks, but which indicate that the national and global eCommerce takes place in a very competitive and open market, where not only the sales process counts, but evidently the supply counts even more. Policy making needs to be aware of the weight of supply in respect to the process itself and not overestimate the trustmarks' capability to be an universal driver for all factors determining eCommerce.
- Consumer Questionnaire, Q9: the majority of respondents indicates that the institutional setup of the trustmark is important for trust (94%) and that they would associate the highest level of trust with governmental bodies or with non-profit organisations (81% and 84% respectively).
- Trader Questionnaire, Q8: respondents indicate clearly that while there are a number of trust barriers which can be effectively overcome by trustmarks, such as Dispute Resolution at national level, Risk of fraud and non-payment, payment security, cross-border dispute resolution (55%, 68%, 69%, 70% and 70% respectively), they have a limited scope in assuring cross-border delivery and logistics, overcoming language barriers and assuring cross-border payments (58%, 69%, and 48% respectively).
- Trader Questionnaire, Q7: respondents confirm that Transparent sales and payment conditions, Competitive product availability and choice, and Competitive product price, respectively, 43%, 22% and 21%. Again, the webshop reputation is important or very important for 29% of the respondents. It is therefore considered an important factor – even if not necessarily the most important one – and again there is scope for the action of trustmarks to act as a facilitating element for cross-border eCommerce. But there are also factors, which are related to the supply and not to the sales process, which are outside the scope of action of trustmarks.
- Trustmarks organisations' questionnaire Q5: as expected, respondents place webshop reputation on the first rank (26%), and they confirm the importance of a competitive product price (20%), and of transparent sales and payment conditions (43%). These responses seem to reflect the point of view of trustmark providers and need to be balanced with the opinions of online consumers and online traders.

Considerations on policy making:

The study confirms a general opinion on the capabilities of trustmarks to foster cross-border eCommerce. However the policy maker needs to be aware that not all barriers to eCommerce can be overcome by trustmarks services. The promotion of cross-border eCommerce requires a comprehensive consideration of fostering and hampering factors and the identification of the most appropriate solutions.

The promotion of cross-border trustmarks will address the trust-specific barriers. The means to overcome trust-unrelated barriers need to be identified and implemented in the more general eCommerce related policy framework.

Possible related policy action:

The position of the majority of stakeholders confirms that in this area the cross-border dimension is very important. There are on-going cross-border activities driven by industry and the private sector, but stakeholders indicate that a balanced cross-border coordination would generate very positive effects.
Trustmark unrelated policy measures shall be identified and developed. Particular attention should be placed on cross border delivery and logistics and on language barriers[88].

4.2.4.1 The barriers to eCommerce and the opinion of the stakeholders participating in the focus group

The present trustmarks study has examined the issue of the barriers to eCommerce in great depth. There are many different barriers linked to various aspects of the setup and the operation of the online trade.
In the survey we have asked the participants belonging to the three stakeholder groups to assess the role of the different barriers and to give us their opinions on the weight and impact on eCommerce.
The following tables summarises the results of the assessment and the opinions of the different stakeholder groups on each barrier and on the possibility to leverage trustmark services to overcome them.

Table 4-1: Barriers to eCommerce from the consumer perspective: the opinion of the stakeholders

Barrier to eCommerce from the consumer perspective	Outcome
1. Language barrier	The majority confirms it is no issue for trustmarks
2. Delivery times	Opinions are polarized, no position
3. Environmental regulation issues	Some believe they can be addressed, but there is a certain doubt of need
4. Overall lack in confidence	One of the key functions of trustmarks, confirmed unanimously
5. Fear of fraud: misuse of personal data	The majority confirms that it is an issue for trustmarks
6. Uncertainty of webshop location	The majority confirms that it is an issue for trustmarks
7. Lack of information on the cross-border process	The majority confirms that it is an issue for trustmarks
8. Extra charges	Opinions are polarized, no position
9. Uncertainty on consumer rights	The majority confirms that it is an issue for trustmarks
10. Fear of fraud: payment security threats	One of the key functions of trustmarks, confirmed unanimously
11. Resolution, complaints, after sales handling and redress	The majority confirms that it is an issue for trustmarks

[88] Survey, same common question Q8

Barrier to eCommerce from the consumer perspective	Outcome
12. Performance of webshops (new barrier identified by participant)	No endorsement (yet)
13. Optimized likelihood of success of customer (new barrier identified by participant)	No endorsement (yet)
14. Eventual global preference for local shopping (new barrier identified by participant)	No endorsement (yet)

Table 4-2: Barriers to eCommerce from the webshop perspective

Barrier to eCommerce from the perspective of the webshop	Comments
1. Language barrier	The majority confirms it is no issue for trustmarks
2. Hampered cross-border logistics	The majority confirms it is no issue for trustmarks
3. Technical costs for the webshops	The majority confirms it is no issue for trustmarks
4. Higher administrative burden	The majority confirms it is no issue for trustmarks
5. Tax regulation fragmentation	The majority confirms it is no issue for trustmarks
6. Fragmentation of environmental regulations	The majority confirms it is no issue for trustmarks
7. Risky cross-border payments	The majority confirms it is no issue for trustmarks
8. Hampered search and advertisements	The majority confirms it is no issue for trustmarks
9. Lack of IT skills	The majority confirms it is no issue for trustmarks
10. Consumer protection regulatory fragmentation	The majority confirms that it is an issue for trustmarks
11. Fragmentation of copyright regulation	The majority confirms it is no issue for trustmarks
12. Lack of branding	The majority confirms that it is an issue for trustmarks
13. Performance of webshop (new barrier identified by participant)	Opinions are polarized, no position

4.2.4.2 Conclusion on the barriers that trustmarks address

The participants are clearly divided between those that believe that (nearly) all barriers to cross-border eCommerce can be solved and those that believe that almost nothing can be solved by trustmarks. A third group of participants find themselves 'in the middle', by mentioning a few barriers that may be addressed by trustmarks, and some others that are probably not be addressed. The positions in this field once again are very differentiated. A concerted action at EU level to identify barriers to eCommerce would on the one hand enhance the specific policy action and coordination, on the other highlight barriers which need to be tackled through other policy measures.

4.2.5 Policy-relevant fact nr. 5.: the institutional set up of trustmarks

Trustmarks stakeholders indicate that government bodies are the most trustworthy warrantors in the field, followed by foundations or non-profit organizations. Surprisingly, opinions on trustmarks provided by industry organisations or trade organisations are almost evenly spread when it comes to assessing level of trust and trustmarks provided by private companies are either neutral or provide a low level of trust[89]. This is surprising, because many of the SSL certificates and of the privacy certifications are provided by private companies and objectively seem to work very well in respect to the business model they have chosen.

Factual evidence:

- Consumer Questionnaire Q9: 94% of the respondents indicate that the institutional setup of the trustmark is important for its capability to build trust. The respondents also indicate that they would trust the government bodies (81%) and foundations or not-for profit organisations (84%).
- Trader Questionnaire Q11: 88% of the respondents confirms that the institutional setup has an important impact on trust. 86% of the respondents would trust governmental bodies and 69% would trust foundations and not for profit organisations.

Considerations on policy making:

The statement of stakeholders is peculiar, since it attributes a particular trust building role to government bodies and in general to not for profit organisations.
The European Commission might want to take account of this general opinion, probably not so much to engage directly in the provision of trustmark services, but more to leverage the trust-building role of neutral (public) bodies.
The forthcoming discussion on the setup of trustmarks should probably take into account that consumers and traders have a preference for a trustmark provider who is neutral in respect to the partied in the eCommerce relationship. In other terms, stakeholder would trust a TM more if provided by an independent body. It is worthwhile noting that there are several important trustmarks which are promoted or owned by the private sector and by enterprises, in particular the single-aspect trustmarks focusing on SSL certification or on privacy.

Possible related policy action:

Bring the institutional issue into the discussion in the stakeholder platform and agree on a shared solution among stakeholders. In other terms it will be useful to share and agree with

[89] Survey, common question Q11 (Q11 Traders/Q9 Consumers)

the stakeholders of trusted services whether and how the institutional setup is influential to the trust-building between customers and merchants.

4.2.6 Policy-relevant fact nr. 6.: the trustmarks trust features

Stakeholders indicate that the minimum trustmark features, which should be provided, are:[90]

- The verification of the regulatory basis for the online shop
- Checking the transparency of information
- Dispute resolution system
- Privacy assurance
- Money back guarantee

There is no clear indication on whether trustmarks should provide SSL certification; probably this is very much related to the business model adopted by each trustmark.

Factual evidence:

- Consumer Questionnaire Q8: the priority trustmark features include necessarily the verification of the regulatory basis for the online shop (27% of the relative priority), checking the transparency of information (29%), dispute resolution (28%). There is no clear preference on money back guarantee and privacy assurance, where the results are scattered over the ranks. Consumers do not express a particular preference for third party certification (ranked low by 13% of the respondents), SSL certification (16%), consumer rating (20%) or publishing revocation (15%).
- Trader Questionnaire Q10: A verification of the transparency of information provided by the web-shop (checking the transparency of information) judged important by 29% of the respondents, the verification of the regulatory basis for the online shop (30%), providing SSL certification (24%), dispute resolution system (29%). Money back guarantee and third party certification are judged less important (18% and 16% respectively). Consumer ratings, publishing revocation and privacy assurance is rated low importance (respectively 18%, 23% and 16%).
- The trustmarks providers (Q9) on the other hand, rate the regulatory basis for the online shop (32%), the information transparency check (32%), dispute resolution (27%), privacy assurance (32%), and money back guarantee (20%) very high. The lowest preferences have been expressed for publishing revocation and consumer rating (of low importance for 24% and 25% of the respondents respectively).

Considerations on policy making:

Here we have an important step forward in reducing the heterogeneity of the perceptions and ideas on the trustmark field and on how trustmarks should look like. The conclusion is well rooted in evidence, since the comprehensive inventory of trustmarks features described in interim report 1 and in the clustering report is presented for assessment to stakeholders, who have selected those which appear most vital for trust-building.

From the consumer perspective a quite pragmatic approach emerges: trustmarks need to check the regulatory basis, check transparency and ensure dispute resolution. Other features seem to be perceived as too complex or unnecessarily sophisticated, such as third party certification or revocation.

[90] Survey, common question Q10 (Q10 Traders/Q9 TMOs/Q8 Consumers)

Traders have other priorities, they prefer 'core verifications' on transparency, on the regulatory basis, SSL – every trader is aware of the need of a secure link and might want to purchase the service with the whole package – and the dispute resolution system, which pragmatically helps running the business smoothly. Pragmatically, traders express a low preference for consumer ratings and for third party certification, which might be perceived as too complicated for the associated commercial benefits.
Trustmarks organisations express their specific points of view on the preferred business model, which aims at a typical eCommerce model certification, giving a lower priority to speciality features such as SSL certification and third party certification and basically disregarding features such as revocation and consumer rating, which are marginal in respect to the typical features and introduce complexities with a lower cost/effectiveness ratio.
These considerations confirm two key elements: (a) the heterogeneity of conceptions and approaches in the domain of trustmarks and the significant differences in perceptions and ideas of stakeholders; (b) the strong role of the market in driving the trustmarks business and in determining the service models.

Suggested Policy Action:

Take the preferences on the trustmark trust features as a basis for their discussion in the stakeholder platform and then develop them further to determine which features EU cross-border trustmarks should necessarily provide. The preferences of the three stakeholder groups involved in the survey are quite homogenous. The cooperation of stakeholders through the platform will allow defining a common set of features, resolving the residual differences in priorities. The same platform will also be able to define the approach to TM organisational design and operation of these trust building features.

4.2.7 Policy-relevant fact nr. 7.: the regulatory framework

There is quite a huge uncertainty among stakeholders on the regulatory basis for a trustmark. There is no clear preference for EU regulations, trustmarks codes of conduct, or rather national regulations[91].
One clear statement is that self-certification of the merchant is placed on a very low rank by nearly 100% of the responding stakeholders.
It is remarkable that the trustmark's code of conduct is not rated very high.

Factual evidence:

- Consumer questionnaire Q10: the priority regulation of reference is the compliance with EU regulations, with an overall positive judgement by 84% of the respondents. The compliance with national regulations is judged important or very important by 91% of the respondents. It needs to be specified that in the relative ranking the EU regulation is judged more relevant and important than the national regulations, which is most likely due to the cross-border focus of the analysis and of the survey. Consumers judge that the certification of an internal code of conduct formulated by the trustmark is less important. Actually 76% of the respondents place it on rank 3 out of 4, assigning it a relatively low importance. Consumers basically have a low consideration for a self-certification of the merchants (judgement by 97% of the respondents).

[91] Survey, common question Q12 (Q12 Traders/Q10 Consumers/Q10 TMOs)

- Trade associations questionnaire Q12: the majority of respondents emphasises the role of EU regulations (69% of the positive judgements) and of the National Regulations (66%). It is interesting to note that the opinions on the code of conduct are polarised: 33% of the trader organisations consider it very important and 50% of low importance, basically reflecting the same trend as the consumer associations. Also the trader associations have a very low preference for merchant self-certification (88%).
- Trustmarks providers' questionnaire Q10: as expected, the TMOs show a slight preference for the internal code of conduct (42% highest ranking) but the opinions here are polarised, with another 42% placing the code of conduct on the second-lowest rank. The charts show a preference for national regulations and a fuzzy distribution of opinions on the certification according to the EU regulations. 100% of the trustmarks organisations indicate that self-certification would be the least important regulatory instrument.

Considerations on policy making:

The position on the regulatory framework of trustmarks operations is most likely related to the very different attitudes, opinions and different levels of information on trustmarks, their operation and their rules.

There are very mixed opinions on the regulatory setting, with contradictory positions also within the same respondent group. There is an important scope for action on the part of the European Commission to clarify the situation and create a harmonised view on this important reference framework.

An information action on the operation of trustmarks, on the role and value of the internal code of conduct is probably necessary to raise awareness on the value of the code of conduct as a lean instrument to regulate trader behaviours and their attitude towards customer relationships and issue solution. In other terms, trustmark services should be the facilitators of a "lean" system to foster trust and to solve any disputes, which is the key approach to trust building. The reference to "hard" regulations necessarily will introduce complications and complexities to sort out disputes between the trader and the consumer. The code of conduct is necessarily the way to go, so an awareness action needs to accompany the harmonisation and policy action to ensure the success of trustmarks development.

The stakeholders answering the survey confirm that there should be a direct reference both to the national and the EU regulatory frameworks, and that the trustmarks schemes should refer to both levels of legislation. The parallel policy action, beyond the focus of the trustmarks policies, should focus on the completion of the whole regulatory framework affecting cross-border eCommerce.

Suggested Policy Action:

The matter of trustmarks regulation should be brought in front of the trustmarks stakeholder platform to constitute a key policy focus point for the cross-border operation of trustmarks in Europe. The discussion should elaborate the most appropriate trustmark scheme for merchant certification.

4.2.8 Policy-relevant fact nr. 8.: Expectations on the European Commission

The trustmark stakeholders provide a precise indication on which policies the EC should put in place to support the development of cross-border trustmarks:[92]

[92] Survey, common question Q16 (Q16 Traders/Q14 Consumers/Q11 TMOs)

- Define a minimum set of harmonised Trustmarks trust-building features to be guaranteed by the Trustmark certification
- Promote awareness-raising actions of stakeholders
- Identify the general, operational, legal, and trust barriers which are within the scope of Trustmarks

Factual evidence:

- Consumers Questionnaire Q14:
    - Respondents indicate that the EC should engage in a set of actions: define a minimum set of harmonised trustmarks trust-building features to be guaranteed by the Trustmark certification (27%), promote awareness-raising actions of stakeholders (23%), setting up a cross-border (EU-level) certification and supervisory body who will certify cross-border trustmarks (23%), promote the networking of cross-border trustmarks for dispute resolution between different member states (23%), identify and disseminate best practices for the set-up and operation of trustmarks (22%), integrate online dispute resolution and alternative dispute resolution and trustmarks (23%). The relative preferences are pretty homogenous, even if there are some slight variations in the ranking level.
    - The Consumers are less interested in the setup of a practical cross-border certification scheme, which trustmarks can use to set up their trust service, and in the continuation of the harmonisation of eCommerce regulation across the EU.
- Trader Questionnaire Q16:
    - Respondents indicate that they would like the EC to set up a cross-border (EU-level) certification and supervisory body who will certify cross-border trustmarks (22% of the relative positive preferences); practical cross-border certification scheme which trustmarks can use to set-up their trust service (22%); to define a minimum set of harmonised trustmarks trust-building features to be guaranteed by the trustmark certification (23%); to identify the general, operational, legal, and trust barriers which are within the scope of trustmarks (33%); to promote awareness-raising actions of stakeholders (25%).
    - Lower priorities are assigned to continuation of the regulatory harmonisation of eCommerce regulation across the EU; the promotion of the networking of cross-border trustmarks for dispute resolution between different member states; to the identification and dissemination of best practices for the set-up and operation of trustmarks and to the integration of online dispute resolution and alternative dispute resolution and trustmarks.
- Trustmarks Organisations Questionnaire Q11:
    - Respondents indicate that the priority EC actions should be: promote awareness-raising actions of stakeholders (31% of the preferences); define a minimum set of harmonised trustmarks trust-building features to be guaranteed by the trustmark certification (23%); setting up a practical cross-border certification scheme which trustmarks can use to set up their trust service (28%); setting up a cross-border (EU-level) certification and supervisory body who will certify cross-border trustmarks (21%); continue harmonisation of eCommerce regulation across the EU (23%).

- Lower priorities are assigned to identify the general, operational, legal, and trust barriers which are within the scope of trustmarks; identify and disseminate best practices for the set-up and operation of trustmarks; integrate online dispute resolution and alternative dispute resolution and trustmarks; and promote the networking of cross-border trustmarks for dispute resolution between different member states"

Considerations on policy making:

The majority of stakeholders indicate three priorities for action by the EC, which are in general oriented towards the definition of an overall coordination of the trustmark features at cross-border level.

There are no clear indications at all on more specific and "operational" interventions such as cross-border certification and a supervisory body, or a cross-border trustmarks certification scheme. They are all dependent on the clarity of vision on the setting of the coming trustmarks landscape. And the preferences clearly reflect the knowledge and awareness and point of view of the different stakeholders and can be clearly explained by their background focus.

There are two important points emerging

a) There is a call for action on the EC
b) There are preferences, which need to be harmonised, probably through a harmonised consensus building process.

Suggested Policy Action:

There are clear expectations on a support and coordination action on the part of the European Commission of the cross-border element of trust in eCommerce. On the one hand the Commission is the body in Europe, which can act to coordinate cross-border actions according to the subsidiarity principle, supporting and integrating the activities of national Governments and national bodies. On the other hand stakeholders wish a 'light' coordinating role of the EU to keep the specific market drive for trust services.

4.2.9 Policy-relevant fact nr. 9.: The minimum set of trust-building features

Trustmark stakeholders have expressed their preference on the minimum set of trust-building features a trustmark should have. The preliminary list, which has been discussed with the experts in the focus group, includes[93]

- Legal check of sales regulation
- Transparency of the sales process and of the price
- Administrative validity of eShop
- Verification of the Redress procedures
- Check of sales procedures
- Privacy

Factual evidence:

- Consumers Questionnaire Q16:

[93] Survey, common question Q18 (Q18 Traders/Q16 Consumers/Q13 TMOs)

    - Respondents have indicated which priority trust-building features shall be included in the trustmark service: legal check of sales regulation (21%); transparency of the sales process and of the price (22%); verification of the redress procedures (20%); check of sales procedures (19%); administrative validity of the webshop (18%).
    - Lower priority has been assigned to SSL certification auditing; third-party certification; administrative check; test order/mystery shopping/ simulated purchase; physical on-site visit; periodical review of characteristics.
- Trader Questionnaire Q18:
    - High priority features are legal check of sales regulation (24%); transparency of the sales process and of the price (21%); administrative validity of the webshop (22%); SSL certification (19%); auditing (22%).
    - Mid-priority features include: administrative check of webshop (22%); check of sales procedures (19%); privacy (16%).
    - The low priority features are physical on-site visits; periodical review of characteristics; third-party certification
- Trustmarks Organisations Questionnaire Q13:
    - The respondents opt for the priority features: legal check of sales regulation (19%); transparency of the sales process and of the price (21%); privacy (19%); check of sales procedures (20%); periodical review of characteristics (16%); administrative check (14%).
    - Mid-priority features include: administrative validity of the webshop (18%); redress procedures (16%).
    - The low priority features are SSL certification; third-party certification; test order/mystery shopping/simulated purchase; auditing; physical on-site visit

Considerations on policy making:

In case policy making should focus on the establishment of a minimum set of trust building features trustmarks should provide, these six features constitute the starting point.
The stakeholder platform should discuss these basic features and then decide about including an additional set.
The top-level preferences are the same for the three stakeholder groups. Then the preferences are differentiated according to the different perspective of the respondents group, as there is a clear hint at features related to the different "roles" in the eCommerce process and of its assurance.
There are some differences between the three stakeholder groups: the consumer's responses could clearly be classified into two main categories of features. In the case of traders, the chart clearly shows three main groups: in the first group the ranks are mainly in the two higher classes; in the second group there is a prevalence of the middle class, with some significant concentrations around the higher classes; in the third group there is a clear prevalence of the lowest ranking class, with some significant values in the second (middle) class.

Suggested Policy Action:

Decide about the establishment of a minimum set of criteria for trustmarks, bring the criteria in front of the EU trustmarks stakeholder platform and discuss their implementation and eventually their integration into a scheme. The cooperative work of stakeholders and of the

European Commission should lead to a minimum set of criteria of trust to be embedded in trustmarks operations. This set will be the basis of a future Europe-level trustmarks scheme.

4.2.10 Policy-relevant fact nr. 10.: The trustmark EU stakeholder policy platform

Stakeholder confirm[94] that they would advise the stakeholder platform to work to

- Develop minimum criteria and trust-building features for trustmarks
- Promote the interaction between the stakeholders of trustmarks for eCommerce
- Develop a methodology to identify trustmarks best practices in operational, technical, procedural and regulatory terms
- Promote awareness on the potentialities of the trust-building effects of trustmarks among consumers
- Define the minimum criteria for "mature" trustmarks.

Factual evidence:

- Consumers Questionnaire Q17:
    - The respondents have indicated a number of options for EU-wide trustmark schemes and for the EU trustmark stakeholder platform: develop minimum criteria and trust-building features for trustmarks (21%); develop a methodology to identify trustmarks best practices in operational, technical, procedural and regulatory terms (17%); promote awareness on the possibilities of the trust-building effects of trustmarks among consumers (19%); promote the interaction between the stakeholders of trustmarks for eCommerce (19%); define the minimum criteria for "mature" trustmarks (16%)
    - Other options include: assess the effectiveness of dispute resolution and elaborate plans for improvement and best practices (15%); promote the harmonisation of quality and certification procedures among member states and trustmark providers (14%); promote the integration of alternate dispute resolution and online dispute resolution (15%); promote awareness on the possibilities of the trust-building effects of trustmarks among webshops (13%).
    - Optional actions for EU-wide trustmark schemes and for the EU trustmark stakeholder platform: address the general language issues of dispute resolution; promote innovative approaches to the diffusion of knowledge on trustmarks; assess the effectiveness of dispute resolution and elaborate plans for improvement and best practices; identify the needs for regulatory harmonisation; promote supportive measures: inclusion of standardisation/certification mechanisms (CEN/ETSI); promote innovative approaches to the diffusion of knowledge on trustmarks.
- Trader Questionnaire Q19:
    - The priorities of the trader associations are promote the interaction between the stakeholders of trustmarks for eCommerce (23%); develop minimum criteria and trust-building features for trustmarks (18%); develop a methodology to identify trustmarks best practices in operational, technical, procedural and regulatory terms (18%); promote awareness on the potentialities of the trust-building effects of trustmarks among consumers (17%); identify the needs for regulatory harmonisation (17%).

[94] Survey common question Q19 (Q19 Traders/Q17 Consumers/Q14 TMOs)

- Second-level priorities for the trustmarks stakeholder platform are to define the minimum criteria for “mature” trustmarks” (19%); promote the harmonisation of quality and certification procedures among member states and trustmark providers (14%); promote the integration of alternative dispute resolution and online dispute resolution (13%); promote a cooperative network of Trustmarks to solve, inter alia, the issue of cross-border dispute resolution (13%)
- Optional actions include: promote supportive measures: inclusion of standardisation/certification mechanisms (CEN/ETSI); address the general language issues of dispute resolution”; promote innovative approaches to the diffusion of knowledge on trustmarks; assess the effectiveness of dispute resolution systems and elaborate plans for improvement and best practices.

- Trustmarks Organisations Questionnaire Q14:
    - The high priority options are: develop minimum criteria and trust-building features for trustmarks (21%); promote the interaction between the stakeholders of trustmarks for eCommerce (18%); define the minimum criteria for “mature” trustmarks (18%); develop a methodology to identify trustmarks best practices in operational, technical, procedural and regulatory terms (18%).
    - Second-level priorities are: promote the harmonisation of quality and certification procedures among member states and trustmark providers (14%); promote a cooperative network of trustmarks to solve, inter alia, the issue of cross-border dispute resolution in different member states (14%); promote innovative approaches to the diffusion of knowledge on trustmarks (13%); promote awareness on the potentialities of the trust-building effects of trustmarks among consumers (16%); promote Supportive measures: inclusion of standardisation/certification mechanisms (CEN/ETSI) (12%).
    - Optional actions include: identify the needs for regulatory harmonisation; promote awareness on the potentialities of the trust-building effects of Trustmarks among online merchants; address the general language issues of dispute resolution; assess the effectiveness of dispute resolution systems and elaborate plans for improvement and best practices; promote the integration of alternate dispute resolution and online dispute resolution.

4.2.10.1 The functions of the EU trustmarks stakeholder platform according to the participants in the focus group

The focus gave the possibility to share and agree the points of view of stakeholders on which should be discussed and developed by the platform where the Commission and the stakeholders will cooperate.
It is significant, as shown by table 4.3 that the trustmarks stakeholder platform shall discuss and agree on the following aspects:

- Develop minimum criteria for trustmark features
- Identify the trustmarks that do not work well
- Promote the interaction between stakeholders
- Develop a methodology to identify best practices (operational, technical, procedural and regulatory)
- Promote awareness among consumers on the possible effect of trustmarks on trust
- Promote a cooperative network of trustmarks to solve, inter alia, the issue of cross-border dispute resolution

- Promote awareness among webshops on the possible effect of trustmarks on trust
- Define minimum criteria for ‘mature’ trustmarks
- Promote the integration of alternate dispute resolution and online dispute resolution (ADR/ODR)

“Nice to have” decisions would concern

- Promote innovative approaches to the diffusion of knowledge on trustmarks
- Promote the harmonization of quality and certification procedures among member states and trustmark providers
- Assess the effectiveness of dispute resolution systems and elaborate plans for improvement and best practices
- Address the language issues of dispute resolution

There are quite contrasted opinions on whether the platform should

- Identify the needs for harmonization of regulations

Definitely the platform should not discuss or define:

- Promote supportive measures: inclusion of standardization or certification mechanisms such as CEN/ETSI

Table 4-3: evaluation of actions performed by the stakeholder platform

Stakeholder platform action	Must-have	Nice-to-have	No!	No opinion
1. Develop minimum criteria for trustmark features	5	2		
2. Identify the trustmarks that do not work well	5	1		
3. Promote the interaction between stakeholders	4	2		
4. Develop a methodology to identify best practices (operational, technical, procedural and regulatory)	3	4		
5. Promote awareness among consumers on the possible effect of trustmarks on trust	3	4		
6. Promote a cooperative network of trustmarks to solve, inter alia, the issue of cross-border dispute resolution	3	4		
7. Promote awareness among webshops on the possible effect of trustmarks on trust	4	2		
8. Define minimum criteria for 'mature' trustmarks	3	2		2
9. Promote the integration of alternate dispute resolution and online dispute resolution (ADR/ODR)	1	3		2
10. Promote innovative approaches to the diffusion of knowledge on trustmarks		6		
11. Promote the harmonization of quality and certification procedures among member states and trustmark providers		4		2
12. Assess the effectiveness of dispute resolution systems and elaborate plans for improvement and best practices		3		3
13. Address the language issues of dispute resolution		2		4
14. Identify the needs for harmonization of regulations	1	2	3	1
15. Promote supportive measures: inclusion of standardization or certification mechanisms such as CEN/ETSI			3	3

Considerations on policy making:
The results of the study produce a preliminary mandate to the EC and the forthcoming stakeholder platform to work towards a common understanding of certain policy basic elements. These are related to the overall integration, coordination and information level of actions for trustmarks, but in general do not concern the operational level of cross border trustmarks or their certification.
As yet there are some differences in the expectations of the three stakeholder groups: it is remarkable that there is some overlap, but in principle the approaches to the work of the EU stakeholder platform are very differentiated. Under the coordination of the European Commission the stakeholders could set up a work plan with a number of priority actions and develop a common vision on trustmarks development.

Suggested Policy Action:

Decide about the establishment of the trustmarks platform and its mandate and to Involve the European trustmarks stakeholders in the discussion of the set up and implementation.

4.3 Policy Scenarios

The extensive research work allows to propose four possible policy options, which are discussed below. The following presentation of policy relevant facts, of factual evidence and their discussion allows to identify the most appropriate one.

4.3.1 No action/doing nothing: 'business as usual'

The participants in the focus group agreed that the eCommerce market will anyhow continue grow in the years to come. German and UK trustmarks organisations call for governmental support in order not to miss out on opportunities for European SMEs.
There was also a more liberal approach by some participants who demanded less government intervention or at least no binding actions. However it was overall acknowledged that doing nothing would not help European webshops that are not yet best practices, while it could lead to a greater influx of American players.
The focus group produced positions, which are based on the assessment of the results of the inventory of the trustmarks sector and the assessment survey and therefore on concrete evidence on the situation, on the evolution and the points of view of the different stakeholder groups in eCommerce. There is a clear evidence of a growth path in cross-border eCommerce and the stakeholder expect a virtuous transnational cooperation with the Commission to reap the benefits of this growth path. No coordination and support action might not help reducing the current fragmentation. At the same time the outcome of the focus group calls for a participated policy making and a balanced share of responsibilities between the current players and the European Commission.

4.3.1.1 The policy-relevant facts in respect to this option

a) Size and trends in cross-border eCommerce confirm that no-action would increase fragmentation, it would determine an uneven development of eCommerce across the EU and lead to a discrimination among citizens of different EU Member States;
b) A mere market driven cross-border trustmarks sector could suffer from market failure and directly hamper the EU-level eCommerce, with relevant effects on the related socioeconomic dimensions;

c) Most of the trust-related barriers would remain such and be tackled only upon market initiative, potentially leaving out certain geographical areas and segments of citizens;
d) The EC would not respond to citizens' expectations and possibly not satisfy its institutional mandate, disregarding the indication of the Digital Agenda for Europe to take action and setup a stakeholder platform for trustmarks.

4.3.2 Self-regulation/ self-organisation with some non-binding instruments like standards

The preferred solution which has been coming out of the workshop should take the form of a 'self-constructed federation' of trustmarks as the most feasible and useful option. A federation of trustmarks would gather the representative stakeholders on a voluntary basis to set up the common principles and rules of a cross-border trustmark scheme. The participation in the federation would remain open to avoid market distortion. On the other hand stakeholders believe that the participation or adherence to the scheme should remain voluntary, to avoid the creation of any "closed club" of trusted services and trustmarks providers. In other terms the setup of the federation should remain a free choice for the trustmarks, maintaining a free market. Trustmarks should be able to do business outside the scheme. The approach could follow the principle of bilateral agreements (as implemented by Trusted Shops, which has established a set of bilateral and multilateral agreements in many EU member states.), extended to the whole European Union. The stakeholders advise to establish a soft performance and trustworthiness measurement framework upfront, in other terms develop and agreed trustmarks structure and scheme but refraining from any rigid definition of boundaries in the sector. The targeted self-regulatory approach, based on an agreed accreditation scheme, could operate as an industry standard with an agreed form of official certification at the cross-border level.

4.3.2.1 The policy-relevant facts in respect to this option

The field research and in particular the survey provide a set of key facts which, in a positive or negative way need to be considered in the policy making process.

a) A self-established industry standard with an ad hoc measurement framework would have a significant impact on the shop reputation and on the general recognition and acceptance of the trustmarks role;
b) There would be an autonomous agreement on trustmarks with a really efficient set of trust features;
c) The self-regulatory approach might be a flexible way to coordinate action in response to the wide development of cross-border eCommerce in Europe an globally;
d) It would embed a higher flexibility in an ever-changing cyberspace;
e) The mandate would well fit into the general management of the trustmarks stakeholders.
f) There would be the lack of a general institutional endorsement in the trustmarks sector;
g) The self-regulatory approach might prove patchy and uneven, since it would be developed on a voluntary basis with a limited funding by the EC. Market forces in the end would be the main responsible for the EU wide cross-border implementation. It could be developed but remain unapplied or unimplemented in more or less EU member states;
h) It would be more difficult to integrate the self-regulation into the more general eCommerce framework and to fully address all cross-border eCommerce barriers;

i) A completely autonomous approach could lead to a limited promotion and awareness activities, since it would be linked to the trustmarks' publicity budget;
j) The EC would give a limited response to stakeholder expectations
k) The minimum set of features could be influenced by the more powerful stakeholders at the cost of the smaller ones.

4.3.3 An EU trustmarks accreditation scheme

The accreditation scheme would be used to provide single applying trustmarks with an autonomous "trust brand". This accreditation would be based on a hierarchical ISO approach, and a Europe-level institution/ agency would be in charge of the challenge of accreditation. Commission would endorse it and provide support for the scheme. The institutional ownership would be of the Commission or of another European level regulatory or standardisation body, or of an industry forum.

The stakeholders call for a more participatory approach should be followed here, involving stakeholders in setting up the minimal criteria is demanded.

The stakeholders discussed the opportunity to identify an entity entrusted with the creation, the monitoring and the auditing of the trustmark standards: An EU institution was welcomed by some as judged as particularly trust-building institution.

The development of a EU trustmark accreditation scheme should follow a gradual growth path which could start with the self-regulatory approach (Policy option 2) and then further investigate whether the elaborated standard could be part of a EU accreditation scheme.

4.3.3.1 The policy-relevant facts in respect to this option

a) A shared, centrally managed open trustmark scheme could be the actual response to the building up critical mass in cross-border eCommerce. Awareness raising actions and publicity might draw shares of the population toward cross-border eCommerce, who wouldn't have thought about it.
b) This option would create a very strong case for guaranteed certified trustmarks which would be considered more trustworthy;
c) This option would provide a strong institutional backing, since the EC would directly or indirectly manage the scheme;
d) It would meet a number of expectations on the EC
e) The scheme would guarantee a shared and refined set of trust features for trustmarks, to which any trustmark provider could adhere;
f) Developing the scheme through the stakeholder platform would ensure a fully participatory approach and shared results.
g) The option would require significant administrative and operational costs;
h) The scheme could prove too rigid in respect to the requirements of a fast developing eCommerce scene

4.3.4 An EU-level trustmark

A European trustmark as a full-fledged EU trustmark might be one of the theoretical options. European policy makers would set up a EU trustmark, comparable to the EU Ecolabel scheme or the webtrader scheme[95], to be granted to traders. Such a trustmark would compete with

[95] Almost 2,000 webtraders in 7 EU Member States were awarded trustmarks in the pilot phase of the "Webtrader" trustmark scheme to promote fair business-to-consumer trade on the internet. The scheme aimed to build consumer confidence in e-commerce and help enterprises to make the most of e-commerce tools. It offers online certification of business and the grant of a "Webtrader" label, upon compliance with a code of conduct

existing trustmarks. The award would be following an audit based on a set of requirements and a code of conduct.

Stakeholders would participate in setting up the trustmark.

The establishment of a EU level trustmark would certainly require an appropriate organisational setup. Given that a EU trustmark would be the initiative of a EU-level coordinating body, it seems reasonable to assume that the competent body/bodies would have to be independent of vested interests as likely will be defined by the agreed trustmarks requirements. The EU trustmark could be managed by an appropriately set-up EU agency or by a body such as the ECC network.

There is also the possibility of a "lighter" setup, nominating a management board supervising decentralised to competent bodies at national level.

The launch of a EU-wide trustmark would require a considerable financial investment and require a serious reasoning on a sustainable business model that is economically viable beyond seed money from public sources.

4.3.4.1 The policy-relevant facts in respect to this option

a) The central management of the trustmark might prove more effective in facing the challenges of the development of trustmarks, even if it could prove a bit rigid;
b) It could become an effective way to drive the trust in eCommerce and to overcome trust related barriers
c) It could effectively deal with the issue of shop reputation and trustmark reputation
d) A EU trustmark would well fit the stakeholder preference for a formal "government endorsed" trustmark
e) It would partly satisfy the requirements of stakeholders for EC intervention, but would by far exceed them, going much beyond a supervision role;
f) The operation of an instructionally run European trustmark would be quite complex to operate, since it would need to cover the cross-border level but also the national level to avoid any discriminatory practice. A multiple geographical management need would be costly and complex and imply a significant operational risk;
g) It would enter into (unfair) competition with existing trustmarks on the market

The participants to the assessment focus group agreed that this policy option would be going too far and would seriously influence the market and possibly distort it.

4.3.5 The preferred policy options

The participants agree on that both 'business as usual' and 'setting-up a pan-European trustmark' are too extreme. They agree that the solution is somewhere in the middle, starting with an industry forum supported by the European Union which would develop a self-regulating trustmarks scheme which would then be developed to a European trustmarks standard, equally supported by the EU. The discussion is about where to move to and on the level of involvement of the European Commission. A sequential combination is proposed: Starting with option 2 (developing first a self-regulatory scheme) moving up to option 3 (developing it into a EC-backed accreditation scheme) the very moment it is needed.

Suggested Policy Action:

- EC promotes a self-regulatory scheme in the first instance, developed in cooperation with stakeholders (the EU trustmarks stakeholder platform would be the basis for that)

that aims to guarantee the fairness of the transaction process and efficient dispute resolution. Co-funded by the Enterprise DG, the Webtrader trust scheme was launched at the start of 2000, by consumer associations in 7 Member States (Belgium, France, Italy, Netherlands, United Kingdom, Spain and Portugal).

- In a second stage, when a self-regulatory scheme would be operational, the stakeholder platform would further develop a EU accreditation scheme.
- Both options would be driven by the EC and largely supported by industry, guaranteeing an appropriate and balanced representation of stakeholders.
-

4.3.6 The way forward towards a EU trustmarks stakeholder platform

The study clearly indicates that heterogeneity of positions of stakeholders in the trustmark domain needs to be reduced. It is also evident that some of the stakeholders already have a very advanced and mature opinion on the scenario of trustmarks and how it should be further developed.[96]

In general

- Trustmarks organisations and certain trader organisations have a very clear view on what should be done;
- Web traders also have very clear views on how to build and maintain trust
- Other stakeholders, such as the consumer associations and the associations of SMEs still need to further develop their opinions and points of view on the multifaceted aspects of the trustmarks domain.

The results from the present study already provide a number of important indications on

a) The critical issues of trust in eCommerce
b) The trust barriers
c) The minimum set of trust features trustmarks should provide
d) The responsibilities the European Commission should take over in promoting cross-border trust services and cross-border eCommerce
e) The principal activities the European trustmarks stakeholder platform should concentrate on
f) The likely market failures, which the forthcoming policy process needs to focus on.

The challenges in the set up and implementation of the EU trustmarks stakeholder platform are:

1) Guaranteeing a homogeneous and representative group of stakeholders, coming from all main stakeholders groups (consumers, traders, SMEs, associations, and trustmarks providers);
2) Achieving a homogenous level of awareness, focus and understanding of the issues related to trustmarks by all stakeholders, to avoid an uneven drive;
3) Ensuring an appropriate balance between stakeholder representation and platform efficiency and effectiveness. In other terms it is necessary to guarantee the smooth operation and the outputs of the cooperative work of a significant number of stakeholders;
4) Guaranteeing an appropriate level of participation by stakeholders.

It might be efficient to take advantage of the experience of such cooperation platforms, which have been established in Europe previously, identifying best practices which, can be effectively transferred to this particular field. Such stakeholder platforms have already been

[96] Overall observation of the dynamics of the discussions in the focus group.

developed for the "Smart Cities initiative", [97] or the "Multi-stakeholder platform for sustainable aquaculture in Europe"[98], or the "Multi-stakeholder platform for digital literacy and eInclusion"[99]

Table 4-4: Policy recommendations table

Policy Action	Determinant	Driver	Stakeholder support
1) Define the institutional role of the EC in creating awareness and trustworthiness of trustmarks labels. In other terms, the EC shall decide what role it wants to take and the financial commitment the Commission wants to make in the field of trustmarks (the policy making mandate)	- EU treaty - Mandate of the EC	European Commission	--
2) Define the operational role of the EC in creating awareness and trustworthiness of trustmarks labels. The Commission should decide whether it wants to assume an additional operational role in the field of trustmarks.	- EU treaty - Mandate of the EC - EC framework for operating agencies	European Commission	
3) Set up the trustmarks stakeholder platform and define its composition and mandate a. Define the concrete activities to be carried out by the platform	- EU rules on participatory policy making - EC rules on participatory policy making	European Commission	Stakeholders in eCommerce
4) Come to an agreement on the relationship between trust, cross-border eCommerce and trustmark services	- Free undertaking - No distortion of competition	European Commission	Stakeholder (through the trustmarks stakeholder platform)
5) Assess barriers to cross-border eCommerce within and outside the scope of		European Commission	Stakeholder (through the trustmarks

[97] http://eu-smartcities.eu/: The Smart Cities Stakeholder Platform provides a unique opportunity for all stakeholders (companies, cities, individuals, ...) in Europe to establish Europe's Smart City Roadmap, inspire the future Calls in EU Horizon 2020 and Key Innovations that will make our cities smarter and more sustainable.
[98] http://cordis.europa.eu/search/index.cfm?fuseaction=proj.document&PJ_RCN=7975966: Platform for Sustainable European Aquaculture, whose strategic objective is to provide consumers with, and demonstrate the benefits of, high quality, safe and nutritious farmed fish and shellfish products, grown under sustainable conditions.
[99] http://ec.europa.eu/information_society/activities/einclusion/docs/eigroupmeeting2011/bigidea.pdf

Policy Action	Determinant	Driver	Stakeholder support
trustmark service providers			stakeholder platform)
6) Define policy measures for eCommerce beyond the scope of trustmark-specific policies	- General Information Society policy framework	European Commission	eCommerce policy stakeholders at large
7) Define consumer (eCommerce) awareness raising measures beyond the specific trustmarks field	- General eCommerce policy framework	European Commission	eCommerce policy stakeholders at large
8) Define awareness raising measures on trustmarks and link them to the trustmark specific assurance work	- Specific trustmarks framework	European Commission	Stakeholder (through the trustmarks stakeholder platform)
9) Define trust criteria for trustmarks, in terms of the minimum trust criteria (see specific policy measures below on trustmarks features	- Specific trustmarks framework	European Commission	Stakeholder (through the trustmarks stakeholder platform)
10) Elaborate a EU trust standard for trustmarks. This means that the EC might want to develop the minimum trust criteria to set up a proper European trustmarks standard.	- Specific trustmarks framework	European Commission	Stakeholder (through the trustmarks stakeholder platform)
11) Awareness and language-related trustmarks policy measures a. Awareness raising b. Localization standards c. Standards for service centers	- Specific trustmarks framework	European Commission	Stakeholder (through the trustmarks stakeholder platform)
12) Policies related to the regulatory framework a. trust-features and the dispute resolution system b. Operations of the DRS	- Specific trustmarks framework - EU ODR and ADR system	European Commission	Stakeholder (through the trustmarks stakeholder platform) Stakeholders on ODR and ADR
13) Decision on priority of trust-building features: must have and nice to have	- Results of the trustmarks	European Commission	Stakeholder (through the trustmarks

Policy Action	Determinant	Driver	Stakeholder support
	study		stakeholder platform)
14) Launch the policy process for self-regulation and further of an accreditation scheme	- Specific trustmarks framework - Results of the trustmarks study	European Commission	Stakeholder (through the trustmarks stakeholder platform)

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Annex 1: Comparison between European trustmarks in 2006 and 2012

Country	2006	2012	URL	Logo
Austria	Gütezeichen (Euro-label Austria)	Still active	https://www.guetezeichen.at/	
	--	Sicher Einkaufen, set up in 2000	http://www.sicher-einkaufen.at/	http://www.sicher-einkaufen.at/files/281/ECQ_Richtlinie_2011.pdf
Belgium	BeCommerce	Still active	http://www.becommerce.be/nl	
Bulgaria	Not included in study	--		
Czech Republic	Certified shops (APEK)	Still active	http://www.apek.cz/	
	SOAP	Still active	http://www.spotrebitele.info/sluzbypropodnikatele/saop.html	
Cyprus	--	--		
Denmark	e-Mark	Still active	http://www.emaerket.dk/	
Estonia	--	--		
Finland	--	ASML's trustmark : Reilun Pelin Jäsen*	http://www.asml.fi/en/rules_and_regulations/	
France	L@belsite	Not active anymore		
	Fia-net	Still active*	http://www.fia-net.com/	

	--	Fevad (Charte Qualité)*	http://www.fevad.com/reglementation/charte-de-qualite	
Germany	TrustedShops	Still active	http://www.trustedshops.com/	
	Internet Privacy Standards	Renamed into EuroPrise	https://www.european-privacy-seal.eu/	
	Tüv Sued Safer Shopping	Still active	http://www.safer-shopping.de/	
	EHI Geprüfter Online-Shop (Euro-label Germany)	Still active	http://www.shopinfo.net/	
	EHI bhv label	Merged with Euro-label		
Greece	Epam	Still active*	http://www.enepam.gr/	
Hungary	eQ recommendation	Still active*	http://ivsz.hu/	
	--	Árukü ldõk *	http://www.arukuldok.hu/	
Iceland	--	--		
Ireland	EIQA W-mark (certification body)	Still active, but it is not an eCommerce trustmark	http://www.eiqa.com/	
	Segala trustmark	Still active	http://segala.com/	
Italy	Euro-label Italy	Not active anymore		
Latvia	--	--		

Lithuania	--	eShops, set up in 2011	http://www.eshops.lt/	
Luxembourg	E-commerce certified	Not active anymore		
Malta	Euro-label Malta	Replaced by eShops Malta in 2011	http://eshop.mca.org.mt/	
The Netherlands	Thuiswinkel Waarborg	Still active	http://www.thuiswinkel.org	
	--	Qshops	https://www.qshops.org/	
	--	MKB OK (since 2005)	http://www.mkbok.org/index.htm	
	--	Webshop Keurmerk (since 2001)	http://www.keurmerk.info/	
Norway	Nsafe	Not active anymore		
	EBtrust	Not active anymore		
	--	Trygg e-Handel, set up in 2011	http://www.tryggehandel.no/	
Poland	E-Commerce ILim Certyfikat (Euro-label Poland)	Still active	http://www.ilim.poznan.pl/en/index.php http://www.euro-label.com.pl/	
	Trusted Store	Still active	http://www.sklepy24.pl/	
Portugal	PACE	Not active anymore		
		Confianca Online, set up in 2009	http://www.acepi.pt/index.php	
Romania	Not included in study	Euro-label Romania	http://www.protectia-consumatorilor.ro/	
		Trusted.ro	http://www.trusted.ro/	
Slovakia	--	--		
Slovenia	--	--		

Spain	Confianca Online	Still active	http://www.protectia-consumatorilor.ro/	
	AENOR	Not an eCommerce trustmark	http://www.en.aenor.es/aenor/inicio/home/home.asp	
	AGACE	Not active anymore		
	IQUA	Not active anymore		
	EWEB	Not active anymore		
	Euro-label Spain	Not active anymore		
Sweden	--	Trygg eHandel, Set up in 2007	http://www.tryggehandel.se/	
	--	Rådet för E-handelscertifiering, set up in 2008	http://www.ehandelscertifiering.se/	
UK	TrustMark	Still active, Not an e-commerce trustmark	http://www.trustmark.org.uk/	
	WebtraderUK	Not active anymore		
	TrustUK	Not active anymore		
	SafeBuy	Still active	http://www.safebuy.org.uk/	

** Is not an eCommerce trustmark, but an association of Internet retailers that has a code of conduct*

Annex 2: Networks of trustmark providers

Euro-label[100]	**EMOTA** (the European Multi-Channel and Online Trade Association) members carrying trustmarks[101]	**Ecommerce Europe** (collaboration of domestic consumer and trustmark organizations)[102]
EHI Geprüfter Online-shop (Germany); main branch of Euro-label	Handelsverband (Austria)	Fevad (France)
Gütezeichen (Austria)	ASML (Finland); not a trustmark provider, but a direct marketing association carrying a seal	BeCommerce (Belgium)
ILim Certyfikat (Poland)	Bvh (Germany)	Thuiswinkel waarborg (the Netherlands)
L@belsite (France); inactive	EPAM (Greece); not a trustmark provider, but a distance selling association having a code of conduct for their members	FDIH (Denmark)
Euro-label Italy; inactive	ÁRUKÜLDÖK (Hungary); not a trustmark provider, but a distance selling association	Svensk Distanshandel (Sweden)
Euro-label Spain; inactive	Acepi (Portugal)	Distansehandel Norge (Norway)
	Svensk Distanshandel (Sweden)	Netcomm (Italy)
	VSV (Switzerland)	

[100] http://www.euro-label.com/en/
[101] http://www.emota.eu/members.html
[102] http://www.fevad.fr/espace-presse/la-fevad-s-associe-au-lancement-de-l-association-europeenne-du-e-commerce, accessed on April 12, 2012.

Annex 3: International trustmarks covered by this study

Country	Name	URL	Logo
Japan	Japan DMA	http://www.jadma.org/e/about/jadma_mark.html	
	TradeSafe	http://www.tradesafe.co.jp/english/	
Philippines	Sure Seal	http://www.sureseal.com.ph/	
Singapore	CASE - Consumer Association of Singapore	http://www.casetrust.org.sg/Home/tabid/36/Default.aspx	
	TrustSg	http://www.trustsg.sg/	
Thailand	TrustMark Thai (DBD)	http://www.trustmarkthai.com	
Vietnam	TtrustVN	http://www.ecomviet.vn/	
United States	BBBOnline	http://www.bbb.org/online/	
United States	Truste	http://www.truste.com	
United States	VeriSign, renamed into Norton Secured, owned by Symantec	http://www.verisign.com	

United States	CPA Webtrust	http://www.webtrust.org	
United States	McAfee	http://www.mcafeesecure.com/	
United States	Comodo	http://www.comodo.com/	
United States	Trustwave	https://www.trustwave.com/	
United States	BuySafe	http://www.buysafe.com/index.html	
United States	GeoTrust	http://www.geotrust.com/	
World-wide	Chamber Trust	http://chambertrust.worldchambers.com/	

Annex 4: The securitisation of trustmarks and their link

NAME of Trustmark	Example examined	Certificate visible	Link Secured?	Link address	Does the certificate "look" trustworthy?
EuroPrise (DE)	http://www.riserid.eu/de/home/	YES	YES	https://www.european-privacy-seal.eu/awarded-seals/DE-110023	YES
TrustE (US)	http://www.budshop.com/webstore/store/budshop/home.do	YES	NO	http://clicktoverify.truste.com/pvr.php?page=validate&url=www.budshop.com&sealid=101	YES but no secure link
CPA Webtrust (US)	http://www.geotrust.com/de/	YES	YES	https://cert.webtrust.org/ViewSeal?id=650	YES
GeoTrust (US)		YES	YES	https://smarticon.geotrust.com/smarticonprofile?Referer=http://www.geotrust.com	YES
McAfee (US)	http://www.budshop.com/webstore/store/budshop/home.do	YES	YES	https://www.mcafeesecure.com/RatingVerify?ref=www.budshop.com	YES
TrustWave SSL certificates (US)	https://www.trustwave.com/product-reviews.php	YES	YES	https://sealserver.trustwave.com/cert.php?customerId=&size=105x54&style=normal&baseURL=www.trustwave.com	YES
VeriSign (being renamed into Norton Secured) (US)	http://www.blick.sg/	YES	YES	https://trustsealinfo.verisign.com/splash?form_file=fdf/splash.fdf&dn=www.blick.sg&lang=en	YES
Comodo SSL certificates (US)		YES	NO	http://www.trustlogo.com/ttb_searcher/trustlogo?v_querytype=W&v_shortname=SC2&v_search=www.comodo.com&x=6&y=5	YES but no secure link
Segala (IE)					Not possible/No info found
Trygg eHandel (SE)	http://www.fenixbok.se/	YES	NO	http://www.tryggehandel.se/butik/839	YES but no secure link
SOAP (CZ)	http://www.fotoskoda.cz/	YES	NO	http://www.spotrebitele.info/pro-spotrebitele/saop-seznam-platnych-certifikat.html?did=0007	YES but no secure link
InfoCons (RO)					Not possible/No info found
Trade safe (JP)	http://www.flowergift.co.jp/	YES	YES	https://www.tradesafe.jp/shop/TS000303	YES
Sure Seal (Philippines)	http://www.cadwebsolutions.com/	YES	YES	https://sureseal.ph/verify.asp?id=20091203001	The trustmark has a logo and a secure link. However the status of the trustmark is expired.
BuySafe (US)	http://www.ashford.com/index.jsp	YES	YES	https://www.buysafe.com/Web/Seal/VerifySeal.aspx?	YES

NAME of Trustmark	Example examined	Certificate visible	Link Secured?	Link address	Does the certificate "look" trustworthy?
				MPHASH=nq5t5cL406PmhC90%2FbXEY9sLz9i5sEtwgu5mDi5S5QRe3itFy9xP0tMSGzNHLVUXs1z0v62B01vSaPsvaF41yw%3D%3D&G=1	
TrustVn (Vietnam)					Not possible website does not seem to exist
ChamberTrust business seal (Worldwide)	http://www.gmjphoenix.com/	YES	NO	http://chambertrust.worldchambers.com/details.asp?id=11621	YES. Provides info for the merchant but no secure link
Eurolabel Poland (PO)	http://www.asport.pl/	YES	NO	http://www.euro-label.com/nc/zertifizierte-shops/zertifikat/shop/826/	YES but no secure link
e-Mark (DK)	http://www.zalando.dk/	YES	NO	http://certifikat.emaerket.dk/eshop/zalando.dk	YES but no secure link
Fia-net (FR)	http://www.euronics.fr/	YES	NO	http://www.fia-net.com/annuaire/13521/euronics_301-1_resume.html	YES but no secure link
Tüv Süd (DE)	http://www.zalando.de/?wmc=AFF49_AN_DE.465805_..	YES	NO	http://www.safer-shopping.de/zertifikat/zalando-de.html	YES but no secure link
eShop (MT)	http://jubileefoods.net/	YES	NO	http://eshop.mca.org.mt/verify/eshop/jubilee-foods-retail	YES but no secure link
Webshop Keurmerk (NL)	http://www.ebookshoponline.nl/	YES	NO	http://www.keurmerkadministratie.nl/Leden_Partners/LidDetails/5752	YES but no secure link
Confianca Online (PT)					Not possible
Trusted.ro (RO)	http://www.papetarie.net/	YES	YES	https://www.trusted.ro/assets/verify.php?id=fc221309746013ac554571fbd180e1c8	YES
Confianca Online (ES)	http://www.zalando.es/	YES	YES	https://www.confianzaonline.es/empresas/zalando.htm	YES
VSV (CH)	http://www.zalando.ch/	YES but only logo		No link	Since only logo could be also fraudulent/fake
TrustSg (Singapore)	http://www.zuji.com.sg/	YES but only logo		No link	Since only logo could be also fraudulent/fake
Trustmark Thai (Thailand)	http://tigatime.com/	YES	NO	http://www.dbd.go.th/edirectory/paper/?id=0108314852201&st=1	YES but no secure link
BBBOnline (US)	http://www.eastcoasttaxconsulting.com/	YES	NO	http://www.bbb.org/south-east-florida/business-reviews/certified-public-accountants/east-coast-tax-consulting-group-in-boca-raton-fl-90043263#sealclick	YES but no secure link
Gütezeiche	http://www.quelle.ch/	YES	NO	http://www.euro-	YES but no secure link

NAME of Trustmark	Example examined	Certificate visible	Link Secured?	Link address	Does the certificate "look" trustworthy?
n (AT)				label.com/zertifizierte-shops/zertifikat/index.html?memberkey=WKO&shopurl=www.quelle.ch	
APEK (CZ)	http://www.bookshop.cz/	YES but only logo		No link	Since only logo could be also fraudulent/fake
Qshops (NL)	http://www.broekmans.com/en/default.cfm	YES	YES	https://www.qshops.org/consumenten/leden/broekmans-van-poppel-b-v	YES
Trygg eHandel (NO)	http://www.ellos.no/	YES	NO	http://www.tryggehandel.no/butikk/10&usg=ALkJrhhCjqfPh8QVBlmmqH_90Qk73Wx-iw	YES but no secure link
Radet for Ehandelscertifiering (SE)	http://www.fitnessbutiken.se/	YES	YES	https://www.ehandelscertifiering.se/rapport.php?url=www.fitnessbutiken.se	YES
ISIS (UK)	http://www.english-heritageshop.org.uk/	YES but only logo		No link	Now merged to Trusted Shops
JDMA (Japan direct marketing association) - Online Shopping Trust (JP)	http://www.otto-online.jp/	YES but only logo		No link	Since only logo could be also fraudulent/fake
CaseTrust for Webfront (Singapore)	http://www.perfectdeco.com.sg/home.aspx	YES but only logo		No link	Since only logo could be also fraudulent/fake
Trusted Shops (DE)	http://www.zalando.de/?wmc=AFF49_AN_DE.465805_..		YES	https://www.trustedshops.com/shop/certificate.php?shop_id=X1C77CF6EE730D2E88A284D7203D1B20F	YES
SafeBuy (UK)	http://www.pc-uk.net/	YES	NO	http://www.safebuy.org.uk/certificate/c7e53f78-698b-4b3e-8d41-01dc587de44e.html	YES but no secure link
Thuiswinkel Waarborg (NL)	http://www.vanharen.nl/NL/nl/shop/welcome.html	YES	YES	https://beheer.thuiswinkel.org/certificering/index.asp?BedrijfId=6879e79564385ef79711b4a991736b4a	YES
EHI (Eurolabel DE)	http://www.deichmann.com/	YES	YES	https://www.shopinfo.net/zertifizierte-shops/zertifikat/index.html?memberkey=EHI&shopurl=www.deichmann.com	YES
eShops (LT)	http://www.otto.lt/	YES but only logo		No link	Since only logo could be also fraudulent/fake
Sichereinkaufen (AT)	http://www.neckermann.at/page/Startseite.html?ls	YES	NO		YES but no secure link

NAME of Trustmark	Example examined	Certificate visible	Link Secured?	Link address	Does the certificate "look" trustworthy?
	=index&mb_f020_id=Z1u-uaUcdhj0lMtISGivy-jjWjjHWaa9				
BeCommerce (BE)	http://www.zalando.be/	YES but only logo		No link	Since only logo could be also fraudulent/fake
mkbOK (NL)	http://www.broekmans.com/en/default.cfm	YES	NO	http://www.mkbok.nl/keurmerk.php?url=broekmans.com	YES but no secure link

EU online Trustmarks
Building Digital Confidence in Europe
SMART 2011/0022

Interim Report 1: Barriers to eCommerce and Trustmarks Inventory

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Study on EU online Trustmarks – Building Digital Confidence in Europe: Interim Report 1: Barriers to eCommerce and Trustmarks Inventory

1 Introduction

This study investigates trustmarks and their role in stimulating cross-border eCommerce within Europe. The purpose is to make a comprehensive assessment of the trustmarks landscape and to determine their role, functions and effectiveness in supporting electronic cross-border Business-to-Consumer transactions in Europe. We will identify the main trustmarks inside and outside of Europe and analyse their characteristics from the perspectives of users, businesses and trustmark providers. Our analysis will determine the way they can improve trust in cross-border online sales, favour consumer choice and facilitate online market access of especially the SMEs in the European Union.

Cross-border eCommerce still has many untapped potential benefits, but also faces several obstacles, and many cross-border transactions fail.[1] Part of the reason for this unfulfilled potential of eCommerce is that citizens lack trust in cross-border eCommerce.[2] One of the instruments that may overcome these trust issues are trustmarks. Online trustmarks aim to assure consumers that a particular online seller has been validated by a trustmark provider and are found to be safe to use.

The study aims at providing fact-based information on the ways trustmarks and trustmark policies can effectively generate a positive impact on trust-building in cross-border eCommerce transactions. This first interim report comprises the (preliminary) results of the first two research tasks. The first is concerned with the identification of barriers to trust in eCommerce. The second concerns the identification and mapping of existing trustmarks and their policies. Subsequent tasks, which comprise a comparison and an assessment of trustmark schemes, will be presented in a second interim report. A final report will combine the two parts to contribute to the overall research objective.

1.1 Stimulating cross-border eCommerce

The Digital Agenda for Europe, which is part of the Europe 2020 strategy, is concerned with making more effective use of digital technologies and services, supporting the overall economic and social development of the European Union and its Single Market, aiming at a

[1] European Commission (2011a) Commission staff working paper. Bringing e-commerce benefits to consumers, draft.

[2] European Commission (2011a).

fully-integrated digital single market.[3] The Commission's target is to have 50% of consumers to buy online by 2015 and 20% of consumers to buy online across borders within the EU by 2015. However, Eurobarometer results show that in 2010 37% of EU consumers shop online, with only 7% of EU consumers purchasing goods and services online across borders in the last 12 months.[4] In 2011, based on Eurostat data, the Commission found that the percentage of EU citizens doing cross-border online transactions increased a little to 9%.[5]

Studies suggest that one of the causes of this unfulfilled potential is that the EU eCommerce market is still fragmented.[6] On the supply side, online retailers face problems such as language and technical barriers, cross-border logistics, cross-border payments, administrative and regulatory barriers (such as fragmentation of consumer protection rules across Member States and other rules, for example on VAT) and search and advertisement barriers.[7] These factors cause online retailers not to sell to other EU Member States. On the demand side, two main general barriers to (national and cross-border) eCommerce are the preference of consumers to shop offline and a lack of internet access.[8] These are directly followed by barriers that relate to trust in cross-border eCommerce, including concerns about payment, security, personal details, delivery, redress mechanisms, after-sales support and language barriers.[9]

Trust is generally considered paramount for influencing consumers' attitudes and willingness to participate in eCommerce. Building digital confidence has been an objective of the Commission for several years. After the attempts in the beginning of the millennium to back-up self-regulatory trustmark schemes, the issue of trust for eCommerce is still on the European policy agenda. This is also caused by the difficulties in the implementation of the European Trustmark Requirements,[10] fragmented national initiatives, and the limitations of self-regulation and European Directives. A recent study for the European Parliament echoes these issues and indicates possible solutions: "Enhancing the level of trust in online traders e.g. by establishing regulated (pan-European) trustmarks for online traders; strengthening the Trusted Shops initiative; and increasing awareness of current EU level and national level initiatives".[11]

In recent years, the Commission focused on building new consumer protection legislation for eCommerce, thereby already addressing several of the aforementioned barriers. Examples are the Unfair Commercial Practices Directive,[12] Distance Marketing of Financial Services Directive[13]

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[3] European Commission (2010) A Digital Agenda for Europe. COM(2010) 245 final/2.

[4] Gallup Organisation (2011a) Flash Eurobarometer 299: Consumer attitudes towards cross-border sales and consumer protection. A report for the European Commission.

[5] European Commission (2011a)

[6] European Commission (2009a) Commission Staff Working Document. Report on cross-border e-commerce in the EU. Brussels, 5.3.2009. SEC(2009) 283 final.

[7] European Commission (2009a)

[8] European Commission (2009a)

[9] European Commission (2009a)

[10] BEUC and UNICE (2000) European Trustmark Requirements. e-Confidence project. BEUC/X/179/2000.

[11] London Economics (2011) Consumer behaviour in a digital environment. IP/A/IMCO/ST/2010-08. August 2011. Report for European Parliament.

[12] Directive 2005/29/EC of the European Parliament and of the Council of 11 May 2005 concerning unfair business-to-consumer commercial practices in the internal market and amending Council Directive 84/450/EEC, Directives 97/7/EC, 98/27/EC and 2002/65/EC of the European Parliament and of the Council and Regulation (EC) No 2006/2004 of the European Parliament and of the Council ('Unfair Commercial Practices Directive'11 May 2005.

[13] Directive 2002/65/EC, 90/619/EEC and Directives 97/7/EC and 98/27/EC.

and the Directive on Consumer Rights.[14] The Digital Agenda announces additional initiatives, such as the EU strategy to improve alternative dispute resolution and the promotion and improvement of online redress tools and cross-border price comparison tools.[15] The Digital Agenda further aims to increase consumer confidence by promoting EU online trustmarks for online retailers, to be developed in consultation with all stakeholders. A first step is to create a stakeholder platform for EU online trustmarks by 2012 (DAE #17).

1.2 Trustmarks

Trustmarks aim to assure consumers that a particular site or online seller has been validated by a trustmark provider and found to be safe to use. They are designed to increase consumers' trust in (cross-border) eCommerce.

To date, a wide variety of online trustmarks related to eCommerce exist. Most are national schemes and not well-known by consumers from other EU countries. They vary on scope, business model, quality and enforcement. The workshop on 'trust and confidence in the internal market' organized in June 2011 identified four main problems with trustmarks in Europe: there are too many, they are poorly regulated, they vary in quality, enforcement and credibility and they are national.[16] The wide variety of trustmarks has led to a fragmented provision of trustmarks which in turn reduces the recognition and significance of the existing ones. The workshop concluded that there was a need for EU level involvement in the co-regulation of trustmarks between EU, national authorities and trustmark suppliers. The creation of some kind of accreditation model was widely supported and the easiest way envisaged was to build on the existing models by defining minimum criteria.

It is yet unclear, however, to what extent trustmarks are capable of increasing trust in cross-border eCommerce transactions. Therefore, before the existing trustmark schemes are investigated, in this report an overview is created of the main barriers to (cross-border) eCommerce, in particular focusing on trust barriers. Therefore, one of the purposes of the study is to determine the weight and impact of trustmarks on the overall consumer – and business – propensity to shop online and to shop on-line cross-border. This weight will be assessed comparing the solutions which trustmarks are providing to support cross-border eCommerce.

1.3 Research objectives

The first objective of this report is to provide an overview of the barriers to cross-border eCommerce, with a special focus on barriers to trust, and to analyse the different solutions available and their potential to overcome trust barriers. Furthermore, it maps the existing trustmarks and their certification and accreditation policies. It thus comprises two parts: one related to the barriers and solutions analysis, and one related to the mapping of the trustmarks and their policies. Two research questions can thus be identified and subsequently specified:

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[14] Directive 2011/83/EU of the European Parliament and of the Council of 25 October 2011 on consumer rights, amending Council Directive 93/13/EEC and Directive 1999/04/EC of the European Parliament and of the Council and repealing Council Directive 85/577/EEC and Directive 97/7/EC of the European Parliament and of the Council.

[15] European Commission (2011a) op. cit.

[16] European Commission (2011b) Digital Agenda Assembly. Report from workshop 14. Building confidence for the digital single market. Brussels 17-19 June.

1. Which are the main barriers to trust in cross-border eCommerce and which solutions can contribute to overcoming these barriers?
   - What is the size of cross-border eCommerce in the EU?
   - What are the drivers and enablers of cross-border eCommerce?
   - Which are the barriers to (cross-border) eCommerce for consumers and retailers?
   - Which instruments exist that may help to overcome these barriers?
   - How do these solutions relate to the barriers that were identified?

2. Which trustmarks currently exist and how can they be categorized?
   - Which are the main trustmarks within the EU and outside of the EU?
   - How did the development of trustmarks in the EU take place?
   - Which are the main characteristics that distinguish the different trustmarks?
   - What is the geographical scope and coverage of the trustmarks?
   - Which assurance policies dispute resolution mechanisms do they provide?
   - What are their subscription costs and structure?
   - Which legal issues do they cover?
   - Which certification and accreditation policies do they have?
   - How can the trustmarks be categorized?

The first research question is answered in five steps. Firstly, the size of cross-border eCommerce is briefly investigated. Secondly, the general drivers and barriers to eCommerce are introduced, followed by an identification and subsequent categorization of the barriers to cross-border eCommerce, including barriers to trust. Fourthly, instruments that may help to overcome these barriers are investigated, and finally they are compared to the barriers that were found.

The second research question is answered in four steps. Firstly, background information is provided on the development of trustmarks in the EU. Secondly, the methodology of the investigation is described. Thirdly, an overview of the different trustmarks according to their main characteristics is provided. And fourthly, the trustmarks are categorized, after making a selection of the most important characteristics that can be used to distinguish them.

1.4 Methodology

This first research question is answered using desk research. This means that relevant policy documents and related studies are reviewed to identify relevant barriers to trust in eCommerce. Based on desk research, using academic, industry associations, market studies, EC, OECD and national studies as relevant sources, barriers for cross-border e-Commerce – with a specific focus on barriers related to trust – will be identified. A central document is an EC Staff working document on barriers in e-Commerce that was released in 2011.[17] Furthermore, to provide a comprehensive overview, additional sources were used in the desk research. Subsequently, the identified barriers were validated using a target panel, consisting of fourteen organizations representing consumers, retailers and trustmark organizations.

The second part of this report concerns the mapping of existing trustmarks and their certification and accreditation policies. For this task, three different sources of information

[17] European Commission (2011a)

were used: desk research, survey research, and interviews. First of all, a selection was made of 75 trustmarks, of which 54 are from within the EU and 21 are outside of the EU (mainly in the US and Asia). The websites of these trustmarks and the organizations behind the trustmark schemes were studied. Secondly, a survey was sent out to all of these trustmarks to validate the findings from the desk research. 30 Trustmarks participated in this survey. Thirdly, 16 of the most elaborate and mature trustmark schemes were selected and subsequently interviewed to gather qualitative information that could not be gained from the website or from the desk research.

1.5 Outline of the report

Chapter 2 investigates barriers to trust in cross-border eCommerce. By identifying and classifying barriers, an overview of the relevant barriers is created. Followed by an identification of the solutions to overcome these barriers and a synthesis to compare barriers and solutions.

Chapter 3 presents an overview of the existing trustmarks and their main characteristics, such as their certification and accreditation policies, and dispute resolution mechanisms. Furthermore, it proposes a categorization of trustmark schemes.

2 Barriers to cross-border eCommerce

Cross-border eCommerce is a key element of a fully functioning digital single market, which is an objective of the Digital Agenda for Europe.[18] However, many barriers to cross-border eCommerce exist that produce a large unfulfilled potential of cross-border online transactions.[19] Barriers experienced by consumers are often mirrored by barriers experienced by retailers.[20] Besides the means-independent factors such as a preference for shopping in person and a lack of internet access, a major group of barriers is related to consumers' concerns for trust in (cross-border) eCommerce. This chapter identifies and categorizes barriers to (cross-border) eCommerce.[21] This chapter first describes the rise and size of (cross-border) eCommerce in the EU, before it moves on to the identification of barriers. Two categories of barriers are distinguished: barriers for consumers and barriers for retailers. After a discussion of the barriers, instruments are presented that may help to overcome these barriers, followed by a synthesis of the barriers and solutions to map whether these solutions help to overcome the barriers that were identified.

2.1 eCommerce in the EU

This section presents available figures on eCommerce within the EU to contextualise the barriers to (cross-border) eCommerce. Business-to-consumers eCommerce has taken off within the EU, especially domestically. Between 2004 and 2010, the percentage of people having purchased goods or services online increased from 22% of the population to 40%. Cross-border eCommerce transactions represent a significantly smaller part of eCommerce within the EU, having grown from 6% to 9% in the same period of time. This indicates that less than one out of ten European citizens have made cross-border online transactions. Although the current level of cross-border eCommerce within the EU is still rather low, there are indications that there is a large potential.[22] The target specified in the Digital Agenda for Europe is to have 50% of consumers to buy online by 2015 and 20% of consumers to buy online across borders within the EU by 2015. The EU lags behind Korea, Japan, and the US in percentage of consumers shopping online.[23]

In 2010 the online retail market represents around 3.5% (almost €91 billion) of the total retail market in the EU (€2604,5 billion), but variations between the countries can be observed. In the most mature market – the UK – it represents 7.9% of the market, followed by Denmark (5.4%), Finland and Sweden (4%) and France and Germany (3.9%).[24] The UK also has the largest share of the total online retail EU market (34.6%), followed by Germany (19.6%) and France (19.1%). A

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[18] European Commission (2010)
[19] European Commission (2011a)
[20] European Commission (2009)
[21] This chapter is largely based on the Commission staff working paper 'Bringing e-commerce benefits to consumers' (2011, draft). If not specified otherwise, information presented in this chapter is based on this working paper.
[22] Civic Consulting (2011) Consumer market study on the functioning of e-commerce and Internet marketing and selling techniques in the retail of goods, Final Report. Part 1: Synthesis Report, 09.09.2011.
[23] Commission staff working paper (2011c) Online services, including e-commerce, in the Single Market. Brussels. SEC(2011) 1641.
[24] Civic Consulting (2011)

complete overview of the value of total retailing and internet retailing for the EU-24 can be found in Annex 3 (Table 7). A few other countries follow these three large eCommerce markets: the Netherlands (4%), Spain (3.5%), Italy (3.3%), and Sweden (2.9%), with other countries following at some distance. The UK has the most mature online market within the EU. The three largest eCommerce markets (the UK, Germany, and France) also attract most online shoppers from other EU countries (with Germany attracting 27%, the UK 24%, and France 14%). Most of the online retail market is situated in Western Europe.

Within the EU, eCommerce accounted in 2011 for around 14% of turnover for enterprises employing at least ten persons and has been relatively stable in the last three years[25]. However, there are large sectoral differences in the use of eCommerce.[26] Figure 2.1 shows the growth of enterprises' turnover from eCommerce in Europe since 2007 (a complete overview can be found in Annex 3). Enterprises in the Czech Republic have the highest turnover from eCommerce. Some countries have experienced a steep decline in enterprises' turnover from eCommerce after 2009, such as Ireland and Belgium. Over the course of 2009, around 13% of companies across Europe received online orders.[27]

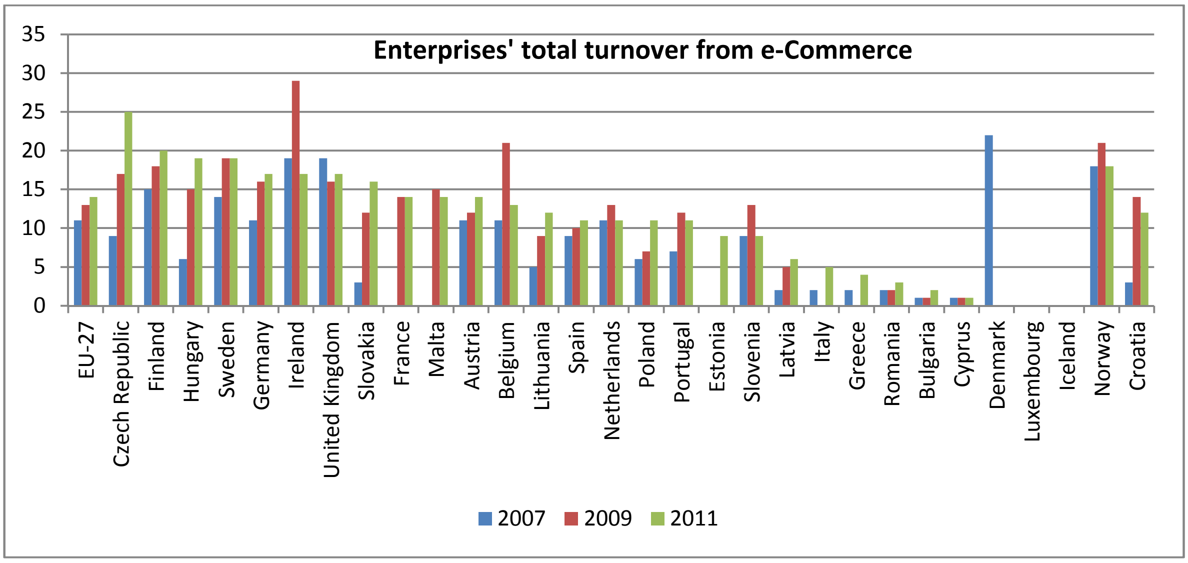

Figure 2.1: Enterprises' total turnover from e-commerce as percentage of total turnover (10 employees or more)[28]

Figure 2.2 provides an overview of individuals shopping online in the last years, distinguishing between buying products or goods from national sellers, from other EU-countries and from countries in the rest of the world in 2011. Annex 3 shows growth data since 2008. Overall percentages show that 43% of Europeans have made online purchases in the last year from national sellers, which has grown from 30% in 2007. Countries with a large part of the population shopping online (from national sellers) are the United Kingdom (68%), Sweden (66%), the Netherlands (64%) and Germany (62%). Countries with a relatively low percentage of the population shopping online (from national sellers) are Bulgaria (5%), Malta (5%), Romania

[25] Eurostat, Information Society statistics (September, 2011) retrieved on March 13, 2012.
[26] IMCO (2011) Consumer behavior in a digital environment. Report of European Parliament by London Economics.
[27] Eurostat (2011) extracted 28.03.2012
[28] Eurostat (2011) extracted 28.03.2012

(5%) and Cyprus (3%). In four countries domestic online shopping is growing relatively fast since 2010, which are Finland (7%), Belgium (4%) and Ireland (4%).

Regarding EU cross-border online transactions, eight countries have 20% or more of their citizens purchasing online across-borders in 2011 (Luxembourg, Malta, Austria, Norway, Denmark, Finland, Belgium and Ireland). Luxembourg has the highest percentage of individuals shopping online in other EU-countries (56%), followed by Malta (38%) and Austria (32%). In twelve countries 10% or less of consumers have bought anything online in the last year from another EU country.

When asked whether they would purchase across borders, online shoppers from Malta (94%), Luxembourg (88%), Cyprus (83%), Austria (77%), Ireland (68%) and Belgium (54%) indicated that they are most likely to make cross-border purchases of goods in the EU.[29] A main reason for these countries having a high percentage of people willing to shop online across borders is likely that they have a relatively small domestic market, while having a larger neighbouring country with whom they share the language. Noteworthy is that in the countries in which domestic online shopping is popular, cross-border shopping (in the EU) percentages are around average, with 16% in Sweden, 14% in the Netherlands and 10% in United Kingdom. This likely means that a mature domestic eCommerce market inhibits cross-border online transactions.

Iceland (28%), Malta (20%), Norway (18%) and Luxembourg (15%) have the highest percentages of individuals shopping online from non-EU countries. The overall percentage of individuals in the EU shopping online from non-EU countries is 5% and is relatively stable since 2008. Fifteen countries in 2011 have 5% or less of the individuals that shop online from non-EU countries.

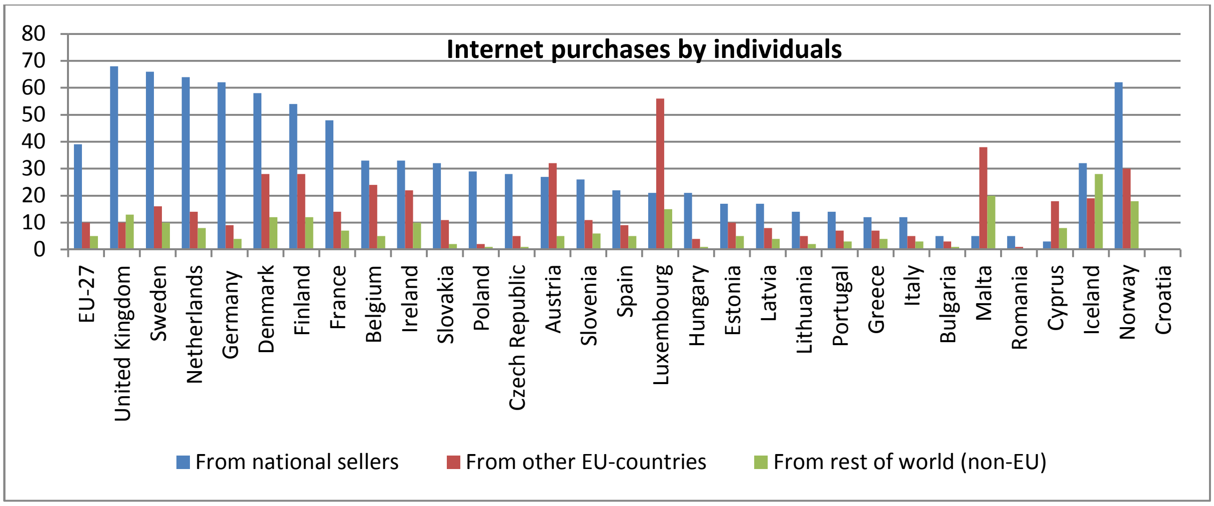

Figure 2.2 Internet purchases by individuals in 2011 (individuals who ordered goods or services over the Internet from national sellers, from other EU-countries and from non-EU countries in the last 12 months, measured as a percentage of individuals).[30]

Figure 2.3 shows the percentage of retailers in the EU that sell online, domestically, to other EU-countries or to the rest of the world in 2011 (for at least 1% of their turnover). The overall percentage of EU retailers selling online is 13% since 2010. The overall percentage of EU retailers selling domestically is 14%, cross-border within the EU 6% and to the rest of the world 4%. In nine countries 20% or more of the retailers sell online to the domestic market: Norway (31%),

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[29] Gallup Organisation (2011a)

[30] Eurostat (2011) extracted 28.03.2012

Denmark (26%), Czech Republic (24%), Lithuania (24%), Sweden (24%), Belgium (23%), the Netherlands (23%), Ireland (21%) and Finland (20%). In seven countries less than 10% of retailers sell online (to the domestic market): Poland (9%), Greece (8%), Latvia (8%), Cyprus (7%), Bulgaria (5%), Italy (5%) and Romania (4%).

Regarding cross-border eCommerce, in six countries 10% or more of the retailers sell online to other EU-countries: Ireland (13%), Malta (13%), Belgium (12%), Czech Republic (12%), Lithuania (12%) and Luxembourg (11%). Cross-border shopping to the rest of the world is relatively low, ranging from 9% in Ireland to 1% in Romania.

Data from Eurobarometer on cross-border eCommerce show substantial higher percentages of businesses selling online to other EU-countries. On average, in 2010, 53% of EU-27 retailers indicated that they sell via the Internet and 22% is conducting cross-border transactions (down from 29% in 2006, EU-25).[31] Large variations between countries can be observed, ranging from 19% in Romania to 78% in the UK.[32] However, the sample size of the Eurobarometer research is very limited.

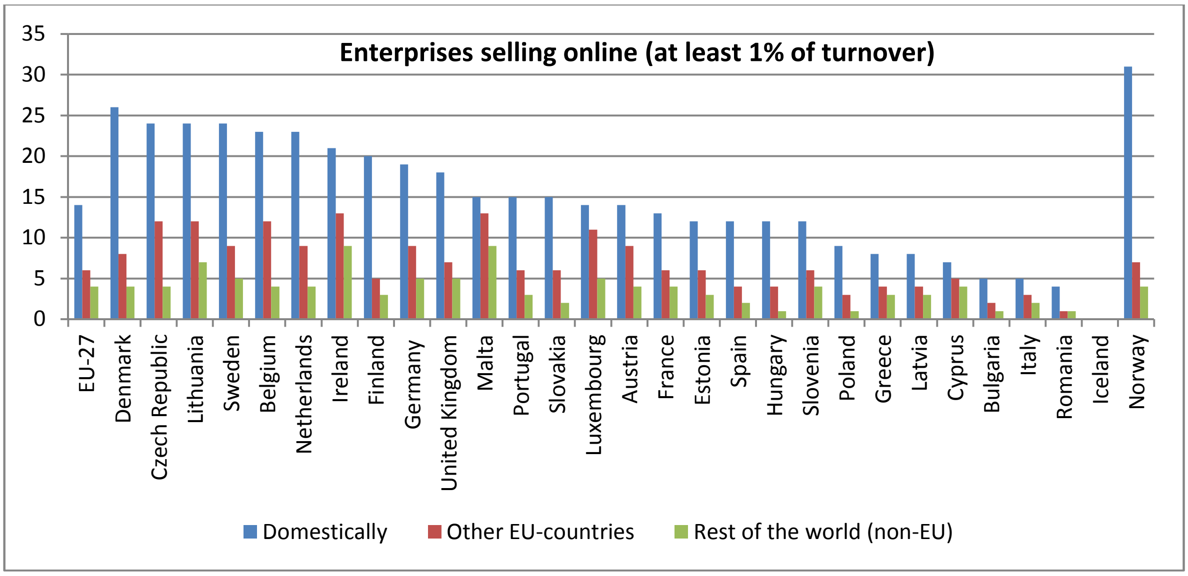

Figure 2.3 Enterprises selling online (at least 1% of turnover) in 2011, domestically, to other EU-countries and rest of the world, as percentage of all enterprises (10 persons employed or more).[33]

A EU study on cross-border online shopping showed that on average it was possible to place an order in a shop located in another country in 39% of cases tested. However, 61% of orders would have failed mainly because traders do not have a retail outlet to the consumer's country to serve the consumer's country.[34] Few (4%) online cross-border retailers sell to ten or more member states[35], with most selling in more than four countries (62%), 29% in two or three countries, and 9% selling in one country.

[31] The Gallup Organization (2011b) Retailers' attitudes towards cross-border trade and consumer protection. Flash EB Series #300

[32] The Gallup Organization (2011b)

[33] Eurostat (2011) extracted 28.03.2012

[34] YouGov Psychonomics (2009) Mystery Shopping Evaluation of Cross-Border E-Commerce in the EU.

[35] European Commission (2009)

The Commission's target is to have 50% of consumers to buy online by 2015 and 20% of consumers to buy online across borders within the EU by 2015. Based on Eurostat data, the Commission has achieved its target of domestic online shopping in 2009 with currently 53% of the individuals shopping online domestically. For cross-border eCommerce it still requires a substantial increase from the current 13% of individuals to the desired 20%. Although this seems to be a large increase, there are indications that there is a potential for cross-border eCommerce growth.[36] To discuss the potential of (cross-border) eCommerce, the next section discusses factors that may lead to an increase in (cross-border) eCommerce.

2.2 Stimulating eCommerce: pre-requisites, drivers, and enablers

This section highlights pre-requisites, drivers and enablers stimulating (cross-border) eCommerce. An overview is presented in table 2.1.

Table 2.1: Pre-requisites, drivers, and enablers of (cross-border) eCommerce.

	For consumers	**For retailers**
Pre-requisites	Need for making online purchases	Need for doing business online
	Willingness of making purchases in another language	Willingness to do sales in another language
	Internet use	
Drivers	Cheaper products	Increase in turnover
	Wider range of choice	
Enablers	Trust	Branding

Pre-requisites include the need for online purchases by consumers, the willingness to make purchases or do sales in another language than their own, and internet use. Among consumers, the demand for cross-border eCommerce has grown from 33% in 2008 to 46% in 2010, indicating that nearly half of EU citizens would be willing to purchase online across borders if they feel the need for it.[37] The willingness to purchase online can be considered a first pre-requisite. A second pre-requisite is the language used. As indicated by the percentages of consumers shopping across borders in the EU right now, sharing the language with another EU member state is an indication that cross-border eCommerce is more likely to occur. These pre-requisites are mirrored on the retailer's side. Currently, 56% of EU consumers use another language than their own for searching or buying goods and services online.[38] Furthermore, 33% of EU consumers indicate that they are willing to purchase goods and services in another language, and 59% of retailers are prepared to carry out transactions in more than one language.[39]

A final pre-requisite is internet use. Looking at the consumers that are already online (that have an internet connection at home) the percentages of people that shop online are larger than in the total EU population: within this group 45% shop online domestically and 10% across borders

[36] Civic Consulting (2011) Consumer market study on the functioning of e-commerce and Internet marketing and selling techniques in the retail of goods, Final Report. Part 1: Synthesis Report, 09.09.2011.
[37] European Commission (2009)
[38] European Commission (2011c). Flash Eurobarometer 31, User language preferences online.
[39] European Commission (2009)

within the EU.[40] Another study suggests that in this group, one in two EU consumers has purchased goods or services online over the past year.[41] It can thus be concluded that a major driver of eCommerce is access to internet, and – more specifically – having internet access at home.

Drivers for retailers and consumers differ. For retailers, cross-border eCommerce introduces a new channel and/or new markets. For them the main driver for cross-border eCommerce is a growth in potential market share and/or turnover. Retailers adopt different business models for selling online, such as only selling online ('pure play'), combining their network of physical stores to an online retail outlet ('bricks and clicks') and sales via a third party, such as online actions and electronic market places.[42] 56% of retailers selling cross-border using the Internet stated that more than 10% of their total eCommerce turnover came from cross-border sales.[43]

Another important reason for consumers to purchase online across borders is the increased range of products they can choose from.[44] A related effect is that consumers living in remote areas can get access to goods that may otherwise not be available to them (cheaply).[45] It was estimated that in a basket covering 100 goods with a median price of €112, consumers could save up to €1746 by buying online cross-border.[46] One third of EU citizens indicate that they would consider buying a product or a service from another EU member state online because it is cheaper or better.[47]

Finally, enablers of eCommerce include branding (of retailers) and trust (of consumers). These two factors are related. Large and well-known (US) businesses often do not require extra measures to boost consumers' trust.[48] They benefit from the popularity or fame of their brand, much more than the relatively unknown SME's. A brand increases the trust in eCommerce. Trust is thus an important enabler of eCommerce.[49] However, compared to offline shopping, consumers perceive more uncertainty or risk when shopping online.

Trust is considered an important factor in influencing consumers' attitude and willingness to purchase online, e.g. to participate in eCommerce.[50] Trust has become a central construct in marketing and social exchange theory and has been extensively researched. The concept has many different definitions and is characterized by notions of uncertainty, vulnerability and

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[40] The Gallup Organisation (2011a).

[41] They were asked this question in 2010, so these numbers concern 2009-2010. The Gallup Organisation (2011a).

[42] IMCO (2011) Consumer behaviour in a digital world. Report for European Parliament by London Economics.

[43] European Commission (2009)

[44] European Commission (2009)

[45] European Commission (2009)

[46] YouGov Psychonomics (2009).

[47] European Commission (2009)

[48] London Economics (2011) Consumer behaviour in a digital environment. IP/A/IMCO/ST/2010-08. August 2011. Report for European Parliament

[49] Corbitt, B., Thanasankit, T., Yi, H. (2003) Trust and e-commerce: a study of consumer perceptions. Electronic Commerce Research and Applications 2, pp. 203–215.

[50] See for example, Corbitt, B. (2003) Trust and e-commerce: a study of consumer perceptions. Electronic Commerce Research and Applications 2 pp 203–215; Kim, D., Song, Y,.. Braynov, S., Rao H. (2005) A multidimensional trust formation model in B-to-C eCommerce: a conceptual framework and content analysis from academia/ practitioners perspective. Decision Support Systems 40 pp. 143– 165

dependence.[51] In the context of the Internet, Jarvenpaa et al.[52] note that trust is a critical factor in any relationship in which the trustor does not have direct control over the actions of a trustee. According to Hosmer[53] trust can be defined as the expectation that the other party will behave in accordance with commitments, negotiate honestly and do not take advantage even when opportunity arises.

Trust itself has different dimensions (Table 2.2). Different indicators can be distinguished that contribute to these dimensions of (dis)trust, including the trustor's disposition to trust, brand reputation or perceived site quality. The amount of dimensions to trust vary depending on the focus of the research in question. We describe six main dimensions of trust, relevant in eCommerce.[54] The subdimensions give some examples of factors influencing the six main trust dimensions. Together, these subdimensions – or trust building mechanisms - could optimize the consumers trust in eCommerce.

Table 2.2: Overview of factors influencing trust.[55]

Trust dimension	Definition	Subdimensions
Consumer-behavioural	Individual attributes that affect the trusting behaviours of consumers	Experience, familiarity, peer pressure, culture etc.
Institutional	Third parties and other institutional environment	Reputation, accreditation (trustmarks), legal requirements etc.
Information content	Attributes that determine the trustworthiness of web content	Design website, brand royalty, customization etc.
Product	Attributes of a product that promote or deter online exchange	Availability, quality, durability etc.
Transaction	Attributes that make online transactions trustworthy	Transparency, payment options, promotions etc.
Technology	Information system and software attributes that enable the online exchange to be effective and safe.	Security, reversibility, integrity, authenticity, confidentiality etc.

While the factor of trust is important for both domestic and cross-border eCommerce, the fulfilment of the trust dimensions seems to be higher in domestic eCommerce than in cross-

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[51] Braddach and Ecchles (1989) Price, Authority, and Trust: From Ideal Types to Plural Forms. In: Annual Review of Sociology Vol. 15: pp. 97-118.

[52] Jarvenpaa, S. L., Tractinsky, J., & Vitale, M. (2000) Consumer trust in an internet store. Information Technology and Management, 1(1&2), 45-71.

[53] Hosmer, L. T. (1995). Trust: The connecting link between organizational theory and philosophical ethics. In: Academy of Management Review, 20, 379-402.

[54] Kim, D., Song, Y., Braynov, S., Rao H. (2005) A multidimensional trust formation model in B-to-C eCommerce: a conceptual framework and content analysis from academia/ practitioners perspective. Decision Support Systems 40 pp. 143– 165.

[55] Kim, D., Song, Y., Braynov, S., Rao H. (2005)

border eCommerce.[56] Therefore, when identifying barriers to cross-border eCommerce, trust plays an even more important role than for eCommerce in general. A clear factor that increases trust in cross-border eCommerce is having made online transactions before. Among those consumers that have already shopped online across borders, the majority (72%) intend to do this again. In this same group 61% indicated that they had equal trust in domestic and EU-wide retailers (compared to 33% for all EU consumers).[57] Furthermore, more and more EU consumers indicate that they are likely to do cross-border transactions. About 14% of EU consumers indicated that they would spend more on cross-border purchases in the next twelve months than in the past twelve months, and among cross-border online shoppers this figure is 35%.[58] Finally, 18% of online shoppers buy from retailers from outside the EU (25% in the US, 17% in China).

2.3 Barriers to (cross-border) eCommerce

The comparison between actual statistics on cross-border eCommerce and the indicators for the potential of cross-border eCommerce indicates that certain barriers exist that lead to the relatively low percentage of cross-border eCommerce in the EU. Studies suggest different types of barriers. Barriers to eCommerce in general, and to cross-barrier eCommerce specifically. These barriers can be identified on the demand side (consumers) as well as the supply side (the retailers). Especially regarding cross-barrier eCommerce, a major group of barriers is related to a lack of trust. Four categories of barriers will be identified in this section:

- general barriers to eCommerce,
- operational barriers
- legal and regulatory,
- barriers to trust.

These can be found on the consumers' side and on the side of the retailers. An overview of these barriers is presented in table (2.1). For both sides all four categories of barriers are identified. After identification of the barriers they were validated using a target panel consisting of consumer organizations, industry organizations, and trustmark organizations. We will first present the identified barriers, and will then continue with the findings from the target panel.

[56] The Gallup Organisation (2011a)
[57] Gallup Organisation (2011a)
[58] Gallup Organisation (2011a)

Table 2.1: overview of barriers to (cross-border) eCommerce.

Barriers to cross-border eCommerce	Consumers	Retailers
Barriers to eCommerce in general	- Prefer to shop offline - No need to shop online - Lack of internet access - Misuse of personal data and/or payment cards	- Lack of relevance - Costs - Fear of fraud - Lack of IT skills
Operational barriers	- Lack of foreign language skills - Lack of information - Delivery times - Extra charges - Environmental issues	- Language - Search and advertisement - Cross-border payments - Cross-border logistics
Legal and regulatory barriers	- Uncertainty about their rights as consumers	- Fragmentation of consumer protection regulations - Fragmentation of VAT regulations - Fragmentation of copyright regulations - Fragmentation of electric waste disposal regulations
Trust barriers	- Fear of scams and fraud - Lack of confidence - Resolutions, complaints handling, and redress - Uncertainty about their consumers' rights	- Risk of fraud and non-payment - Lack of branding

2.3.1 Consumers' barriers to (cross-border) eCommerce

Consumers' general barriers to eCommerce

Consumers' barriers can be formulated according to barriers to online shopping in general and in barriers to cross-border eCommerce. General barriers to online shopping are depicted in figure 2.4.

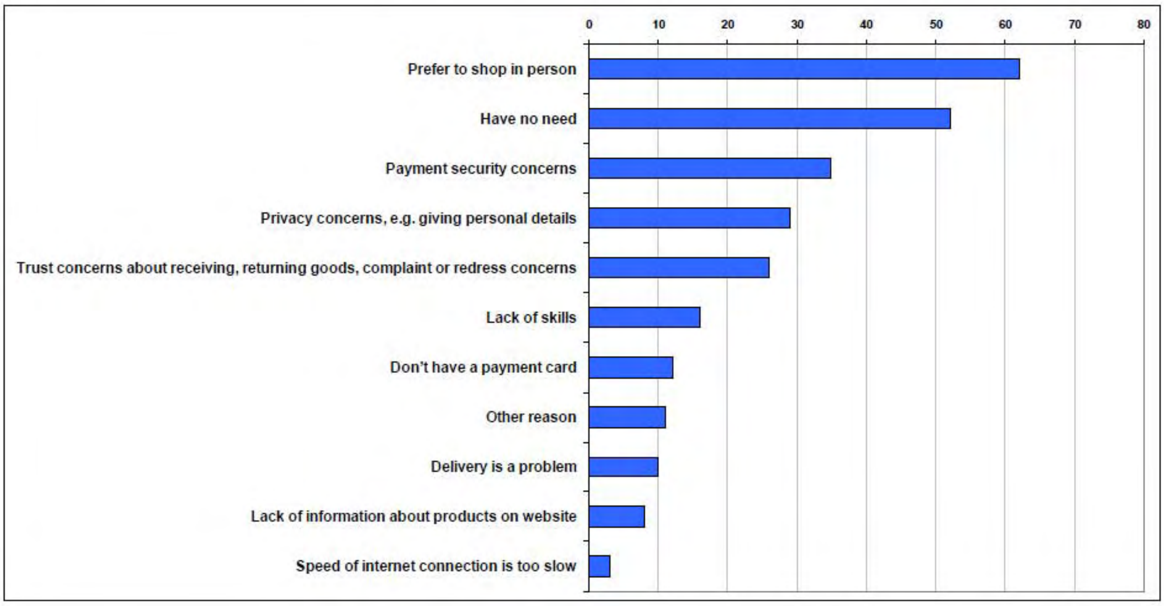

Figure 2.4: Reasons for not buying or ordering goods or services over the Internet, EU-27, 2009 (as percentage of individuals who did not buy or order over the internet in the last 12 months).[59]

As depicted in figure 2.4, Eurostat data identified the preference of consumers to shop offline, the lack of need to shop online and the lack of internet access as the largest barriers to eCommerce.[60] These issues are followed by a number of trust concerns (see figure 2.4). These barriers include concerns about payment security, privacy concerns and trust concerns in the retailer. Furthermore, a number of operational issues are also mentioned, including a lack of skills, non-availability of payment cards, delivery problems, a lack of information on the website, and internet connections that are too slow. Hence, the division between the general barriers to eCommerce and operational and trust barriers on the side of the consumers. The general barriers to eCommerce are presented in table 2.2 and subsequently discussed below.

Table 2.2: Consumers' general barriers to eCommerce.

Consumers' general barriers to eCommerce	
Preference for shopping offline	62% prefers to shop in person (because they like to see and feel the product, are loyal to shops or due to force of habit);[61]
No need to shop online	52% say that they have no need to make their purchases online;[62]
Lack of internet access	30% of consumers said they were not interested in making cross-border purchases because they did not have access to the Internet;[63]

[59] European Commission (2009a)
[60] European Commission (2009a)
[61] European Commission (2011a)
[62] European Commission (2011a)

Privacy concerns/Misuse of personal data and/or payment cards	29% of consumers indicated that they are concerned with giving out their personal details or credit card details over the internet.[64]

Preference for shopping offline/No need to shop online

There is a category of consumers that prefer to shop offline, for example because they can see and feel the product, due to loyalty to shops or out of habit. Related to this category is the group of people that feel no need to shop online. Presumably, they purchase what they need offline.

Lack of internet access

A second barrier category is related to a lack of internet access. Internet penetration plays a major role, as 56% of people that have an internet connection have purchased something online, compared to 33% for the whole group of consumers.[65] In those countries with a high percentage of broadband connections, eCommerce is generally more developed.[66] 30% of EU consumers indicated that they are not able to make cross-border purchases because of a lack of internet access.[67]

Privacy concerns/Misuse of personal data and/or payment cards

29% of consumers indicated that they are concerned with giving out their personal details or credit card details over the internet.[68]

Consumers' barriers to cross-border eCommerce

Some of the barriers that were identified are especially – or only – relevant in a cross-border setting. These include a number of trust-related barriers, such as fear of scams and fraud, issues related to payments and delivery, lack of confidence in cross-border shopping, and issues related to complaints and redress. Eurobarometer research shows these trust related issues are amplified in cross-border eCommerce. Furthermore, a number of operational barriers specifically related to cross-border eCommerce can be identified. Examples include language (and cultural) barriers, the lack of information on how to perform cross-border transactions, delivery times, and the lack of availability. Table 2.3 and 2.4 provide an overview of consumers' operational and trust barriers to cross-border eCommerce. These barriers are subsequently discussed one by one.

[63] The Gallup Organisation (2011a)
[64] European Commission (2011a)
[65] The Gallup Organisation (2011a)
[66] The Gallup Organisation (2011a)
[67] The Gallup Organisation (2011a)
[68] European Commission (2011a)

Table 2.3: Consumers' operational barriers to cross-border eCommerce.

Consumers' operational barriers to cross-border eCommerce	
No need to shop across borders	42% of consumers state that there is enough choice in their own country;[69]
No availability of products	8% of consumers were not able to make a cross-border purchase and 33% of consumers find that retailers are not willing to sell goods or services to them because they are a resident of a different country;[70]
Lack of foreign language skills	57% of EU consumers is not prepared to purchase goods or services in another EU language;[71]
Lack of information	53% is not interested in cross-border transactions because they don't know where to get information and advice about cross-border shopping;[72]
Longer delivery times	24% of consumers express their concern over longer delivery times across borders and indicate that this a reason for not shopping online across borders,[73] 16% consumers experienced longer delivery times and 5% experienced an absence of delivery with cross-border eCommerce;[74]
Extra delivery charges	26% of consumers indicated that they do not shop online cross-border because of extra delivery charges;[75] and
Environmental issues	32% of consumers state that environmental issues influences their decision to purchase online.[76]

No need to shop online cross-border

Similar to the first barrier identified for domestic eCommerce, there is also a category of consumers that indicate that it has no need to shop online across borders. 42% of consumers stat that there is enough choice in their own country.[77] Furthermore, many EU consumers stated that they are more likely to purchase across borders offline (for example when they are on holiday) than online[78].

No availability of products or services

Mechanisms that prevent consumers in other member states from placing orders result in 8% of consumers that attempted to purchase online across borders not being able to make a cross-

[69] European Commission (2011a)
[70] European Commission (2009b)
[71] European Commission (2009a)
[72] The Gallup Organisation (2011a)
[73] European Commission (2011a)
[74] The Gallup Organisation (2011a)
[75] European Commission (2011a)
[76] Gallup Organisation (2011a)
[77] European Commission (2011a).
[78] The Gallup Organisation (2011a)

border purchase in 2009-2010.[79] A larger percentage (33%) of consumers find that retailers are not willing to sell goods or services to them because they are a resident of a different country.[80]

Lack of foreign language skills

Language is a main complicating factor for cross-border transactions, especially related to after-sales and complaints handling.[81] Although currently almost 60% of consumers is not willing to purchase online in another language, this number may be decreasing. As is indicated in the section on the objectives for cross-border eCommerce it was stated that this barrier may become less and less important. A third of EU consumers are willing to purchase in another language and almost 60% of retailers are willing to carry out sales in multiple languages.

Lack of information

A little under 70% of consumers does not know where to get information about cross-border shopping.[82] And a majority of consumers that purchase goods or services online perceive cross-border comparisons of prices as more difficult.[83]

Longer delivery times

The category of delivery issues is the largest category of problems that are actually encountered with cross-border eCommerce. 24% of consumers express their concern over longer delivery times across borders and indicate that this a reason for not shopping online across borders, 16% of consumers indicated that they had experienced a delay in the delivery of their order across borders. Furthermore, 5% of online cross-border buyers experienced a total absence of delivery.[84] There are hardly differences between the percentages of domestic and cross-border eCommerce that have longer delivery times than promised.

Environmental issues

32% of EU consumers expressed that the environmental impact of products or services has influenced their decisions to buy something, this may also apply to online purchases.[85] Interesting is, however, that eCommerce is found to be more environmentally friendly than offline shopping.[86]

Consumers' barriers to trust in cross-border eCommerce

Trust in eCommerce is influenced by a number of factors, such as fear of giving credit card or personal details over the internet (mentioned by 31% of consumers).[87] The Civic Consultancy study showed that 21% of consumers are concerned that their payment card details may be

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79 European Commission (2009b)
80 European Commission (2009b)
81 European Commission (2009a)
82 The Gallup Organisation (2011a)
83 European Commission (2009a)
84 The Gallup Organisation (2011a)
85 The Gallup Organisation (2011a)
86 Commission staff working paper (2011c) Online services, including e-commerce, in the Single Market. Brussels. SEC(2011) 1641.
87 European Commission (2009b)

stolen in cross-border online shopping.[88] 13% indicates these concerns are a reason for them to buy products from an online seller based in another country. For consumers who do not shop online, 29% mentions concerns regarding misuse of personal/payment details as a reason for not buying online.[89]

Table 2.4: Consumers' trust barriers to cross-border eCommerce.

Consumers' operational barriers to cross-border eCommerce	
Resolutions, complaints handling, and redress	57% is not interested in cross-border transaction due to worries that difficulties could arise if there was a need to resolve problems such as complaints handling and redress;[90]
Fear of scams and fraud	59% agreed they were not interested in cross-border shopping because they were worried about falling victim to scams or fraud when purchasing products and services in another country;[91]
Lack of confidence	48% felt more confident when shopping online from sellers or providers in their own country;[92] and
Uncertainty about their rights as consumers	44% of consumers refrained from cross-border eCommerce activities because they were uncertain about their rights.[93]

Resolutions, complaints handling, and redress

Cross-border after-sales, resolutions, complaints handling, and redress are seen as a major barrier to cross-border eCommerce. 71% of consumers think that these issues are harder to deal with across borders.[94] Especially, the notion of following up on complaints with a retailer from another country is seen as problematic. Around 57% of EU consumers think that there are difficulties with problem resolutions, such as with returning faulty products. This is related to a lack of information, as many consumers do not know where to get information about these issues if they occur with cross-border transactions. Besides being a barrier to trust, many of the actual problems experienced with (cross-border) eCommerce also fall in this category, as in 4% of the cases in which a product was faulty, a seller did not repair or replace it.

Scams and fraud

Another difficulty for consumers in cross-border shopping is how to establish trustworthiness of online sellers. Domestic brands may be well known in their home country, but not in other

[88] Civic Consulting (2011)
[89] Civic Consulting (2011).
[90] European Commission (2011a)
[91] The Gallup Organisation (2011a)
[92] The Gallup Organisation (2011a)
[93] European Commission (2009b)
[94] European Commission (2009b)

EU members states.[95] Around 60% of the consumers in most member states are concerned with becoming a victim of scams or fraud.[96]

Lack of confidence

48% of EU consumers is more confident in making domestic online purchases than from retailers in other EU countries.[97]

Uncertainty about their rights

The European legal framework for consumer rights requires improvement. 44% of EU consumers were discouraged in making cross-border purchases because of an uncertainty over their rights in an EU-wide setting. Thus while practical barriers are experienced regarding to after-sales and redress, these issues have a regulatory component as consumers are uncertain of their rights.[98] National legislations have interpreted EU regulations differently, leading to discrepancies in regulations. Furthermore, this makes it more difficult to conduct information campaigns about consumers' rights across the EU.

2.3.2 Retailers' barriers

Most of the consumers' barriers are mirrored by retailers' barriers.

Retailers' general barriers to eCommerce

General barriers to eCommerce from the retailers' perspective are summarized in table 2.5.

Table 2.5: Retailers' general barriers to eCommerce.[99]

Retailers' general barriers to eCommerce	
Lack of relevance	37% of SME's indicated that internet selling was not relevant for their business;
Costs	24% cited the costs of developing and maintaining a web site as a barrier to eCommerce;
Fear of fraud	19% of SME's indicated that the perceived risk of card fraud preventing them from selling online; and
Lack of IT skills	18% of SME's considers lack of IT skills to be a barrier.

Lack of relevance

Many SME's do not see online retailing to be relevant to their business. 37% of SME's indicated this to be the case.[100]

95 European Commission (2009a)
96 The Gallup Organisation (2011a)
97 The Gallup Organisation (2011a)
98 European Commission (2009b)
99 London Economics (2011)
100 London Economics (2011)

Costs

The costs of developing and maintaining a web site is experience by 24% of retailers as a barrier to develop eCommerce.[101]

Fear of fraud

A fear of fraud is not only perceived by consumers, but also by retailers. 19% of them indicate that they consider this fear, and the resulting risk of non-payment, to be a barrier to developing an online retail channel.[102]

Lack of IT skills

18% of businesses indicate that lacking IT skill prevents them from developing a web site.

Retailers' barriers to cross-border eCommerce

Besides the general retailers' barriers to eCommerce, also a number of barriers specific to cross-border eCommerce can be identified. We will analyse the main barriers to cross-border eCommerce from the perspective of businesses in particular from the viewpoint of SME's. The reason for this stems from the observation that the larger businesses often have a solid brand name, which may not require a trustmark to attract customers. Retailers' barriers to cross-border eCommerce are summarized in table 2.6.

[101] London Economics (2011)
[102] London Economics (2011)

Table 2.6: Retailers' barriers to cross-border eCommerce.[103]

Retailers' barriers to cross-border eCommerce	
Language issues	45% of retailers indicate that they consider having to make additional costs arising from the use of different languages an important barrier to cross-border eCommerce;[104]
Cross-border payments	61% of domestic offers of eCommerce accept direct debit as a form of payment, while for cross-border eCommerce this percentage is only 42%;[105]
Cross-border logistics	59% of retailers consider the potentially higher costs involved in resolving complaints and conflicts cross-border an important barrier; 57% consider the higher costs of cross-border delivery compared to domestic delivery an important barrier; 55% consider the potentially higher costs in ensuring efficient cross-border after-sales services compared to domestic one an important barrier;[106]
Search and advertisement	In an interview, retailers indicated that this is a barrier to cross-border eCommerce;[107]
Risk of fraud and non-payment	63% consider the potentially higher costs due to the risk of fraud and non-payment in cross-border sales compared to domestic eCommerce an important barrier;[108]
Fragmentation regulations	62% consider the additional cost of compliance with different national fiscal regulations an important barrier; and 60% consider the additional cost of compliance with different national laws regulating consumer transactions an important barrier.[109]

Language issues

45% of retailers consider having to make additional costs arising from the use of different languages an important barrier to cross-border eCommerce.[110]

Issues related to cross-border payments

61% of domestic offers of eCommerce accept direct debit as a form of payment, while for cross-border eCommerce this percentage is only 42%;[111]

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[103] European Commission (2009a)
[104] European Commission (2009a)
[105] YouGov Psychonomics (2009)
[106] European Commission (2009a)
[107] European Commission (2009a)
[108] European Commission (2009a)
[109] European Commission (2009a)
[110] European Commission (2009a)
[111] YouGov Psychonomics (2009)

Issues related to cross-border delivery

59% of retailers consider the potentially higher costs involved in resolving complaints and conflicts cross-border an important barrier, 57% consider the higher costs of cross-border delivery compared to domestic delivery an important barrier, and 55% consider the potentially higher costs in ensuring efficient cross-border after-sales services compared to domestic one an important barrier.[112]

Search and advertisement barriers

While many retailers are prepared to use different languages for their transactions with customers in more than one language, they experience barriers to cross-border eCommerce in relation to their advertising and sales activities.[113] Reasons for this include that search engines may not show cross-border efforts, advertising is also often 'geo-targeted', and price comparison websites often do not operate across borders.[114]

Risk of fraud and non-payment

63% consider the potentially higher costs due to the risk of fraud and non-payment in cross-border sales compared to domestic eCommerce an important barrier.[115]

Regulatory barriers related to fragmented regulations

For retailers, having to deal with different legislations and regulation across the EU presents a significant – if not the most significant – barrier, as they will have to make large costs to adapt to all these different legal contexts.[116] The administrative costs are estimated to increase from 5.526 euros for only selling in their home country to 9.276 euros when active in one or two other EU member states, and this is expected to rise to 70.526 euros for selling in all 27 EU member states.[117] Other examples include the differences between consumer protection law, the differences in VAT schemes, but also the differences in copyright law or the national interpretations of the European legislation on electronic waste disposal. The result is that many retailers do not wish to expand into other EU member states.[118]

Conclusions

This section thus identified a variety in barriers to (cross-border) eCommerce both from the consumers' and from the retailers' perspective. Consumers' barriers to cross-border eCommerce were categorized into operational barriers, legal and regulatory barriers, and barriers to trust. Retailers' barriers mainly have to do with making costs in order to overcome operational and legal and regulatory barriers. Although the first category may represent a cost-benefit decision, especially the costs that need to be made to overcome the legal and

[112] European Commission (2009a)
[113] The Gallup Organisation (2011b)
[114] European Commission (2009a)
[115] European Commission (2009a)
[116] European Commission (2009a)
[117] European Commission (2009a)
[118] European Commission (2009a)

regulatory differences between EU member states are perceived as barriers.[119] The next section presents the results of a test panel validation of the barriers found through desk research.

2.3.3 Target panel validation

The barrier identification was carried out based on desk research. This desk research was mainly based on the European Commission working document 'Bringing e-commerce benefits to consumers' (2011, draft), but also on a number of other studies and policy documents into (cross-border) eCommerce. To validate the findings from the desk research, a target panel of sixteen organizations was asked to answer questions on the relative importance of the barriers. This target panel is used to see whether the findings from literature are still relevant at this moment in time and whether they are relevant in the specific context of trustmarks.

The target panel was subdivided into three categories: consumer organisations, companies and industry organizations, and trustmark providers. In order to address survey fatigue and to minimize the effort for panel members three tailored questionnaires were devised. The first target panel sub-group was provided with a selection of twelve barriers to cross-border e-Commerce barriers from a consumer perspective. The second target panel sub-group was provided with a selection of nine barriers to cross-border e-Commerce barriers from the retailers/merchants perspective. The third target panel sub-group was provided a questionnaire embracing both types of barriers. Panel members were asked to check the barriers for completeness, to add barriers that might be missing, and to rate the relative importance of the presented barriers with regard to cross-border e-Commerce.

Fourteen organizations (representing a response rate of 87%) returned and filled out the questionnaires. Overall the panel considered the barriers well identified. The analysis revealed that the identified barriers overall capture well the current situation and challenges to animating cross-border e-Commerce in the EU.

On the consumers' side the main barriers that were mainly found 'important' or 'very important' by the test panel are consumer confidence and trust in payment methods, while the lack of internet access was considered 'unimportant' or 'very unimportant'. On the retailers' side, the administrative and regulatory barriers, as well as the differences between taxes and duty regulations between countries were considered mostly 'important' or 'very important'. Also the costs to be made for complying with these different regulations, for delivery across borders and for making offering in multiple languages were considered mostly 'important' or 'very important'. The next section will present instruments that facilitate cross-border eCommerce.

2.4 Instruments facilitating cross-border eCommerce

This section discusses instruments that can be used to overcome the barriers identified in the previous section. These instruments range from enabling tools that are meant to stimulate cross-border eCommerce, such as trustmarks, price comparison tools and rating and review websites, to harmonization of regulation that aims to overcome the legal issues that retailers get into when they want to do cross-border transactions. The relevance of addressing different solutions is confirmed in the recent study by London Economics for the European Parliament, which indicates that different instruments benefit different types of online retailers.[120] The

[119] The Gallup Organisation (2011b)
[120] London Economics (2011)

different instruments will be discussed one by one, before they will be compared to the barriers that were identified in section 2.5.

2.4.1 Trustmarks

One of the ways SMEs can build trust in their eCommerce activities is by using trustmarks. The purpose of trustmarks is to show to consumers that a site has been accredited by a trustmark provider and found to be safe to use. For example, by looking at the security measures that a website takes to protect the transactions, by checking whether regulations are followed in the legal notice put up on the website, and by checking whether customers have the possibility to revoke their decision to buy something within a given period of time. Trustmarks may thereby increase trust of a person in a (online) shop/retailer by persuading an individual that the retailer will behave as expected.[121] Trustmarks thus also represent a type of branding.

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A special category of trustmarks are security certificates, which accredit websites and retailers based on a number of criteria. Also certificates exist that indicate the level of security that is provided by a websites' technical standards. The best-known example is the group of secure socket layer (SSL) protocol certificates that are issued by companies such as WebTrust and Comodo. These can be considered as a specific type of trustmarks. Furthermore, some trustmarks also have the use of these SSL certificates as one of the requirements for obtaining a trustmark.

To date, only a limited amount of research examined consumer responses to trustmarks and (privacy) seals.[122] However, research has found conflicting results on whether seals/trustmarks will also increase the intention to purchase online.[123] Research in the US regarding consumers' awareness and response to the main US online trustmarks, shows that consumers were not familiar with major trustmarks (such as BBBOnline and TRUSTe) and did not recognize the trustmarks, therefore few consumers saw the trustmark as important to decide to trust a website.[124] Hu et al.[125] examined the influence of trust promoting seals on consumers' online shopping decisions. The study showed that trustmarks that consumers are familiar with can significantly enhance consumers' willingness to buy from online shops. Participants in Hu's study were most familiar with the VeriSign trustmark (43,2% of respondents), while BBBOnline was the least familiar to consumers (12%).[126]

Trustmarks are thus one way of indicating that an online merchant and the associated website adheres to or complies with certain criteria, for example regarding redress, privacy, and

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[121] Palmer, J., Bailey, J., Faraj, S. (2000) The role of intermediaries in the development of trust on the WWW: The use and prominence of trusted third parties and privacy statements. *Journal of Computer Mediated Communication*. 5; McKnight, D.H., Kacmar, C.J., Choudhury, V. (2010) Shifting Factors and the ineffectiveness of Third Party assurance seals: A two-stage model of initial trust in a web business. *Electronic Markets, 14(3)*, pp. 252-266.

[122] Rifon, N., LaRose, R. and Choi, S. (2005), "Your Privacy is Sealed: Effects of Privacy Seals on Trust and Personal Disclosures," *Journal of Consumer Affairs*, Vol. 39, No. 2, Winter, 337-360.

[123] Kovar, S., Burke, E. and Kovar, B. (2000) Consumer response to the CPA Webtrust Assurance. *Journal of Information Systems*. 14(1), pp. 17-35

[124] Moores, T. (2005) Do Consumers understand the role of privacy seals in eCommerce? *Communications of the ACM*. Vol. 48, No. 3, pp. 86-91.

[125] Hu, X., Lin, Z., Zhang, H. (2008) Myth or Reality: Effect of Trust-Promoting Seals in Electronic Markets. Trust in Network Economy, Idea Group, Hershey, PA, pp. 143-150.

[126] Hu, X., Lin, Z., Zhang, H. (2008)

delivery. They can help to overcome some of the barriers to trust issues, especially among SME's that lack the degree of branding of larger businesses that may not need such trustmarks to attract customers. However, trustmark schemes also have a number of problems. Firstly, they are mainly domestically oriented, thereby not automatically addressing the issues of trust in cross-border eCommerce, but rather focusing on general issues to trust in eCommerce. For example, the European trustmark scheme Euro-label officially only covers six countries, and in three of these countries the Euro-label trustmark has ceased to exist.[127] Furthermore, the three active countries are represented by domestic trustmarks that have also gained the Euro-label mark. Another issue with trustmarks is the abundant appearance of different trustmarks in some countries. In the Netherlands alone there are around 20 different trustmarks that show a great variety in terms of what they cover in their scheme. For consumers the question is which trustmarks to trust. The issues that are mentioned here, will be discussed in more detail in the next chapter.

2.4.2 Research instruments: price comparison and rating websites

A second group of instruments that can be used to increase trust in eCommerce focus on price comparison and rating. A large group of online shoppers explore their options before they purchase an item, using methods such as search engines (30%), a price comparison website (27%), and reading customer reviews (24%).[128] As the price comparison websites and rating websites are often presented in combination – such as in hotel comparison websites – the two will be jointly discussed here. For analytical purposes, in the synthesis in the next section the two will be presented separately as they represent two different mechanisms to increase trust in online shopping.

A large majority of 81% of EU online consumers used a price comparison website in 2010 to research their online purchases.[129] Within this group, 56% use them because they are the fastest way to compare prices, 51% use them to find out where they can get a product cheapest, 22% use them to compare the range of offers, 16% to find information about products, and 13% to find customer reviews on products. A study shows that for a group of ten products, aggregated across countries, price savings of more than 5% could be realised through price comparison websites. However, a mystery shopping experience showed that across borders price comparisons do often not yield these benefits, as the majority of price comparison websites (86%) is available in only one language, and 83% do not show offers from multiple countries.[130]

Furthermore, it is also found that many of the price comparison websites do not perform well. They do not provide accurate information to consumers. For example, many do not provide full business addresses (53%), or they do not provide information on time and product availability (80% and 62% respectively do not provide this information). Also many price comparison web sites suffer from a lack of transparency as they do not give insight into their business model or their ranking of offers. Only around half of price comparisons websites (52%) provides this information. 60% of websites do not indicate clearly whether the providers of the offers published on their website pay for this, 18% do not provide clear information about which retailers are listed and 66% fail to mention any such information. Furthermore, 77% of price

[127] http://www.euro-label.com/en/about-us/index.html.
[128] Civic Consulting (2011)
[129] Civic Consulting (2011)
[130] YouGov Psychonomics (2009)

comparison websites did not provide clear information on how often these websites update the price information, in 44% it was unclear whether prices were including or excluding VAT, and in 51% of websites information on the delivery costs was lacking.

Price comparison websites also often misrepresent information. Two-thirds of websites did not provide information on the ranking, and in one third of the websites it was impossible to rank prices. Only in 38% of cases the first price was actually the cheapest, even when using the lowest price ranking instrument provided on the website, this was often not the case (in 53% of cases). Moreover, in 15% of cases the cheapest option was not even listed on the first page. Still, a major part of users (70%) of these websites do not feel misled by them.

Price comparison tools are frequently used, especially in the cases where eCommerce is used to obtain the best price/quality ratio for a specific, standardised item.[131] Among those consumers using price comparison websites, 56% consider them the quickest way to compare price, 51% use them to find the cheapest prices, 22% find out more about the range of offers, 16% to find information about specific products, and 13% to find customer comments, product reviews and ratings. Three out of five Europeans who have internet access at home use this to compare prices, for example by visiting price comparison websites.[132]

Rating websites are often used by consumers. A study found that 88% of German internet users have read a review of another user and 55% have been dissuaded from buying something online by a user review.[133] This reliance on feedback of consumers is both their strength and weakness. While feedback by other consumers is often regarded as very useful, many of the comments that are included in these rating websites may, in fact, be added by the retailer himself or by his or her associates. Tools currently are being developed that are able to distinguish between real and false comments. On the other hand ratings and comments can be very subjective and it is difficult to weight negative comments against the positive ones.

2.4.3 Dispute resolution

Next to regulation, the Commission aims to increase confidence via other ways as well. The Commission has set up a number of consumer assistance networks (such as the Network of European Consumer Centres – ECC-Net) which provide assistance to consumers regarding complaints and dispute resolution. The ECC-Net is dedicated to informing EU consumers about their rights when shopping across borders within the EU, as well as to support consumers in case they want to return products to a retailer in another member state (redress) and something goes wrong. A report by the ECCs finds that problems around delivery and faulty products or services make up around three quarters of the amount of complaints, especially regarding the purchasing of electronic goods. Furthermore, a significant portion of complaints was related to incorrect display of prices and hidden costs. ECCs also signal that the number of cases of fraud increases over the last years, even though they do not deal with these kind of issues themselves.

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[131] European Commission (2009b)

[132] European Commission (2009a)

[133] Bundesministerium für Wirtschaft und Technologie (2009) Elektronischer Geschäftsverkehr in Mittelstand und Handwerk 2009 - Zusammenfassung der Erhebung.

2.4.4 Compatible methods of payment

All online transactions require payment. Although cross-border payments are probably highly secure nowadays, with different types and level of assurance put in place both by the financial intermediaries and by the merchants themselves, still 26% of people who do not shop online indicated that providing details for making purchases is a barrier to eCommerce.

Most (45%) (cross-border) eCommerce transactions are carried out using credit cards. The credit card system is one of the most common means of payment as it represents a truly global payment system. A little over a third (36%) of eCommerce transactions takes place using online payments systems, such as PayPal, iDeal or Smart2Pay.

New (online) payment systems are still under development. For example, the SEPA payment infrastructure, which can be used as a basis for new services and internet payments, such as e-invoicing. These payment-supportive services are made possible because of this standardization.[134]

Currently, mobile eCommerce is only done by 6% of consumers, but it is expected that this number will grow significantly. For cross-border eCommerce payment methods have to effectively operate cross-border. There are several models of payment using mobile telephones, such as SMS-based transactional payments, direct mobile billing, mobile web payments using WAP, and contactless Near Field Communication (NFC). These forms of payment, however, do still have a number of security threats that need to be solved.[135]

2.4.5 Harmonizing regulation

Much remains to be done to improve the online regulatory environment, by addressing issues such as consumer rights, contract law and redress. Of the set of Directives that is relevant for e-commerce, only the Unfair Commercial Practice Directive 2005/29/EC (UCPD) stipulates full harmonisation.[136] The Commission addresses several of these barriers in a substantial body (in some cases recently updated) of regulation aimed at consumer protection in (electronic) markets. The forthcoming Directive on Consumer Rights also aims to address the regulatory fragmentation in the EU Member States. The most important Directives regarding eCommerce in Europe are: eCommerce Directive (2000), Distance Selling Directive (1997), Consumer Sales Directive (1999), Data Protection Directive (1995), Directive on Unfair Contract Terms (1993), ePrivacy Directive amended in 2009, Directive on Citizens rights (2009) and the forthcoming Directive on Consumer Rights. Although the harmonization of these directives represents a large step, the issue remains that in the implementation of directives, Member States have flexibility, leading again to regulatory differences.

Another issue is the rise of the pro-sumer, e.g. in the form of consumer-to-consumer transactions via platforms such as eBay and Amazon (second hand books). Although trustmark schemes are used by intermediaries such as eBay and Amazon, these schemes and the (underlying) European Directives or US regulations cannot fully cover these transactions.

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[134] De Bel, J., Boersma, J. and Screpnic, A. (2011) Online betalen 2011 Een markt volop in beweging.

[135] Agarwal, S., Khapra, M., Menezes, B., Uchat, M. (2010) Security issues in mobile payment systems, pp. 142-152.

[136] London Economics (2011)

2.5 Synthesis of barriers and solutions for cross-border eCommerce

Comparison of barriers and solutions that may help to overcome some of the barriers that are identified. These are summarized and categorized in Table 2.5.

Table 2.5 an overview of barriers and possible solutions.

Barriers to cross-border eCommerce (consumers)	Barriers to cross-border eCommerce (retailers)	Instruments
Operational - Lack of foreign language skills - Lack of information - Delivery times - Extra charges - Environmental issues	Operational - Language - Search and advertisement - Cross-border payments - Cross-border logistics - Costs - Lack of IT skills	- **Trustmark schemes (including security certificates)** - Price comparison websites - Uniform payment schemes
Legal and regulatory - Uncertainty about their rights as consumers	Legal and regulatory - Fragmentation of consumer protection regulations - Fragmentation of VAT regulations - Fragmentation of copyright regulations - Fragmentation of electric waste disposal regulations - …	- Harmonization of legislation across EU member states - Information provisioning by European consumer organizations
Trust barriers - Fear of scams and fraud - Lack of confidence - Resolutions, complaints handling, and redress	Trust barriers - Risk of fraud and non-payment	- **Trustmark schemes (including security certificates)** - Rating websites - Dispute resolution

For consumers trustmark schemes, price comparison websites, and rating websites represent instruments to increase trust in cross-border eCommerce. However, some major issues were identified for all three instruments. Trustmark schemes are fragmented across the EU as they are mainly domestically oriented. Furthermore, there are so many different trustmark schemes that many consumers do not know which ones to trust. Price comparison websites are often found to be opaque or even misrepresenting information, thereby not guiding consumers to the lowest price. Although not many consumers feel misled by price comparison websites, the unreliability of these web sites represents a major backfiring threat as price is one of the main drivers for consumers to shop online across borders. Rating websites also often misrepresent information as it is unclear which ratings are reliable. Although all three instruments to overcome trust issues to cross-border eCommerce are promising, they need to overcome their issues to become more reliable.

For retailers the harmonization of regulations represents a major instrument for stimulating cross-border transactions. Currently, the costs retailers have to make to overcome the barriers related to differences in regulations across EU countries are quite high, and may thus potentially increase the supply of eCommerce across borders in the EU. Also the harmonization of payment schemes across borders may take away costs that retailers have to make for offering eCommerce.

The comparison of barriers to (cross-border) eCommerce identified and the instruments for stimulating cross-border eCommerce makes clear that trustmark schemes do not cover all barriers. Furthermore, the category of barriers identified related to eCommerce in general is not covered by any of the instruments as these general barriers comprise the lack of internet access and a preference to shop offline. Finally, an important enabler is the brand of the retailer. it remains to be seen which is a stronger enabler for trust: the brand of the merchant or the trust fostered by the trustmark? As shown in section 2.1, these issues represent a large portion of reasons for people to not shop online at all. The influence of trustmark schemes may thus be rather limited.

Still, one area that may be covered by trustmarks is the trust in cross-border eCommerce. Considering that while the Commission's targets for domestic eCommerce are nearly achieved, cross-border eCommerce remained largely stable over the past years – showing only a small increase. Especially since the trust barriers to eCommerce are higher for cross-border eCommerce than for domestic eCommerce, trustmarks may help to stimulate cross-border eCommerce. Currently however, many trustmarks are mainly domestically oriented. Therefore, to overcome some of the barriers to trust in cross-border eCommerce, establishing a (European) trustmark may help.

3 MAPPING TRUSTMARKS

This chapter presents an overview of trustmarks and their characteristics. It does not aim at offering a comprehensive overview presenting data on all trustmarks that exist, but it rather presents a representative overview of European and international trustmarks. From the barrier identification in the previous chapter, it became clear that trustmarks may especially target creating trust in cross-border eCommerce as the objectives set by the European Commission for domestic eCommerce are nearly met. Furthermore, the perceived barriers related to trust are higher in cross-border eCommerce than in the domestic market. In the first section we will discuss the developments regarding trustmarks within the EU that have taken place during the last years. Then, the methodology of our investigation is discussed in section 3.2. The overview of the trustmark investigation is presented in section 3.3, summarizing the trustmarks we studied through desk research, survey research, and interviews. This chapter is concluded by deriving a classification of trustmarks in section 3.4.

3.1 Trustmark developments in the EU

Trustmarks aim at building consumers' trust in a web site by offering a sign of trust to an individual that the retailer will behave as expected.[137] As such, they are a form of branding. Therefore, their use is especially important for SMEs, as these are often not a well-known brand of their own but require extra measures to attract customers. Trustmarks may cover a wide range of topics, such as the compliance with regulations, the financial situation of the owner of a web shop, the security measures that are taken to protect the transactions, and facilitating dispute resolution between owners of web shops and consumers. They have their counterparts in the offline world, in logos or brands indicating the safety to buy products, or their level of sustainability. Similar to their offline counterparts, the maturity and level of development of trustmarks are found to reflect the maturity and the development of the market.

eCommerce took off together with the widespread use of the internet in the mid-1990s. With the rise of eCommerce, trustmarks were introduced to increase trust in web shops. The European Commission's Directorate General Enterprises began to operate the Webtrader scheme in eight member states, as well as in Switzerland and Argentina.[138] The Webtrader scheme was operated by the domestic consumer organizations, carrying an online trustmark scheme.[139] It included the pursuit of web traders to adhere to their code of conduct, awarding trustmarks, and an online complaints mechanism.[140] Across Europe, in March 2001 1619 web shops were carrying the Webtrader logo.[141] In the three and a half years that the UK branch, the most mature branch of Webtrader, was active, they received over 8000 applications, and

[137] Palmer, J., Bailey, J., Faraj, S. (2000) The role of intermediaries in the development of trust on the WWW: The use and prominence of trusted third parties and privacy statements. *Journal of Computer Mediated Communication*. 5; McKnight, D.H., Kacmar, C.J., Choudhury, V. (2010) Shifting Factors and the ineffectiveness of Third Party assurance seals: A two-stage model of initial trust in a web business. *Electronic Markets, 14(3)*, pp. 252-266.

[138] Nannariello, G. (2001) E-commerce and consumer protection: A survey of codes of practice and certification processes. European Commission Joint Research Centre. Institute for the protection and the security of the citizen cybersecurity sector (EUR 19932 EN).

[139] Nannariello, G. (2001).

[140] Kaufmann-Kohler, G., Schultz, T. (2004) Online dispute resolution: Challenges for contemporary justice. Kluwer Law International: The Hague.

[141] Nannariello, G. (2001)

accepted 2700 web shops and resolved more than 2000 disputes on behalf of customers.[142] However, it closed down in 2003 because it was too costly to run. According to one of the interviewees, the Web Trader scheme was rather well received. Although it was cheap to obtain, the certification procedure was quite comprehensive and its reputation was therefore good. According to this interviewee, after the internet bubble crashed, the Webtrader scheme also sizzled.

At least two pan-European studies have been carried out on trustmarks in the EU; in 2001[143] and in 2006.[144] The 2001 study covered 56 certification companies, of which 48 were grouped into 5 networks: TrustUK, Webtrader, eQM2001, Q-web and L@belsite, while the remaining eight were independent.[145] TrustUK and Webtrader were largely UK based, although trustmarks from different countries were included. eQM2001 and Q-web were both mainly based in Italy, while L@belsite was a collaboration between French consumer organizations. Interesting to note is that none of the five networks exists today, although few individual trustmarks from within a network remained. Among the eight independent trustmark schemes, some still exist today, such as the North-America-based schemes CPA WebTrust,[146] BBBOnline[147] and Truste.[148] The 2001 study found that of the trustmarks that took part in the study 90% was set up in the last year that the study covered.[149] Comparing the 2001 situation to today, the trustmark landscape has changed completely. All the existing networks disappeared, and only a few (international) trustmarks remained.

The 2006 study finds that trustmarks are present in two-thirds of the countries included in the study (the EU members, Iceland and Norway). The study provided an overview of trustmarks found in the EU member states, Iceland and Norway, presented in table 3.1. This table is elaborated by comparing the 2006 situation with that of today. The second column of the table denotes whether the trustmarks found in the 2006 study are still active and it adds novel ones that are included in our study. Although this table is by no means exhaustive (it is almost impossible to determine the exact amount of trustmarks in any country), it does give an overview of the main trustmark schemes across Europe and their development between 2006 and 2012.

[142] Kaufmann-Kohler, G., Schultz, T. (2004) Online dispute resolution: Challenges for contenporary justice. Kluwer Law International: The Hague.
[143] Nannariello, G. (2001)
[144] Trzaskowski, J. (2006) E-commerce trustmarks in Europe – an overview and comparison of trustmarks in the European Union, Iceland and Norway. Copenhagen Business School.
[145] Nannariello, G. (2001)
[146] http://www.webtrust.org/
[147] http://www.bbb.org/us/bbb-online-business/
[148] http://www.truste.com/
[149] Nannariello, G. (2001)

Table 3.1: A comparison between the trustmarks in 2006 and the trustmarks included in this study (2012).

Country	2006	2012	URL	Logo
Austria	Guetezeichen (Euro-label Austria)	Still active	https://www.guetezeichen.at/	
	--	Sicher Einkaufen, set up in 2000	http://www.sicher-einkaufen.at/	http://www.sicher-einkaufen.at/files/281/ECQ_Richtlinie_2011.pdf
Belgium	BeCommerce	Still active	http://www.becommerce.be/nl	
Bulgaria	Not included in study	--		
Czech Republic	Certified shops (APEK)	Still active	http://www.apek.cz/	
	SOAP	Still active	http://www.spotrebitele.info/sluzbypropodnikatele/saop.html	
Cyprus	--	--		
Denmark	e-Mark	Still active	http://www.emaerket.dk/	
Estonia	--	--		
Finland	--	ASML's trustmark : Reilun Pelin Jäsen*	http://www.asml.fi/en/rules_and_regulations/	
France	L@belsite	Not active anymore		

	Fia-net	Still active*	http://www.fia-net.com/	
	--	Fevad (Charte Qualité)*	http://www.fevad.com/reglementation/charte-de-qualite	
Germany	TrustedShops	Still active	http://www.trustedshops.com/	
	Internet Privacy Standards	Renamed into EuroPrise	https://www.european-privacy-seal.eu/	
	Tuev Sued Safer Shopping	Still active	http://www.safer-shopping.de/	
	EHI Geprüfter Online-Shop (Euro-label Germany)	Still active	http://www.shopinfo.net/	
	EHI bhv label	Merged with Euro-label		
Greece	Epam	Still active*	http://www.enepam.gr/	
Hungary	eQ recommendation	Still active*	http://ivsz.hu/	
	--	Áruküldők *	http://www.arukuldok.hu/	
Iceland	--	--		
Ireland	EIQA W-mark (certification body)	Still active, but it is not an eCommerce trustmark	http://www.eiqa.com/	
	Segala trustmark	Still active	http://segala.com/	
Italy	Euro-label Italy	Not active anymore		

Latvia	--	--		
Lithuania	--	eShops, set up in 2011	http://www.eshops.lt/	
Luxembourg	E-commerce certified	Not active anymore		
Malta	Euro-label Malta	Replaced by eShops Malta in 2011	http://eshop.mca.org.mt/	
The Netherlands	Thuiswinkel Waarborg	Still active	http://www.thuiswinkel.org	
	--	Qshops	https://www.qshops.org/	
	--	MKB OK (since 2005)	http://www.mkbok.org/index.htm	
	--	Webshop Keurmerk (since 2001)	http://www.keurmerk.info/	
Norway	Nsafe	Not active anymore		
	EBtrust	Not active anymore		
	--	Trygg e-Handel, set up in 2011	http://www.tryggehandel.no/	
Poland	E-Commerce ILim Certyfikat (Euro-label Poland)	Still active	http://www.ilim.poznan.pl/en/index.php http://www.euro-label.com.pl/	
	Trusted Store	Still active	http://www.sklepy24.pl/	
Portugal	PACE	Not active anymore		
		Confianza Online, set up in 2009	http://www.acepi.pt/index.php	
Romania	Not included in study	Euro-label Romania	http://www.protectia-consumatorilor.ro/	

		Trusted.ro	http://www.trusted.ro/	
Slovakia	--	--		
Slovenia	--	--		
Spain	Confianza Online	Still active	http://www.protectia-consumatorilor.ro/	
	AENOR	Not an eCommerce trustmark	http://www.en.aenor.es/aenor/inicio/home/home.asp	
	AGACE	Not active anymore		
	IQUA	Not active anymore		
	EWEB	Not active anymore		
	Euro-label Spain	Not active anymore		
Sweden	--	Trygg eHandel, Set up in 2007	http://www.tryggehandel.se/	
	--	Rådet för E-handelscertifiering, set up in 2008	http://www.ehandelscertifiering.se/	
UK	TrustMark	Still active, Not an e-commerce trustmark	http://www.trustmark.org.uk/	
	WebtraderUK	Not active anymore		
	TrustUK	Not active anymore		
	SafeBuy	Still active	http://www.safebuy.org.uk/	

* *Is not an eCommerce trustmark, but an association of Internet retailers that has a code of conduct*

Between 2006 and today, many of the main trustmarks that were well-established have consolidated their position, while in most of the countries where trustmarks were absent at that time, trustmarks are currently developing. The Western European eCommerce market (including UK, Germany, Belgium, the Netherlands) has consolidated its position, with the main trustmarks still in place. Only in the UK, it seems that many trustmarks have disappeared and new ones emerged. In the Southern European countries (Italy, Spain, Greece, and France) most trustmarks have disappeared, with almost none remaining active. In the Scandinavian countries, Denmark has consolidated its e-mark, while in the other countries trustmarks have been set up over the past years. Finally, in many of the Eastern European countries (except for Poland and Czech Republic, which consolidated its position) many new trustmarks are being developed.

Furthermore, a few networks of trustmarks exist. These are shown in table 3.2.

Table 3.2: Networks of trustmark providers

Euro-label[150]	**EMOTA** (the European Multi-Channel and Online Trade Association) members carrying trustmarks[151]	**Ecommerce Europe** (collaboration of domestic consumer and trustmark organizations) [152]
EHI Geprufter Online-shop (Germany); main branch of Euro-label	Handelsverband (Austria)	Fevad (France)
Guetezeichen (Austria)	ASML (Finland); not a trustmark provider, but a direct marketing association carrying a seal	BeCommerce (Belgium)
ILim Certyfikat (Poland)	Bvh (Germany)	Thuiswinkel waarborg (the Netherlands)
L@belsite (France); inactive	EPAM (Greece); not a trustmark provider, but a distance selling association having a code of conduct for their members	FDIH (Denmark)
Euro-label Italy; inactive	ÁRUKÜLDÖK (Hungary); not a trustmark provider, but a distance selling association	Svensk Distanshandel (Sweden)
Euro-label Spain; inactive	Acepi (Portugal)	Distansehandel Norge (Norway)
	Svensk Distanshandel (Sweden)	Netcomm (Italy)
	VSV (Switzerland)	

Many of the interviewees indicated that the maturity and development of a trustmark highly depends on the maturity and development of the eCommerce market – as well as on the size of the country.[153] More mature eCommerce markets usually have more mature trustmarks, while in smaller and developing eCommerce markets trustmarks are also still developing.

[150] http://www.euro-label.com/en/
[151] http://www.emota.eu/members.html
[152] http://www.fevad.fr/espace-presse/la-fevad-s-associe-au-lancement-de-l-association-europeenne-du-e-commerce, accessed on April 12, 20112.
[153] Trzaskowski, J. (2006)

Furthermore the state of the economy was also seen to be a decisive factor in determining the level of maturity of a trustmark. Both the internet bubble of 2000 and the economic crisis of today have had an impact not only on the eCommerce market, but also on trustmark developments. After the internet bubble burst, many web shops went bankrupt and many trustmarks disappeared. The growth of the eCommerce market between 2001 and 2008 gave rise to the development of most trustmarks that still exist today.

3.2 Methodology of investigation

The main aim of this section is to map the existing trustmarks in Europe. The mapping exercise was carried out using desk research, survey research and interviews. Firstly, using desk research, we studied 54 European trustmarks and 21 trustmarks outside of Europe (mainly in the US and in Asia). Secondly, an online survey was sent out to these 75 trustmarks. We collected 30 responses that were subsequently analyzed. Thirdly, we made a selection of 16 trustmark schemes and we interviewed the organizations behind these schemes. The methodology is presented in this section.

3.2.1 Desk research

At the start of this study, we selected 54 trustmark schemes across Europe and 21 outside Europe (mainly in the US and Asia) to be included in our desk research. Generally, the selection was made based on well-established trustmarks. For example, members of EMOTA were included. Furthermore, we aimed to include all EU countries, even though not all EU member states have trustmarks. In general, not more than three trustmarks per country were included, with an exception for countries with a well-developed eCommerce market, in which many trustmark schemes are operational. The aim of the desk research was to get as much information about the trustmark schemes as possible. The websites of the trustmarks and their issuing organizations were studied. For those languages that we could not read, Google Translator was used. We looked into the available online documentation on the codes of conduct, different subscription packages descriptions, etc. An overview of the information gathered on the trustmark schemes profiles is presented in Annex 4. The following aspects were looked into particularly:

- The country of origin and whether the trustmark was active across borders;
- The year when the trustmark was established;
- The objective/the unique selling point of the trustmark;
- Its regulatory basis, whether the trustmark scheme was based on the local legislation or also on EU directives;
- Dispute resolution mechanisms and revocation policies;
- Certification procedure (the requirements that the applicants have to fulfill in order obtain the seal);
- Subscription costs: entrance costs, yearly subscription costs and certification costs, and the availability of different subscription packages;
- Availability and costs of added services, for instance user ratings, assurances;
- The number of subscribers;
- The owner and/or sponsor of the trustmark scheme; and
- If available, third party certification and accreditation.

After this initial stage of inventorying 54 European trustmarks, 19 were excluded from our analysis. They were found either to be not existing any more or (in case they still have some web presence) they were found not actively certifying websites anymore. Also, we found a few trustmarks lacking a serious code of conduct and therefore they were excluded from the analysis as well. Furthermore, among these 19 we found a few organizations that may certify organizations in some other way, but which cannot be considered providing eCommerce trustmarks. An overview of these 19 trustmarks is provided in Annex 5. Their profile is not included in the trustmark analysis in Annex 4. The remaining 35 trustmarks are shown in table 3.1. Out of the 21 trustmarks schemes outside Europe, 4 have been excluded. The remaining 17 international trustmarks are shown in table 3.3.

Table 3.3: The international trustmarks included in this analysis

Country	Name	URL	Logo
Japan	Japan DMA	http://www.jadma.org/e/about/jadma_mark.html	日本通信販売協会 ONLINE SHOPPING TRUST
	TradeSafe	http://www.tradesafe.co.jp/english/	TRADE SAFE
Philippines	Sure Seal	http://www.sureseal.com.ph/	SURE SEAL SURESEAL VERIFIED BUSINESS
Singapore	CASE - Consumer Association of Singapore	http://www.casetrust.org.sg/Home/tabid/36/Default.aspx	CaseTrust Be Sure
	TrustSg	http://www.trustsg.sg/	trustsg Your Reputable and Reliable Trustmark for e-merchants
Thailand	TrustMark Thai (DBD)	http://www.trustmarkthai.com	DBD Verified
Vietnam	TtrustVN	http://www.ecomviet.vn/	website uy tín được chứng nhận bởi trustvn

United States	BBBOnline	http://www.bbb.org/online/	
United States	Truste	http://www.truste.com	
United States	VeriSign, renamed into Norton Secured, owned by Symantec	http://www.verisign.com	
United States	CPA Webtrust	http://www.webtrust.org	
United States	McAfee	http://www.mcafeesecure.com/	
United States	Comodo	http://www.comodo.com/	
United States	Trustwave	https://www.trustwave.com/	
United States	BuySafe	http://www.buysafe.com/index.html	
United States	GeoTrust	http://www.geotrust.com/	
World-wide	Chamber Trust	http://chambertrust.worldchambers.com/	

3.2.2 Survey

The second step of our investigation was to set up an online survey in order to get detailed information about the trustmarks. The survey, which is included in Annex 6, consisted of 28 questions addressing six different categories:

1. General parameters;
2. Assurance policies and dispute resolution;
3. Subscription costs and structure;
4. Legal and organizational issues;
5. Certification and accreditation policies; and
6. The effect of the trustmark.

Most of the questions were multiple choice and yes/no questions, but we also presented a number of open questions. The first category of questions was related to the general parameters of the trustmarks. Trustmark providers were asked about the geographical coverage of their scheme, their main marketing points, and the added services offered by their trustmark.

The second category of questions was dedicated to assurance policies and dispute resolution mechanisms. Those respondents that mentioned the availability of assurance in their scheme were asked in detail what kind of assurance they provide. The same was done in relation to the trustmark providers who ticked the box of dispute resolution as one of the added services provided by their trustmark.

The subscription costs and structure category contained questions regarding the size of the customer base of the trustmark. We were interested in the growth patterns of the trustmarks and therefore asked them to fill in data about the amount of their subscribers in the time period 2007-2011. The other question asked to the respondents concerned the cost structure for the subscribers. We were interested how the trustmark providers differentiate their subscribers: whether their charge differs due to the size of subscribers or to the turnover or whether there are any other means for such differentiation.

The fourth category of the survey contained the questions about the legal base and organizational principles of the trustmark scheme. We were interested in issues concerning the ownership of the scheme: whether it is a private company, foundation, or governmental body. We also asked an indication for the size of the trustmark organization in terms of number of employees necessary to maintain the trustmark scheme.

The certification and accreditation category of the survey was aimed at the certification model and criteria of the trustmark, the frequency of the audit and the terms of revocation. This part was the biggest part of the survey. The questions were directed at elucidating the seriousness of the certification and auditing practices, by posing questions about the frequency of audits and about the number of subscribers the organization had revoked in the last year.

The last category of the survey was directed at evaluating the effect of the trustmark on two levels: on the domestic market and on the non-domestic market. Finally, respondents were invited to leave any comments related to their trustmark in some open fields.

The survey was constructed using web-based tools and the link was sent to the 77 trustmarks providers. To increase the response rate, we sent out reminders to the providers and we phoned all providers at least once. After three rounds of calls and reminder e-mails, we had a score of 30 trustmark providers having filled in the survey. This is a response rate of 40% of the total number of survey requests sent out, and a 58% response rate if we regard only the existing and active eCommerce trustmarks.[154]

We also requested the trustmark providers to send additional documentation regarding the use of their trustmark in cross-border transactions, certification policy and criteria, objective of the trustmarks, the national regulation(s) of reference and the competent court and reference to EU regulations, main company targets, measures of conflict resolution, different trustmark services, usage statistics over time and statistics over trustmark impact on the consumers. 21 Trustmark organizations supplied information on their trustmark scheme, for example on their certification process, organizational structure, and ownership. This information was used as additional information to create the profiles of the trustmarks (see Annex 4) and as input for the interviews.

3.2.3 Interviews

The profiles of the trustmarks were discussed by the project team and sixteen trustmarks were selected for interviews, based on the geographical spread, their cross-border character, type of ownership and their state of development (see table 3.4). The purpose of the interviews was to get additional (qualitative) information on the trustmark schemes, and to discuss any open issues with the providers. In order not to ask any questions on information that was already provided, both the survey results and the documentation provided by the trustmark were used as input to formulate questions.

The basis of the trustmark selection was their geographical spread. While the trustmarks that originated in Western Europe are usually well-developed given the relative maturity of the eCommerce market, for Eastern Europe the picture is different. There, the eCommerce market is currently growing fast and several trustmarks were set up recently. In Asia, especially in Japan, the eCommerce market is well established and the trustmark provider we interviewed (Online Shopping Trust) already exists for several years and is quite well developed. The trustmark providers situated in the US and selected for an interview are the biggest trustmarks operating cross-border. Besides covering the different European regions, we also aimed to include trustmark schemes that operate across borders and that have different types of ownership.

Table 3.4: Selection of trustmarks for interviews.

	Geographical spread	Is the TM working cross-border?	Type of ownership	State of development (based on certification and dispute resolution schemes)
ISIS	UK	Yes	Industry organization	Very well developed
e-Maerket	Denmark	No	Foundation	Well developed
EHI geprufter / Euro-label Germany	Germany	Yes	Scientific institute for the retail industry	Well developed
TrustedShops	Germany	Yes	Private firm	Very well developed

[154] See Annex 7 for an overview of trustmark organizations that participated in the survey.

EuroPrise	Germany	Yes	Governmental institute	Developed
Guetezeichen/ Euro-label Austria	Austria	Yes	Industry organization	Very well developed
Thuiswinkel Waarborg	Netherlands	No	Foundation	Well developed
BeCommerce	Belgium	No	Foundation	Well developed
APEK	Czech Republic	No	Foundation	Developed
eShops	Lithuania	No	Private firm	Just started, but developing quickly
Confianza Online	Spain	No	Nonprofit organization	Well developed
eShop	Malta	No	Government institute	Just started
Trygg eHandel	Norway	No	Industry organization	Just started
TrustE	US	Yes	Private firm	Very well developed
VerySign (Norton Secured)	US	Yes	Private firm	Very well developed
Online Shopping Trust	Japan	No	Industry organization	Developed

Most interviews were done by telephone and lasted from 15 minutes up to 50 minutes. An overview of the general interview questions is presented in Annex 8. The interviews were prepared based on the survey results as well as on the desk research on the particular trustmark, resulting in focused questions. The notes of the interviews were sent to the interviewees for validation.

During the interviews the trustmarks providers were first asked in details about the reasons that led to the establishment of a trustmark. Then they were asked to comment on the survey results and to tell in detail about their dispute resolution mechanism, revocation and audit procedures. The interviewees were also asked to give a detailed explanation about the certification procedure and subscription costs, business model of their trustmark, third parties involved in its operation and the legal issues concerning the trustmark scheme. At the end of the interview trustmark representatives were asked to provide their view about the significance of their trustmark for the local retailers and asked if they had any plans for future proliferation of the other markets. If the trustmark was also active abroad the interviewees were asked about the problems that they faced while rolling out a trustmark in a foreign market. Some of the interviews were asked about the importance of the trustmark in encouraging cross border e-commerce.

3.3 Mapping trustmarks

Trustmarks have many different characteristics concerning their level of maturity, ownership, and coverage of topics in their certification approach. Furthermore, trust may also be generated using specific methods of payment and by using security certificates that indicate the level of security that is provided by the technical standards of a website. The best-known example of the former is PayPal, which is a service for making secure online payments. An example of the second group is the group of secure socket layer (SSL) protocol certificates that are issued by companies such as WebTrust and Comodo. In our investigation also trustmarks addressing these specific topics are included. In the next sections we will present our findings following the categorisation of topics as presented in the survey (see section 3.2.2). Per topic, a number of indicators are provided. The information presented is based on the desk research, survey, and on the interviews.

3.3.1 Geographical coverage

The trustmarks included in this study were based in Europe, the US and Asia (see table 3.1 and 3.4). For Europe, figure 3.1 shows which countries are covered by trustmarks.

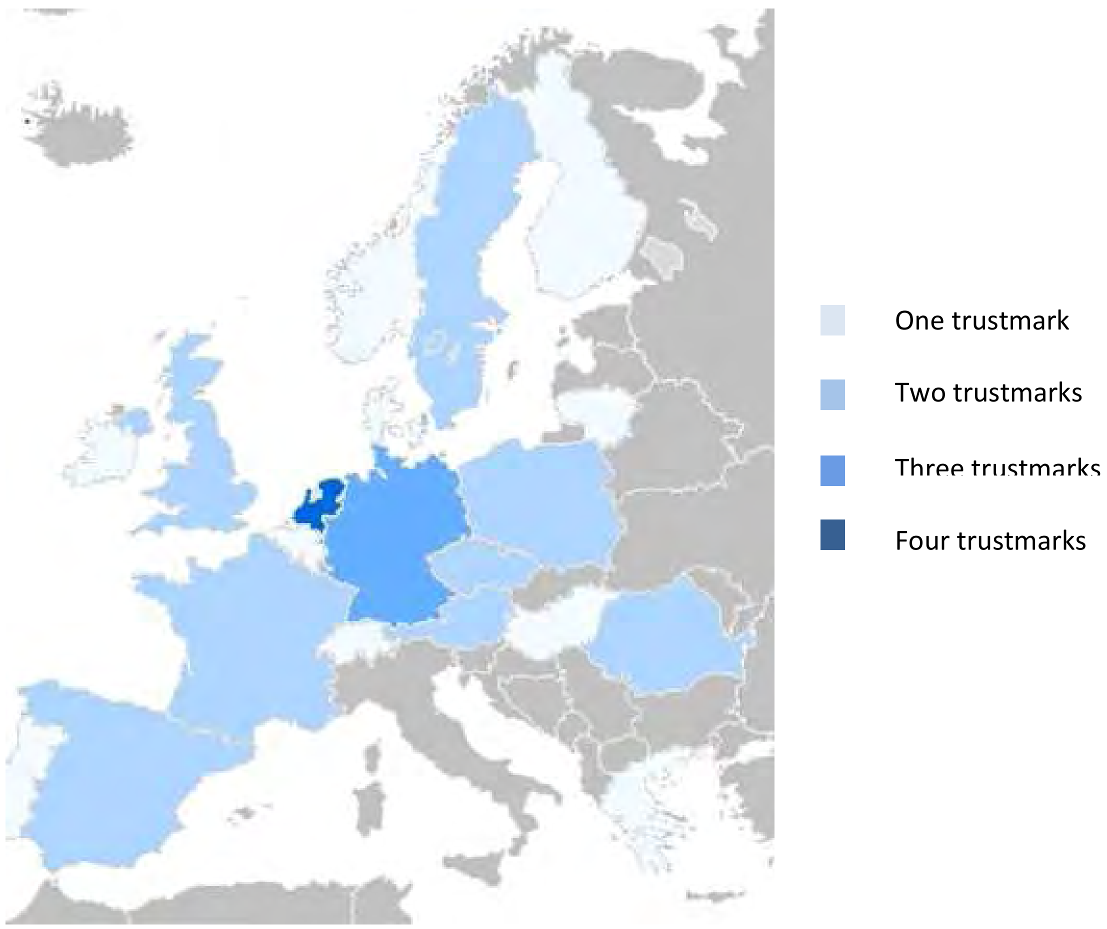

Figure 3.1: Trustmark coverage of Europe (based on desk research).

Figure 3.1 shows that in many countries across Europe at least one trustmark scheme is operational. This figure also shows a concentration of trustmark schemes in Germany and the Netherlands. Still, it should also be noted that this picture only shows the number of trustmarks that is operational (and included in this study), rather than that it shows which countries have an extensive trustmark scheme. For example, in Hungary a trustmark scheme is operational, but it cannot be compared to the Portugese trustmark, which has a more elaborate certification scheme.

Some trustmarks cover multiple countries. Figure 3.2 shows the distribution of trustmarks relating to the number of countries they cover, based on the survey results.

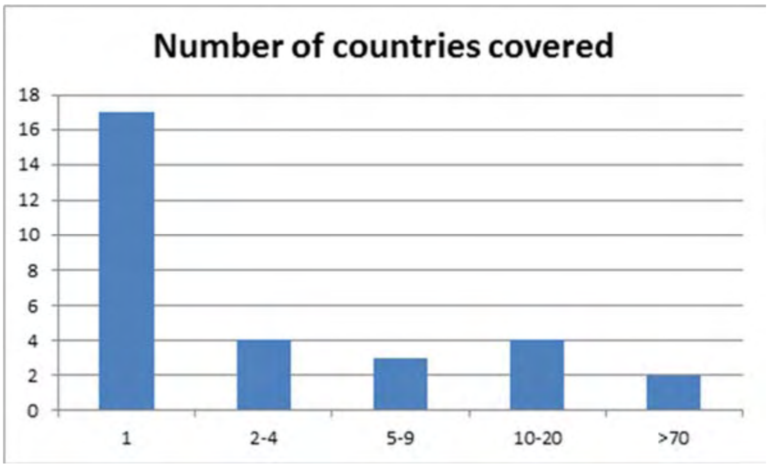

Figure 3.2: Number of countries covered by the trustmarks (based on survey results).

As shown in figure 3.2, only two trustmarks have an extensive global coverage (the category of more than seventy countries). These are large US-based commercial trustmarks concerned with specific aspects of eCommerce activities: VeriSign, offering the Secure Socket Layer approach that can be checked real-time and Truste, offering a privacy seal based on the privacy statement of organizations. These trustmarks target one specific element of web shops that do not have a legal basis. This makes it easy for them to use the same seal across borders.

In our overview we found four international trustmarks covering more than ten countries: WebTrust (US), TrustedShops (Germany), SafeBuy (UK), and EuroPrise (Germany). Seven trustmarks were found to operate in more than one (European) country. Except for Euro-label and Tüv Süd, these are all trustmarks operating within one language. For example, we found trustmark schemes operating in several English-, German-, or Dutch-speaking countries using only one language. It thus appears that domestic trustmarks branch out other countries using the same language.

Euro-label is currently operational in Germany, Austria, and Poland (and is officially also active in Spain, Italy, and France). But Euro-Label is, in effect, a label that covers different domestic trustmarks, operating in different countries, using the domestic language. These domestic trustmarks have in common that they all certify web shops using a code of conduct that is based on European regulations. Euro-label does occasionally certify web shops from other countries, such as from Switzerland or the Netherlands. Furthermore, Euro-label is in contact with trustmarks from other countries to see whether they may become part of Euro-label in the future.

The major group of trustmarks (seventeen out of thirty) operates in only one country. Many of the interviewees of these domestic trustmarks organizations said that language and branding were important barriers. This was also observed in the 2006 study.[155] For example, the Spanish trustmark organization indicated that language is an important barrier in using the trustmark across borders. The Dutch trustmark organizations mentioned besides language also the branding of a trustmark stating that that their trustmark would have very little effect on consumers' trust in web shops other countries, since they are not familiar with it.

3.3.2 Assurance policies and dispute resolution mechanisms

The second category of questions looked at the additional services provided by the trustmarks, such as the assurance policies and dispute resolution mechanisms. The results from the survey are shown in figure 3.3. Trustmark organizations could indicate that they provide multiple added services.

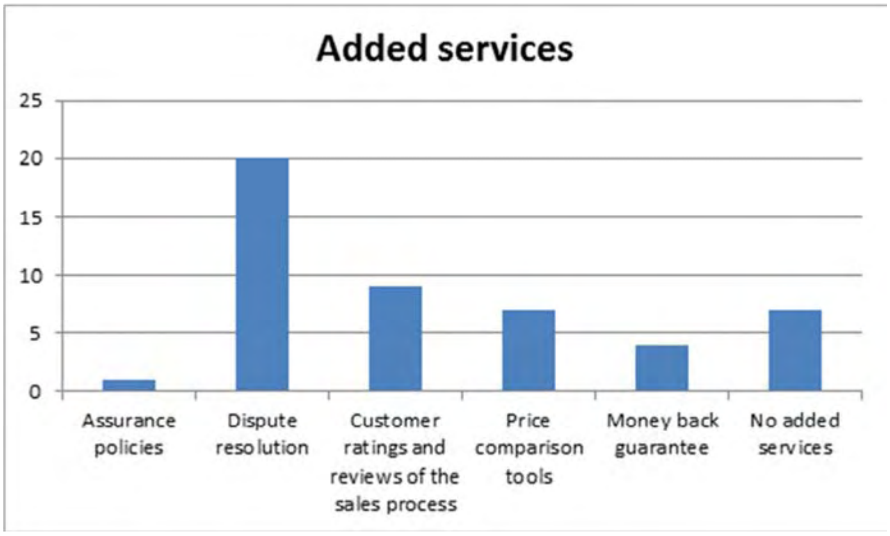

Figure 3.3: Added services provided by trustmarks (based on the survey research).

According to the survey results, two-thirds (twenty out of thirty) of the trustmarks provide some form of dispute resolution. Furthermore, also customer ratings and reviews as well as price comparison tools are popular added services for the trustmarks. Only two trustmarks indicated that they have assurance policies: SafeBuy (UK) and VeriSign (US). SafeBuy assures payment and delivery, while VeriSign compensates the users of its security certificates in case they lose data that is supposed to be secured. Only a few of the trustmarks that we interviewed, indicated that they aim to develop assurance policies in the future. Most indicate that they see their certification process as a proper assurance policy and that real assurance should be provided by retailers.

Regarding dispute resolution, based on the interviews, many trustmarks indicate that they either already have a form of dispute resolution, or that they will likely operate some form of dispute resolution mechanism in the future. There are, however, large differences between the dispute resolution mechanisms giving very different guarantees to customers. The most simple form is to have an online complaints form and to revoke the trustmark in case a web shop does not solve the complaints. Furthermore, many trustmarks offer to mediate between retailers and consumers in case a dispute emerges. The most advanced trustmarks have a form of

[155] Trzaskowski, J. (2006)

dispute resolution that is covered by a third party. In case trustmark organizations provide assurance or dispute resolution, it usually only covers the certification criteria. For example, Trust*e* indicates that it only resolves disputes arising over privacy issues.

All trustmark organizations that were interviewed indicated that they aim to solve an issue before revoking the trustmark. That is why few trustmarks show on their websites which web shops have been revoked, as they still would like to give the opportunity to regain the trustmark in the future when they are compliant again. Furthermore, transactions that were undertaken before a trustmark was revoked, usually remain part of the dispute resolution.

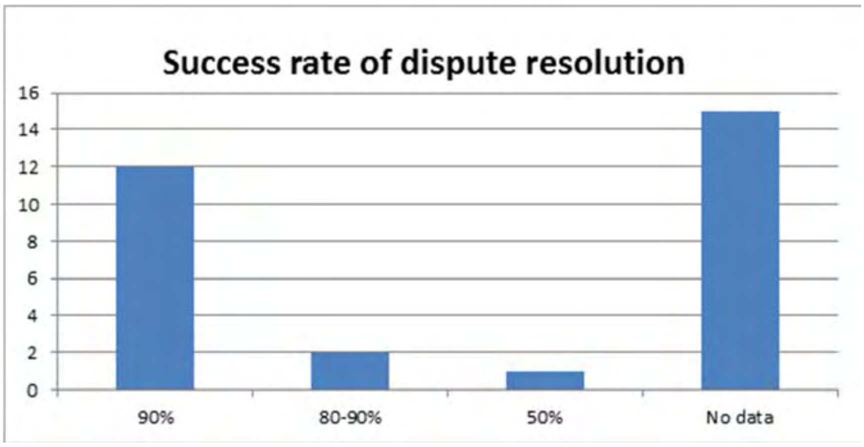

Figure 3.4: Success rates of dispute resolution mechanisms (percentage of complaints that is solved by the dispute resolution mechanism) (based on the survey research).

Trustmarks that provide online dispute resolution either do not provide information, or indicate that they are very successful in doing so (see Figure 3.4). One of the main reasons that they indicate that they are very successful is that they feel this to be central to their credibility. For example, BeCommerce (Belgium) and e-Mark (Denmark) stated in their interviews that they pursue every conflict between web shops and customers until it is solved. The trustmark that provided a 50% success rate (Thuiswinkel waarborg, the Netherlands) indicates this rate as they guarantee the costs of the remaining disputes, thereby also 'solving' them. Although these success rates may be inflated, they do point at the importance of having dispute resolutions for trustmarks.

Many of the interviewees indicated that cross-border dispute resolution is one of the main areas that should be developed further to stimulate cross-border eCommerce. Currently, only the full legal option of going to court can be used by consumers who want to solve a conflict with a web shop. No mechanisms comparable to the alternative dispute resolution mechanisms that exist on the national level are present on a pan-European level. The interviewees believe that providing cross-border dispute resolution mechanisms may be instrumental in increasing trust in cross-border eCommerce.

In the past, an attempt was made to create a dispute resolution mechanism for cross-border eCommerce in Europe: OnlineConfidence.[156] OnlineConfidence was a pilot project carried out in 2001-2003 aiming to set up an online dispute resolution mechanism that would serve as a platform for assisted negotiation and third party involvement (mediation/evaluation). It was intended to be linked to a (pan-European) trustmark. The platform for dispute resolution was

[156] Tilman, V., OnlineConfidence: a new tool for resolving disputes online, Proceedings of the UNECE Forum on ODR 2003.

supported by Eurochambres and by a number of Chambers of commerce across Europe. However, the platform was never developed as the business model was not sustainable. The high administration costs of such a cross-border platform as well as the costs of the third party dispute resolution (which could be higher than the value of the dispute itself) were the main cause of its failure.

3.3.3 Subscribers, costs and cost structure

The number of subscribers and the cost structure of the trustmarks is the third category of trustmark characteristics. Figure 3.5 shows the number of subscribers the different trustmarks have, per category.

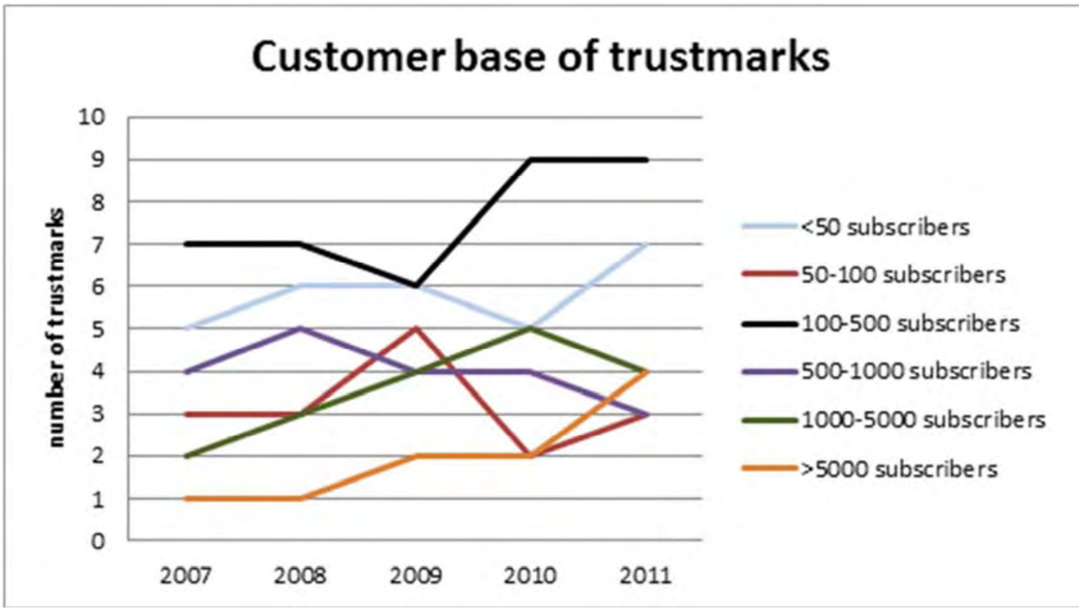

Figure 3.5: The number of subscribers to the trustmarks over the past five years (based on survey research).

Figure 3.5, based on the survey results, shows that the number of subscribers has gradually risen over the past five years across four out of the six categories of customer base. It is, however, a question how the customer base is calculated, as many businesses have multiple web shops. For example, the Dutch trustmark organization Thuiswinkel has around 900 members (businesses) covering around 1500 web shops.

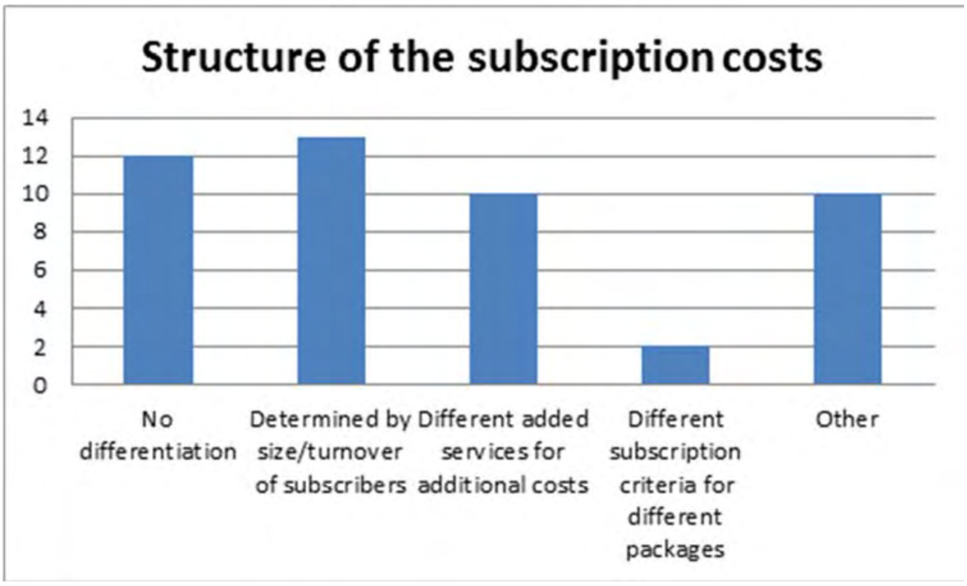

Figure 3.6: Structure of the subscription costs (based on survey and desk research).

The largest group of trustmarks in the survey does not make a difference between the subscription costs for different groups of web shops (see figure 3.6). For example, BeCommerce (Belgium) indicated that the certification costs are equally high for larger and for smaller web shops and they did not see any reason to differentiate. Other trustmarks make a distinction based on the size of the web shop, for example based on the turnover or on the number of employees. A third category of trustmarks makes a distinction between the costs for different services or subscription packages. Truste, for example, makes a distinction between the different packages of security certificates. Also combinations exist of trustmarks that both make a distinction between size of organizations (determined by turnover of number of employees) and between different subscription packages. An example of this is TrustedShops (Germany). the height of the subscription costs is shown in figure 3.7.

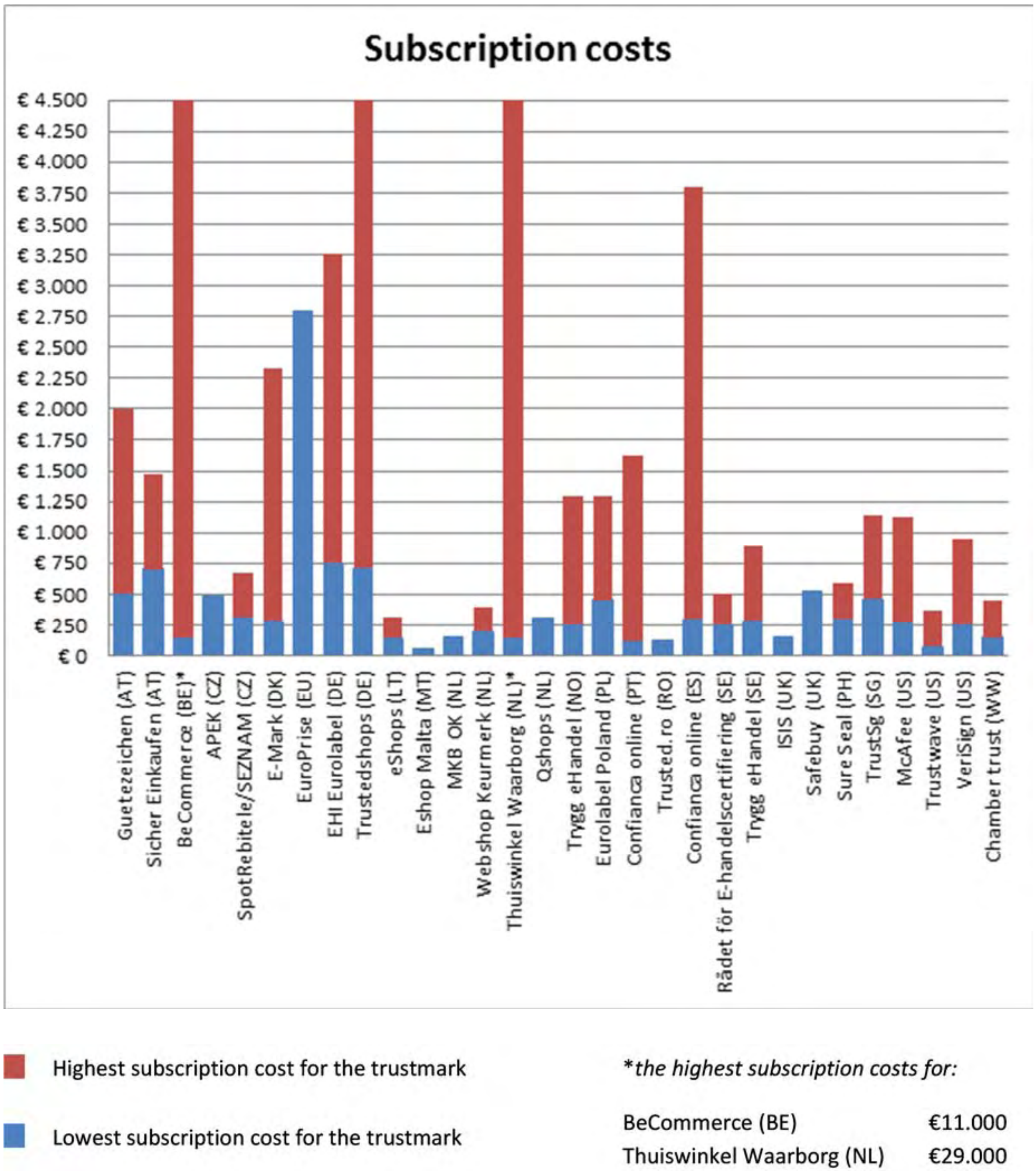

Figure 3.7: Height of the subscription costs (based on survey and desk research).

Furthermore, many trustmarks make a distinction between the certification costs (see figure 3.8) and the (yearly) subscription costs. One of the reasons for this is that many trustmarks are also industry organizations that lobby for the interests of web shops. For example, it is impossible to carry the Thuiswinkel (the Netherlands) trustmark without being a member of the Thuiswinkel organization. Another distinction that is often made is the difference between aspiring members and full members. Costs and benefits of different types of trustmark schemes will be extensively covered in the next work package.

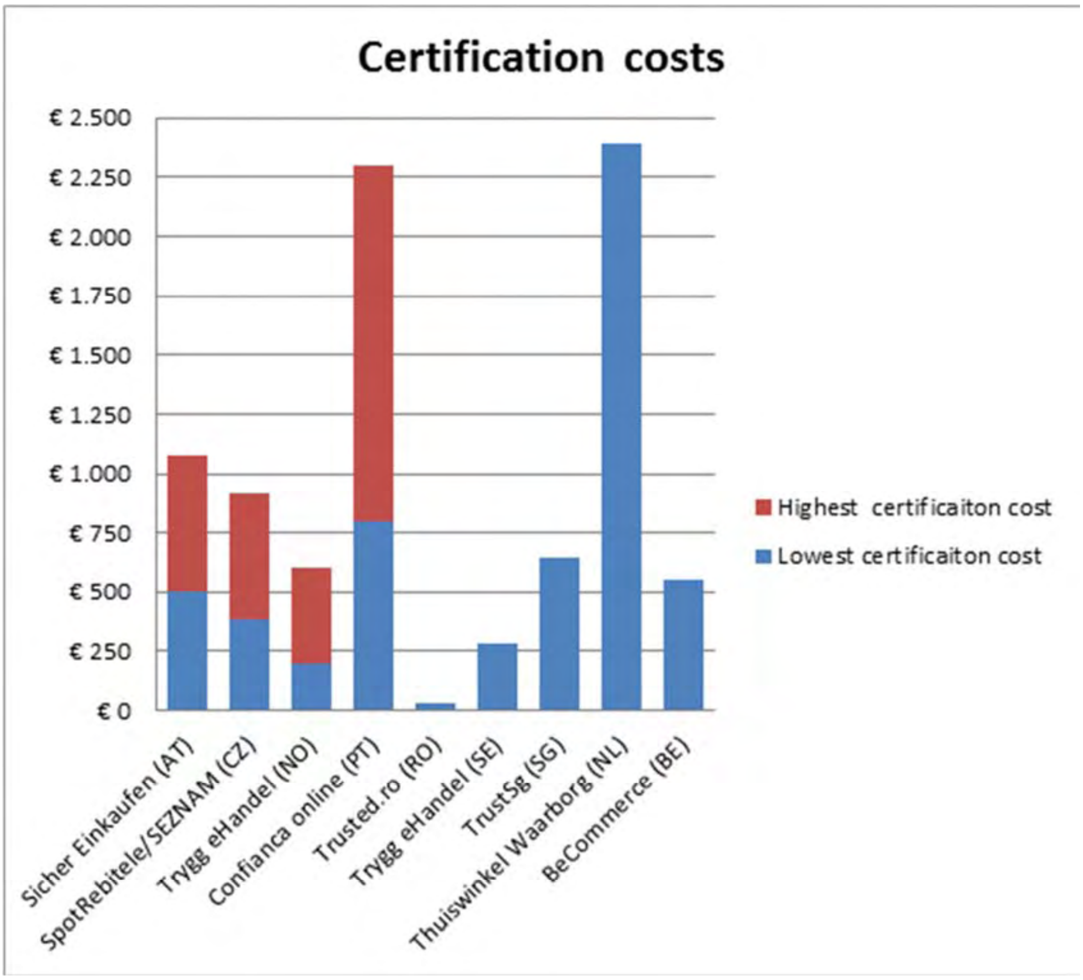

Figure 3.8: Certification costs of trustmarks (based on survey and desk research).

Of the 29 trustmarks providers depicted in figure 3.7, 9 have a separate fee for the certification of web shops. For the other providers, this fee is included in the yearly subscription cost. In some cases the difference between high and low costs appears because the trustmark organizations are at the same time industry associations and the members of associations pay less for the certification than retailers that are non-members. This is the case for example for Sicher Einkaufen (AT) and Trygg eHandel (NO). In other cases the difference occurs because trustmark providers determine the costs depending on the size of retailers, such as Confianca online (PT) and SpotRebitele/SEZNAM (CZ).

3.3.4 Legal and organizational issues

The fourth category of characteristics of trustmarks is related to legal and organizational issues, such as the legal base of the trustmark and the type of ownership. Figure 3.9 is based on the survey research and shows that most trustmarks have multiple legal and regulatory bases.

More than 20 trustmarks (out of 30) have some form of self-regulation, while 20 and 17 (out of 30) trustmarks are based on national and EU regulations respectively.

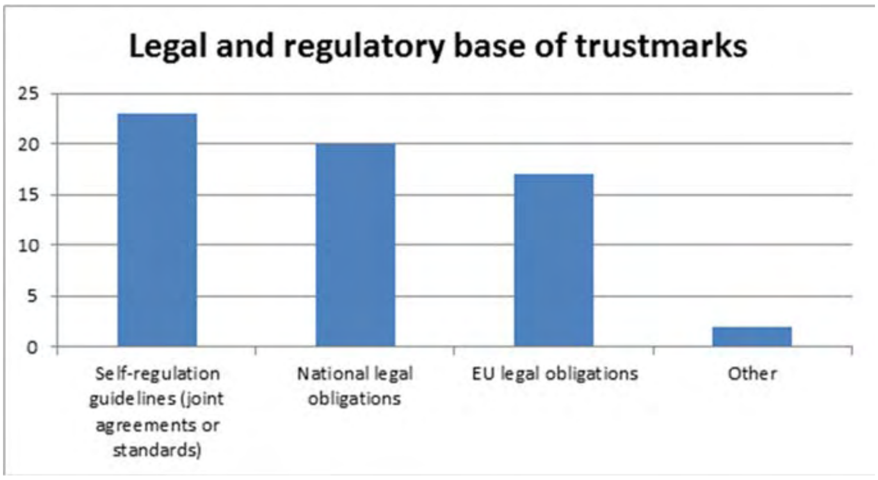

Figure 3.9: Legal and regulatory base of trustmarks.

From the interviews it became clear that most trustmarks have a code of conduct that is based on a combination of self-regulation and on legal basis. Among the European trustmarks, this legal basis is usually a combination of EU and national regulations regarding consumer laws. This does not mean that trustmarks can enforce any regulations, but rather that they check whether web shops are compliant with national and/or EU regulations and that they only receive the logo when they are compliant.

Based on the interviews we found that some trustmarks have a code of conduct that is mainly based on the law, while some others have a code of conduct based on self-regulation. This distinction appears to be related to the distinction between commercially owned trustmark schemes and trustmark schemes set up by industry organizations. The trustmarks that are mainly regulatory based indicate that they intend to install a few additional aspects in their code of conduct based on self-regulation, but their basis remains firmly in checking whether web shops comply with regulations. An example is Thuiswinkel waarborg (Netherlands).

The self-regulating trustmarks indicated that their self-assessment is core to their business model, although they would naturally make sure that the rules for the self-assessment at least comply with regulations. But their codes of conduct are usually more extensive than that of those trustmark organizations merely certifying whether web shops comply with the law. For example, VeriSign monitors real-time whether web shops are in danger of breaching the security of their customers. This is not a law-based check, but web shops that have the VeriSign logo on their website thus adhere to a higher standard than is necessary by law.

The different types of trustmark providers are shown in figure 3.10. A distinction was made between three major categories: industry organizations (trustmarks set up by industry associations), government institutes (trustmarks set up by the government), and private firms (the commercially owned trustmarks). These types of trustmark providers are based on the survey research as well as on the desk research.

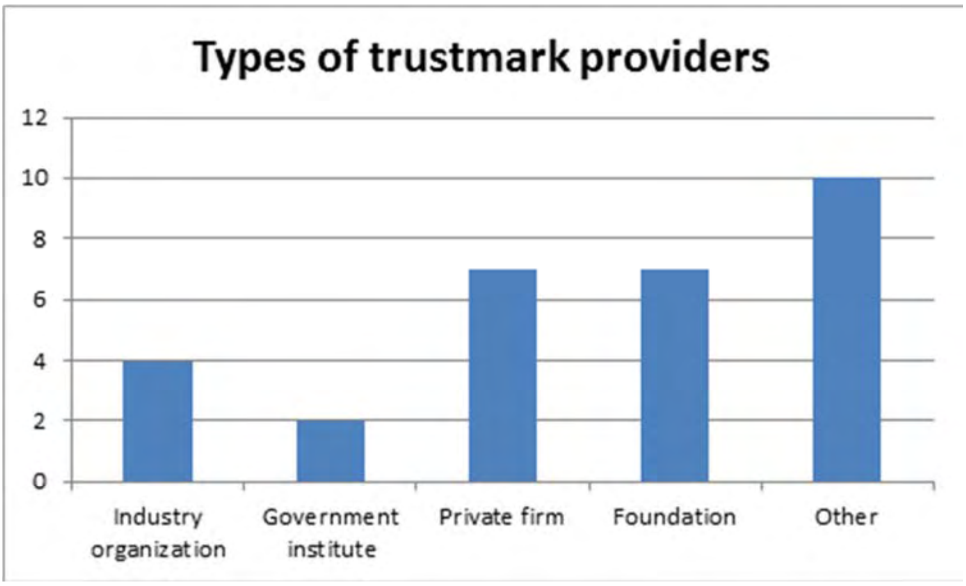

Figure 3.10: Types of trustmark providers (based on the survey research and on the desk research).

It appears that most trustmarks in this study (twenty trustmark organizations) are set up by industry organizations or associations, thereby indirectly representing web shops. This is thus a form of self-regulations of the web shop sector. The second largest group of trustmark organizations are the privately owned, commercial trustmarks (fifteen). A much smaller third category of trustmarks is set up by governments. Only three trustmarks are government-owned. In the category of trustmarks that is categorized as 'other', either their exact ownership was unclear, or they were, for example, set up by consumer organizations. In some cases ownership was seen to change over the last years. For example, e-Mark (Denmark) and Online Shopping Trust (Japan) were set up by the Danish and Japanese government respectively, but are independent organizations today.

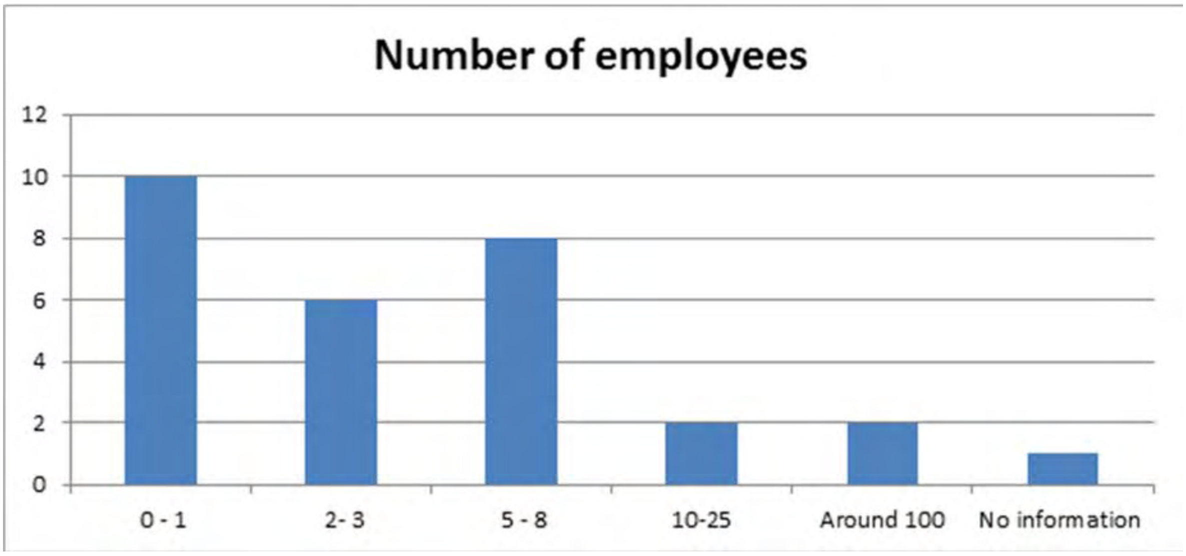

Figure 3.11: Number of employees working at trustmark providers (based on survey research).

The number of employees working at trustmark providers is shown in figure 3.11. Around a third of the trustmarks that participated in our study employ one person. Fourteen out of thirty trustmarks employ fewer than 10 persons. And only four trustmarks employ more than ten persons, ranging from 10 to around 100.

3.3.5 Certification and accreditation policies

Certification and accreditation policies make up the fifth category of characteristics of trustmark schemes. Certification is related to the process of handing out the certificates to the web shops applying for them, and accreditation concerns the process of certifying the trustmark organizations.

Regarding certification, a few aspects are important to understand: whether the certification is based on a code of conduct that is based on the law or based on criteria set up by the trustmark organization (or both). This was addressed in the previous section. Furthermore, the criteria that are covered are important to note. These are often related to the core aspects of the trustmark schemes. Therefore, we asked the trustmarks to name their main marketing points (their 'unique selling points') regarding their trustmark scheme. And finally, the certification process can differ across trustmarks, based on the frequency of certification, on which party performs the certification, and on whether the certifying party is accredited. These aspects are addressed in this section.

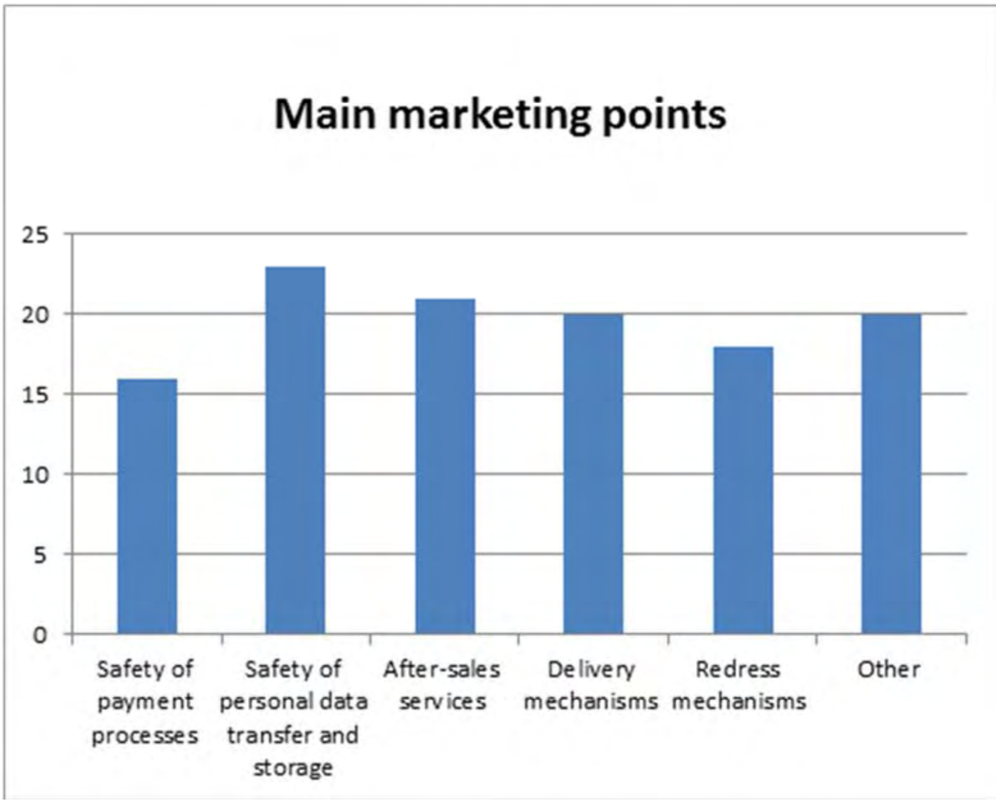

Figure 3.12: Main marketing points of the trustmark scheme (based on survey research and desk research).

As shown in figure 3.12, most of the trustmark schemes aim for various aspects of safety of eCommerce, such as payments, personal data, after-sales services, delivery, and redress. In general, certification criteria of the studied trustmarks are similar – often differing only in their extensiveness, only SSL trustmarks and privacy seals have different criteria.

Some trustmarks sell SSL certificates and thus focus mainly on data or payments protection, such as VeriSign, Trustwave and Comodo. Some of these trustmark organizations (such as VeriSign) also look at whether the owner of a web shop is trustworthy. Merchants who purchase the VeriSign security seal need to secure their web site sufficiently. VeriSign regularly undertakes vulnerability scans to check for malware.

In case a trustmark is a privacy seal, it ensures the safety and privacy of data. The certification criteria specify the criteria for the data treatment on the retailers websites. Such trustmarks are for instance Europrise and trustE. Truste, for example, certifies only privacy practices, looking at which data is collected, how data is processed and which third parties data are shared with.

All other trustmarks cover multiple aspects. A typical code of conduct of an – elaborate – trustmark is shown in annex 9. Most of the trustmarks base their certification criteria on consumer protection and distance selling legislations, both from the national and EU level. For example, many of the European (domestic) trustmarks focus on the certification of after-sales services, delivery and redress mechanisms. Trustmarks that are active internationally usually adopt different certification criteria according to national legislation. The certification criteria of Trusted Shops (DE), for example, differ from country to country based on the different national laws. Furthermore, many codes of conduct also encompass criteria related to the quality of information the retailer has to provide to its customers.

Asian trustmarks are similar to the Europeans trustmarks as they certify multiple aspects of eCommerce. But there are some differences. Some of the Asian trustmarks have certification criteria regarding the advertising practices of their subscribers (e.g. Trustmark Thai, Online Shopping Trust Japan). In the 2006 research, it was also found that many of the European trustmarks certified the advertising practices of web shops,[157] but currently we hardly observed this.

During the interviews we found that the certification criteria can roughly be divided into two categories: web shop validity of ownership, and business practices. Most of the trustmarks check whether the web shop actually exits and whether it is legitimate, among which Thuiswinkel waarborg (the Netherlands), e-Mark (Denmark), VeriSign (US), BeCommerce (Belgium), eShop (Lithuania), and Trygg eHandel (Norway). Supplier identification usually includes:

- Existence of the business (physical address, landline phone number);
- Registration at the chamber of commerce (or similar registration body); and
- Registration of the domain name.

Business practices of the retailer would usually include:

- Financial stability;
- Protection of minors;
- Terms of conditions;
- Product descriptions;
- Terms of delivery;
- Redress policies;
- Privacy policies;
- Data security, and
- Methods of payment.

[157] Trzaskowski, J. (2006)

The codes of conduct are usually binding. In case a retailer violates the code of conduct, the revocation procedure starts. Few code of conducts are approved by third parties, but Confianza Online (ES) this is different in this respect: its Code of Ethics has been registered in the General Register of the Spanish Data Protection Agency as a standard code regarding data protection in the field of the e-commerce. Furthermore, the code of conduct of Thuiswinkel waarborg is developed in collaboration with the consumers' organization Consumentenbond.

The number of certification criteria differs per different trustmark. EHI Euro-label (DE) has 200 certification criteria, Trusted Shops (DE) 130, and BeCommerce (BE) has 40 certification criteria. Many of the other trustmarks have fewer criteria. Certification is normally done by means of documentation study (the code of conduct, registration of e-shop, financial reports and other relevant documents), desk research (the information available on the website: description of the goods, privacy, shopping cart, etc.), interviews and mystery shopping. Often, when a web shop request a trustmark, they have the opportunity to change their website according to recommendations of the trustmark provider, before the trustmark is awarded.

Many of the interviewees indicated that the criteria covered in the certification process are related to the maturity of the eCommerce market, as well as with incidents that may have occurred. We therefore expect that the certification differ over time and we compared the criteria found in 2012 to those found in the study that was carried out in 2006. Similarities that were found between 2006 and 2012 were the checks on the identity of the web shop (is it legitimate?) and the order procedure (do customers have the opportunity of redress?).[158] Furthermore, security was also found to be an important criterion for certification for certification in 2006. [159] The issue of advertising, which was an important issue in 2006, is much less observed today, except in the Asian trustmarks.

In most of the cases (90%) is the certifying authority (part of) the trustmark organization. Only in a few cases we found that the certification is done by an independent third party. This is the case with Thuiswinkel Waarborg in the Netherlands and BeCommerce in Belgium. Yet others perform real-time auditing, such as the technically oriented trustmark VeriSign (US). Furthermore, the Czech trustmark APEK uses mystery shopping for part of their certification process.

Regarding accreditation, in 2006 only in the UK and in Germany trustmark accreditation schemes were operational, ensuring that the codes of conduct of the trustmarks have a minimum level.[160] Today, this is also found in the Netherlands and in Japan, where the Thuiswinkel (NL) and Online Shopping Trust (JPN) are accredited. However, the interviewees from Thuiswinkel stated that they do not see this accreditation process as valuable for their business. It is, according to them, mainly concerned with how they communicate with their members rather than being concerned with their level of certifying their members. Thuiswinkel indicates that for them it is more important to note that their code of conduct is written based on provisions of the Dutch consumers' organization.

Accreditation is a second area where many of the interviewees indicate that the EU could play a role. The EU level could perform checks on the trustmark schemes to see whether their certification process meets specific minimum standards. In this way, the accreditation could become a 'trustmark' for trustmarks, indicating that a trustmark is actually worth displaying on your website. In some of the more mature eCommerce markets, currently a lot of trustmarks are operational, leaving consumers doubting which of these are truly trustworthy. Thus, many

[158] Nannariello, G. (2001)
[159] Nannariello, G. (2001)
[160] Trzaskowski, J. (2006)

of the larger trustmarks indicate that the EU could play a role in indicating which trustmark schemes are trustworthy.

The frequency of the auditing procedure (based on the survey research and the desk research) is presented in figure 3.13.

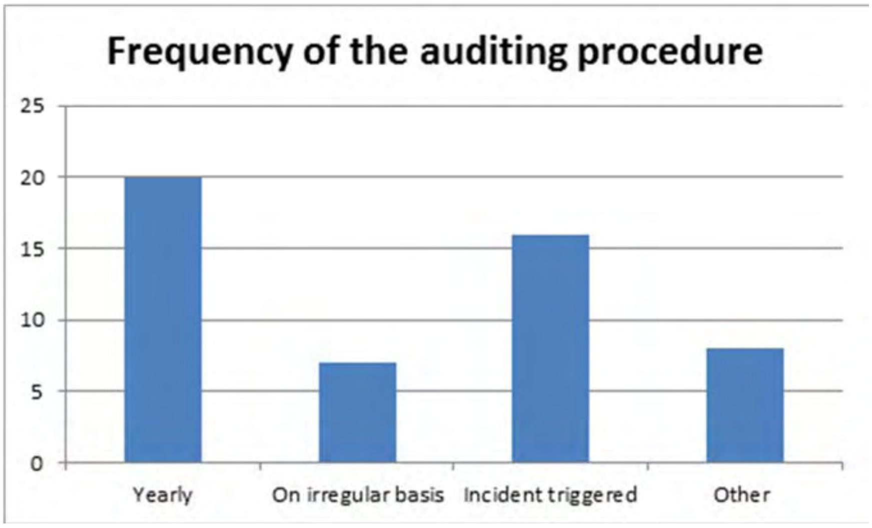

Figure 3.13: Frequency of the auditing procedure (based on the survey research).

Many trustmarks have a combination of a yearly certification procedure and an incident-triggered procedure. Two-thirds (twenty out of thirty) of the trustmarks that were part of the survey research indicate that they perform a yearly process of certification. Furthermore, more than half of the trustmarks studied in the survey also perform their certification as soon as an incident occurs. From the interviews it became clear that most trustmark organizations do not immediately remove a trustmark, but rather give web shops a second chance to solve the issue.

3.3.6 Role of trustmarks in promoting trust (across borders)

Besides the objective of promoting trust in web shops, many of the trustmark providers that were interviewed stated that their marketing is also very important, as the degree to which they are trusted by customers is essential. Therefore, many of the trustmark providers indicated that they were very successful in dispute resolution as it can be very bad for their reputation if they do not solve all cases. Trustmarks have a role in attracting customers to websites and in promoting (cross-border) eCommerce by increasing trust.[161] The impact of trustmarks, assessed by the trustmark organizations themselves, on the sales of subscribers and on cross-border eCommerce, is shown in figure 3.14 and 3.15.

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[161] The trustmarks included in this study are mainly concerned with addressing issues related to trust. Naturally, the goal behind this is to attract customers to web shops and increase (cross-border) eCommerce. It should also be noted that there is a group of trustmarks (usually not included in this study) that are little, or not at all, concerned with addressing trust issues. These are commercially owned trustmarks set up to attract traffic to websites. These are often smaller, ‘amateuristic’ trustmarks with limited certification policies. Some of these are literally run by one person from their home (hence the term amateuristic). Many of the more mature trustmark schemes consider these trustmarks ‘misleading’ as they do not aim to increase trust in websites. Still, little can be done about this practice, other than ensuring that the more extensive trustmark schemes are becoming well-known.

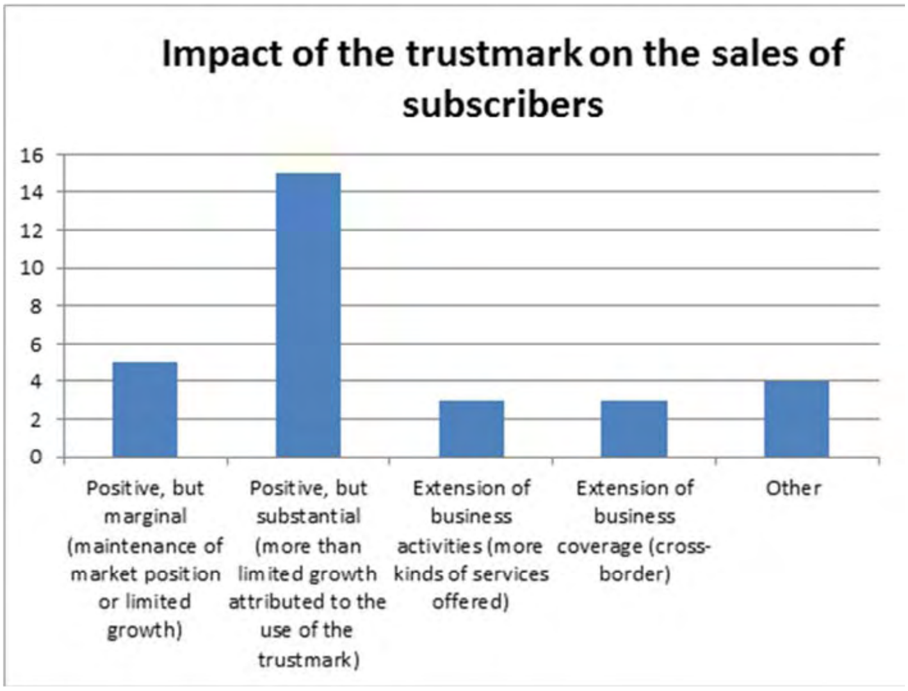

Figure 3.14: Impact of the trustmark on the sales of the subscribers (as indicated by the trustmark providers in the survey).

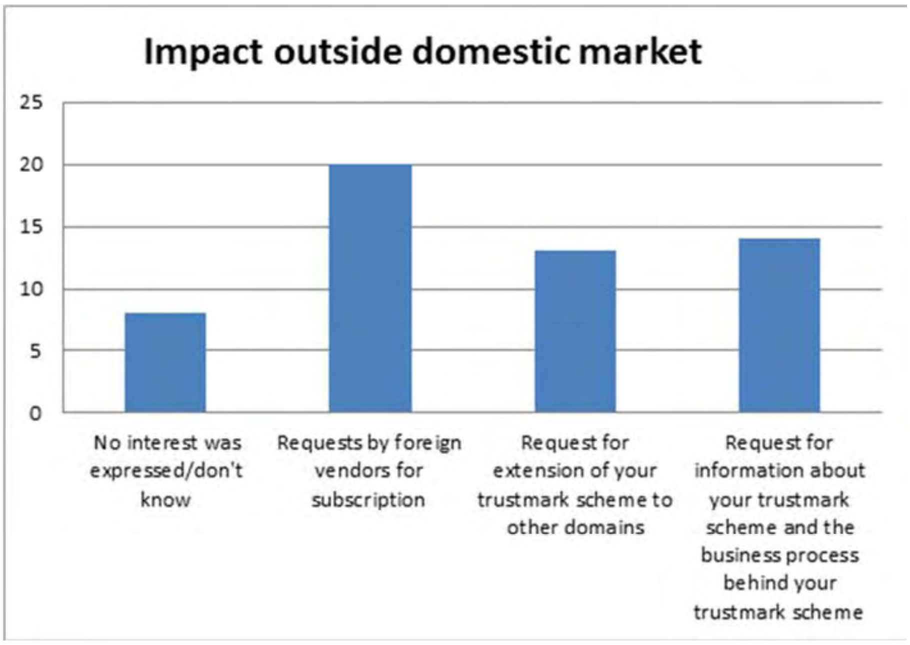

Figure 3.15: Impact of the trustmarks outside of the domestic market.

From the interviews that were carried out, it appeared that many of the currently domestic trustmarks do not have any plans to operate beyond their own borders, stating that the value of their trustmark is likely to decrease in other countries. Rather, some of the major trustmark schemes in Europe are currently trying to collaborate in order to establish more trust in cross-border shopping. Interestingly, the Lithuanian trustmark eShops sees a role for itself in other

Middle or Eastern European countries and aims to expand to, for example, Latvia, Estonia, Romania, Bulgaria, Slovakia, and Croatia. Another form of cooperation was found between Trygg eHandel Sweden and Norway. They have nearly identical websites, but they are only collaborating to learn from each other, rather than being internationally operating trustmarks. Some trustmarks also indicated that they aim to improve the 'branding' of their trustmark in order to serve their subscribers better. For example, both BeCommerce (Belgium) and eShop Malta stated during the interviews that they would like to see the SME's in their country benefit from the high levels of eCommerce in their countries. In both countries many consumers shop online across borders, and they would like to see that the smaller domestic businesses also benefit from eCommerce.

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ANNEX 1 TEST PANEL VALIDATION RESULTS

Consumer perspective on barriers to cross-border eCommerce

From the consumer perspective, all presented barriers for cross-border shopping were considered relevant. Six respondents indicated additional barriers that are not in contradiction to the barriers presented.

Barriers:	*Importance [1-5]:*				
	1	**2**	**3**	**4**	**5**
Resolution of complaints (Difficulties to solve problems and getting redress)	1	2	2	1	4
Confidence (Consumer feeling less confident shopping cross-border)			3	4	3
Consumer (legal) protection (Consumer uncertainty about their rights in other countries and their cross-border enforcement, the level of legal protection and rights vary from country to country, lack of rights for digital products)		3	2	2	3
Payment methods (concerns about safety of payments, domestic methods of payment not working cross border)			3	5	2
Delivery (Concerns for longer delivery times, e.g. due to customs)		2	3	3	2
Language (Difficulty in understanding offers or contractual terms in non-native languages)		2	3	3	2
Consumer preferences (prefer to shop in person (e.g. to feel and see product)/ no need to shop online)	1	2	2	3	2
Computer literacy & usability of online systems (Level of computer skills of consumers)	1	1	5	2	1
Personal data (concerns for safety of personal data)		3	4	2	1
Provision of information (Insufficient information on products, availability, delivery times)		2	6	1	1
Uncertainty in pricing of cross-border purchases (Additional charges and customs duties)		1	6	3	
Lack of Internet access (lack of access and (high speed) broadband penetration)	2	5	2	1	
Barriers added by panel members:					
Fraud/scams (Concern about fraudulent traders, e.g. lottery scams, internet rip off companies)				1	1

Cultural (E.g. UK citizens not used to shop cross border as no common borders are shared with other countries)				1	
Lack of means of payment (Discriminatory charges between means offered; surcharges applied to credit cards)				1	
No incentive (Price with all cost included not cheaper, services not better)				1	
Trader location (Consumers unable to identify actual location of trader)				1	
Unknown web shops (Web shops not belonging to well-known brands so consumer has no indication of its trustworthiness)				1	
Delivery cross-border (No transparency on website that some traders do not deliver cross-border to certain countries)			2		
Business anti-competitive and unfair commercial practices (different price policies in applying to different territories preventing consumers to benefit from cheaper prices; selective distribution agreements)			1		
Previous experience (Consumers unable to identify actual location of trader)			1		
Currency (Uncertainty on different currencies and additional charges)		1			
Support for home nation companies (preference to support home nation companies)	1				

Business perspective on barriers to cross-border eCommerce

All presented barriers for cross-border shopping from the retailers/merchants perspective were considered relevant. Three respondents indicated additional barriers that are not in contradiction to the barriers presented.

Barriers:	***Importance [1-5]:***				
	1	**2**	**3**	**4**	**5**
Administrative and regulatory barriers (Fragmentation and complexity of consumer protection rules across Member States and other rules on VAT)			2	3	4
Tax and duty regulations, including VAT, levies, waste disposal charges (Difficulties in compliance with such regulations in different countries)				5	3
Higher costs (Fraud, complying with different national regulations, delivery, resolving of complaints, translation, customs duties)		1		4	3
Delivery / cross-border logistics (Higher parcel distribution costs and longer delivery times compared to domestic sales)			2	3	3

Cross-border payment systems (Lack of interoperability and difficulties in screening consumers' creditworthiness or identification; complexity due to different payment methods used in different countries)		2	4	1	2
Language / translation (Difficulty of communicating in a different language and of translating websites, product and service information into other languages)		1	2	4	1
Search and advertisement (Difficulties and efforts related to advertise cross-border)			7		1
No need / no interest (Sufficient domestic market size)		3	3		1
Barriers added by panel members:					
Copyright of digital/audiovisual products (Fragmented nature of copyright, clearance of rights)				1	1
Lack of ICT skills to trade online					1
Low estimated profitability of market (Insufficient local demand to justify extra costs of market entry)					1
Selective distribution (Distribution arrangements of vendors seeking to restrict sale of products to internet retailers)					1
Perceived higher insecurity of transactions (Higher risk of fraud or non-payments than in local market)				1	
Perceived higher insecurity of transactions (Higher risk of fraud or non-payments than in local market)				1	

ANNEX 2: TEST PANEL MEMBERS

Consumer organizations

Name	Country	Website	Contact person
European Comsumer Center Belgium	BE	http://ec.europa.eu/consumers/redress/ecc_network/index_en.htm www.eccbelgium.be +32 (0)2 542 33 46 info@eccbelgium.be	Edith Appelmans Director, European Consumer Centre, Belgium Speaker inter alia at 3rd Annual e-commerce conference in 2011, and at cross-border consumer complaints stakeholder conference 2007.
Trading Standards Institute Includes UK ECC Net	UK	http://www.tradingstandards.gov.uk/ +44 -8454 04 05 06 productinfo@tsi.org.uk	Ron Gainsford CEO Speaker inter alia at 3rd Annual e-commerce conference in 2011
Union Luxembourgeoise des consommateurs (UCL), the national consumer organisation of Luxembourg UCL published a few articles on au commerce électronique transfrontalier and on vente à distance	LU	www.ulc.lu ulc@pt.lu + 352 496022-1	Bob Schmitz EU counsel UCL Speaker at 2nd Annual European e-Commerce conference 2010
Which? the national consumer organisation of UK	UK	http://www.which.co.uk/ http://www.which.co.uk/about-which/contact-us/send-us-a-message/ +44 1992 822800	Rob Reid +44 207 7707673 Rob.reid@which.co.uk Author of communications review for the digital age as response to Jeremy Hunt's on barriers to consumer uptake of digital goods and services
Konsument.AT National consumer organisation	AT	http://www.konsument.at/	Mag. Georg Mentschl konsument@vki.at author of addressing question on paypal consumer questions in Konsument 11/2010
BEUC represents 43 independent national consumer associations from 31 European countries. BEUC aims at ensuring that consumer interests are given their proper weight in the development of all Community policies. BEUC inter alia deals with "Digital Rights" to make digital markets work to ensure a fair balance between consumers, digital rights and intellectual property rights-holders	BE	www.beuc.org +32 2 743 15 90 consumers@beuc.eu	Kostas Rossoglou Senior Legal Officer +32 2 743 15 95 legal-eco@beuc.eu

Trustmark providers and users

Name	Country	Website	Contact person(s)
European multi-channel and online trade association (EMOTA). 16 national member organisations. Co-organization of annual European e-commerce conference *Realising the European Single Market Forum* 2012 on 6th March. EMOTA represents at European level online traders and multi-channel distance sellers of goods at European level. The EMOTA Legal Affairs Committee (in parallel to Strategy and Statistics Committees) prepares EMOTA's responses to regulatory and other initiatives of the European institutions. Committee members meet regularly to coordinate national comments and discuss market trends and developments.	BE	http://www.emota.eu/ +32 2 502 02 27 http://www.emota.eu/contact-us.html	Susanne Czech, Dr.iur. +32 2 502 02 27 suczech(AT)emota.eu Secretary General of EMOTA, the Brussels-based European Multi-channel and Online Trade Association, since January 2007. On behalf of its 16 national member associations, she advocates a barrier-free European single market for distance sales, off and online, and collaborates with business partners that actively encourage cross border distance selling across the European territory as a whole.
EMOTA member BVH: Bundesverband des Deutschen Versandhandels e. V. (E-Commerce and Distance Selling Trade Association) Founded in Frankfurt, Germany in 1947 Label: EHI issued together with EHI retail institute < 300 member companies, Minimum member fee: 900€/ annum	DE	http://www.versandhandel.org / +49-30 2061385-0 Membership packages documented on website Hvh hosts working Group e-Commerce with member companies	Stephanie Claudia Schmidt Stephanie.schmidt@versandhandel.org Bvh responsible for legal issues and policy
EMOTA member Interactive Media in Retail Group (IMRG), The UK's industry association for e-retailing since 1990. 280 member companies Label: ISIS (Internet shopping is safe) launched in 2001 by IMRG with < 1200 websites having signed up for accreditation Mimimum member fee: 125 £ + VAT	UK	http://www.imrg.org/IMRGWebSite/user/pages/homepage.aspx download reports (free for members), IMRG membership programmes and services, monthly reviews, 10 areas of interest (customer retention, delivery, e-crime, interactive marketing, international, legal, mobile, payments, social media, usability), etc	Andrew McClelland Chief Operations & Policy Officer Andrew.mcclelland@imrg.org policy@imrg.org +44 (0)20 7 716 5604 begin_of_the_skype_highlighting Responsible for IMRG operations and key stakeholder relationships, including industry representation and policy work. Also oversees the ISIS program.
EURO-LABEL – ÖSTERREICHISCHES E-COMMERCE GÜTEZEICHEN Linked to Eurolabel	AT	https://www.guetezeichen.at/	Franz Haslinger haslinger@euro-label.com guetezeichen@guetezeichen.at

LuxTrust	LU	https://www.luxtrust.lu/ LuxTrust S.A. IVY Building 13-15 Parc d'Activités L-8308 Capellen	Maurice Schubert Maurice.schubert@luxtrust.lu Phone: +352 26 68 15-570 Gsm: +352 661 451 404 Information Security Manager LuxTrust S.A

Companies and industry organisations

Name	Country	Website	Contact person(s)
eBay EU Liaison Office Contribution to public consulting "towards a coherent European Answer to Collective Redress".	BE	www.ebay-eu/governnentrelations + 3227889712	Hanne Melin hmelin@ebay.com + 32 3 7889715 European Legislative Counsel eBay, central legislative expert of eBay's European Government Relations Team, providing legal and strategic advice especially with regard to proactive work in helping officials and politicians identify opportunities and barriers to online trade.
EDiMA European Digital Media Association	BE	http://www.europeandigitalmedia.org/ + 32(0)2 626 1990	Jeremy Rollison **jeremy.rollison@europeandigitalmedia.org** Director Speaker at 3rd Annual e-commerce conference in 2011. Specialising in EU policy issues surrounding the distribution of online content and Internet services, e-Commerce, and online consumer policy. Responsible for the management and coordination of the association's engagement activities at EU level and within the Brussels stakeholder community, advocating on behalf of the association on the development of EU policy affecting the online environment.
Amazon NO 1 EU internet retailer according to www.internetretailer.com	BE	www.amazon.com	Andrew Cecil **acecil@amazon.lu** **Amazon-pr@amazon.com** Director Public Policy Amazon EU Speaker at 2nd Annual European E-Commerce conference 2010

ANNEX 3 OVERVIEW STATISTICAL DATA

Table 1: Enterprises' total turnover from e-commerce as percentage of turnover 2004-2011 (for enterprises employing 10 persons or more).

	2004	2005	2006	2007	2008	2009	2010	2011
EU-27	9	10	11	11	12	13	14	14
Czech Republic	6	8	7	9	15	17	19	25
Finland	13	14	14	15	16	18	18	20
Hungary		3	7	6	15	15	16	19
Sweden			14	14	13	19	18	19
Germany	11	13	14	11		16	18	17
Ireland	18	20	17	19	21	29	24	17
United Kingdom	14	16	17	19	21	16	17	17
Slovakia		0	0	3	8	12	11	16
France					12	14	13	14
Malta					22	15		14
Austria	7	7	10	11	13	12	13	14
Belgium	6	9	8	11		21	18	13
Lithuania	2	2	5	5	8	9	14	12
Spain	3	3	7	9	8	10	11	11
Netherlands				11	14	13	14	11
Poland	3	4	6	6	9	7	8	11
Portugal	5		8	7	12	12	12	11
Estonia	3	2					9	9
Slovenia			9	9		13	10	9
Latvia		1	1	2	7	5	7	6
Italy	3	2	2	2			5	5
Greece	2	2	3	2	3			4
Romania			1	2	2	2	4	3
Bulgaria	4		0	1	1	1	2	2
Cyprus		0	2	1	1	1	1	1
Denmark	12		17	22			17	
Luxembourg								
Iceland			8				18	
Norway	8	15	14	18	22	21	21	18
Croatia				3	4	14	9	12

Source: Eurostat, Information Society Statistics, http://epp.eurostat.ec.europa.eu/portal/page/portal/information_society/data/database, extracted 28.03.2012

Table 2: Enterprises for whom Internet sales were at least 50% of orders over the last calendar year, as percentage of enterprises, 2002-2007.

	2002	2003	2004	2005	2006	2007
EU-27	:	:	1	1	1	1
Belgium	:	1	0	1	1	2
Bulgaria	:	:	1	:	0	0
Czech Republic	:	1	1	1	1	1
Denmark	:	1	1	2	3	3
Germany	:	1	1	1	2	1
Estonia	:	:	1	1	3	1
Ireland	:	1	1	1	2	2
Greece	:	0	0	0	0	0
Spain	:	0	0	0	1	1
France	:	:	:	:	:	:
Italy	:	0	0	0	0	0
Cyprus	:	:	0	0	0	0
Latvia	:	:	:	0	0	0
Lithuania	:	:	1	1	4	4
Luxembourg	:	0	1	:	:	1
Hungary	:	:	0	1	2	0
Malta	:	:	:	2	2	1
Netherlands	:	2	1	1	2	3
Austria	:	1	1	0	1	1
Poland	:	:	0	1	1	1
Portugal	:	0	0	0	:	:
Romania	:	:	0	:	0	1
Slovenia	:	:	1	0	2	1
Slovakia	:	:	1	1	:	1
Finland	:	:	:	:	:	1
Sweden	:	0	1	1	2	2
United Kingdom	:	:	1	1	1	2
Iceland	:	1	:	:	4	:
Norway	:	1	1	1	2	3
Croatia	:	:	:	:	:	1

Source: Eurostat, Information Society Statistics,
http://epp.eurostat.ec.europa.eu/portal/page/portal/information_society/data/database,
extracted 28.03.2012

Table 3: Internet purchases by individuals in 2011 (individuals who ordered goods or services over the Internet from national sellers, from other EU-countries and from non-EU countries in the last 12 months, measured as a percentage of individuals) Individuals who ordered goods or services over the Internet from national sellers in the last 12 months, 2008-2011, as percentage of individuals who used Internet in the last year.

	From national sellers	From other EU-countries	From rest of world (non-EU)
EU-27	39	10	5
United Kingdom	68	10	13
Sweden	66	16	10
Netherlands	64	14	8
Germany	62	9	4
Denmark	58	28	12
Finland	54	28	12
France	48	14	7
Belgium	33	24	5
Ireland	33	22	10
Slovakia	32	11	2
Poland	29	2	1
Czech Republic	28	5	1
Austria	27	32	5
Slovenia	26	11	6
Spain	22	9	5
Luxembourg	21	56	15
Hungary	21	4	1
Estonia	17	10	5
Latvia	17	8	4
Lithuania	14	5	2
Portugal	14	7	3
Greece	12	7	4
Italy	12	5	3
Bulgaria	5	3	1
Malta	5	38	20
Romania	5	1	0
Cyprus	3	18	8
Iceland	32	19	28
Norway	62	30	18
Croatia	:	:	:

Source: Eurostat, Information Society Statistics, http://epp.eurostat.ec.europa.eu/portal/page/portal/information_society/data/database, extracted 28.03.2012

Table 4: Last online purchase: in the last 12 months, as percentage of all individuals

	2004	2005	2006	2007	2008	2009	2010	2011
EU-27	20	24	26	30	32	37	40	43
Belgium		16	19	21	21	36	38	43
Bulgaria	1		2	3	3	5	5	7
Czech Republic	5	5	13	17	23	24	27	30
Denmark	42	48	55	56	59	64	68	70
Germany	37	42	49	52	53	56	60	64
Estonia	6	7	7	9	10	17	17	21
Ireland	14	19	28	33	36	37	36	43
Greece	1	2	5	8	9	10	12	18
Spain	8	12	15	18	20	23	24	27
France			22	35	40	45	56	53
Italy		6	9	10	11	12	15	15
Cyprus	4	5	7	10	9	16	18	21
Latvia	3	5	8	11	16	19	17	20
Lithuania	1	2	4	6	6	8	11	16
Luxembourg	40	39	44	47	49	58	60	65
Hungary	4	8	7	11	14	16	18	22
Malta		14	14	20	22	34	38	45
Netherlands	24	43	48	55	56	63	67	69
Austria	19	25	32	36	37	41	42	44
Poland	5	7	12	16	18	23	29	30
Portugal	5	6	7	9	10	13	15	18
Romania	0		1	3	4	2	4	6
Slovenia	8		13	16	18	24	27	31
Slovakia	10	9	11	16	23	28	33	37
Finland	33	38	44	48	51	54	59	62
Sweden	43	50	55	53	53	63	66	71
United Kingdom	37	44	45	53	57	66	67	71
Iceland	37	44	50	50	47	44	45	49
Norway	41	55	61	63	63	70	71	73
Croatia				7	7	10	14	

Source: Eurostat, Information Society Statistics, http://epp.eurostat.ec.europa.eu/portal/page/portal/information_society/data/database, extracted 28.03.2012

Table 2: Individuals who ordered goods or services over the Internet from sellers from other EU countries in the last 12 months, 2008-2011, as percentage of individuals who use the Internet last year

	2008	2009	2010	2011
EU-27	10	12	12	13
Belgium	12	22	25	29
Bulgaria	1	3	4	5
Czech Republic	5	4	3	6
Denmark	23	27	32	31
Germany	9	11	10	10
Estonia	4	8	10	13
Ireland	26	29	26	29
Greece	8	9	10	14
Spain	9	10	11	13
France	15	16	19	18
Italy	7	7	8	8
Cyprus	15	24	28	31
Latvia	9	11	11	10
Lithuania	2	4	5	8
Luxembourg	53	58	59	62
Hungary	3	4	5	6
Malta	35	49	55	55
Netherlands	11	14	13	15
Austria	34	37	38	40
Poland	:	4	4	3
Portugal	9	12	11	12
Romania	2	1	2	3
Slovenia	10	13	14	16
Slovakia	7	11	12	15
Finland	18	22	25	31
Sweden	10	11	14	17
United Kingdom	9	13	12	12
Iceland	22	21	19	20
Norway	22	28	31	32
Croatia	4	6	5	:

Source: Eurostat, Information Society Statistics, http://epp.eurostat.ec.europa.eu/portal/page/portal/information_society/data/database, extracted 28.03.2012

Table 3: Individuals who ordered goods or services over the Internet from sellers from the rest of the world (non-EU) in the last 12 months, 2008-2011, as percentage of individuals who used Internet in the last year.

	2008	2009	2010	2011
EU-27	6	7	7	7
Belgium	4	5	5	6
Bulgaria	1	2	1	2
Czech Republic	1	1	1	2
Denmark	11	11	15	13
Germany	5	5	5	5
Estonia	1	4	5	7
Ireland	15	15	12	14
Greece	4	5	6	8
Spain	5	6	6	7
France	9	9	11	9
Italy	4	4	4	5
Cyprus	9	12	13	14
Latvia	3	3	4	6
Lithuania	1	2	2	3
Luxembourg	10	11	13	16
Hungary	1	1	1	2
Malta	16	26	27	29
Netherlands	6	7	8	9
Austria	4	5	5	6
Poland		1	1	1
Portugal	4	5	4	5
Romania	1	0	1	1
Slovenia	4	5	7	8
Slovakia	1	2	3	3
Finland	7	10	12	14
Sweden	6	7	9	10
United Kingdom	13	14	14	14
Iceland	31	25	25	29
Norway	15	15	19	19
Croatia	4	4	6	

Source: Eurostat, Information Society Statistics, http://epp.eurostat.ec.europa.eu/portal/page/portal/information_society/data/database, extracted 28.03.2012

Table 4: Value of total retailing and internet retailing in 2010 (Civic Consulting, 2010).

	Retailing		Internet retailing		Share of Internet Retailing
Country	**in mln euro**	**in percent of EU total**	**in mln euro**	**in percent of EU total**	**in percent of country retailing**
Austria	65,285.4	2.5%	709.2	0.8%	1.1%
Belgium	81,784.7	3.1%	1,756.4	1.9%	2.1%
Bulgaria	9,239.1	0.4%	29.0	0.0%	0.3%
Czech Rep	31,617.7	1.2%	1,082.8	1.2%	3.4%
Denmark	43,810.9	1.7%	2,354.3	2.6%	5.4%
Estonia	4,350.0	0.2%	15.0	0.0%	0.3%
Finland	39,834.7	1.5%	1,596.5	1.8%	4.0%
France	441,607.7	17.0%	17,324.9	19.1%	3.9%
Germany	458,803.4	17.6%	17,774.8	19.6%	3.9%
Greece	59,254.3	2.3%	441.9	0.5%	0.7%
Hungary	29,824.8	1.1%	339.5	0.4%	1.1%
Ireland	33,535.0	1.3%	523.1	0.6%	1.6%
Italy	314,370.8	12.1%	3,018.8	3.3%	1.0%
Latvia	4,316.9	0.2%	34.0	0.0%	0.8%
Lithuania	5,903.3	0.2%	63.5	0.1%	1.1%
Netherlands	105,915.3	4.1%	3,659.5	4.0%	3.5%
Poland	84,808.1	3.3%	1,968.3	2.2%	2.3%
Portugal	48,300.4	1.9%	365.6	0.4%	0.8%
Romania	27,198.2	1.0%	197.1	0.2%	0.7%
Slovakia	13,152.2	0.5%	108.7	0.1%	0.8%
Slovenia	7,375.1	0.3%	129.2	0.1%	1.8%
Spain	232,462.4	8.9%	3,188.4	3.5%	1.4%
Sweden	66,064.3	2.5%	2,618.0	2.9%	4.0%
UK	395,698.1	15.2%	31,412.2	34.6%	7.9%
TOTAL EU**	2,604,512.8	100.0%	90,710.7	100.0%	3.5%

Source is Euromonitor International from trade sources/national statistics. Sales value including VAT/Sales Tax. Current Prices - Fixed 2010 Exchange Rates.
Notes * Retailing is defined as sales of new and used goods to the general public for personal or household consumption. It is the aggregation of store-based retailing and nonstore retailing (vending, direct selling, home shopping, Internet). Retailing excludes the informal retail sector. It also excludes specialist retailers of motor vehicles, motorcycles, vehicle parts, fuel, as well as foodservice, rental and hire and wholesale industries.
** Internet retailing is the sales of consumer goods to the general public via the Internet. Sales data is attributed to the country where the consumer is based, rather than where the retailer is based.
*** Excluding Luxembourg, Malta and Cyprus.

Table 5: Enterprises having done electronic sales to the own country, to other EU-countries and to the rest of the world in the last calender year, as percentage of enterprises (10 persons employed or more)

	Domestically	Other EU-countries	Rest of the world (non-EU)
EU-27	14	6	4
Denmark	26	8	4
Czech Republic	24	12	4
Lithuania	24	12	7
Sweden	24	9	5
Belgium	23	12	4
Netherlands	23	9	4
Ireland	21	13	9
Finland	20	5	3
Germany	19	9	5
United Kingdom	18	7	5
Malta	15	13	9
Portugal	15	6	3
Slovakia	15	6	2
Luxembourg	14	11	5
Austria	14	9	4
France	13	6	4
Estonia	12	6	3
Spain	12	4	2
Hungary	12	4	1
Slovenia	12	6	4
Poland	9	3	1
Greece	8	4	3
Latvia	8	4	3
Cyprus	7	5	4
Bulgaria	5	2	1
Italy	5	3	2
Romania	4	1	1
Iceland			
Norway	31	7	4

Source: Eurostat, Information Society Statistics, http://epp.eurostat.ec.europa.eu/portal/page/portal/information_society/data/database, extracted 28.03.2012

Annex 4: Profiles of the trustmarks investigated in the desk research

Name	**EURO-LABEL GÜTEZEICHEN, all euro-label TMs** The E-Commerce Trust Mark is a founding member of the EURO-LABEL System Since 2010 is a member of the Asian-Pacific Trust mark Alliance
Country of origin	Austria
Established in	
Objective (and Unique Selling Point)	The E-Commerce Trust Mark is awarded to companies which distinguish themselves through serious business transactions and customer friendliness that extends beyond the minimum statutory requirements. The scope of the TM described in the European Code of Conduct: 1. Information concerning the company 2. Privacy 3. Pre-contractual information concerning the product(s) on sale 4. Procedure for the conclusion of on-line contracts 5. Performance of contract 6. Substitute products 7. Right of withdrawal 8. "Money-back guarantee" 9. Guarantees / After-Sales Service 10. Unsolicited Commercial communication 11. Handling of complaints and out-of-court settlement of litigation 12. Children protection and human dignity respect
Regulatory basis	Austrian law "Consumer Protection Act", "Civil Code", EU legislation (e.g. Remote Sales Directive, Directive on Electronic Business Transactions), international guidelines (e.g. OECD Guidelines for Consumer Protection in the Context of Electronic Commerce) and the European Code of Conduct.
Dispute resolution	ADR-provider (Alternative Dispute Resolution) by the Internet Ombudsmann, dispute settlement guidelines All companies certified with the Euro-Label are contractually bound to fulfill the problem solutions provided by Euro-label ADR-system named "Internet Ombudsmann" They have to follow the dispute settlement guidelines. If the company does not react to the solutions of the ADR-provider in time, it gets a second time limit to fulfill. After the second period without a solution, the Trust Mark will be revoked, the company's name is published on the website www.guetezeichen.at and the company has to pay the agreed penalty. The ADR-provider of the Euro-Label Trust Mark named "Internet Ombudsmann" is an official ADR-provider in Austria and the European Union and is costless available for all consumers.
Certification procedure,	1. registration form 2. personal contact

including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	3. certification process 4. a strict control of the implementation of their quality guidelines. If the retailer's country is not covered by a certification body, he may address the request to the Euro-Label central management. In this case, EURO-LABEL will redirect the request to one of the existing certification bodies who can carry out the certification process. The certification will be carried out according to the European Code of Conduct, without taking into consideration any rules that are unique to retailer's own country.
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	The annual fee for our services depends on the number of employees.: 1-3 employees -> 500 €/year 4-10 employees->600 €/year 11-30 employees ->800 €/year 31-100 employees -> 1.000 €/year more than employees ->100 1.500 €/year
# Subscribers	440 in Austria. In Total Euro label has around 900 subscribers
Owner/sponsor	The Austrian E-Commerce Trust Mark is a registered Trade Mark (patent pending) of the Austrian E-Commerce Trust Mark Organisation.
Provider (can be the same)	EURO-LABEL - the Austrian E-Commerce Trust Mark Österr. E-Commerce Gütezeichen Austrian Institute for applied Telecommunication
Third PartyCertification	
Third Party Accreditation	Federal Ministry of economics approved of the TM
Website	https://www.guetezeichen.at/english.html#c225
Logo	Euro Label ÖSTERREICHISCHES E-COMMERCE-GÜTEZEICHEN www.guetezeichen.at ® Euro Label e-quality shopping **Euro-Label** safe web shopping
Preliminary assessment remarks	

Name	**Sicher Einkaufen**
Country of origin	Austria
Established in	2001
Objective (and Unique Selling Point)	Austrian E-Commerce Quality trustmark's aim is to increase quality awareness and consumer confidence when trading online. The label, which is currently being used by more than 60 Austrian online stores, certifies professionalism in the e-commerce trade. Thus law abiding e-traders can easily be recognised on the internet as trust worthy, customer friendly and quality oriented online traders.

	The Austrian Retail Association (Handelsverband) also runs a long established Qualitätssiegel or Quality Label for distance sellers. Both trustmarks can only be used by e-commerce and distance selling players that have been thoroughly approved by a neutral survey body. An annual audit is carried out according to established quality criteria that include conformity with the law, user convenience and security of web functionalities. The list of criteria is kept in check with any evolutions of technical standards or legal rules. Both the Quality E-commerce & Quality label trustmarks are in fact linked to a distance sellers' code of conduct that obliges members to comply with a series of requirements, such as providing realistic, clear and accurate description of the goods and services; clear information on delivery conditions, packaging, postage; strict respect of the law concerning payment conditions and respect of privacy in data processing To provide safe and convenient online shopping by means of: • Data protection • Transparency in information about pricing and ordering • Secure payment process • Ombudsman to arbitrate in case of dispute
Regulatory basis	national and EU regulations
Dispute resolution	
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	During the certification procedure the association checks whether is the retailer complies with their requirements in relation to: • Integrity and conduct • Privacy Policy • Disclosure of Information • Ordering • Payment
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	The costs for the initial assessment for members of the trade association € 700, - and for non-members € 780, processing fee € 500, - for members and € 580, - for non-members
# Subscribers	65
Owner/sponsor	Handelsverband (trade association)
Provider (can be the same)	
Third PartyCertification	ECQ Trade Association (ECQ Begutachtungsstelle des Handelsverbandes)
Third Party Accreditation	
Website	http://www.sicher-einkaufen.at/

Logo	
Preliminary assessment remarks	

Name	**BeCommerce**
Country of origin	Belgium
Established in	2005
Objective (and Unique Selling Point)	Objective is to increase consumers' trust in online and offline sales at a distance. The BeCommerce label guarantees that he businesses that carry the label follow a certain rules and they are periodically checked. Modelled after thuiswinkel.nl.
Regulatory basis	Code of Conduct (40 points covering 'all' aspects) of BeCommerce Based on Belgian and EU legislation
Dispute resolution	Yes
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	- Register via web form - Provide documents (CoC subscription, annual report) - Receive certification questionnaire - Financial reports are checked by an external accountant - Certification questionnaire and website are checked by Bureau Veritas (legal checks) - Bureau Veritas provides advice to the certification committee of BeCommerce - Be Commerce provides a certificate (or not) - Revocation policy: in any case if subscription costs are no longer paid
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	Aspirant members subscription: 150 EUR Certification costs: 550 EUR. Yearly subscription costs (2012): 150 EUR <500.000 EUR turnover 900 500.000-1.250.000 1800 1.250.000-2.250.000 2200 2.250.000-5.000.000 2900 5.000.000-7.500.000 6900 7.500.000-12.500.000 8700 12.500.000-25.000.000 11.000 >25.000.000
# Subscribers	211

Owner/sponsor	vzw BeCommerce
Provider (can be the same)	vzw BeCommerce
Third Party Certification	Bureau Veritas
Third Party Accreditation	No
Website	www.becommerce.be
Logo	
Preliminary assessment remarks	Main trust mark in Belgium, but no third party accreditation.

Name	**APEK**
Country of origin	Czech Republic
Established in	1999
Objective (and Unique Selling Point)	The association was founded as an independent organization that promotes the development of electronic commerce in the Czech Republic.
Regulatory basis	EU regulations
Dispute resolution	
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	- Register via web form - APEK verifies information about your company and ask for possible amendments - The application is forwarded for approval by existing APEK members - The application is forwarded for approval by the Bureau of the Association - Payment of membership fee - For the 100% label, also a mystery shopping experience is carried out
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	Subscription costs APEK membership: 1000 CZK per month (app. 40 EUR) (480E annually)
# Subscribers	71 certified; 17 also quality label
Owner/sponsor	Association for Electronic Commerce (APEK)
Provider (can be the same)	APEK
Third Party	APEK

Certification	
Third Party Accreditation	No
Website	www.apek.cz
Logo	(First one general APEK label, second one also mystery shopping test)
Preliminary assessment remarks	almost not disputes happen, non-profit small scale industry organization with strict certification requirements

Name	**SAOP (Consumer audit of commercial condition)**
Country of origin	Czech Republic
Established in	2007
Objective (and Unique Selling Point)	The Consumer Defense Association (SOS) created SOAP to raise awareness of consumer rights among businesses.
Regulatory basis	Yes (Regulations in general)
Dispute resolution	No
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	- Send e-mail to saop@spotrebitele.info - Within 45 days SOS will perform the audit and make a decision
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	Certification costs: 8.999 – 12.999 CZK (386 - 531 EUR) per website, depending on the size of the business and the review Renewal of certificate (non-compliant organizations): 7.499 – 8.999 CZK (307 - 368 EUR) per website. Renewal of certificate (non-compliant organizations): 2.999 CZK (123 EUR) per website. (all incl. VAT)
# Subscribers	110
Owner/sponsor	SOS (Consumer Defense Association)
Provider (can be the same)	SOS
Third Party Certification	SOS

Third Party Accreditation	No
Website	http://www.spotrebitele.info/sluzbypropodnikatele/saop.html
Logo	* 0000 * SPOTŘEBITELSKÝ AUDIT OBCHODNÍCH PODMÍNEK
Preliminary assessment remarks	

Name	**E-mark**
Country of origin	Denmark
Established in	Around 2000
Objective (and Unique Selling Point)	The e-mark is the official Danish accreditation for safe and ethically responsible conduct and trade on the Internet, and helps in making the internet a safe place to shop
Regulatory basis	Code of conduct
Dispute resolution	Yes via Danish Consumer council
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	- Register via web form - Review will be performed by the e-mark lawyers - Receive tailor-made set of registration recommendations (including legal regulations) - Make improvements to website - Receive e-mark logo In 2011 0 suspensions and 3 withdrawals.
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	**Application fee per business:** 0-4 employees: 2100 kr. (282 EUR) (ex. VAT) 5-24: 3300 kr. (444 EUR) (ex. VAT) 25-99: 4700 kr. (632 EUR) (ex. VAT) 100-250 employees: 6200 kr. (834 EUR) (ex. VAT) >250 employees: 7700 kr. (1036 EUR) (ex. VAT) **Yearly subscription fee per business:** 0-4 employees: 4800 kr. (646 EUR) (ex. VAT) 5-24: 6300 kr. (847 EUR) (ex. VAT) 25-99: 8700 kr. (1170 EUR) (ex. VAT) 100-250 employees: 11700 kr. (1574 EUR) (ex. VAT) >250 employees: 15200 kr. (2045 EUR) (ex. VAT)
# Subscribers	1000
Owner/sponsor	e-handelsfonden (e-commerce foundation) nonprofit foundation owned by consumer and business organizations

Provider (can be the same)	e-handelsfonden (e-commerce foundation)
Third Party Certification	e-handelsfonden (e-commerce foundation)
Third Party Accreditation	No
Website	www.e-maerket.dk
Logo	
Preliminary assessment remarks	The biggest trustmark in Denmark, has a serious certification procedure, successful dispute resolution. Daily auditing of the members

Name	**EuroPrise**
Country of origin	Germany
Established in	
Objective (and Unique Selling Point)	The European Privacy Seal certifies that an IT product or IT-based service facilitates the use of that product or service in a way compliant with European regulations on privacy and data protection EuroPriSe offers a transparent European privacy certificate that fosters • consumer protection & civil rights • trust in IT • privacy by marketing mechanisms The privacy certificate aims to facilitate an increase of market transparency for privacy relevant products and an enlargement of the market for Privacy Enhancing Technologies and finally an increase of trust in IT.
Regulatory basis	
Dispute resolution	
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	EuroPrise Criteria consist of the following four sets • Set 1: Overview on Fundamental Issues • Set 2: Legitimacy of Data Processing • Set 3: Technical-Organisational Measures • Set 4: Data Subjects' Rights The application procedure involves following steps: 1. Choice of a qualified product or service 2. Collection of relevant documents: privacy statement etc. 3. Selection of EuroPriSe Experts and agreements on evaluation 4. Schedule of preliminary conference with certification body which will provide general feedback on project

	5. Application for certification & signature of Certification Agreement 6. Handing in Evaluation Report, 1st draft 7. Receiving feedback from Certification Body 8. Implementation of necessary changes 9. Handing in evaluation Report, 2nd or final draft 10. European Privacy Seal is awarded for successful certification
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	Certification incl. validation by Certification Body is Effort based and starts at 2.800 Euros
# Subscribers	21+ 2 successful awards
Owner/sponsor	Unabhaengiges Landeszentrum fuer Datenschutz Schleswig-Holstein (ULD).
Provider (can be the same)	
Third PartyCertification	
Third Party Accreditation	
Website	https://www.european-privacy-seal.eu/
Logo	
Preliminary assessment remarks	A very serious certification procedure, but not many subscribers. On the website of the seal there is no link to the subscriber's webpages.

Name	**ASML's trustmark : Reilun Pelin Jäsen**
Country of origin	Finland
Established in	
Objective (and Unique Selling Point)	The objective of the Finnish DMA is to support the direct marketing industry and the members of the association in establishing a good and trusting relationship with consumers, media, business, industry, the authorities and government institutions.
Regulatory basis	code of conduct (self-defined)+ rules of the World Federation of Direct Selling Associations (WFDSA) and the Federation of European Direct Selling Associations (FEDSA).
Dispute resolution	
Certification procedure,	

including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	Registration to become a member of Finnish Direct Marketing Association vary from 430 and up to 2510 euros and yearly subscription costs between 865 euros and 5020. The costs depend on turnover which starts with the first group of companies with the turnover less than 170 000 and ends with the category of companies whose turnover is more then 16 800 000.
# Subscribers	around 150 memebers of Finnish Direct Marketing Association, among them are largest book and magazine publishing companies, mail order houses, direct selling companies, companies in trade and industry, banks, insurance companies, advertising agencies, planning agencies, mobile marketing agencies, consultancies, as well as many other service enterprises in the field, such as addressing, mailing, printing and marketing of telecommunications companies.
Owner/sponsor	Finnish Direct Marketing Association
Provider (can be the same)	Finnish Direct Marketing Association
Third PartyCertification	
Third Party Accreditation	
Website	http://www.asml.fi/pelisaannot/reilun_pelin_saannot,
Logo	REILUN PELIN JÄSEN
Preliminary assessment remarks	It is a seal issued by the Finnish Direct Marketing Association. Seems that the members of Finnish Direct Marketing Association are the carriers of the seal. The information on the website is not enough to analyze all features of the TM, like its certification policy, etc.

Name	**FEVAD Code of Conduct**
Country of origin	France
Established in	
Objective (and Unique Selling Point)	The Code of Conduct for FEVAD Members has been developing since over 40 years, taking stock of the deep modifications of communications, offer transmission and the new approaches of firms when handling orders. The FEVAD Professional Code takes account of the different rules. The enterprises adhering to FEVAD commit themselves to respect the general principles and the specific rules of distance sales modes, both in the spirit and in the letter.

	The trustmark placed on their offers and on different types of documents is the guarantee for such engagements. The trustmark guarantees the enterprise's adhesion to FEVAD and its code of conduct, based on the respect of the client. FEVAD is developing and promoting professional good practices on the sales of electric and electronic products over the internet, in cooperation with GIFAM (Groupement Interprofessionnel des Fabricants d'Appareils Ménagers) and SIMAVELEC (Syndicat des Industries de Matériels Audiovisuels Electroniques) to strengthen their use in the sector, which should be developed on the respect of the rules of transparency and of free competition. The good practices concern - Warranties - Availability and price of products - Environmental obligations. The guide constitutes a first step in the partnership framework, which shall be evaluated annually.
Regulatory basis	It also refers to the European code of conduct in matters of protection of personal data. In general it is quite loose, closely related to the FEVAD association and rules and sanctions. No mention of precise revocation rules, nor of dispute resolution procedures.
Dispute resolution	N/A
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	The FEVAD Trustmark - FEVAD adherents can use the trustmark, if they commit to accept and comply with the code of conduct - The FEVAD trustmark's use is facultative - The FEVAD trustmark cannot be used as an individual mark - The right to use the trustmark is related to the FEVAD association - The supervisory committee control the use of the trustmark. In brief the FEVAD trustmark is related to the adherence to a code of conduct. The surveillance has the power to control and to sanction, which range from - Warning - Blame - Temporary block of the trustmark - Exclusion from the FEVAD bureau.
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	N/A
# Subscribers	N/A
Owner/sponsor	FEVAD
Provider (can be the	FEVAD

same)	
Third Party Certification	No
Third Party Accreditation	No
Website	http://www.fevad.com/reglementation/charte-de-qualite
Logo	
Preliminary assessment remarks	It is not a trustmark, but a mark of the members of FEVAD that indicates that the holder of the trustmark complies with the code of conduct. It is a big and influential French E-commerce and Distance Selling Federation

Name	**FIA-NET.COM**
Country of origin	France
Established in	
Objective (and Unique Selling Point)	FIA-NET is a trustmark, a seal of transparency delivering an information service on the sites exposing the seal. The trustmark delivers - A set of identification elements of the eCommerce website - FIA-NET is a privileged partner in case of litigation with customers - Ratings of the site performance thanks to testimonies of purchasing processes. However the trustmark does *not* include reimbursement - FIA-NET provides a "premium" trustmark according to the best ratings The FIA-NET site makes available a service of conflict resolution, providing information on customer's rights. The site allows to follow dispute resolution procedures on the website, with a completely transparent approach to the customer and the merchant, under the control of the site.
Regulatory basis	The FIA-NET trustmark is a seal of transparency provided to customers, delivering an information service on eCommerce transactions on sites which have acquired the seal. Through the trustmark, the most reliable websites are marked and their performance noted. All participating merchants benefit of a service contract according to which they declare FIA-NET their identity and make available a privileged contact for the online customers. The FIA-NET eCommerce sites commit themselves to put in place a client service which manages in a privileged manner the issues of customers. The participating sites also commit themselves to provide secure channels of payments and fill in a *declarative audit* at the moment the FIA-NET services are subscribed.
Dispute resolution	In case of a dispute with one of the FIA-NET partner site, the dispute management interface will put the customer in contact with the merchant's referent. FIA-NET also provides forms and document models needed. The dispute management platform also revives the issues and follows the proceedings of the dispute.

Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	FIA-NET measures the satisfaction of the customers of related sites issuing questionnaires, which measure the performance of the merchant partner sites, in particular in terms of the capacity to respect their commitments in matters of - Delays in delivery, - Product conformity - Site characteristics and attributes, … Each partner site has an individual report form on the FIA-NET site, which is accessible via the FIA-NET logo on the website the widgets. The FIA-NET services are limited to the partner sites to which the logo - the trustmark – has been awarded and customers are invited to check on the FIA-NET website. However, FIA-NET declines any economic liability in disputes.
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	N/A
# Subscribers	N/A
Owner/sponsor	FIA-NET
Provider (can be the same)	FIA-NET
Third Party Certification	N/A
Third Party Accreditation	N/A
Website	http://www.fia-net.com/annuaire/
Logo	
Preliminary assessment remarks	NB: seems to be limited to French merchants. Several renown online merchant (Pixmania, Euronics, etc) are still in their initial evaluation phase. And some of the large ones are not there at all.

Name	**EHI Eurolabel**
Country of origin	Germany
Established in	before 2007
Objective (and Unique Selling Point)	To receive the seal, a retailer needs to be tested successfully in following areas: • Transparency in ordering process • Legally standardized information requirements • Compliance with Terms and Conditions • Reliable data protection

Regulatory basis	• Self-regulation guidelines (joint agreements or standards) • National legal obligations • EU legal obligations
Dispute resolution	Yes
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	Certification procedure has 4 steps: 1. Registration, sending of documentation 2. Examination 3. Implementation of recommendation 4. Awarding of the seal
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	The costs for annual re-certification, support, Use of seal and Complaint Management depends on the gross revenue of the company: Gross revenue < 250.000 EUR 750,00 EUR Gross revenue < 500.000 EUR 850,00 EUR Gross revenue < 1.000.000 EUR 950,00 EUR Gross revenue < 2.500.000 EUR 1.200,00 EUR Gross revenue < 5.000.000 EUR 1.800,00 EUR Gross revenue < 10.000.000 EUR 2.200,00 EUR
# Subscribers	220
Owner/sponsor	EHI Retail Institute
Provider (can be the same)	
Third PartyCertification	
Third Party Accreditation	
Website	http://www.shopinfo.net/
Logo	EHI GEPRÜFTER® ONLINE-SHOP
Preliminary assessment remarks	

Name	**TÜV SÜD** TÜV (= Technischer Überwachungs Verein)
Country of origin	Germany
Established in	
Objective (and Unique Selling	• the management framework • data safety

Point)	• data protection • online contents and processes
Regulatory basis	Testing of the internet offer for correspondence with the requirements catalogue drawn up by TÜV SÜD Management Service GmbH does not offer a legal test in the sense of a legal advisory law.
Dispute resolution	
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	The certification includes following steps 1. Online assessment Primarily TÜV SÜD inspects the internet sites for page structure, navigation concept and client information. They also perform typical online applications (e.g. Offer research and selection, ordering, contact with company). If requested TÜV SÜD also makes test orders. 2. Security Check To establish the safety status TÜV SÜD implements port-scanners and security-scanners as well as other specialised tools. They test the web server and the web applications and also online 3. On site auditing In an on site audit TÜV SÜD tests the consistency of the organisation and processes for the s@fer-shopping standard and may also reveal available optimisation potential. The main emphasis of the onsite audit is in particular on organisation framework, data safety and data protection as well as the processing of orders, inquiries and complaints. 4. Detailed reports Retailer receives a detailed report from TÜV SÜD on each of the above mentioned assessments. In this report they list possible deviations to the standard and give the retailer tips on how to improve his (retailer's) offer. On certification retailer receives not TÜV SÜD certificate and certification mark and also valuable information retailer's company, 5. Certificate and Certification mark On certification retailer receives the TÜV SÜD s@fer-shopping certification mark for his website as well as a certificate.
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	
# Subscribers	Approximately 220
Owner/sponsor	TÜV SÜD Management Service GmbH
Provider (can be the same)	
Third PartyCertification	
Third Party	

Accreditation	
Website	http://www.safer-shopping.com/
Logo	
Preliminary assessment remarks	TÜV SÜD is a certification body, mainly focuses on the technical means to ensure online trust

Name	**Trusted Shops**
Country of origin	Germany
Established in	Around 2000
Objective (and Unique Selling Point)	1. Trustmark – more trust, more sales 2. Buyer Protection – fewer abandoned purchases (Trusted Shops Buyer Protection provides security for the customers. This extra security means fewer abandoned purchases.) 3. Greater visibility on Google – a higher conversion rate (the retailer will be highlighted on Google Shopping and will thus reach new customers. The retailer will then easily be able to convert web-users interested in making a purchase into new customers.) 4. Seller rating – customers become sellers (Respond to real customer reviews and clearly display this quality in online shop. Seller rating allows retailers to convince online shoppers at the point-of-sale)
Regulatory basis	• Self-regulation guidelines (joint agreements or standards) • National legal obligations • EU legal obligations
Dispute resolution	Yes
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	Certification procedure includes: 1. Registration 2. Audit 3. Report 4. Validation 5. Integration 6. Start *Self-assessment by the trustmark organization*
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	Membership fee depend on the package. This fee is paid monthly: • Start - €60/month • Pro - €80/month • Premium -€100/month

# Subscribers	11,000
Owner/sponsor	Trusted Shops GmbH, private company
Provider (can be the same)	
Third PartyCertification	• Third parties involved in the process of certification: Consumer organizations • Government • Mail-order trade associations • Chambers of Commerce, • D21 Initiation (German public-private partnership), • Universities (Münster, Pforzheim, Namur)
Third Party Accreditation	
Website	
Logo	TRUSTED SHOPS® The trustmark with buyer protection
Preliminary assessment remarks	One of the biggest and well established trustmarks in Europe, is active internationally, and is a commercial company

Name	**EPAM** The Greece Association for distant selling and direct marketing (EPAM) (member of EMOTA) established a Code of Conduct for its members in 2005. The Code of Conduct contains minimal professional rules and ethical behaviour for business to consumer interactions, such as provision of information regarding product, price and the seller, returning (faulty) products etc.
Country of origin	Greece
Established in	2005
Objective (and Unique Selling Point)	
Regulatory basis	
Dispute resolution	
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	

Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	There are two types of members: full members and 'associated members'. No information about the differences. Registration fee for both types is 100E. For the first two years the subscription fee is 200E. After those two year, the annual subscription fee is based on annual turnover. Full members (turnover annual subscription): <100.000 200E 100.000-500.000 300E 500.000-1.000.000 500E 1.000.000 – 3.000.000 1000E >3.000.000 1500E Associated Members <500.000 150E >500.000 300E
Cross-border transactions	
# Subscribers	17?
Owner/sponsor	
Provider (can be the same)	
Third PartyCertification	
Third Party Accreditation	
Website	http://www.enepam.gr/
Logo	
Preliminary assessment remarks	Limited information available. No documentation received and no survey response. The website distinguishes between the Code of Conduct for distant selling and the trustmark EPAM offers, but there is no information about the trustmark and whether the Code of Conduct is something different than the trustmark.

Name	**Áruküldők** Áruküldők is Association of Hungarian Mail Order and was founded in 1993.
Country of origin	Hungary
Established in	1993
Objective (and	The logo of the Hungarian distance selling association serves as a guarantee to

Unique Selling Point)	consumers that the trader observes consumer legislation. The logo may only be used by members of the Hungarian distance selling association who through membership abide by the association's code of ethics.
Regulatory basis	code of ethics of the association + national data protection legislation
Dispute resolution	In the event of a dispute between the consumer and the trade, the Hungarian distance selling association may act as a mediator
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	Traders using the logo promise to deliver ordered goods to consumers and inform consumers clearly of their sales conditions regarding delivery time, methods of delivery and methods of payment. All offers must grant consumers the right to return the order and obtain a refund if they are not satisfied. An after sales service must be guaranteed along with the ability for the consumer to contact a customer service at all times
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	
Cross-border transactions	
# Subscribers	14 'ordinary' members 8 supporting members
Owner/sponsor	
Provider (can be the same)	
Third PartyCertification	
Third Party Accreditation	
Website	http://www.arukuldok.hu/
Logo	
Preliminary assessment remarks	It is not clear whether this association currently actively grants seals,. However it is a member of E-mota, a European online trade association

Name	**Segala** Segala is a privately owned organization for testing and certification and operates the Segala Trustmark. The trustmark shows a subscribers' commitment and

	compliance to internet and mobile standards (for example regarding accessibility, usability etc). Segala's method of certification has been adopted by the W3C as the Industry standard for classifying and labeling content on the Web and formally replaced PICS in November 2009 – the standard adopted by Microsoft Internet Explorer for filtering content. Segala operates content labels, which are RDF-based files that contain metadata about trust. RDF is resource description framework and is a W3C specification to provide a conceptual description of information that is implemented in web resources.
Country of origin	Ireland
Established in	2003
Objective (and Unique Selling Point)	Segala's mission it to help make the Web more reliable, safe and trustworthy. They certify websites via content labels, which exposes more information about the suitability of each website in search results – enabling users to make informed decisions about which sites to visit
Regulatory basis	Based on W3C standards regarding accessibility, internet security, malware, child-friendly and mobile testing
Dispute resolution	
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	Data from ECC-Net Denmark study 2006: Annual renewal procedure, sanction for non-compliance is withdrawal
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	
Cross-border transactions	
# Subscribers	
Owner/sponsor	Segala
Provider (can be the same)	Segala
Third Party Certification	
Third Party Accreditation	
Website	http://segala.com/

Logo	Segala
Preliminary assessment remarks	Interesting because of the different way of assessing and signaling trust – by means of these content labels. Limited information available on the website.

Name	**E-shops**
Country of origin	Lithuania
Established in	2011
Objective (and Unique Selling Point)	The TM was established both to stimulate consumer confidence in Lithuanian ecommerce and to contribute to the growth of ecommerce in Lithuania.
Regulatory basis	Only based on Lithuanian law basis.
Dispute resolution	In case of a conflict objective interview are hold with both sides. If neessesary the TM provider helps to contact government institutions, representing customers' interests.
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	Certification policy and criteria (registration, subscription & certification procedures, third parties involved in the certification process or authority engagement) 1. All internet retailers must register in the system. 2. Audit division checks all registered companies, considering to TM certification criteria. 3. If the internet retailer meets all criteria, it gets eShops.lt Trustmark. Plus additional services can be provided. 4. If the internet retailer does not meet all criteria, it gets recommendations for required improvements. Criteria: - Internet retailer's identification – full company information, provided in web store. Business must be registered in Lithuanian State Tax Inspectorate. - Retailer must meet all criteria for Lithuanian State Data Protection Inspectorate (LSDPI) certification. Must have LSDPI agreement and certificate for personal data collection. - Selling goods must have clear description and photos. Cannot be provided misleading information about products or services. - Retailer must provide all information about taxes and all payments, related with purchase, before payment processing. - Retailer must inform buyer about shipping, payment, returns, warranties, before payment processing. - Retailer must confirm received order and payment, by sending confirmation email.
Subscription costs (in local currency	Basic package – internet retailer audit and Trustmark. Customer ratings and reviews collecting. 12 months – free. 500 Lt (145 euros)– after 12 months.

and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	Additional services – customers ratings and reviews block for web store. 59 (17 euros) Lt / month.
# Subscribers	At the moment there are about 100 subscribers of the trustmark, however the trustmark is going through some renovations and as the result the TM provider expects the growth of 200% till the end of 2012. The TM is mainly aimes at SME Internet retailers.
Owner/sponsor	Jusada Group, Ltd
Provider (can be the same)	
Third PartyCertification	
Third Party Accreditation	
Website	http://www.eshops.lt/
Logo	
Preliminary assessment remarks	The only trustmark in Lithuania, is fast growing one (due to the growth in e-commerce market), very ambitious, with serious certification procedure and dispute resolution. The trustmark has plans for going to the other Baltic countries'markets.

Name	**eSHOP**
Country of origin	Malta
Established in	October 2011, replaced euro-label Malta TM, is limited to Maltese online merchants
Objective (and Unique Selling Point)	eSHOP is offered to online merchants to reassure clients that the commercial information on your website is correct. Additional benefits are: - increased exposure, through a shopping portal dedicated to trustworthy shops; - access to new markets and new business opportunities; - an immediate level of trust for potential buyers who are visiting your website for the first time; - differentiation between you and your competitors, putting you directly on to the customers' "shortlist"; - improved company visibility on the web enabling you to extend your commercial relationships in the electronic world.

Regulatory basis	These terms and conditions shall be governed by and construed in accordance with the laws of Malta and any dispute arising under these terms and conditions shall be subject to the exclusive jurisdiction of the Courts of Malta.
Dispute resolution	The trustmark certifies that a dispute resolution procedure is in place, but there is no indication on the actions taken by eShop in this process Shoppers can submit a complaint on a certified merchant
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	The certification procedure starts with a detailed application form, which the merchant is supposed to fill in. There seem to be no indications on the criteria for the acceptance of the application, but it appears to be founded a) on the information provided by the applicant and b) on the adherence to the eSHOP code of conduct The application form is very detailed and covers "structural information", operational information, procedural information, characteristics of the sales process, communications procedures and any other information on licenses, data protection, accreditations and certifications. The Assessment of the merchant Confirmation of Identity The MCA verifies that the company is authorised to carry out its activities in terms of the law. Checks include that the company is a registered company in Malta, and that the company has not filed for bankruptcy. If the company fails this initial check, the trader is given an explanation why, and is encouraged to try again. Initial assessment At this point, the initial assessment procedure is triggered. The MCA will verify your eligibility to the trust-mark based on your conformity with the Code of Conduct. If the assessment identifies areas where you fail to meet the eShop criteria, then you will be informed. You will be given the opportunity to rectify the relevant processes and to re-apply.
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	The application is free The cost is 50€ per annum
# Subscribers	3
Owner/sponsor	Maltese Communication Authority, a private firm
Provider (can be the same)	Maltese Communication Authority
Third Party Certification	No
Third Party Accreditation	No

Website	http://eshop.mca.org.mt/
Logo	
Preliminary assessment remarks	The trustmark, associated to the eINFO trustmark, appears to be thoroughly developed, even if the number of subscribers is extremely low. The direct "involvement" of the trustmark in the relationship between the merchant and the client seems quite limited. The eSHOP is related to the eurolabel initiative, even if this trustmark is not mentioned on the official web site (http://www.euro-label.com/)

Name	**Thuiswinkel Waarborg** Thuiswinkel is the trustmark of a Dutch industry organization (cooperation). Large Dutch e-Commerce websites are a member of Thuiswinkel. However, the majority of Thuiswinkel's subscribers are SME's.
Country of origin	Netherlands
Established in	2001
Objective (and Unique Selling Point)	The trustmark aims to offer consumers guarantees about safe webshops. The main selling points to consumers are: - knowing as consumer the company that you're buying from; - general terms of condition have been established in cooperation with the main Dutch consumer organization (Consumentenbond) - Cooling-off period of 14 days - Secure payment environment - Independent dispute resolution For online sellers the main selling point is that the organization also represents online sellers and advocates their interests for example in policy debates.
Regulatory basis	The general terms of conditions have been designed together with the Dutch consumer organization Consumentenbond and correspond to national and EU regulation regarding consumer protection (including data protection). The code of conduct is based on the "European Convention on Crossborder Mail Order and Distance Selling", which has been agreed upon by European distant sellers in 2002, which are united in EMOTA, the European Mail Order and Distance Selling Trade Association.
Dispute resolution	Thuiswinkel is the only Dutch trustmark for webshops that is registered at the official Dutch Committee for Consumer Disputes that handles disputes.
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked	The industry organization has established a separate foundation called 'Certification Thuiswinkel' that certifies its members annually. The procedure entails a financial (solvability) via an instrument from an external accountant (KPMG) and a juridical check by an external legal advisor (Stichting ICTRecht). The Foundation evaluates the results and advices the cooperation Thuiswinke.org about the certification. It is the cooperation that in the end decides whether a shop gets certified.

subscribers)	The subscribers to Thuiswinkel are annually certified. In 2011, 38 members were revoked. Thuiswinkel itself is accredited by the Dutch Council for Accreditation (RvA). In 2008 it was accredited with the highest possible score of 10 by the RvA.
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	The trustmarks has two types of subscription packages: candidate members for starting webshops and a full membership. Entrance costs for both types are €75. For candidate members certifications costs are €290 and the membership fee is €150. For full members certification costs are €390 and the membership fee depends on annual turnover (lowest contribution is €150 until 50.000 annual turnover, up to a maximum of €29.000 for more than 50.000.000 annual turnover). For every extra webshop/website an extra €45 p.y. is paid.
Cross-border transactions	
# Subscribers	Thuiswinkel Waarborg has currently 1482 members. 16% in 2011 were candidate members. The Managing Director states in an interview on the website that the majority of subscribers are SME's: "If we include candidate-members, then 48% of all members of Thuiswinkel.org have a turnover of less than 100,000 euro and 80% of all members have a turnover of less than 1 million euro." (Source Ed Nijpels http://www.thuiswinkel.org/104nglish/thuiswinkel.org-increases-members-by-almost-a-quarter). The trustmark is used by large online sellers as well.
Owner/sponsor	Thuiswinkel.org
Provider (can be the same)	Thuiswinkel.org
Third Party certification	Foundation Certification Thuiswinkel (in cooperation with accountancy firm KPMG and legal adviser Stichting ICTRecht)
Third Party Accreditation	Dutch Council for Accreditation
Website	http://www.thuiswinkel.org
Logo	THUISWINKEL WAARBORG daar kun je mee thuiskopen!
Preliminary assessment remarks	Elaborate trustmark scheme, more expensive in comparison to other trustmarks. They are an active industry organization, lobbying for innovative payment mechanisms and other eCommerce issues, they were involved in the set-up and diffusion of iDeal in the Netherlands. The terms and conditions have been determined in cooperation with the main consumer organization in the Netherlands. This bilateral agreement makes it possible to register at the Dutch Dispute Committee for Consumers (SGC). Only Dutch scheme that is part of an official dispute resolution mechanism committee. This means that disputes are guaranteed to be settled (e.g. a settlement can be enforced). The trustmark itself is accredited by an official accreditation body in the Netherlands. There is not complete separation between the certification and the trustmark provider, as the trustmark provider decides about the advice received

	from the foundation. Every year Thuiswinkel commissions perception research regarding the consumer recognition of their trustmark. In 2011, 9% of Dutch consumers could spontaneously mention the Thuiswinkel trustmark. If the logo is shown, 84% of consumers recognized the Thuiswinkel trustmark. In 2011, 74% of respondents states they are more inclined to buy on a webshop is the Thuiswinkel trustmark is displayed on a website. For 32% of respondents, the absence of the logo is reason not to buy at that particular shop.

Name	**Stichting Webshop Keurmerk** It is used predominantly by SME's.
Country of origin	Netherlands
Established in	2001
Objective (and Unique Selling Point)	The Foundation Webshop Trustmark (Stichting Webshop Keurmerk) to protect consumers from fraudulent and unsafe webshops.
Regulatory basis	Subscribers to the trustmark must comply with national and EU law and the code of conduct from the foundation.
Dispute resolution	The foundation has its own dispute resolution mechanism in place but is not yet a member of the Dutch Consumer Dispute Committee. The foundation has announced to become a member in 2012.
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	Certification procedure is focused on compliance with the general terms and conditions of the trustmark. The foundation periodically checks whether its members still comply to the terms and conditions of the trustmark. Around 12 webshops have been revoked in 2012. The Foundation is accredited by the Dutch Council for Accreditation and was awarded in 2008 with the highest possible score of 10.
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	There is one type of subscription package which costs €195 for every member (up to five shops).
Cross-border transactions	
# Subscribers	Webshop Keurmerk currently has 2600 members.
Owner/sponsor	Cleonice B.V.
Provider (can be the same)	Foundation Webshop Trustmark
Third Party	--

certification	
Third Party Accreditation	Dutch Council for Accreditation
Website	http://www.keurmerk.info/
Logo	
Preliminary assessment remarks	Largest trustmark in the Netherlands, mainly used by SME's. Certification procedure seems to be less extensive than Thuiswinkel.org, but it is accredited by a third party.

Name	**QShops** Qshops is a trustmark provided by the foundation Qshops Keurmerk.
Country of origin	Netherlands
Established in	Before 2007
Objective (and Unique Selling Point)	
Regulatory basis	The trustmark is based on national and EU regulation regarding distant selling • Self-regulation guidelines (joint agreements or standards) • National legal obligations • EU legal obligations
Dispute resolution	The trustmarks operates its own dispute resolution mechanism.
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	The website of the trustmark display revoked members. It is not known how many businesses were revoked in 2011.
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	The trustmark has one subscription package: €299,40 p.y. (24,95 per month, first three months are free) for a maximum of five webshops.
Cross-border transactions	
# Subscribers	Nearly 1300 websites use the QShops trustmark (as one business might have more websites it is unclear how many subscriber the trustmark currently has).

	The trustmark is used abroad - in four countries.
Owner/sponsor	Foundation Qshops (Stichting Qshops keurmerk)
Provider (can be the same)	Foundation Qshops
Third PartyCertification	Government was involved in the setup of conditions of the trustmark
Third Party Accreditation	
Website	https://www.qshops.org/
Logo	QSHOPS KEURMERK
Preliminary assessment remarks	Seems to be serious trustmark, active abroad, regularly audits its subscribers, has a strict certification procedure but and dispute resolution mechanism. Is collaborating with the government

Name	**mkbOK** The mkbOK trustmark targets small businesses of 25-50 employees. The trustmark was established in 2005 as an alternative for Thuiswinkel Waarborg. The trustmark provider is the foundation MKB and Internet.
Country of origin	Netherlands
Established in	2005
Objective (and Unique Selling Point)	To increase trust for the consumer in safe internetshops. The trustmark specifically targets small and medium enterprises and aims to be a cheaper alternative for Thuiswinkel.org. The trustmark is based on the 'trias politica' principles by separating the provider of the trustmark (Foundation MKB and Internet) from the certification. The certification is conducted by a third party. Disputes are settled via the dispute resolution mechanism of the foundation. Another selling point is that the trustmark claims to improve the online sellers' turnover (online and offline) and to increase conversion (more sales from the same number of visitors). The trustmark also offer legal services and legal advices for their subscribers.
Regulatory basis	The trustmark and certification is based on national and EU regulation regarding distant selling (Wet Koop op Afstand).
Dispute resolution	Disputes are settled via the foundation Geschilonline (Dispute online)
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	The certification agency checks the following aspects: - Name and address data (no P.O box) - Telephone number and e-mail address - Registration at national Chamber of Commerce (the trustmark provides a link to the national Chamber of Commerce) - Contact page, including information regarding complaints, complaints procedure and information regarding returning of products - General terms of conditions (if they comply to regulation on distant selling (Wet Koop op Afstand) - A seven days cooling off period

	- Payment methods in accordance with national regulation (preferred methods are PayPal and MultiSafePay) - Transparency and clear information about availability and prices The certification agency does not place fake or ghost orders; privacy and security of payment is also not included in the certification procedure. The registration procedure includes a solvability check. The trustmark is in principle provided for an indefinite period of time. Every three years a random is sample of members is tested by CGD whether the online seller still adheres to the certification criteria.
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	The trustmark has two packages for subscription: one year subscription for €147 and a two year subscription for €197 (for one website). For each extra website €39,50 must be paid. The trustmark also offers a partner programme for preferred suppliers (for example regarding postal services or payment methods). The costs for this programme are €197.
# subscribers	mkbOK currently has ca. 1200 members.
Cross-border transactions	
Owner/sponsor	Stichting MKB en Internet (Foundation SME and Internet)
Provider (can be the same)	Stichting MKB en Internet (Foundation SME and Internet)
Third PartyCertification	CGD (Certification Bureau Wholesale and service provision)
Third Party Accreditation	Members are certified by a certification agency, CGD. This agency is accredited by the Dutch Council for Accreditation.
Website	http://www.mkbok.nl/
Logo	keurmerk MKBOK
Preliminary assessment remarks	Trustmark schemes focuses on distant selling regulation and separates the provider of the trustmark from the certifier. It is a cheap alternative for SME's. The dispute resolution mechanism is not part of the Dutch Committee for Dispute Resolution for Consumers.

Name	**Trygg eHandel**
Country of origin	Norway
Established in	2011
Objective (and Unique Selling Point)	Trustmark was by Distansehandel Norge (Norwegian Distance Sellers Association) that represents the major distance selling companies in Norway. The objective of the association is to support the distance selling industry and the members of the association in establishing a good and trusting relationship with consumers,

	suppliers, media, the authorities and governmental institutions. Trygg E-handel Assure customers that they are dealing with company that meets 12 criteria of the TM concerning: 1. The provision of company's information 2. Availability of products presented on the website 3. Consumer's right to get assistance 4. Availability of information about total costs of products 5. Delivery 6. Refund 7. Withdrawal 8. Complaints and guarantee 9. Manuals 10. Sales to children 11. Financial Security 12. Personal data and secure payment
Regulatory basis	Norwegian legislation for e-commerce: The trustmark criteria were set up in close collaboration with the governmental authority Forbrukerombudet (The Consumer Ombudsman) to ensure that they (the criteria) are developed according to Norwegian law
Dispute resolution	Dispute resolution is done by an independent from the association self-employed person
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	Before the shop can apply for the seal it is checked for economic stability and ownership. Only after that the application procedure can begin. Registration procedure consist of application and sending the documents and inspection. In case the online retailer does not comply with the 12 requirements, the company is contacted and given a warning. Bedriften må da forklare hvorfor man ikke følger opp kravene og må sørge for at dette ikke gjentar seg. The company must then explain why it did not follow the requirements and must ensure that this will not happen again. If this misbehave occurs again the seal is withdrawn from the website.
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	260 euros for the members of Distance Handle Norway and 1040 for non - members retailers, entrance costs 200 registration for the members and 400 euros for the non-members.
# Subscribers	43
Owner/sponsor	Distance Handle Norway
Provider (can be the same)	
Third PartyCertification	
Third Party Accreditation	

Website	http://www.tryggehandel.no/
Logo	
Preliminary assessment remarks	Recently launched Norwegian Trustmark. Daily audit, serious certification procedure. It looks 90% similar to "Swedish Trygg e-handel trustmark. However the two trustmarks are different mostly due to the different legislation in two countries and both of them are operating only on their local markets.

Name	**Eurolabel Poland**
Country of origin	Poland
Established in	
Objective (and Unique Selling Point)	Customer should be assured that he gets reliable and trustworthy service, and that: • the internet retailer really exists • conditions of sale are described on the site vendor respects the provisions of the Personal Data Protection • the product will be delivered • something goes wrong there is a possibility for the complaint procedure.
Regulatory basis	EU legislation, particularly Directives on e-commerce, distance selling and data protection.
Dispute resolution	TM offers way for dispute resolution alternative to the court: • Bank Arbitrator - Arbitration • Financial Supervision Commission - Arbitration • The Insurance Ombudsman - Arbitration • The Office of Electronic Communications (UKE) - Mediation and arbitration • National certification body system, the Euro-Label (an international certification scheme, organized by the Institute of Logistics and Warehousing) - the committee's complaints • Union of Associations Advertising Board - the committee's complaints
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	Certification procedure consists of two stages: 1. control of the key requirements (website requirements) 2. other requirements. (requirements of Polish law and the European Code of Conduct in Electronic Commerce)
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription	The costs include subscription and audit: • 456 euro for smaller companies (Gross revenue < 100 000.00) • 840 for bigger companies (Gross revenue < 100 000.00)

costs and certification costs	
# Subscribers	23
Owner/sponsor	Institute of Logistics and Warehousing
Provider (can be the same)	
Third PartyCertification	Certification Unit of the Institute of Logistics and Warehousing (Polish center of competence in logistics and e-economy.)
Third Party Accreditation	
Website	http://www.ilim.poznan.pl/en/index.php
Logo	
Preliminary assessment remarks	Is part of Euro-label system, and the most serious trustmark in Poland.

Name	**Sklepy 24**
Country of origin	Poland
Established in	
Objective (and Unique Selling Point)	Sklepy24.pl has not only a seal but also allows customers easily find and compare all the major Polish Internet stores. Is one of the first Polish consumer services that provides consumer advice and forum for online shoppers, helping users in solving their main problems associated with purchasing over the Internet. Sklepy 24 have evaluated around 3000 of Polish online shops, so that consumers can see how many starts a shop has an therefore what kind of quality it provides. The website also explains consumers their rights in e-commerce.
Regulatory basis	
Dispute resolution	
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	
Subscription costs (in local currency and in Euros)	

If possible specify entrance costs, yearly subscription costs and certification costs	
# Subscribers	
Owner/sponsor	
Provider (can be the same)	
Third PartyCertification	
Third Party Accreditation	
Website	
Logo	
Preliminary assessment remarks	It is not a real trustmark, rather a platform where consumers can exchange their opinion about an on-line shops.

Name	**Confianca online**
Country of origin	Portugal
Established in	2006
Objective (and Unique Selling Point)	The main objectives of Portugal's Confiança Online Trust label are: 1) To increase companies and consumers confidence in e-commerce and homebanking operations, 2) To provide online traders (B2B and B2C) and banks with an instrument that verifies and shows the commitment to comply with Portuguese law and best practices in the online industry, and 3) To provide consumers and companies with an effective and fast dispute resolution system.
Regulatory basis	Code of conduct/compliance manual
Dispute resolution	No
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	- Register via web form - Acepi carries out certification (checking whether the site is registered legally, respects the principles of security and privacy of processing personal data, and delivery procedures) - Trust online seal is rewarded (or not) - Compliance with the program is monitored regularly - Complaints management To be a member of Portugal's trustmark scheme one must be a member of the Portuguese e-commerce association (ACEPI). Before having the right to display the trustmark, the websites are thoroughly audited. Accredited companies must comply with the requisites of a conformity manual. The trustmark is also linked to

	a dispute resolution scheme in the event of a conflict between consumers and traders. Adherence to the rules of conduct is carefully monitored. A comprehensive audit checks the following issues: Legal framework; privacy and personal data protection; authentication, disclaimer and integrity of data; intellectual property protection; selling terms and conditions; claim and litigation resolution; publicity regulation; business availability; minors' protection; management and update of contents; ergonomics, navigation and design and accessibility to citizens with special needs. A serious breach of the trustmark rules may result in the exclusion of a company from the Confiança Online Trust scheme.
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	Subscription costs to ACEPI (owner of Confianca online) Small businesses (< 10 employees): 120 EUR p/year Medium businesses (50-250 employees): 240 EUR p/year Large businesses (>250 employees): 1200 EUR p/year Public institutions: same as businesses Certification and accreditation costs Small businesses (< 10 employees): 800 EUR Medium businesses (50-250 employees): 1000 EUR Large businesses (>250 employees): 1500 EUR
# Subscribers	181
Owner/sponsor	Acepi
Provider (can be the same)	Acepi
Third Party Certification	Acepi
Third Party Accreditation	No
Website	www.acepi.pt
Logo	
Preliminary assessment remarks	

Name	**TRUSTED.RO** TRUSTED.RO is a National Certification Program Online Shops in Romania. The project is implemented by the eCommerce Awards , Law-internet.ro and Consumer Protection Association of Romania, all three bodies being involved in

	electronic commerce, thus ensuring objectivity certification, according to the website.
Country of origin	Romania
Established in	--
Objective (and Unique Selling Point)	The trustmark aims to increase consumer confidence in an online shop, making sure that it meet the necessary rules and regulations, especially for inexperienced consumers. The advantages of TRUSTED.RO are: - Compliance with regulations regarding distant selling - Certainty of ordering at a reliable and experienced internet shop - Possibility to complain and a dispute resolution mechanism - Access to a database of stores that have passed the certification requirements - Access to information about the procedures of the online sotre (payment methods, contact details, delivery etc) - Certainty that the online seller meets the minimum required personal data protection criteria set by trusted.ro
Regulatory basis	The terms and conditions are provided on the website and are based on EU regulations regarding distant selling and data protection. They include: - Display of name and address and contact information - Display of terms and conditions - No unsolicited commercial messages - Products sold are counterfeit - Subscribers follow the national law regarding processing of personal data and submit procedures to the national authority - Information regarding the return policy and if applicably clearly state who is responsible for warranty services /after sales - The order process should be operational without technical errors - Accepted payment methods will be clearly stated online - Online stores that are more than 1 year old are accepted
Dispute resolution	
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	If subscribers meet the standards set by the trustmark is verified by at least 2 times a year and whenever there is a complaint. The shop is audited before registration and the certification for one year and may be renewed for a similar period
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	Annual subscription fee is 120E One time entrance fee is 30E
Cross-border transactions	

# Subscribers	Trusted currently has 67 subscribers.
Owner/sponsor	The project is implemented by the eCommerce Awards , Law-internet.ro and Consumer Protection Association of Romania , all three bodies being involved in electronic commerce, thus ensuring objectivity certification.
Provider (can be the same)	TRUSTED.RO
Third PartyCertification	
Third Party Accreditation	
Website	http://www.trusted.ro/
Logo	
Preliminary assessment remarks	eCommerce is not well developed in Romania, with low levels of consumers that buy online and only a limited number of shops that even sell online. Seems to a trustmark with the "basics" covered (criteria based on distant selling, data protection, payment methods), although certification procedures and dispute resolution can of course be elaborated.

Name	**InfoCons**
Country of origin	Romania (Euro-Label?)
Established in	2011
Objective (and Unique Selling Point)	• Safety of payment processes (ensured by technical means) • Safety of personal data transfer and storage (ensured by technical means) • After-sales services (ensured by trustmark criteria) • Delivery mechanisms (ensured by trustmark criteria) • Redress mechanisms (ensured by trustmark criteria)
Regulatory basis	
Dispute resolution	yes
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	
Subscription costs	

(in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	
Cross-border transactions	
# Subscribers	Less than 50
Owner/sponsor	National Association for Consumer Protection and Promotion of Programs and Strategies (ANPCPPS)
Provider (can be the same)	
Third PartyCertification	
Third Party Accreditation	
Website	
Logo	
Preliminary assessment remarks	A recently launched Romania Euro-label, therefore not much information yet.

Name	**Aenor** - quality of products and services mark AENOR e-comercio certificado is only one of many certificates given by AENOR , a private non-profit organization that was founded in 1986. Its activity contributes to improving the quality and competitiveness of companies, their products and services
Country of origin	Spain
Established in	
Objective (and Unique Selling Point)	The Good Practices in E-Commerce define the framework within which any e-commerce activity should be carried out, reviewing topics related to the purchasing process, commercial communication, sales, hiring, payment, delivery of the goods or service and after-sale service and dispute resolution,
Regulatory basis	Directive 2000/31/EC and the Draft Law on Services in the Information Society and Electronic Commerce
Dispute resolution	Dispute resolution is done by bodies not related to AENOR according to the website
Certification	

procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	To subscribe for the TM the retailers have to provide the documentation and go through the audit procedure.
# Subscribers	
Owner/sponsor	The Spanish Association for Standardization and Certification (AENOR)
Provider (can be the same)	
Third PartyCertification	
Third Party Accreditation	
Website	http://www.en.aenor.es/aenor/certificacion/calidad/calidad_servicios_comercio_e.asp
Logo	AENOR e-comercio certificado
Preliminary assessment remarks	A big certification authority in Spain, but also has a valid e-commerce trustmark among other products

Name	**Confianca onlice**

Country of origin	Spain
Established in	2003
Objective (and Unique Selling Point)	The seal poste don the website of online retailer ensures following: • To improve and increase consumer's confidence in E-commerce and in interactive advertising • To help digital economy to grow in accordance with its possibilities helping to destroy psychological barriers. • To provide consumers with a quick, inexpensive and effective out-of-court tool for settling disputes related to interactive advertising, E-commerce, data privacy, minor protection and accessibility & usability with consumers • Flexibility, quickness and economy, key features in such a dynamic and changing environment as new media. • To provide responsible industry with a useful instrument to show their ethical commitment • Vocation of integration and co-ordination at supranational level •
Regulatory basis	Directive 2000/31/EC + Spanish Law 34/2002 (LSSI): firmly committed with the development of self-regulation both pieces of legislation call national statutory authorities to promote actively the development of self-regulation for the new media: - Codes of Conduct (art. 18 LSSI). - Out-of-court dispute settlements (art. 32 LSSI).
Dispute resolution	• AUTOCONTROL'S Advertising Jury solves all complaints regarding commercial communications, data protection and child protection, in a binding way for both parties. • Adigital's Mediation Cometee knows of all complaints regarding economic transactions with consumers in order to reach a mediation agreement between both parties. In the event this is not possible the dispute is solved by the National Consumers' Arbitration Board, or any competent Regional Arbitration Board with wich Confianza Online had signed a collaboration agreement. The arbitration resolution is binding for the parties. • Both systems described above are part of the EJE Network (EEJ Net) as the comply with the principles stated in the European Comission Recommendation 98/257/CE
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	• Confianza Online's Code of Ethics has been registered in the General Register of the Spanish Data Protection Agency as a standard code regarding data protection in the field of the e-commerce (Last uptdated in Dec 2009) • It is the first and only national self-regulation system for the Internet. The trustmark has received official government recognition and through the Public Online Distinctive Approval (Official BOE Oct 25th 2005) • Confianza Online has also complied with the requirement of informing the Spanish Consumers' and Users' Council on our activity (last meeting celebrated in May 2009)

	• The European Commission (DGSanco) and the National Institute on Consumer Affairs have also been informed of Confianza Online's activity. The General Department of Consumer Affairs' council in Madrid has approved the Code of Ethics inDecember 2011
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	Subscription costs depend of the turnover < 1.000.000 € - 295€ 1.000.001 € - 5.000.000 € - 550 € 5.000.001 € - 10.000.000 € - 1.250€ 10.000.001 € - 25.000.000 € - 2.400 € > 25.000.001 € - 3.500 €
# Subscribers	1400
Owner/sponsor	Confianca online, a self-regulatory system that was born with an integral vocation and with the aim of joining all the possible professional initiatives to promote and defend the development of advertising and commerce in the new media. It covers commercial communications as well as contractual issues related to commercial transactions that the entities make with the consumers on the Internet and on other electronic and interactive media. Data protection is also included in the scope of CONFIANZA ONLINE's code and self-regulatory System, since this is a sensitive area that demands and deserves a special safeguard in the development of both advertising activities and e-commerce with consumers. Furthermore, it also focuses on minor and adolescent protection, as well as on issues of accessibility, usability and security.
Provider (can be the same)	Confianca online
Third PartyCertification	
Third Party Accreditation	
Website	http://www.confianzaonline.es/
Logo	CONFIANZA ONLINE AGENTE OFICIAL
Preliminary assessment remarks	The biggest trustmark in Spain, code of conduct was set up in collaboration with the government. Dispute resolution with the help of governmental authorities

Name	**Rådet för E-handelscertifiering**
Country of origin	Sweden
Established in	2007
Objective (and Unique Selling Point)	The Council for E-commerce certification in Sweden is a non-profit organization aimed to promote safe e-Commerce and to protect consumers via certification. It was the first certificate in Sweden that shows the date of certification in the symbol of the trustmark.
Regulatory basis	Anti-spam regulation, cookie regulation, data protection and electronic commerce
Dispute resolution	Yes
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	The main certification criteria relate to viable businesses (solvability), using TLS/SSL connections and subscribing to anti-SPAM policies and comply to regulations regarding cookies. Members also need to comply with national regulations regarding data protection and electronic commerce. Auditing of the seal holders is done by daily monitoring of emerging frauds, bancrupcies and mistreatment of consumers. If such things occur, there is Immediate revocation of the trustmark (without lengthy deliberations). .
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	The certification costs are €269,16 (200 SEK per month) (first month is for free).
Cross-border transactions	
# Subscribers	100-500
Owner/sponsor	
Provider (can be the same)	
Third PartyCertification	
Third Party Accreditation	
Website	http://www.ehandelscertifiering.se/
Logo	
Preliminary	The most serious Swedish trustmark, very serious one in relation to dispute

assessment remarks	resolution, certification and auditing.

Name	**Trygg E-Handel**
Country of origin	Sweden
Established in	2007
Objective (and Unique Selling Point)	The Swedish organisation for distant selling (Svensk Distanshandel, SDh) promotes since 2007 the e-Handel trustmark (Secure e-Commerce) which controls the safety of e-Commerce.
Regulatory basis	The trustmark is based on national regulation and their own code of conduct. The code of conduct has been established in consultation with consumer organizations and industry organizations in Sweden.
Dispute resolution	
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	Controls are based on consumer complaints and via random checks of members. Time period is unclear.
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	Registration costs are € 280,10 (2500 SEK) The yearly contribution is €616,28 (5500 SEK) Additional costs for financial control is € 56(500 SEK) and inspection is €112(1000 SEK) Members from the SDh will receive a discount: Registration costs for members are €168 (1500 SEK) Yearly subscription for members is € 280,10 (2500 SEK)
Cross-border transactions	
# Subscribers	Trygg E-Handel currently has 491 certified members.
Owner/sponsor	The Swedisch organisation for distant selling (Svensk Distanshandel, SDh)
Provider (can be the same)	
Third PartyCertification	
Third Party Accreditation	
Website	http://www.tryggehandel.se/
Logo	TRYGG E-HANDEL! En del av Svensk Distanshandel (SDh) SDh SVENSK DISTANSHANDEL
Preliminary	A well-established trustmark, cooperated a lot with Norwegian Trygg e-handel

assessment remarks	and as the result of this cooperation Norwegian one looks very similar (has the same outlook of the website and the seal) and has similar requirements but still two trustmarks operate on different markets and are not going to merge.

Name	**Garantie Switserland (VSV)**
Country of origin	Switserland
Established in	1990
Objective (and Unique Selling Point)	Distance selling traders that are members of the Swiss Distance Selling Association (VSV) abide to the association's Code of Honour. Hence, usage of the Swiss distance selling trustmark is linked to the respect of a self-regulating code of conduct/code of honour. In addition to following Swiss law, the VSV Code of Honour includes guidelines that VSV members should follow with respect to customer relations. the TM guarantees that: • the retailer acts according the Swiss law • the retailer provides right of return of the products • Customers do not receive unordered packages (if yes, they are turned into the gift) • If there is a payment method linked, the payments are done in the frames of law • The delivery service keeps the privacy of the customers' addresses
Regulatory basis	Laws on data protection, SPAM, UCA in Switzerland Code Morale of Association
Dispute resolution	
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	The code of conduct obliges members of the Swiss Distance Selling Association (VSV) to comply with a series of requirements, such as: • providing realistic, clear and accurate description of goods and services on offer; • providing clear information on delivery conditions, packaging, postage; • strictly abiding to Swiss law concerning payment conditions; • respect of privacy in data processing
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	Garantie Switserland checks every new member based on their "code moral" and allow to use the trustmark, once the members has accepted a company as a member of our association. Pragmatically, simply, efficient and self-regulating.

# Subscribers	Approx. 150
Owner/sponsor	Verband des Schweizerischen Versandhandelsunternehmen
Provider (can be the same)	
Third PartyCertification	
Third Party Accreditation	
Website	http://www.vsv-versandhandel.ch/
Logo	
Preliminary assessment remarks	It is not a trustmark with "real" certification processes but the members have to comply with the code of conduct, there is not carious certification yet but there are plans for future

Name	**ISIS (Internet shopping is Safe) + IDIS (Internet Delivery is Safe) - extension of ISIS.**
Country of origin	UK
Established in	1997
Objective (and Unique Selling Point)	Customers can be sure that the online retailers: • comply with the law and the ISIS Code • trade in a manner that is legal, decent, honest, truthful and fair; • had its website and service reviewed and monitored by IMRG; • had its business, VAT and data protection registrations checked by IMRG.
Regulatory basis	Being UK-based, IMRG is governed by the law of England and Wales. ISIS-accredited retailers are governed by the law of the territory in which they are based. Consumers shopping online from another country may have rights of redress based on the law of their own territory.
Dispute resolution	Yes
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible #	Application procedure includes documentation collection, audit and recommendations for improvement. After all this is completed the retailer can get the ISIS logo on the website. The list of revoked subscribers is published on the website.

revoked subscribers)	
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	No differentiation in subscription costs, charge per URL
# Subscribers	Between 1000 and 5000
Owner/sponsor	IMRG (Interactive Media in Retail Group)
Provider (can be the same)	
Third PartyCertification	
Third Party Accreditation	
Website	http://isisaccreditation.imrg.org/user/Pages/IDISGold.aspx?PageId=30&PageTemplate=1
Logo	
Preliminary assessment remarks	The biggest trustmark in UK, is a private company, is active cross border (in Germany and US)

Name	**Safebuy**
Country of origin	UK
Established in	
Objective (and Unique Selling Point)	Retailers who subscribe for the safeby TM are obliged to • Provide security for the processing of credit card transactions • Include physical location and contact details for themselves on their website • Display the total price consumers must pay for goods including delivery costs and provide a clear explanation of the delivery procedures • Advise the consumer if 'cookies' are required for the processing of data • Not use 'spam' for marketing purposes

	• Avoid exploitation of children
Regulatory basis	the EU Distance Selling Regulations and the EU Directive on Privacy and Electronic Communications, Data Protection Act 1998
Dispute resolution	SafeBuy arbitration scheme run by the Chartered Institute of Arbitrators
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	SafeBuy Membership - £153.00 (183 euro) SafeBuy 5-Star Rating Scheme - value £90.00 (108 euro) eCommerce Monthly - value £60.00 (72 euro) GeoTrust EV SSL, 1-year RRP - £229.00 (274 euro) Total value of £532.00 for 1 year (532 euro)
# Subscribers	More than 100
Owner/sponsor	SafeBuy Ltd.
Provider (can be the same)	
Third PartyCertification	
Third Party Accreditation	
Website	http://www.safebuy.org.uk/
Logo	SafeBuy web code of practice
Preliminary assessment remarks	Mostly technical means of consumers protection, SSL certificates

Trustmarks outside Europe

Name	**JDMA (Japan direct marketing association)** **Online Shopping Trust** The Institute for Direct Marketing, which is also a non-profit organization. Its

	activities include: surveys, research coordination, information retrieval, publications, international seminars and symposia, etc., for member companies
Country of origin	Japan
Established in	2000
Objective (and Unique Selling Point)	The TM ensures that: • The retailer is located in in Japan, • That it is older than 1 year • Retailer acts in accordance with the laws and conditions regarding e-commerce • There are examinations if there is any sign of hype and inappropriate ads. • TM was established to achieve two targets: sales promotion and consumer protection.
Regulatory basis	
Dispute resolution	No, there are no disputes
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	TM is granted to an internet retailor who was examined and was recognized as valid Applicants have to meet the requirements such as: • non-violation of the basic law governing direct marketing • appropriate return policy • availability of payment methods other than advance payment • the establishment of an inquiry office
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	The fee varies according to the size of companies.
# Subscribers	The adherent companies number 210-250 for the past five years. The scheme is applicable only to companies doing business in Japan.
Owner/sponsor	Japan direct marketing association owns and operates the scheme.
Provider (can be the same)	Japan direct marketing association.
Third PartyCertification	
Third Party Accreditation	
Website	http://www.jadma.org/e/about/jadma_mark.html

Logo	日本通信販売協会 ONLINE SHOPPING TRUST
Preliminary assessment remarks	A well-developed trustmark in Japan, set up together with the government, a non-profit organization

Name	**Trade safe**
Country of origin	Japan
Established in	
Objective (and Unique Selling Point)	TradeSafe's mission is to close gap between buyer confidence and merchant trust by working with governmental agencies and key company partners in providing effective e-commerce trust & safety solutions for the Japanese EC market and ultimately contribute to the its growth therein. Trade safe has three goals: 1. Increase buyer confidence and safety' 2. Increase fraud awareness 3. Build merchants trust (especially for SME)
Regulatory basis	
Dispute resolution	
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	Application process consists of: Application -> preliminary examination-> sending of documentation -> result of examination-> payment of the fee.
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	
# Subscribers	104
Owner/sponsor	TradeSafe Co., Ltd.,
Provider (can be the same)	
Third PartyCertification	
Third Party	

Accreditation	
Website	http://www.tradesafe.co.jp/english/consulting/
Logo	
Preliminary assessment remarks	

Name	**Sure Seal**
Country of origin	Philippines
Established in	
Objective (and Unique Selling Point)	Sure Seal aims to create the largest community of trusted Philippine businesses that comply to the standards of: • Integrity • Ethics • Reliability Its ultimate goal is to appear in every legitimate online business in the Philippines promoting trust and goodwill among businesses and customers
Regulatory basis	
Dispute resolution	
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	Application includes: application-> Verification->issue of the seal **Verification process. Sure seal checks following parameters:** • SEC Registration/DTI Registration • BIR Certificate of Registration • Mayor's Permit/Certificate of Occupancy • Privacy Policy • Proof of Billing • Check payable to QARTAS CORPORATION worth P16,800 • Proof of ownership of website or contract agreement with developer (for outsourced websites) • Documents to support other claims in retailer's website
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription	The Sure Seal Trustmark costs P16,800 (292.939 EUR) VAT inclusive. This also includes all investigation costs, regardless of where your offices are located in the Philippines. Upon verification, your customers can view your credentials in a secure window guaranteed by the Sure Seal Trustmark. Your business will also be included in the Sure Seal online database. The Sure Seal Trustmark will be valid for twelve months, subject to at least four random checks over the course of the

costs and certification costs	year.
# Subscribers	30+15 in the process of certification
Owner/sponsor	Qartas Corporation, group of highly-respected e-commerce practitioners
Provider (can be the same)	
Third PartyCertification	
Third Party Accreditation	
Website	http://www.sureseal.com.ph/services.php?ids=5
Logo	
Preliminary assessment remarks	A developed trustmark in Philippines, does not have a lot of subscribers yet

Name	**CaseTrust for Webfront** CaseTrust is the accreditation arm of the Consumers Association of Singapore (CASE), and is Singapore's de facto standard for companies aiming at fair trading and transparency to consumers.
Country of origin	Singapore
Established in	1999
Objective (and Unique Selling Point)	To ensure that business uses a secure payment mechanism and ensures that client data is kept confidential. The online retailer having a case trust seal should : • Ensure that personal data will be secured and protected; • Ensure that payment will be handled in a secured manner; • Ensure that purchases will be delivered in a safe and punctual manner; • Cancellation and refund policies are clearly stated; and • Promptly address complaints (if made)
Regulatory basis	Fair Trading legislation, the Consumer Protection (Fair Trading) Act (CPFTA)
Dispute resolution	CASE has a mechanism for resolving the disputes timely and in a fair manner
Certification procedure,	

including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	
# Subscribers	354
Owner/sponsor	Consumers Association of Singapore (CASE)
Provider (can be the same)	
Third PartyCertification	
Third Party Accreditation	
Website	http://www.casetrust.org.sg/
Logo	
Preliminary assessment remarks	Consumers Association of Singapore does certification in different fields of cervices and goods, e-commerce trust seal is only one product of the association

Name	**TrustSg**
Country of origin	2001
Established in	
Objective (and Unique Selling Point)	to help build confidence in e-commerce transactions especially in the area of privacy and security
Regulatory basis	
Dispute resolution	
Certification procedure, including	Application steps: 1. Checklist

registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	2. Application 3. Evaluation 4. Work on the recommended measures to comply with the code of practice 5. TrustSg accreditation Certification procedure checks the following aspects of the merchants busimess: • Disclosure of information • Communications • Dispute Resolution • Securit
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	Application Fee: S$50 Total Audit and Certification Fee Cost : S$1600 50% Audit and Certification Fee Payable : (S$800) Total Cost Payable $850 Licensing Fee (Annual) Company's Annual Sales Turnover : $0 - $5 million S$600 Above S$5 million S$900
# Subscribers	Approx. 300
Owner/sponsor	The TM is run by The National Trust Council (NTC) which was formed in March 2001 to ensure that relevant concerns from industry are addressed. The council is industry led with support from Infocomm Development Authority of Singapore (IDA). Mr Yeo Cheow Tong, then Minister for Communications and Information Technology officially announced the formation of the National Trust Council on 7 Mar 2001.
Provider (can be the same)	
Third PartyCertification	
Third Party Accreditation	
Website	http://www.trustsg.sg/for_merchants/index.html
Logo	
Preliminary assessment remarks	Was setup in order to proliferate e-commerce activities, is well developed with sufficient number of subscribers.

Name	Trustmark Thai
Country of origin	Thailand
Established in	
Objective (and Unique Selling Point)	
Regulatory basis	
Dispute resolution	yes
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	Application: 1.Registration on the website, 2. waiting for the decision To register a retailer has to: 1. Be an entity 2. be Registered on line not less than six months. 3. To be the domain name owner. 4. Not to be a bankrupt. 5. ฯMeet regulatory guidelines on the use of the mark. Regulatory guidelines on the use of the mark: • The transparency of the electronic commerce (Operational Transparency). The retailer shall provide information about it's company including all contact details • Advertising and Marketing Practices should be done in a good way, not fraud, no misinformation about the products • The information about the price of the products, shipping costs etc., should be directly provided to the customer • The order information should be available: the delivery time, package tracing, etc. • Consumer privacy should be protected • The rights of youth should be protected
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and	

certification costs	
# Subscribers	Approx. 150
Owner/sponsor	Ministry of Commerce, Department of Business Development
Provider (can be the same)	
Third PartyCertification	
Third Party Accreditation	
Website	http://www.trustmarkthai.com/website/index.php
Logo	
Preliminary assessment remarks	

Name	**BBBOnline**
Country of origin	US
Established in	
Objective (and Unique Selling Point)	The BBB Code of Business Practices represents sound advertising, selling and customer service practices that enhance customer trust and confidence in business. The Code is built on the BBB Standards for Trust, eight principles that summarize important elements of creating and maintaining trust in business: 1. **Build Trust** Establish and maintain a positive track record in the marketplace. 2. **Advertise Honestly** Adhere to established standards of advertising and selling. 3. **Tell the Truth** Honestly represent products and services, including clear and adequate disclosures of all material terms. 4. **Be Transparent** Openly identify the nature, location, and ownership of the business, and clearly disclose all policies, guarantees and procedures that bear on a customer's decision to buy. 5. **Honor Promises** Abide by all written agreements and verbal representations. 6. **Be Responsive** Address marketplace disputes quickly, professionally, and in good faith. 7. **Safeguard Privacy** Protect any data collected against mishandling and fraud, collect

	personal information only as needed, and respect the preferences of consumers regarding the use of their information. 8. **Embody Integrity** Approach all business dealings, marketplace transactions and commitments with integrity.
Regulatory basis	
Dispute resolution	yes
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	
# Subscribers	more than 3 million local and national businesses and charities
Owner/sponsor	Better Business Bureau
Provider (can be the same)	
Third PartyCertification	
Third Party Accreditation	
Website	http://www.bbb.org/us/bbb-online-business/
Logo	
Preliminary assessment remarks	One of the biggest and the most famous American Trustmarks, is active in many countries, is a private owned company

Name	**BuySafe**
Country of origin	US
Established in	

Objective (and Unique Selling Point)	BuySafe is a comparison site that guarantees that all shops that are included are trustworthy. It is thus a comparison web site and trust mark at the same time.
Regulatory basis	
Dispute resolution	No
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	- Register via web form - Within 60 minutes reply
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	Pricing is based on trade volumes.
# Subscribers	> 5000
Owner/sponsor	BuySafe
Provider (can be the same)	BuySafe
Third Party Certification	BuySafe
Third Party Accreditation	No
Website	www.buysafe.com
Logo	
Preliminary assessment remarks	

Name	**CPA Webtrust**
Country of origin	US

Established in	2006
Objective (and Unique Selling Point)	The WebTrust service is comprised of a "family" of assurance services designed for e-commerce-based systems and, upon attainment of an unqualified assurance report, would entitle the entity to display a WebTrust Seal and accompanying practitioner's report on its Web site. The WebTrust family of branded assurance services includes the following, applied in the context of an e-commerce system: • WebTrust Online Privacy. The scope of the assurance engagement includes the relevant online Privacy principle and criteria. • WebTrust Consumer Protection. The scope of the assurance engagement includes both the Processing Integrity and relevant online Privacy Principles and Criteria. • WebTrust. The scope of the assurance engagement includes one or more combinations of the Principles and Criteria not anticipated above. • WebTrust for Certification Authorities. The scope of the assurance engagement includes the Principles and related Criteria unique to certification authorities.
Regulatory basis	
Dispute resolution	
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	WebTrust certifies the following aspects of e-commerce: • Security • Privacy • Processing Integrity • Availability • Confidentiality • Certification Authorities • Consumer Protection • System Reliability • Other Engagement Combinations Before a practitioner may issue any of the Trust Services Program seals to its clients, the practitioner must: • Be or become licensed • Self-assess competence in the subject area and determine what, if any, additional training and/or assistance is required to perform the engagement. For each client, the practitioner will need to: • Complete an examination/audit level Trust Services engagement using the appropriate Trust Services Principles and Criteria as suitable criteria. • Sign an unqualified opinion for the engagement. • Enroll the client and issue a seal using the Seal Management System. • Have the client's organization post the seal to its web site. • Pay an administrative fee for the seal that has been issued.
Subscription costs (in local currency and in Euros) If possible specify	there is no differentiation (there is one subscription package and price)

entrance costs, yearly subscription costs and certification costs	
Cross-border transactions	Yes, is active in 12 countries
# Subscribers	Between 100 and 500
Owner/sponsor	
Provider (can be the same)	
Third PartyCertification	
Third Party Accreditation	
Website	http://www.webtrust.org/
Logo	
Preliminary assessment remarks	

Name	**GeoTrust**
Country of origin	US
Established in	
Objective (and Unique Selling Point)	GeoTrust provides a range of value-priced SSL Certificates Extended Validation, full organization validation or domain authentication)
Regulatory basis	
Dispute resolution	
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	
Subscription costs (in local currency and in Euros) If possible specify	The price of certificate varies from 150$ to 500$

entrance costs, yearly subscription costs and certification costs	
# Subscribers	More than 100,000 customers
Owner/sponsor	
Provider (can be the same)	
Third PartyCertification	
Third Party Accreditation	
Website	http://www.geotrust.com/products/
Logo	GeoTrust®
Preliminary assessment remarks	GeoTrust only sells SSL certificates of 2 types: 1. Organization validated, also known as business or identity validated SSL provides a stronger level of security because it includes authentication of the organization behind the domain. It delivers a higher level of security for your customers. 2. Organization validated, also known as business or identity validated SSL provides a stronger level of security because it includes authentication of the organization behind the domain. It delivers a higher level of security for your customers.

Name	**McAfee**
Country of origin	US
Established in	
Objective (and Unique Selling Point)	Website certification service called McAfee SECURE arms e-commerce businesses with what they need to build trust and increase traffic and online sales. McAfee SECURE website certification service delivers comprehensive certification standard available. It also leverages the McAfee brand that consumers know as the world's largest dedicated security company McAfee SECURE provides for the customers 2 kind of services: 1. Certified site is highlighted in Certified McAfee SECURE merchant directory. 2. Certified site displays a special McAfee SECURE trustmark next to the search results of millions of McAfee® SiteAdvisor® software users. McAfee safety icons and trustmarks are viewed more than 3 billion times every day.
Regulatory basis	
Dispute resolution	
Certification procedure,	Daily, comprehensive site scanning that tests a merchant's website for more than 40,000 vulnerabilities. In addition to this daily hacker testing, sites that earn the

including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	McAfee SECURE trustmark also undergo a series of periodic tests for accidental practices that can lead to bad publicity and lost customer confidence. For example, McAfee SECURE website testing includes checks for unintended links to malicious websites, the hidden presence of browser exploit code, and the accidental sharing of customer email data with spammers. Once retailer's site passes daily testing regimen, you it can display the McAfee SECURE trustmark to show customers that you've gone the extra mile to make their shopping experience safer and more secure.
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	Depends on the amount of the Internet addresses secured by the trustmark: 4 Internet addresses $360/year 8 Internet addresses $464/year 16 Internet addresses $704/year 32 Internet addresses $1120/year
# Subscribers	Over 80,000 websites
Owner/sponsor	McAfee
Provider (can be the same)	McAfee
Third PartyCertification	
Third Party Accreditation	
Website	http://www.mcafeesecure.com/us/
Logo	McAfee An Intel Company McAfee SECURE™ McAfee SECURE
Preliminary assessment remarks	A very well-known security company active internationally , everyday scanning for the secured websites. Trustmark is given to identify that for websites security is ensured by software means

Name	**TrustE**
Country of origin	US, but now used worldwide
Established in	1997
Objective (and Unique Selling Point)	The TRUSTe seal does not indicate that a web site complies with any specific set of privacy rules, such as the European Union's Data Protection Directive. It indicates only that the site has self-certified as complying with the site's own privacy statement
Regulatory basis	Self-regulation
Dispute resolution	TRUSTe Watchdog Dispute Resolution program
Certification	TrustE has a number of areas, where in which a website can be granted a privacy

procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	protection seal • Children's Privacy • Cloud Privacy • DAA / OBA Compliance • Data Collection Certification • Download Privacy • Email Privacy • EU Safe Harbor • International Privacy • Mobile Privacy • Website Privacy • Tracker & Cookie Audit
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	The costs depend on the service that consumer wants to certify.
# Subscribers	>5000 all over the world
Owner/sponsor	TRUSTe
Provider (can be the same)	TRUSTe
Third PartyCertification	
Third Party Accreditation	
Website	http://www.truste.com/
Logo	
Preliminary assessment remarks	TrustE certifies only the privacy protection in different areas. Is a big company with large amount of subscribers worldwide.

Name	**TrustWave SSL certificates**
Country of origin	US
Established in	
Objective (and Unique Selling	SSL security certificate

Point)	
Regulatory basis	
Dispute resolution	
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	Buying a certificate
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	Ranging from USD 98 (74 EUR) to 383 USD (290 EUR), depending on security level.
# Subscribers	Thousands
Owner/sponsor	Trustwave
Provider (can be the same)	Trustwave
Third Party Certification	N.a.
Third Party Accreditation	N.a.
Website	www.trustwave.com
Logo	Trustwave Trusted Commerce Click to Validate
Preliminary assessment remarks	

Name	**VeriSign (It is currently being renamed into Norton Secured)**
Country of origin	US
Established in	in 1995, since 2010 – a part of Symantec
Objective (and Unique Selling Point)	mostly specializes in SSL certificates, but also has a trustmark not directly linked to SSL security. • VeriSign Trust Seal is an extension of the established and highly trusted VeriSign Secured® Seal. It is a standalone product (without the SSL certificate). • The VeriSign Secured Seal means that a site is secured by a VeriSign® SSL

	Certificate and authenticated by VeriSign. It is a solution when a customer buys a Symantec SSL certificate (This also includes anti-malware and vulnerability scanning too)
Regulatory basis	Self-regulation
Dispute resolution	
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	Symantec validates and approves websites their owners and the certificate used. The Norton Secured Seal is available to any customer that has purchased a Symantec™ Safe Site, or a Symantec™ SSL certificate. The seal can be displayed on the website associated to the certificate. The Norton Secured Seal is only displayed when the website has passed a daily malware scan.
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	The subscription costs differ because of the different SSL certificates and very from about 250 USD -700 USD per year
# Subscribers	Up to 650 million displays per day of the VeriSign seal.
Owner/sponsor	Symantec
Provider (can be the same)	
Third Party Certification	
Third Party Accreditation	
Website	http://www.verisign.com/
Logo	VeriSign Trusted™ VERIFY ▸
Preliminary assessment remarks	A very big American company, providing SSL certificates, is now active in 170 countries all over the world.

Name	**Comodo SSL certificates**
Country of origin	US
Established in	

Objective (and Unique Selling Point)	SSL security certificate
Regulatory basis	
Dispute resolution	
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	Buying a certificate
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	Ranging from free to 809 USD (611 EUR), depending on the level of security.
# Subscribers	
Owner/sponsor	Comodo
Provider (can be the same)	Comodo
Third Party Certification	N.a.
Third Party Accreditation	N.a.
Website	www.comodo.com
Logo	
Preliminary assessment remarks	

Name	**TrustVn**
Country of origin	Vietnam
Established in	
Objective (and Unique Selling Point)	A national brand on the Internet with the evaluation criteria in accordance with international practice

Regulatory basis	Code of conduct Privacy regulations of APEC
Dispute resolution	On the website it states that it has a dispute settlement facility, but it is not specified
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	- Register via web form - A self-assessment is carried out (extensive survey – see below) - Privacy regulations of APEC need to be followed - Regular monitoring and inspection Full self-assessment form: http://translate.google.com/translate?sl=vi&tl=en&js=n&prev=_t&hl=nl&ie=UTF-8&layout=2&eotf=1&u=http%3A%2F%2Fwww.ecomviet.vn%2F&act=url.
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	Free (only Vietnamese web shops are included, no foreign websites)
# Subscribers	7 certified; 9 under validation
Owner/sponsor	EcomViet: Center for E-Commerce Development
Provider (can be the same)	EcomViet: Center for E-Commerce Development
Third Party Certification	TrustVn/EcomViet
Third Party Accreditation	No
Website	www.trustvn.org.vn
Logo	website uy tín được chứng nhận bởi trustvn
Preliminary assessment remarks	A serious trustmark with strict regulations, but with a little amount of subscribers

Name	**ChamberTrust business seal**
Country of origin	Worldwide
Established in	
Objective (and Unique Selling Point)	Camber Trust is a business-to-business-verification seal which allows companies around the world to easily find potential new business partners whose existence

	The WCN Chamber Directory is the official database of more than 12,000 chambers of commerce and boards of trade all around the world, which represent more than 40 million business members. ChamberTrust is a trusted search engine focused on companies, their activities and product lines. ChamberTrust incorporates four main benefits for the company with the ChamberTrust ® seal: 1. provides the impact and recognition created by verification from qualified chambers of commerce 2. promotes new products and services of certified business regularly with a more comprehensive search engine 3. gives global exposure through the World Chambers Network ® site 4. includes a free publishing service that allows companies up to two press release of 2000 characters each per month in the "Global media room"
Regulatory basis	
Dispute resolution	
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	The application process consists of 4 steps: 1. Online Application 2. Documents provision 3. Payment 4. Displacement of the seal The verification process is administered by chambers of commerce on the following grounds: • verification focuses only on the objective information about the company: its existence, ownership of its site, products and activities, etc • other information, except for existence which is checked with the relevant registers, is based upon self-certified declaration by the company. The company and its representatives are hold all liable for any false declaration; • Chamber verification ensures only the coherence and consistency between the company declaration and data which is available online and those held on the specific company by the chamber. Chamber holds needed documents provided by company to certify its declarations. ChamberTrust does not provide, check or verify any information about the following • financial situation of the company and its credit rating • capacity of the company to satisfy/deliver • compliance with business ethics and "honest behavior" • privacy (personal data) protection.
Subscription costs (in local currency and in Euros) If possible specify entrance costs,	A ChamberTrust business seal is priced by the participating CCI. Subsequent annual renewal is typically EURO 100 to EURO 300. Typically, it costs around EURO 150 to EURO 300 or equivalent for setup and year one, depending on bulk arrangements and other bundled services the participating CCI includes.

yearly subscription costs and certification costs	
# Subscribers	trade40 million business members of the world chambers network Any company in the world can apply for a ChamberTrust® seal for their corporate website, but the seal is primarily designed to assist small to medium sized enterprises (SMEs) already active in, or interested in, developing new markets in international
Owner/sponsor	World Chambers Network
Provider (can be the same)	World Chambers Network
Third Party Certification	
Third Party Accreditation	
Website	http://www.chambertrust.org/
Logo	WCN WORLD CHAMBERS NETWORK®
Preliminary assessment remarks	ChamberTrust is a business to business verification seal, so it was not designed for business to customers relations.

ANNEX 5: THE TRUSTMARKS EXCLUDED FROM THE ANALYSIS

Country	Name	Reason to be excluded
Belgium	Safe2Shop	Does not have a significant level of certification
Belgium	BeShops	Does not exist anymore
EU-wide	OnlineConfidence	Platform for online dispute resolution, but was never implemented in practice
France	L@belsite	Does not exist anymore
Germany	Safer Shopping	Merged with Tuev Sued
Hungary	eQrecommendation	Does not carry a trustmark anymore
Ireland	EIQA	Certification authority that does not have an eCommerce trustmark
Korea	KIEC (Korea Institute for Electronic Commerce)	Does not carry a trustmark
Luxembourg	LuxTrust	Is not a trustmark
Luxembourg	eCommerce Certified	Is part of the Chamber of Commerce
Netherlands	Digikeur	Does not have a significant level of certification
Netherlands	MKB Keurmerk	Does not have a significant level of certification
NL	Thuiswinkel Keurmerk	Does not have a significant level of certification
Norway	EBTrust	Was carried out by certification authority, does not exist anymore
Poland	eCommerce ILiM	Merged with Euro-label
Romania	Webcertificat IAB	Certification authority that does not have an eCommerce trustmark
Spain	IQUA	Does not exist anymore
Spain	APTICE (Agace)	Does not exist anymore
United Kingdom	IDIS (Internet Delivery is Safe)	Is an added service of ISIS
SOSA	Taiwan	No information could be gathered on this trustmark
United Kingdom	Trustmark	Is not an e-commerce trustmark
US	PayPal	Is a payment method, not a trustmark
Worldwide	Asia-Pacific Trustmark Alliance	Alliance of trustmarks, not a particular trustmark

ANNEX 6: SURVEY QUESTIONS

1. What is the name of your trustmark?
2. In what country did your trustmark originate?
3. In how many countries is your trustmark used?
4. What are the main marketing/unique selling points of your trustmark? (multiple answers are possible)
    - Safety of payment processes (ensured by technical means)
    - Safety of personal data transfer and storage (ensured by technical means)
    - After-sales services (ensured by trustmark criteria)
    - Delivery mechanisms (ensured by trustmark criteria
    - Redress mechanisms (ensured by trustmark criteria
    - Other (please specify)
5. Are there any online payment methods linked to your trustmark scheme? (multiple answers possible)
    - Yes - mobile payment methods (via SMS, NFC, direct mobile billing, mobile web payments)
    - Yes - both online and mobile payment methods
    - Yes - online payment methods such as electronic wallets, e-cash, iDeal, Giropay etc.
    - No online payment systems linked to trustmark scheme
6. Please indicate which mobile payment method is linked to your trustmark scheme (multiple answers possible
    - SMS (payment via SMS text message which is applied to their mobile phone bill or online wallet)
    - Near Field Communication (payment via mobile phones equipped with NFC)
    - Direct mobile billing (payment via consumer's mobile operator)
    - Mobile web payments (payment via web pages or applications installed on mobile phone)
    - Other (please specify)
7. Does your trustmark offer any of the following added services? (multiple answers possible)
    - Assurance policies
    - Dispute resolution
    - Customer ratings and reviews of the sales process
    - Price comparison tools
    - Money back guarantee
    - Other (please specify)
    - No added services

8. What kind of assurance policies does your trustmark offer for your subscribers? (multiple answers possible)
    - Delivery assurance
    - Payment assurance
    - Quality of the products assurance
    - Other (please specify)
9. Please indicate how many transactions in 2011 required the use of your dispute resolution mechanism (in case your trustmark has a dispute resolution mechanism)
    - As absolute number:
    - As share of total transactions:
10. How many disputes were resolved successfully by means of your dispute resolution mechanism in 2011? (in case your trustmark has a dispute resolution mechanism)
    - As absolute number:
    - As share of total transactions where dispute resolution was used:
11. Please indicate the size of your customer base (the number of businesses that make use of your trustmark) over the last five years

	2007	2008	2009	2010	2011
Trustmark did not exist yet	☐	☐	☐	☐	☐
< 50	☐	☐	☐	☐	☐
50 - 100	☐	☐	☐	☐	☐
100 - 500	☐	☐	☐	☐	☐
500 - 1.000	☐	☐	☐	☐	☐
1.000 - 5.000	☐	☐	☐	☐	☐
> 5.000	☐	☐	☐	☐	☐

12. Do you offer different packages or subscription costs for your trustmark? (multiple answers possible)
    - No - there is no differentiation (there is one subscription package and price)
    - Yes - by size/turnover of the subscribers
    - Yes - by offering different added services for additional costs
    - Yes - by differentiating subscription criteria for different packages
13. Please indicate the legal or regulatory base of your trustmark (multiple answers possible)
    - Self-regulation guidelines (joint agreements or standards)
    - National legal obligations
    - EU legal obligations
    - Other (please specify)
14. Is your trustmark a legal property of your organization?
    - Yes
    - No
15. Please specify the kind of organization that owns your trustmark
    - Industry organization

- Government institute
- Private firm
- Foundation
- Other (please specify)

16. What stakeholders are (or have been) involved in the set-up of the conditions for your trustmark? (multiple answers possible)
    - No other stakeholders are involved
    - Consumer organizations
    - Government
    - Other (please specify)
17. How many full-time equivalent employees (FTE's) or professionals on average per year run the trustmark?
    - Number of FTE's at present:
    - Average annual growth rate of FTE's in last five years:
18. What is the certification and accreditation model of your trustmark?
    - Self-specified
    - Regulation-based
    - Other (please specify)
19. Does your trustmark have a procedure that audits subscribers for compliance with your trustmark conditions?
    - Yes
    - No
20. How often does the audit procedure take place? (multiple answers possible)
    - Yearly
    - On irregular basis
    - Incident triggered
    - Other (please specify)
21. Does the policy of your trustmark clearly specify the terms of revocation?
    - Yes
    - No
22. Can the revoked party appeal against the decision made?
    - Yes
    - No
23. Do you publish a revocation list?
    - Yes
    - No
24. Please indicate how many subscribers were revoked in 2011:
25. In your opinion, how does your trustmark impact the sales of your subscribers?
    - Positive, but marginally (maintenance of market position or limited growth)
    - Positive, but substantial (more than limited growth attributed to the use of the trustmark)
    - Extension of business activities (more kinds of services offered)

- Extension of business coverage (cross-border)
- Other (please specify)

26. Are you aware of any impact of your trustmark outside your domestic market? (multiple answers possible)
    - No interest was expressed/don't know
    - Requests by foreign vendors for subscription
    - Request for extension of your trustmark scheme to other domains
    - Request for information about your trustmark scheme and the business process behind your trustmark scheme
    - Other (please specify)
27. Do you collect data on consumers' recognition of your trustmark?
    - Yes
    - No
28. In case you have any comments about this survey or if you miss important issues that should be addressed by our study, please provide them in the text box below

ANNEX 7: TRUSTMARK ORGANIZATIONS THAT PARTICIPATED IN THE SURVEY

Austria	E-Commerce Quality Gütesiegel
Austria	Euro-Label Austria
Belgium	BeCommerce
Czech Republic	APEK Certifikovany obchod (APEK Certificated shop)
Czech Republic	Consumer Terms and Conditions Audit
Denmark	e-mærket
Germany	Euro-Label Bezpieczne Zakupy
Germany	Euro-Label Germany / EHI Geprüfter Online-Shop
Germany	TÜV SÜD s@fer-shopping
Germany	Trusted Shops
Germany	bvh / EHI Geprüfter Online-Shop
Germany, project consortium form 8 EU countries	EuroPriSe - European Privacy Seal
Japan	Online Shopping Trust
Lithuania	Saugu Pirkti / eShops
Malta	eShop
Nederland	Qshops keurmerk
Netherlands	Safe2Shop
Norway	Trygg E-handel
Portugal	Confiança Online
Romania	Trusted.ro
Romania	Euro-Label trustmark Romania
Spain	Confianza Online
Sweden	Certifierad E-handel
Switzerland	VSV-Garantie
The Netherlands	Thuiswinkel Waarborg
UK	SafeBuy
UK	ISIS - INternet Shopping Is Safe
United States and Canada	WebTrust, SysTrust, WebTrust for Certification and Related Marks, SOC3
United States of America	Norton Secured Seal
USA	TRUSTe Certified Privacy Seal

ANNEX 8: TEMPLATE OF THE INTERVIEW QUESTIONS

(Geographical) scope and coverage	
Domestic	1. Which are the main type of users? (larger companies/SME's/…)
Cross-border	2. Is the trustmark used in different countries? 3. If not, why not? 4. Do you intend to offer it in other countries in the future?
Assurance policies and dispute resolution	
Assurance policy	5. If present, how is this policy implemented?
Dispute resolution	6. If present, how is this implemented? 7. Who is involved in the dispute resolution (third parties)? 8. Which guarantees do you provide to the consumer? 9. What happens if the customer has a complaint and during the dispute resolution process the retailer is revoked? Is there any means to still solve the customer dispute? 10. Does it also involve the consumer getting his money back?
Subscribers and cost structure	
Subscription costs	11. Why are the subscription costs the way they are? 12. Are there differences between fees and why?
Legal and organizational issues	
Legal basis of the scheme and key regulatory provisions	13. Which legal basis is covered by the TM? 14. How is this translated into the code of conduct? 15. Is the code of conduct of your TM approved by a third party?
Owner of the scheme	16. Who is paying for the trustmark scheme? 17. What is the 'business model' of the TM?
Stakeholders involved	18. Which stakeholders are involved and why? 19. How were they involved? 20. Which are the results of their involvement?

Certification and accreditation	
Certification criteria and model, responsibilities	21. Why is the certification performed in this way? 22. Which checks are performed and on which (legal) basis? 23. Which criteria are used and on what are they based? Privacy? Legal requirements? Redress? Subscription Chamber of Commerce? …? 24. How does the certification take place? Self-assessment? Official certification? 25. Are there third parties involved in the certification process? 26. If so, do they make the decision on whether to hand out or revoke a trustmark to a specific retailer? If not, why not?
Auditing procedure	27. If the trustmark is audited, why is it not found on their website?
Revocation policy	28. When and why is a trustmark revoked and how often does this happen? 29. Why is this often not published?
Perception on effect of TM	
Impact domestic subscribers	30. What are the growth perspectives for the trustmark?
Impact abroad	31. What are the growth perspectives for the trustmark? 32. How can TM's stimulate cross-border eCommerce?

ANNEX 9: SUMMARY OF CERTIFICATION CRITERIA OF AN ELABORATE CODE OF CONDUCT

Summary of certification criteria of an elaborate code of conduct (based on ISIS, UK)	
Ownership and registration	- VAT number - Membership Chamber of Commerce - Verification of name and address
Information provided on the website	- Ownership (name and address) - Security of the transactions - Terms and conditions of payments, transactions, guarantees, redress - Advertisements and sales promotions are prudent - Ease of navigation - Commercial insurance
Product description	- Only promote products that are for sale - No misleading price information - Fair and adequate product description - Clear use of languages
Payments	- Prices should be stated clearly - Implementation of PCIDSS (Payments Card Industry Data Security Standard)
Delivery	- Customer notification of delivery method and time window - Orders will be fulfilled within 7 days. Otherwise, consumers need to consent - Costs of damaged, faulty, or not delivered goods for the retailer - EU distance selling regulations (especially regarding ‘cooling off’ period)
Redress	- Clear recovery procedure - Remedy for faulty or damaged goods - Errors in documentation must be corrected within 30 days - No charge for complaint handling
Customer information treatment	- Compilation and use of personal information conform EU data protection legislation - Protecting the private information of customers and storing it conform regulations - Especially regarding minors - Non-disclosure policy - Information provisioning about the use of cookies - Gain consumer permission before doing software updates - Virus protection measures

EU online Trustmarks
Building Digital Confidence in Europe
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Interim Report 2: Trustmark Clusters, Stakeholder Evaluation and Policy Options

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Study on EU online Trustmarks – Building Digital Confidence in Europe: Trustmarks Clusters, Policy Options and Stakeholder Evaluation

1 Introduction

This study investigates trustmarks and their role in stimulating cross-border eCommerce within Europe. The study aims to provide fact-based information on the ways trustmarks and trustmark policies can effectively generate a positive impact on trust-building in cross-border eCommerce transactions. Our analysis will determine the way they can improve trust in cross-border online sales, favour consumer choice and facilitate online market access of especially the SMEs in the European Union. This second interim report comprises the results of two research tasks. The first is concerned with the deepening the understanding of the services and features of trustmarks. The second concerns the identification and evaluation of policy options that may stimulate trustmarks in order to increase cross-border eCommerce. In the first interim report, barriers to trust in eCommerce have been identified, and an inventory was made of the existing trustmarks. A final report will combine the two reports to contribute to the overall research objective.

The present report is structure in the following sections, which report on the different activities of the field research

- The introduction and overview in Chapter 1, including
    - The research objectives and methodology
    - The trustmarks clustering approach
    - The trustmarks evaluation
    - The formulation of the policy options
- The trustmarks clustering in Chapter 2, with
    - The description with the trust features of trustmarks
    - The eight clusters
    - The Analysis of the size, costs and coverage of trustmark clusters
    - Comprehensive mapping of Trustmark features and certification steps per Trustmark
    - Trustmarks per national and cross-border activities, per third party certification, per subscription base, and per subscription fees
    - The Barriers to eCommerce
- The presentation of other business models, covering the Google Trusted Shops service as well as the off-line trustmarks in Chapter 3
    - Google's trusted stores

  - Off-line labelling schemes
- The reporting on the assessment of trustmarks in the three surveys group in Chapter 4, including
  - The respondents
  - The assessment surveys
  - The online surveys and the process
  - The response rates
  - The assessments of consumer organisations
  - The assessments of trader organisations
  - The assessment by trustmarks providers
  - The assessment of the general questions
  - A preliminary synthesis of the surveys
- The report on the evaluation workshop in Chapter 5, with
  - The roll-out of the focus group
  - The stakeholder's assessment of the policy options
  - The remarks on the stakeholder platform.

In the annexes are presented
- The references
- Trustmarks cost tables
- The overview of Google's trusted stores
- The profiles of offline labelling schemes
-

1.1 Research objectives and methodology

The first interim report identified and mapped 46 existing main trustmarks according to their cross-border activities, their trustmark services and their certification and accreditation policies.

This second interim report deals with undertaking a multidimensional analysis of these trustmarks: it presents a clustering of trustmarks into archetypes, comparing them also to other business models and offline labelling schemes, and it evaluates the different characteristics of trustmarks and their relationship between trustmarks and trust. Furthermore, this report identifies and evaluates the policy options for European action regarding trustmarks stimulating cross-border eCommerce.

1.1.1 Trustmark clustering

In order to identify archetypical trustmark clusters, the different trustmark schemes are categorized according to their main services and features. First, these services and features are listed and all trustmarks are analysed based on these services and features. Then, costs and benefits of these clusters and their underlying features and certification steps were then assessed taking into consideration the costs per subscription fees, the number of subscribers, and the trustmark features, certification steps and clusters impact on (partly) overcoming barriers to trust in eCommerce. After the trustmark clusters are identified, their business models are compared to other labelling schemes, such as the Google Trusted Shopping experience and a number of offline labelling schemes. The research questions answered in this section are:

1. Which are the main characteristics and clusters of trustmarks?
    - Which features do trustmarks possess?
    - How do trustmark providers certify webshops?
    - What are the costs and benefits of trustmarks?
    - Which clusters of trustmarks can be distinguished?
    - Which are alternative business models to trustmarks offline labels and which lessons can be learned from them?

1.1.2 Evaluating the trustmarks

After the trustmark clusters have been identified, their main trust-building characteristics are evaluated using a large survey among stakeholders: industry associations, consumer organizations and trustmark providers. This survey the purpose to assess the trustmark schemes in relation to their contribution to creating trust in eCommerce. For this, the importance of a trustmark in general as well as the trustmark features in supporting eCommerce are assessed. Research questions that are addressed in this section are:

2. Which are the main trust-building characteristics of trustmarks?
    - What is the perception of the importance of a trustmark in supporting eCommerce?
    - What is the importance of the individual features in supporting eCommerce?
    - What are the impacts perceived by different stakeholders?
    - What are the perceived effects of different policy options for the development of trustmarks?

1.1.3 Policy options and their evaluation

To identify possible actions from the European Commission in order to stimulate cross-border eCommerce, based on all the empirical work performed in this study, first a number of policy-relevant facts are identified. Then, four policy options are presented. These policy options are subsequently evaluated in a stakeholder workshop.

3. Which are the policy options regarding trustmarks for the European Commission?
    - Based on the empirical work, which are the policy-relevant facts?
    - Which are the policy options regarding trustmarks for stimulating cross-border eCommerce?
    - How are the policy options evaluated by the different stakeholders?

2 TRUSTMARK CLUSTERING

Trustmark features are those characteristics of the trustmark scheme, which cover the internal regulatory, service, operations and technical elements of the service delivered to both customers and stakeholders:

a) The webshops, taking advantage of trustmarks in their eCommerce business;
b) The online customers, who to a higher or lower extent base their purchasing decisions on the presence of the trustmark and the associated assurance and services.

2.1 Trustmark features and certification model

The trustmark features are at the same time the service components, and the elements through which the trustmark providers are delivering trust to their stakeholders. Nine trustmark features have been analysed:

1. **SSL certification.** A quite common trust service, which certifies the Secure Sockets Layer (SSL). Secure Sockets Layer (SSL) is a protocol designed to enable applications to transmit information back and forth securely. Applications that use the Secure Sockets Layer protocol inherently know how to transmit and receive encryption keys with other applications, as well as how to encrypt and decrypt data sent between the two. SSL certification ensures proper implementation of the protocol on the webshop.
2. **Regulatory basis of webshop.** This feature deals with the compliance of the webshop to (EU and/or national) regulatory basis.
3. **Transparency of information**. This feature deals with the clear and understandable presentation and documentation of the products that are placed on the website; the provision of prices including specification of shipping cost or taxes; the comprehensive description of payment procedures; the comprehensive description of consumer rights; etc.
4. **Privacy protection verification.** This feature certifies that webshops adhere to standards of the trustmark policies assuring safety of personal data, privacy rules and management of personal data.
5. **Dispute resolution system (DRS).** This feature includes formal procedures to manage and solve complaints from customers to webshops. Here we consider the dispute resolution system in the web shop and not the system setup by some of the Trustmark organisations as a trust service. DRS can also be an online complaint form, where customers express dissatisfaction with products, packaging, or delivery time. The complaints are followed up by mediation. DRS can also involve a third party authority that provides legally binding dispute resolution.
6. **Money back guarantee.** This feature is an insurance-type service provided to customers. Money is refunded if after unsuccessful dispute resolution mediation a customer is still dissatisfied regardless of the underlying complaint reasons.
7. **Consumer rating.** This feature allows customers to attach a rating to their purchase experience. This helps other customers and might also provide a comprehensive rating of the webshop.
8. **Publishing revocation.** Trustmarks having this feature publish those webshops whose trustmark seals were withdrawn.
9. **Accreditation.** According to this feature, trustmark organisations (TMO) are accredited by third parties hereby ensuring that the codes of conduct of the trustmarks have a minimum level.

We further examined the certification model of the trustmarks. While the trustmark features comprise the services trustmarks deliver to webshops and consumers, the certification steps are the activities that trustmarks undertake to perform the certification of webshops. The certification dimensions include checking the compliance with regulation, the performance of mystery shopping and the involvement of public authorities. The assessment of the complexity of certification is an important indicator on how the trustmark certification process is set up. The more certification assessment objects, the more complex the certification process is. Our inventory identified the following nine certification steps:

1. **Administrative validity of online webshop.** This certification step deals with both the verification of the existence and registration of merchant webshop, as well as with the verification of its physical existence. It includes both an administrative check (country of incorporation, VAT number, company register, bankruptcy register, etc.) and a physical check (address, fixed phone line, etc.).
2. **Legal check of sales regulation.** This certification step deals with the check of compliance of a webshop to (EU and/or national) regulations.
3. **Check of information transparency.** This certification step deals with the transparency on information concerning the clear and understandable presentation and documentation of the way products are placed on the website. Also it deals with clear and understandable provision of prices including specification of shipping cost or taxes; with the comprehensive description of payment procedures; with the comprehensive description of consumer rights; etc.
4. **Check of privacy rules.** This certification step deals with the webshop's adherence to the standards of the trustmark policies with regard to assurance for safety of data, privacy rules and management of personal data.
5. **Check of redress procedures.** This certification step deals with the recovery procedure for stage after sales/delivery and prior to conflict. It comprises remedy for faulty or damaged goods free of charge for the customer. As mentioned above, it concerns the procedures embedded in the webshop's saled procedure and not the one setup by the trustmark.
6. **Test order/Mystery shopping, simulated purchase process.**
7. **Physical company on-site visit and audit.**
8. **Auditing.** This certification step deals with doing interim (review) certification/audits according to established quality criteria that include conformity with the law, user convenience, and security of web functionalities. Usually auditing is carried out on an annual basis. Sometimes an audit may also be performed after an incident is reported by customers or in the media.
9. **Third party certification.** This certification step deals with the trustmark certification that is carried out by a third party to whom the trustmark organisation hands a set of information.

2.2 Eight Trustmarks Clusters

The trustmarks inventory has shown a large variety of trustmarks with different characteristics. The purpose of the clustering of trustmarks is to aggregate each trustmark by means of their features and certification steps. These homogeneous features and certification steps allow a joint assessment of the trustmarks and relate them to the actual trust building effects and impacts. We have examined 46 trustmarks, thus the relative share presented should be understood as the share of the specific cluster in our sample.

A clarification is necessary. The classification into clusters is necessarily a simplified synthesis of aggregated trustmark features. On the other hand the trustmarks have very differentiated features, so the classification in one or the other cluster is ambiguous in some cases. The attribution to one or the other cluster therefore merely serves the general policy design purpose and in no case intends to make definitive and final judgements. We identified in eight clusters:

2.2.1 Cluster A: Trustmarks focussing merely on privacy

Trustmarks that mainly focus on privacy belong to this cluster. 2 out of the reviewed 46 trustmarks merely focus on privacy and thus belong to Cluster A.

2.2.2 Cluster B: Technically oriented trustmarks (SSL, W3C, hacker testing, etc.)

Trustmarks that mainly use technical systems to protect online transactions and to help increase trust in eCommerce websites belong to this cluster. One example is checking the implementation of the Secure Socket Layer (SSL). SSL certificates and certification bodies are on the one hand trustmarks themselves; on the other they are certification technology providers. SSL ensures:

a) Encrypting sensitive information during online transactions
b) Providing unique, authenticated information about the SSL certificate owner
c) Identification of the certificate owner by SSL Certificate Authority upon issuing.

Other technical means of a trustmark include World Wide Web Consortium (W3C) standards or daily hacker testing. 7 out of the reviewed trustmarks are technically oriented and thus belong to Cluster B.

2.2.3 Cluster C: Trustmark merely looking at a webshop's 'documents' and at the results of registry enquiries ('simple online business certification')

The trustmarks in this cluster undertake a basic verification of the webshop's processes checking registrations, the sales process, and the transparency of information towards the customer. With the service setup, the trustmarks in this cluster verify and take a certification responsibility for the sales process and its articulation, without entering into further detail of the back-office management of the sales process, without providing any dispute resolution support to the parties, without payment assurance (warrant of the funds transfer) or money back guarantee (warrant for the full satisfaction of the customer and thus the refund). 8 of the reviewed trustmarks simply verify and certify the webshop, the sales process and its setup and thus belong to Cluster C.

2.2.4 Cluster D: Trustmarks undertaking comprehensive business model certification, including dispute resolution

The trustmarks belonging to this cluster offer a more comprehensive service setup for the verification of the webshop's business model. These trustmarks cover the formal, the physical and the process checks on the merchant. In addition to this comprehensive system, rules and process assessment, these trustmarks provide a dispute resolution system. These dispute resolution systems normally include a structured communication process, either web-based or through a direct contact. In most cases the trustmark provider acts as an intermediary between the complaining customer and the merchant/retailer, in an attempt to balance expectations and requests. 13 of the reviewed trustmarks undertake a comprehensive business model certification, including dispute resolution, and thus belong to Cluster D.

The following Clusters E – H offer all services of Cluster D trustmarks, adding more features and characteristics:

2.2.5 Cluster E: Trustmarks undertaking comprehensive business model certification and publishing revocation

The trustmarks belonging to this cluster offer all services of Cluster D type trustmarks. In addition, they publish revocation, which is the feature where the trustmark provider publishes retailer names whose trustmark seals were withdrawn or suspended. 7 of the reviewed trustmarks undertake a comprehensive business model certification, publishing revocation, and thus belong to Cluster E.

2.2.6 Cluster F: Trustmarks undertaking comprehensive business model certification and offering a money back guarantee"

The trustmarks belonging to this cluster offer all services of Cluster D type trustmarks. Cluster F trustmarks also offer money back guarantees. This money back guarantee can be compared to an insurance, as it is only used for rare occasions in which a conflict between a webshop and a consumer is not resolved and the consumer turns to the trustmark provider for help. Several TMO representatives that have been interviewed as part of the trustmark mapping exercise had indicated that a 'money back guarantee' is outside their scope of action. 4 out of the reviewed trustmarks undertake a comprehensive business model certification and offer a money back guarantee service, and thus belong to Cluster F. The money back guarantee service rarely appears without offering also some other extra services. It should be noted that two of these also belong to Cluster G, and one also belongs to Cluster H.

2.2.7 Cluster G: Trustmarks undertaking comprehensive business model certification and offering consumer rating

The trustmarks belonging to this cluster offer all services of Cluster D type trustmarks. Cluster G trustmarks include a consumer rating system which allows customers to provide a rating of webshops based on their purchasing experience. This trustmark feature is an officially accepted rating element for their clients, the webshops. 4 out of the reviewed trustmarks undertake a comprehensive business model certification and offer consumer rating, and thus belong to Cluster G. It may be noted that 2 of these also belong to Cluster F.

2.2.8 Cluster H: Trustmarks undertaking comprehensive business model certification, with third party certification

The trustmarks belonging to this cluster offer all services of Cluster D type trustmarks. In addition to this, Cluster H trustmarks officially certify webshops by a third party to whom the trustmark organisation hands a set of information. 4 out of the reviewed trustmarks undertake comprehensive business model certification with third party certification, and thus belong to Cluster H. It may be noted that one of these also belongs to Cluster F.

2.3 Analysis of the size, costs and coverage of trustmark clusters

This section presents the main characteristics of the eight trustmark clusters. First, the trustmarks that are included in this study are mapped according to the trustmark clusters. Then, the clusters are described according to their coverage (whether they operate domestically or cross-border), their size (the number of subscriptions: the websites that carry the trustmark) and their subscription fees. Finally, based on this analysis, this section presents three archetypical trustmark types or 'superclusters' and reflects on the heterogeneity of the trustmarks.

2.3.1 Distribution of Trustmark clusters

Table 2.1 presents the eight trustmarks clusters. We have determined the distribution of the various trustmarks into Clusters A – H, using data from the 46 screened trustmarks. The comprehensive mapping that led to the allocation of trustmarks is shown in Annex 1.

It seems the European market values comprehensive business model certification. Around two thirds (64 %) of the trustmarks included in this research undertake such a certification: Cluster D is the most prevalent form of trustmarks with almost every third trustmark belonging to this cluster. Clusters E – G have all characteristics of Cluster D and offer some additional services (namely publishing revocation, money back guarantees, consumer ratings, and third party certification). Around one third of the trustmarks adhere to Clusters E – G. Less than one fifth (17 %) of the trustmarks confine themselves to simple online business certification (Cluster C). It may be noted that Cluster C trustmarks are often found outside the EU (two thirds of the Cluster C trustmarks are located outside the EU).

Another trustmark model exists, relying on technical systems to protect online transactions. This model is most often found in the US. Over 15 % of the trustmarks belong to trustmark Cluster B. Of these the US trustmarks constitute the largest group (two thirds of the US trustmarks of our sample are technically oriented; and over 85 % of all identified Cluster B trustmarks originate in the US). Similar to Cluster B trustmarks, Cluster A comprises the special form of trustmarks that focus merely on privacy issues and do not deal with payment or product delivery certifications. Less than 5 % of the trustmarks belong to this cluster.

Table 2.1: Distribution of trustmark clusters

Cluster Type	Trustmark Name	Count	Percentage*
Cluster A: Focusing merely on privacy	Europrise (DE), TrustE (US)	2	4,35%
Cluster B: technically oriented trustmarks (SSL, W3C, hacker testing, etc)	TrustWave SSL certificates (US), VeriSign (being renamed into Norton Secured) (US), Comodo SSL certificates (US), CPA Webtrust (US), GeoTrust (US), McAfee (US), Segala (IE)	7	15,22%
Cluster C: trustmark merely looking at "documents" and at the results of registry enquiries (simple online business certification)	SOAP (CZ), Trygg eHandel (SE), InfoCons (RO), Trade safe (JP), Sure Seal (PH), BuySafe (US), TrustVn (VN), ChamberTrust business seal (Worldwide)	8	17,39%
Cluster D: trustmark undertaking a comprehensive business model certification, including a DRS	e-Mark (DK), Fia-net (FR), Tuv Sud (DE), eShop (MT), Webshop Keurmerk (NL), Confianca Online (PT), Trusted.ro (RO), Confianza Online (ES), VSV (CH), TrustSg (SG), Trustmark Thai (TH), BBBOnline (US), Eurolabel Poland (PO)	13	28,26%
Cluster E: cluster D services plus publishing revocation	Guete zeichen (AT), APEK (CZ), Qshops (NL), Trygg eHandel (NO), Radet for EhandelscertifierIng (SE), ISIS (UK), JDMA-Online Shopping Trust (JP)	7	15,22%
Cluster F: cluster D services plus money back guarantee service	CaseTrust for Webfront (SG)	1	2,17%
Cluster F+G: trustmark adding money back guarantee and consumer ratings	Trusted Shops (DE), SafeBuy (UK)	2	4,35%
Cluster F+H: trustmark adding money back guarantee plus official third part certification	Thuiswinkel Waarborg (NL)	1	2,17%
Cluster G: cluster D services plus consumer ratings	EHI - Eurolabel (DE), eShops (LT)	2	4,35%

Cluster Type	Trustmark Name	Count	Percentage*
Cluster H: cluster D services plus official third part certification	Sicher einkaufen (AT), BeCommerce (BE), mkbOK (NL)	3	6,52%

*It may be noted that the percentage presented in the fourth column of table 2.1 refers to the sample of trustmarks used in this study, not to the total amount of trustmarks that is present in any country.

Table 2.2 presents the distribution of cluster trustmarks per country as well as the percentages of companies doing domestic or EU wide online sales. It should be noted that no clear correlation between appearance of a special cluster and the propensity of companies doing (cross-border) eCommerce may be drawn.

Table 2.2: National distribution of trustmarks clusters

Source percentages of companies: Eurostat, Information Society Statistics, based on the figures provided in Annex 3 of the first interim report.[1]

Country	Cluster A	Cluster B	Cluster C	Cluster D	Cluster E	Cluster F	Cluster G	Cluster H	% of companies doing domestic online sales	% of companies doing EU online sales	Count
Austria					1			1	14	9	2
Belgium								1	23	12	1
Czech Republic			1		1				24	12	2
Denmark				1					26	8	1
France				1					13	6	1
Germany	1			1		1	2		19	9	4 (one F and G)
Ireland		1							21	13	1
Lithuania							1		24	12	1
Malta				1					15	13	1
Nether-lands				1	1	1		2	23	9	4 (one F and H)
Norway					1				31	7	1
Poland				1					9	3	1
Portugal				1					15	6	1
Romania			1	1					4	1	2
Spain				1					12	4	1
Sweden			1		1				24	9	2
Switzerland				1					N/A	N/A	1
UK					1	1	1		18	7	2 (one F and G)

[1] TNO & Intrasoft International (2012a).

Country	Cluster A	Cluster B	Cluster C	Cluster D	Cluster E	Cluster F	Cluster G	Cluster H	% of companies doing domestic online sales	% of companies doing EU online sales	Count
Japan			1		1				N/A	N/A	2
Philippines			1						N/A	N/A	1
Singapore				1		1			N/A	N/A	2
Thailand				1					N/A	N/A	1
US	1	6	1	1					N/A	N/A	9
Vietnam			1						N/A	N/A	1
World-wide			1						N/A	N/A	1
Total (EU 27 for % enter-prises)	**2**	**7**	**8**	**13**	**7**	**4**	**4**	**4**	**14**	**6**	**46 (3 aligned to two clusters)**

2.4 Comprehensive mapping of Trustmark features and certification steps per Trustmark

In this section we present the allocation of the 46 trustmarks to the trustmark features (table 2.3) and to the certification steps (table 2.4). It should be noticed that the adherence of the various trustmarks to the single features and certification steps determines their classification according to the trustmark Clusters A-H as defined in chapter 2.2.

Table 2.3: Comprehensive mapping of Trustmark features per screened Trustmarks

NAME of trustmark	SSL certificati on	Regulatory basis of online shop	Transparency of information	Privacy assurance	Dispute Resolution System (DRS)	Money back guarantee	Consu-mer rating	Publishing revocation	Accre-ditation	Cluster category A, B, C, D, E, F, G or H
EuroPrise (DE)	no	no	no	yes	no	No	no	no	no	A

NAME of trustmark	SSL certification	Regulatory basis of online shop	Transparency of information	Privacy assurance	Dispute Resolution System (DRS)	Money back guarantee	Consumer rating	Publishing revocation	Accreditation	Cluster category A, B, C, D, E, F, G or H
TrustE (US)	no	no	no	yes	no	No	no	yes	no	A
Segala (IE)	no	no	no	no	no	No	no	no	yes	B
CPA Webtrust (US)	yes	yes	yes	yes	?	No	no	no	?	B
GeoTrust (US)	yes	?	?	?	?	?	?	?	?	B
McAfee (US)	yes	no	no	yes	no	No	no	no	no	B
TrustWave SSL certificates (US)	yes	no	no	no	no	No	no	no	?	B
VeriSign (being renamed into Norton Secured) (US)	yes	yes	no	no	no	No	no	no	?	B
Comodo SSL certificates (US)	yes	no	no	no	no	No	no	no	?	B
SOAP (CZ)	no	yes	yes	?	?	No	?	?	no	C
InfoCons (RO)	no	?	yes	no	?	No	no	?	no	C
Trygg eHandel (SV)	no	?	?	yes	no	No	no	no	no	C
Trade safe (JP)	no	?	yes	?	?	?	?	?	?	C
Sure Seal (PH)	no	?	yes	yes	?	No	?	?	?	C
BuySafe (US)	no	?	?	?	no	?	?	?	no	C
TrustVn (VN)	no	?	?	yes	yes	?	?	?	no	C
ChamberTrust business seal (Worldwide)	no	?	yes	no	?	No	no	no	no	C
e-Mark (DK)	no	yes	yes	?	yes	No	no	no	no	D

NAME of trustmark	SSL certification	Regulatory basis of online shop	Transparency of information	Privacy assurance	Dispute Resolution System (DRS)	Money back guarantee	Consumer rating	Publishing revocation	Accreditation	Cluster category A, B, C, D, E, F, G or H
Fia-net (FR)	no	yes	yes	yes	yes	No	no	?	no	D
Tuv Sud (DE)	no	yes	yes	yes	yes	No	no	no	yes	D
eShop (MT)	no	NAT / EUR	yes	?	yes	No	no	yes	no	D
Webshop Keurmerk (NL)	no	NAT / EUR	yes	?	yes	No	no	?	yes	D
Eurolabel Poland (PO)	no	NAT / EUR	yes	yes	yes	No	no	?	no	D
Confianca Online (PT)	no	NAT / EUR	yes	no	yes	No	no	?	no	D
Trusted.ro (RO)	no	NAT	yes	no	yes	No	no	?	no	D
Confianza Online (ES)	no	NAT/EUR	yes	no	yes	No	no	no	no	D
VSV (SW)	no	NAT	yes	yes	yes	No	no	no	no	D
TrustSg (SG)	no	?	yes	yes	yes	?	?	?	?	D
Trustmark Thai (TH)	no	?	yes	yes	yes	No	?	?	?	D
BBBOnline (US)	no	?	yes	yes	yes	No	no	?	no	D
Guetezeichen (AT)	no	NAT / EUR	yes	yes	yes	No	no	yes	yes	E
APEK (CZ)	no	NAT / EUR	yes	?	no	No	no	yes	no	E
Qshops (NL)	no	NAT / EUR	yes	yes	yes	No	no	yes	no	E
Trygg eHandel (NO)	no	NAT / EUR	yes	?	yes	No	no	yes	no	E
Radet for Ehandelscertifierlng (SV)	no	NAT	no	yes	no	No	no	yes	no	E

NAME of trustmark	SSL certification	Regulatory basis of online shop	Transparency of information	Privacy assurance	Dispute Resolution System (DRS)	Money back guarantee	Consumer rating	Publishing revocation	Accreditation	Cluster category A, B, C, D, E, F, G or H
ISIS (UK)	no	NAT/EUR	yes	yes	yes	No	no	yes	no	E
JDMA (Japan direct marketing association) - Online Shopping Trust (JP)	no	yes (association regulation)	yes	?	no	No	no	yes (interview)	no	E
CaseTrust for Webfront (SG)	no	yes	yes	yes	yes	yes (refund is mentioned)	no	?	?	F
Trusted Shops (DE)	no	yes	yes	yes	yes	Yes	yes	no	yes	F and G
SafeBuy (UK)	yes	?	yes	yes	yes done by chartered institute of arbitrators	Yes		?	?	F and G
Thuiswinkel Waarborg (NL)	no	NAT / EUR	yes	yes	yes	Yes	no	no	yes	F and H
EHI (Eurolabel DE)	no	yes	yes	yes	yes	No		no	yes	G
eShops (LT)	no	no	yes	?	yes	No	yes	no	no	G
Sicher einkaufen (AT)	yes	yes	yes	yes	yes	No	no	?	?	H
BeCommerce (BE)	no	NAT / EUR	yes	yes	yes	No	no	no	no	H
mkbOK (NL)	no	NAT / EUR	yes	no	yes	No	no	yes	yes	H

Table 2.4: Comprehensive mapping of certification steps per screened trustmarks

NAME of trustmark	Validation validity of webshop Administrative check (country of incorporation, VAT number, company and bankruptcy register etc) Physical check (address, fixed phone lines, etc)	Legal check of sales regulation	Check of infor-mation transpa-rency	Check of privacy rules	Check redress procedures	Test order/ mystery shopping/ simulated purchase process	Physical company on-site visit and audit	Auditing	3rd party certification	Cluster category A, B, C, D, E, F, G or H
EuroPrise (DE)	yes	yes	no	yes	no	no	no	Yes	no	A
TrustE (US)	no	no	no	yes	no	no	no	Yes	no	A
Segala (IE)	no	no	no	no	no	no	no	No	no	B
CPA Webtrust (US)	yes	?	yes	yes	?	?	no	?	no	B
GeoTrust (US)	?	?	?	?	?	?	?	?	?	B
McAfee (US)	no	no	no	yes	no	no	no	No	no	B
TrustWave SSL certificates (US)	no	no	no	no	no	no	no	No	?	B
VeriSign (being renamed into Norton Secured) (US)	yes	no	no	no	no	no	no	Yes	yes (KPMG)	B
Comodo SSL certificates (US)	no	no	no	no	no	no	no	No	?	B
SOAP (CZ)	yes	yes	yes	?	?	?	no	Yes	no	C
InfoCons (RO)	yes	?	yes	no	?	no	no	?	no	C
Trygg eHandel (SV)	?	?	?	yes	?	?	?	no	no	C
Trade safe (JP)	yes	?	yes	?	?	?	no	?	no	C
Sure Seal (PHs)	yes	?	yes	yes	?	?	no	?	no	C

NAME of trustmark	Validation validity of webshop Administrative check (country of incorporation, VAT number, company and bankruptcy register etc) Physical check (address, fixed phone lines, etc)	Legal check of sales regulation	Check of infor-mation transpa-rency	Check of privacy rules	Check redress procedures	Test order/ mystery shopping/ simulated purchase process	Physical company on-site visit and audit	Auditing	3rd party certification	Cluster category A, B, C, D, E, F, G or H
BuySafe (US)	?	?	?	?	?	no	no	?	no	C
TrustVn (VN)	yes	?	?	yes	?	?	no	?	no	C
ChamberTrust business seal (Worldwide)	yes	no	no	no	no	no	no	No	no	C
e-Mark (DK)	yes	yes	yes	?	Yes	?	no	Yes	no	D
Fia-net (FR)	yes	?	yes	yes	Yes	?	no	?	no	D
Tuv Sud (DE)	yes	yes	yes	yes	yes	yes	yes	Yes	no	D
eShop (MT)	yes	yes	yes	?	yes	yes	no	Yes	no	D
Webshop Keurmerk (NL)	yes	yes	yes	?	?	?	no	Yes	no	D
Eurolabel Poland (PO)	yes	yes	yes	yes	yes	no	no	Yes	no	D
Confianca Online (PT)	yes	yes	yes	no	yes	no	no	Yes	no	D
Trusted.ro (RO)	yes	yes	yes	no	yes	no	no	Yes	no	D
Confianza Online (ES)	yes	yes	yes	no	yes	yes	no	Yes	no	D
VSV (SW)	yes	yes	yes	yes	yes	no	no	No	no	D
TrustSg (SG)	yes	?	yes	yes	?	?	no	?	no	D
Trustmark Thai (TH)	yes	?	yes	yes	?	?	no	?	no	D

NAME of trustmark	Validation validity of webshop Administrative check (country of incorporation, VAT number, company and bankruptcy register etc) Physical check (address, fixed phone lines, etc)	Legal check of sales regulation	Check of infor-mation transpa-rency	Check of privacy rules	Check redress procedures	Test order/ mystery shopping/ simulated purchase process	Physical company on-site visit and audit	Auditing	3rd party certification	Cluster category A, B, C, D, E, F, G or H
BBBOnline (US)	yes		yes	yes	?	?	no	?	no	D
Guete zeichen (AT)	yes	yes	yes	yes	yes	yes	no	Yes	no	E
APEK (CZ)	yes	yes	yes	?	yes	yes	no	Yes	no	E
Qshops (NL)	yes	yes	yes	yes	yes	no	no	Yes	no	E
Trygg eHandel (NO)	yes	yes	yes	?	yes	yes	no	Yes	no	E
Radet for EhandelscertifierIng (SV)	yes	yes	no	yes	yes	no	no	Yes	no	E
ISIS (UK)	yes	yes	yes	yes	yes	yes	no	Yes	no	E
JDMA (Japan direct marketing association) - Online Shopping Trust (JP)	yes	yes	yes	?	yes	no	no	Yes	no	E
CaseTrust for Webfront (SG)	yes	yes	yes	yes	yes	no	no	?	no	F
Trusted Shops (DE)	yes	yes	yes	yes	yes	no	no	Yes	no (its a yes for accreditation)	F and G
SafeBuy (UK)	yes	?	yes	yes	yes	no	no	no audit on irregular basis incident triggered	no	F and G
Thuiswinkel Waarborg (NL)	yes	yes	yes	yes	yes	no	no	Yes	yes	F and H
EHI (Eurolabel DE)	yes	yes	yes	yes	yes	yes	no	Yes	no	G
eShops (LT)	yes	yes	yes	no	yes	no	no	Yes	no	G

NAME of trustmark	Validation validity of webshop Administrative check (country of incorporation, VAT number, company and bankruptcy register etc) Physical check (address, fixed phone lines, etc)	Legal check of sales regulation	Check of infor-mation transpa-rency	Check of privacy rules	Check redress procedures	Test order/ mystery shopping/ simulated purchase process	Physical company on-site visit and audit	Auditing	3rd party certification	Cluster category A, B, C, D, E, F, G or H
Sicher einkaufen (AT)	yes	yes	yes	yes	yes	?	?	Yes	yes	H
BeCommerce (BE)	yes	yes	yes	yes	yes	no	no	Yes	yes	H
mkbOK (NL)	yes	yes	yes	no	yes	no	no	Yes	yes	H

2.5 Trustmarks per national and cross-border activities, per third party certification, per subscription base, and per subscription fees

Table 2.5 presents which of the trustmarks act at national level, which act as cross-border trustmarks, and which undergo third-party certification.

Privacy protection and technical protection of online transactions are often observed in international online trade. Almost all Cluster A and B trustmarks operate cross-border. On the other hand simple or comprehensive business model certification is more often observed in national eCommerce: 85% of the screened Cluster C trustmarks operate nationally, and only 15% cross-border. The same tendency is observed in Cluster D trustmarks, 92% of which operate nationally and 8% cross-border.

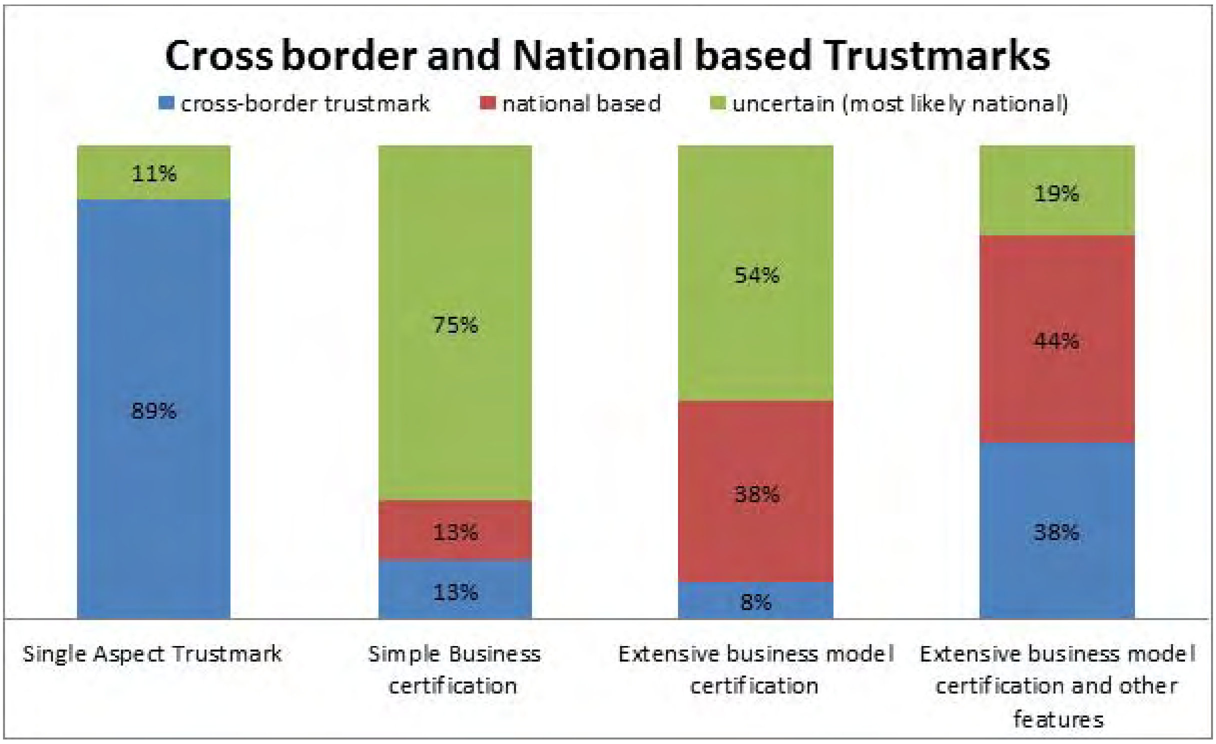
It may be noted that the additional trustmark features (namely publishing revocation, money back guarantees, consumer ratings, and third party certification) often are observed in cross-border eCommerce transactions. Over one third (37,5 %) of Cluster E – H trustmarks operate cross border. Figure 2.1 graphically represents the distribution of trustmarks that do and do not operate across borders.

Table 2.5: Trustmarks per national base, per cross-border activities, and per third party certification

Cluster category A, B, C, D, E, F, G or H	NAME of screened trustmark	Country	Operating nationally	Operating cross borders	Uncertain (most likely operating nationally)	Third party certification (certifier)
A	EuroPrise (DE)	DE		yes		No
A	TrustE (US)	US		yes		No
B	CPA Webtrust (US)	US		yes		No
B	GeoTrust (US)	US		yes		?
B	McAfee (US)	US		yes		No
B	TrustWave SSL certificates (US)	US		yes		?
B	VeriSign (being renamed into Norton Secured) (US)	US		yes		yes (KPMG)
B	Comodo SSL certificates (US)	US		yes		?
B	Segala (IE)	IE			yes	No
C	Trygg eHandel (SE)	SE			yes	No
C	SOAP (CZ)	CZ	yes			No
C	InfoCons (RO)	RO			yes	No
C	Trade safe (JP)	JP			yes	No
C	Sure Seal (PHs)	PH			yes	No
C	BuySafe (US)	US			yes	O
C	TrustVn (VN)	VN			yes	No
C	ChamberTrust business seal (Worldwide)	World		yes		No

Cluster category A, B, C, D, E, F, G or H	NAME of screened trustmark	Country	Operating nationally	Operating cross borders	Uncertain (most likely operating nationally)	Third party certification (certifier)
D	Eurolabel Poland (PO)	PO			yes	No
D	e-Mark (DK)	DK	yes			No
D	Fia-net (FR)	FR			yes	No
D	Tuv Sud (DE)	DE		yes		No
D	eShop (MT)	MT			yes	No
D	Webshop Keurmerk (NL)	NL			yes	No
D	Confianca Online (PT)	PT	yes			No
D	Trusted.ro (RO)	RO	yes			No
D	Confianza Online (ES)	ES	yes			No
D	VSV (SW)	SW	yes			No
D	TrustSg (SG)	SG			yes	No
D	Trustmark Thai (TH)	TH			yes	No
D	BBBOnline (US)	US			yes	No
E	Guete zeichen (AT)	AT		yes		No
E	APEK (CZ)	CZ	yes			No
E	Qshops (NL)	NL		yes		No
E	Trygg eHandel (NO)	NO	yes			No
E	Radet for Ehandelscertifierlng (SE)	SE	yes			No
E	ISIS (UK)	UK		yes		No
E	JDMA (Japan direct marketing association) - Online Shopping Trust (JP)	JP			yes	No
F	CaseTrust for Webfront (SG)	SG			yes	No
F and G	Trusted Shops (DE)	DE		yes		no (yes to third-party accreditation)
F and G	SafeBuy (UK)	UK		yes		No
F and H	Thuiswinkel Waarborg (NL)	NL	yes			Yes
G	EHI (Eurolabel DE)	DE		yes		no
G	eShops (LT)	LT	yes			No
H	Sicher einkaufen (AT)	AT	yes			Yes
H	BeCommerce (BE)	BE	yes			Yes
H	mkbOK (NL)	NL			yes	Yes

Figure 2.1: Trustmark clusters' national base and cross-border activities



2.5.1 Trustmarks' subscription base

Table 2.6 presents the number of national and cross-border subscribed online shops. It may be noted that variations in subscribed online shops is very high. It shows that the technically oriented trustmarks (Cluster B) tend to have the largest customer base. On average, Cluster A Trustmarks have a client base of over 2550; Cluster B trustmarks of 130 Million per trustmark, Cluster C trustmarks of 5,7 Million; Cluster D trustmarks of 250.000; Cluster E trustmarks of over 760; Cluster F trustmarks of almost 18.000; Cluster G trustmarks of over 4.000; and Cluster H trustmarks of almost 750 subscribers.

Table 2.6: Number of national and cross-border online shops subscribed to screened trustmarks

Source: Annex 4 of the first interim report[2]

Cluster category A, B, C, D, E, F, G and H	NAME of trustmark	National	Cross-border	Not available
A	EuroPrise (DE)		50-100	
A	TrustE (US)		>5000 all over the world	
B	CPA Webtrust (US)		Between 100 and 500	
B	GeoTrust (US)		More than 100,000 customers	
B	McAfee (US)		Over 80,000 websites	

[2] TNO & Intrasoft International (2012a).

B	TrustWave SSL certificates (US)		Thousands	
B	VeriSign (being renamed into Norton Secured) (US)		Up to 650 million displays per day of the VeriSign seal.	
B	Comodo SSL certificates (US)			N/A
B	Segala (IE)			N/A
C	Trygg eHandel (SE)	491		
C	SOAP (CZ)	110		
C	InfoCons (RO)	Less than 50		
C	Trade safe (JP)			N/A
C	Sure Seal (PH)	30+15 in the process of certification		
C	BuySafe (US)	> 5000		
C	TrustVn (VN)	7 certified; 9 under validation		
C	ChamberTrust business seal (Worldwide)		40 million business members of the world chambers network	
D	Eurolabel Poland (PO)	23		
D	e-Mark (DK)	1000		
D	Fia-net (FR)	N/A		
D	Tuv Sud (DE)		220	
D	eShop (MT)	3		
D	Webshop Keurmerk (NL)	2600		
D	Confianca Online (PT)	181		
D	Trusted.ro (RO)	67		
D	Confianza Online (ES)	1400		
D	VSV (CH)	150		
D	TrustSg (SG)	Approx. 300		
D	Trustmark Thai (TH)	Approx. 150		
D	BBBOnline (US)	more than 3 million local and national businesses and charities		
E	Guetezeichen (AT)	440	In total Euro label has around 900 subscribers	

E	APEK (CZ)	71 certified; 17 also quality label		
E	Qshops (NL)		Nearly 1300 websites	
E	Trygg eHandel (NO)	43		
E	Radet for EhandelscertifierIng (SE)	100-500		
E	ISIS (UK)		Between 1000 and 5000	
E	JDMA (Japan direct marketing association) - Online Shopping Trust (JP)	Between 100 and 500		
F	CaseTrust for Webfront (SG)	354		
F and G	Trusted Shops (DE)		11000	
F and G	SafeBuy (UK)		More than 100. In 2011 more than 5000 according to survey	
F and H	Thuiswinkel Waarborg (NL)	1482 members. 16% in 2011 were candidate members.		
G	EHI (Eurolabel DE)		220	
G	eShops (LT)	100		
H	Sicher einkaufen (AT)	65		
H	BeCommerce (BE)	211		
H	mkbOK (NL)	1200		

2.5.2 Comparison of trustmark clusters certification and fees

In this section of the report it is attempted to relate the relative level of complexity of the certification process to the trustmarks subscription fees. It is assumed that the level of complexity rises from Clusters B to H. It may be noted that some trustmarks charge a flat fee and other trustmarks differentiate their fees according to different criteria, such as size of turnover, number of employees, or number of websites operated per subscribing companies. Some trustmarks also incur flat rates. Table 2.8 presents which of the 46 trustmarks grouped in Clusters A - H share costs in the various categories. The data in Table 2.7 and Annex 1 stem from the analysis carried out as presented in Annex 4 of the first interim report[3].

The ranges of subcategories are indicative and fees are based on the initial subscription so they include also the set-up/registration costs. It may be noted that the complete table regarding complexity level and fees is presented in Annex 1.

The data allow some estimation of whether there is a relationship between the relative complexity of the certification process and the 'cost' of using a trustmark. Roughly judging from certification costs and annual fees it may be noted that technically oriented Cluster B trustmarks

[3] TNO & Intrasoft International (2012a).

are cheaper than those that carry out business model certification. Not unsurprisingly, a simple business model certification (Cluster B trustmarks) is cheaper than a more comprehensive one carried out by Cluster D – H trustmarks). Also additional services to comprehensive business model certification and DRS delivered by Cluster D Trustmarks tend to increase the costs of carrying a trustmark seal. This is not so obvious in the case of the feature of publishing revocation which does not seem to yield in more expensive Cluster E trustmark seals. The same is observed for Cluster G trustmarks that offer the additional feature of consumer rating. However, the money back guarantee feature is associated with more expensive trustmarks. Indeed a Cluster F trustmark may cost two to three times more than a Cluster D seal. The same is true for the trustmark third party certification with higher Cluster G trustmark costs compared to Cluster D ones.

In figure 2.2 trustmarks are mapped according to the complexity of the business model certification (simple or comprehensive business model certification), and according to whether they operate across borders. The X-axis shows the number of subscribers to the trustmark. Negative values were used for the trustmarks operating domestically and positive values for those that operate across borders. The scale was adapted to show the differences between the number of subscribers, ranging from 3 to 10.000 (representing the number of subscribers of the trustmarks). Although the trustmark with the most subscribers has more than 10.000 subscribers, this would mean that many dots would be outliers because of this large difference in scale. Therefore, 10.000 was used as a maximum. The dots depicted as half dots show those trustmarks that have a much larger number of subscribers. On the Y axis the complexity of the certification process is shown. Trustmarks using simple business model certification (trustmark clusters A, B and C) are placed at the bottom of the graph, while those using comprehensive business model certification (trustmark clusters D, E, F, G and H) are placed at the top. The relative position of a trustmark among its own cluster is coincidental – the placement of a red dot underneath another does not mean that it is more advanced.

Figure 2.3 elaborates figure 2.2, as in this figure the size of the dots represents the height of the fees of the trustmarks. This figure also shows that trustmarks using relatively simple business model certification are less expensive than those using comprehensive business model certification, and includes the country of origin of a trustmark.

Figure 2.2: Number of national and cross-border online shops subscribed to screened trustmarks per Trustmark cluster

1	Single Aspect Trustmark	From 0 to 5
2	Simple Business certification	From 5 to 10
3	Extensive business model certification	From 10 to 15
4	Extensive business model certification and other features	From 15 to 20

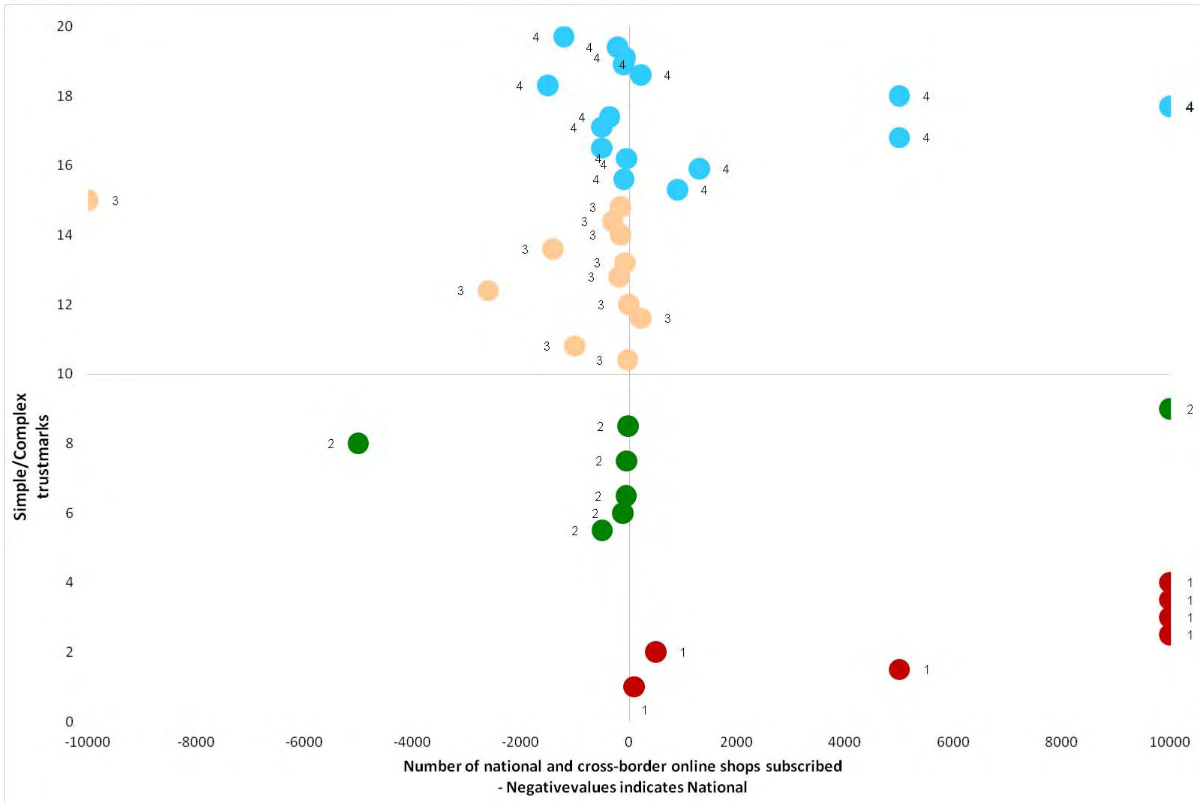


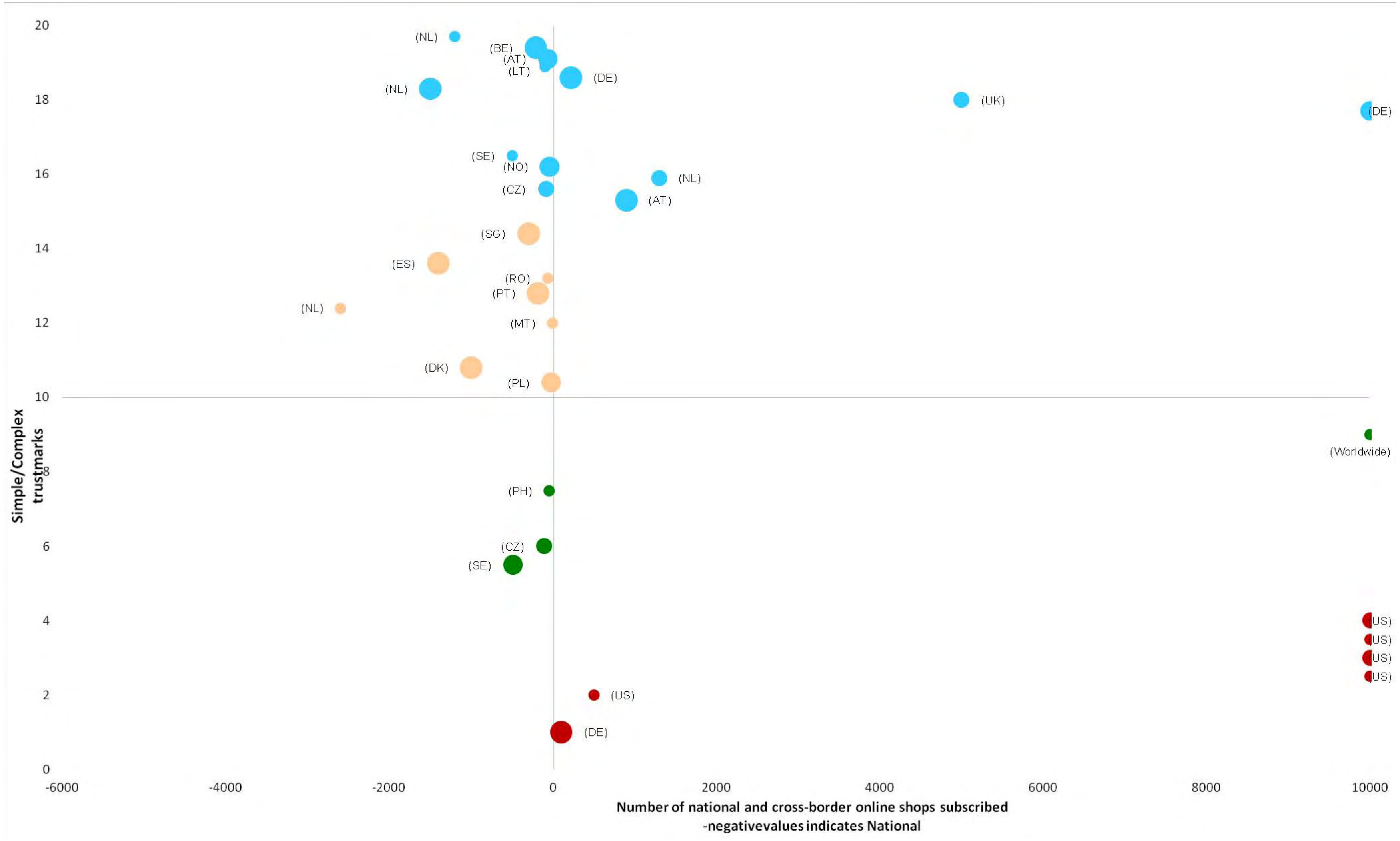
Table 2.7: Trustmarks costs to subscribing companies categorized in trustmark clusters appearing per trustmark flat rates, costs per online webshop turnover, costs per number of employees per subscriber company, and costs per number of websites the subscriber company. The full cost details are presented in Annex 1.

		Flat					Variable (related to turnover)			SME-rate (1) per employee			SME-rate (2) per website			N/A
	Trustmark	**0-250**	**251-400**	**401-750**	**751-1500**	**1501-**	**<500.000 EUR turnover**	**500.001 - 5.000.000 EUR**	**> 5.000.000**	**<25 employees**	**26-100 employees**	**>101 employees**	**<25 websites**	**26-100 web-sites**	**>101 web-sites**	
1 Single Aspect Trustmark	Europrise (DE)					●										
	TrustE (US)															●
	CPA Webtrust (US)	●														
	GeoTrust (US)	●	●													
	McAfee (US)												●	●		
	TrustWave SSL certificates (US)	●	●													
	VeriSign (being renamed into Norton Secured) (US)	●	●	●												
	Comodo SSL certificates (US)	●	●	●												
	Segala (IE)															●
2 Simple Business certification	SOAP (CZ)												●	●	●	
	Trygg eHandel (SE)				●											
	InfoCons (RO)															●
	Trade safe (JP)															●
	Sure Seal (PH)		●													
	BuySafe (US)															●
	TrustVn (VN)															●
	ChamberTrust business seal (Worldwide)	●	●													

		Flat					Variable (related to turnover)			SME-rate (1) per employee			SME-rate (2) per website			N/A
	Trustmark	**0-250**	**251-400**	**401-750**	**751-1500**	**1501-**	**<500.000 EUR turnover**	**500.001 - 5.000.000 EUR**	**> 5.000.000**	**<25 emplo-yees**	**26-100 emplo-yees**	**>101 emplo-yees**	**<25 websites**	**26-100 web-sites**	**>101 web-sites**	
3 Extensive business model certification	e-Mark (DK)									●	●	●				
	Eurolabel Poland (PO)						●									
	Fia-net (FR)															●
	Tuv Sud (DE)															●
	eShop (MT)	●														
	Webshop Keurmerk (NL)	●														
	Confianca Online (PT)									●	●	●				
	Trusted.ro (RO)	●														
	Confianza Online (ES)							●	●							
	VSV (CH)															●
	TrustSg (SG)						●	●	●							
	Trustmark Thai (TH)															●
	BBBOnline (US)															●
4 Extensive business model certification and additional features	Guetezeichen (AT)									●	●	●				
	APEK (CZ)			●												
	Qshops (NL)		●													
	Trygg eHandel (NO)			●	●											
	Radet for EhandelscertifierIng (SE)		●													
	ISIS (UK)												●			

		Flat					Variable (related to turnover)			SME-rate (1) per employee			SME-rate (2) per website			N/A
	Trustmark	**0-250**	**251-400**	**401-750**	**751-1500**	**1501-**	**<500.000 EUR turnover**	**500.001 - 5.000.000 EUR**	**> 5.000.000**	**<25 emplo-yees**	**26-100 emplo-yees**	**>101 emplo-yees**	**<25 websites**	**26-100 web-sites**	**>101 web-sites**	
	JDMA (Japan direct marketing association) - Online Shopping Trust (JP)									●	●	●				
	CaseTrust for Webfront (SG)															●
	Trusted Shops (DE)			●	●											
	SafeBuy (UK)			●												
	Thuiswinkel Waarborg (NL)						●									
	EHI (Eurolabel DE)						●	●	●							
	eShops (LT)	●														
	Sicher einkaufen (AT)				●											
	BeCommerce (BE)						●	●	●							
	mkbOK (NL)	●														

Figure 2.3: Trustmarks costs to subscribing companies categorised in Clusters appearing per trustmark and cluster. The size of the circles represent the costs the more expensive a trustmark the larger the circle



2.6 The Barriers to eCommerce

As deliberated in chapter 2.2. of the first interim report[4] nearly half of EU citizens would be willing to purchase online across borders if they felt the need for it[5]. However in 2011, only 13% of all EU citizens ordered goods or services online from other EU countries[6]. This discrepancy between potential and actual cross-border online sales indicates that barriers exist leading to the relatively low percentage of cross-border eCommerce in the EU.

Table 2.8 gives an overview of three types of barriers found both from the consumers' and from the merchant/retailer's perspective based on the research done in chapters 2.2 and 2.3 of the first interim report[7]. The barriers were validated using a target panel consisting of consumer, industry, and trustmark organisations. Some of the barriers that were identified are especially - or only - relevant in a cross-border setting. These include inter alia, a number of trust-related barriers, such a fear of scams and fraud, issues related to payments, lack of confidence in cross-border shopping, or issues related to complaints and redress. Furthermore, a number of operational barriers specifically related to cross-border eCommerce were identified. Examples include language, the lack of information, and delivery times. In addition, legal and regulatory barriers are more pronounced when it comes to cross-border eCommerce. For retailers, having to deal with different legislation and regulations' frameworks across the EU, presents a major barrier, as they will have to pay large amounts to adapt to all these different legal contexts. For instance, it is estimated that the administrative costs alone increase from 5.526 € for only selling in the home country to 9,276 € when active in one or two other EU Member States, to reach up to 70.526 € for selling in all 27 EU Member States[8].

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[4] TNO & Intrasoft International (2012a).

[5] European Commission (2009)

[6] Eurostat, Information Society Statistics, extracted on 14.09.2012.

[7] TNO & Intrasoft International (2012a).

[8] European Commission (2009a), Commission Staff Working Document. Report on cross-border e-commerce in the EU. Brussels; 5.3.2009 SEC(2009) 283 final

Table 2.8: Overview of barriers to (cross-border) eCommerce from consumer's and webshop's perspective

Type of barrier to cross-border eCommerce	Consumers	Retailers
Operational barriers	1. Lack of foreign language skills (C1) 2. Lack of information (e.g. on how to perform cross-border transactions, products availability, etc) (C2) 3. Delivery times (C3) 4. Extra charges (uncertainty in pricing in cross-border purchase, e.g. additional charges applied to credit cards, customs duties, etc) (C4) 5. Environmental issues (C5)	1. Language (R1) 2. Cross-border payments (R2) 3. Cross-border logistics (R3) 4. Search and advertisement (R4) 5. Costs (for developing and maintaining a website) (R5) 6. Lack of IT skills (R6)
Legal and regulatory barriers	6. Uncertainty about their rights as consumers (C6)	7. Higher administrative costs due to different legislations and regulations across the EU (R7) 8. Fragmentation of consumer protection regulations (R8) 9. Fragmentation of VAT regulations (R9) 10. Fragmentation of copyright regulations (e.g. for digital/ audiovisual products) (R10) 11. Fragmentation of electric waste disposal regulations (R11)
Trust barriers	7. Lack of confidence (C7) 8. Fear of fraud: Security threats of payments (misuse of credit cards , online payment systems, mobile eCommerce) (C8) 9. Fear of fraud: Misuse of personal data (C9) 10. Inability to locate trader location (C10) 11. Unknown webshop (C11) 12. Resolutions, complaints handling, and redress (C12)	12. Risk of fraud and non-payment (R12) 13. Lack of branding (R13)

2.6.1 The barriers to be assessed

In table 2.8, twelve barriers from the consumers' perspective, and thirteen barriers from the retailers' perspective are presented. For simplification they are denominated C1 – C12 (barriers from the consumer's perspective) and R1 – R13 (barriers from the retailers' perspective). In the following chapter it will be assessed how the trustmark features, the trustmark certification steps, and the trustmark clusters will address (some of) these barriers.

2.6.2 Map of trustmark features, trustmark certification steps, and trustmark clusters addressing barriers of cross-border eCommerce

The project team members mapped the verified barriers to the trustmarks features to verify which features can help overcoming which barriers to online commerce. This is particularly important to weight the role of the single features (see table 2.9), of the certification steps (see table 2.10), and of the trustmarks clusters (see table 2.11) in creating trust and supporting eCommerce.

Table 2.9: Trustmark features and barriers these address

Trustmark features	Barrier(s) addressed
SSL certification	C7 (Lack of confidence) partly C8 (Fear of fraud: Security threats of payments) partly R12 (Risk of fraud and non-payment) partly
Regulatory basis/ compliance of online shop to (EU and/or national) regulatory basis	C6 (Uncertainty about their rights as consumers) C7 (Lack of confidence) partly
Transparency of information concerning products placement on website, provision of prices including specification of shipping costs or taxes, comprehensive description payment procedures, comprehensive description consumer rights, etc.	C2 (Lack of information (e.g. on how to perform cross-border transactions, products availability, etc)) C3 (Delivery times). Stock management verification can help in assessing delivery times. Partly C4 (Extra charges (uncertainty in pricing in cross-border purchase, e.g. additional charges applied to credit cards, customs duties, etc)) C6 (Uncertainty about their rights as consumers) C7 (Lack of confidence) partly
Privacy protection certifying that merchants adhere to standards with regard to assurance for safety of data, privacy rules, and management of personal data	C7 (Lack of confidence) partly C9 (Fear of fraud: Misuse of personal data)
Dispute resolution system (DRS)	C7 (Lack of confidence) partly C12 (Resolution, complaints handling, and redress)
Money back guarantee	C7 (Lack of confidence) partly C12 (Resolution, complaints handling, and redress)
Consumer rating	C7 (Lack of confidence) partly C11 (Unknown webshops) R4 (Search and advertisement) partly R13 (Lack of branding) partly
Publishing revocation	C7 (Lack of confidence) partly C11 (Unknown webshops) partly
Accreditation of trustmark organizations (TMOs) by third parties	C7 (Lack of confidence) partly

Table 2.10: Trustmark certification steps and barriers these address

Trustmark certification step	Barrier(s) addressed
Certification administrative validity of online shop: 1.Verification of the existence and registration of an online retailer by administrative check (country of incorporation, VAT number, company register, bankruptcy register, etc); 2. Verification of its physical existence by physical check (address, fixed phone line, etc).	C7 (Lack of confidence) partly C10 (Inability to locate trader location) C11 (Unknown webshop) R4 (Search and advertisement) partly R13 (Lack of branding) partly
Legal check of sales regulation; check of compliance of an online shop to the (EU and/or national) regulatory basis.	C2 (Lack of information, e.g. on how to perform cross-border transactions, products availability, etc) partly C6 (Uncertainty about their rights as consumers) C7 (Lack of confidence) partly R8 (Fragmentation of consumer protection regulation) partly R9 (Fragmentation of VAT regulation) partly R10 (Fragmentation of copyright regulation) partly R11 (Fragmentation of electric waste disposal regulation) partly
Check information transparency, e.g. products placement on website, provision of prices including specification of shipping costs or taxes, comprehensive description payment procedures, comprehensive description consumer rights, etc.	C2 (Lack of information (e.g. on how to perform cross-border transactions, products availability, etc) C3 (Delivery times). Partly. Stock management verification can help in assessing delivery times. C4 (Extra charges (uncertainty in pricing in cross-border purchase, e.g. additional charges applied to credit cards, customs duties, etc) C6 (Uncertainty about their rights as consumers) C7 (Lack of confidence) partly
Check privacy rules certifying that merchants adhere to standards with regard to assurance for safety of data, privacy rules, and management of personal data	C7 (Lack of confidence) partly C9 (Fear of fraud: Misuse of personal data)
Check redress procedures. This certification step deals with the recovery procedure for stage after sales/delivery and prior to conflict. It comprises remedy for faulty or damaged goods free of charge for the customer.	C7 (Lack of confidence) partly C12 (Resolution, complaints handling, and redress)
Test order/Mystery shopping, simulated purchase process.	C7 (Lack of confidence) partly
Physical company on-site visit and audit	C7 (Lack of confidence) partly
Interim (review) certification/audit according to established quality criteria that include conformity with the law, user convenience, and security of web	C7 (Lack of confidence) partly C11 (Unknown webshop) partly R13 (Lack of branding) partly

Trustmark certification step	Barrier(s) addressed
functionalities.	
Trustmark certification carried out by a third party to who the trustmark organisation hands a set of information.	C7 (Lack of confidence) partly C11 (Unknown webshop) partly R13 (Lack of branding) partly

Table 2.11: Trustmark clusters and barriers these address

Trustmark cluster	Barrier(s) addressed
Cluster A: Trustmarks focusing merely on privacy	C7 (Lack of confidence) partly C9 (Fear of fraud: Misuse of personal data) R13 (Lack of branding) party
Cluster B: Technically oriented trustmarks	C7 (Lack of confidence) partly C8 (Fear of fraud: Security threats of payments) partly R12 (Risk of fraud and non-payment) partly
Cluster C: Trustmarks merely looking at "documents" and at the results of registry enquiries (simple online business certification)	C7 (Lack of confidence) partly C10 (Inability to locate trader location) C11 (Unknown webshop) R4 (Search and advertisement) partly R13 (Lack of branding) party
Cluster D: Trustmarks undertaking a comprehensive business model certification, including a DRS	C2 (Lack of information (e.g. on how to perform cross-border transactions, products availability, etc) partly C4 (Extra charges (uncertainty in pricing in cross-border purchase, e.g. additional charges applied to credit cards, customs duties, etc) partly C7 (Lack of confidence) partly C12 (Resolution, complaints handling, and redress R13 (Lack of branding) party
Cluster E: Cluster D services plus publishing revocation	C2 (Lack of information (e.g. on how to perform cross-border transactions, products availability, etc) partly C4 (Extra charges (uncertainty in pricing in cross-border purchase, e.g. additional charges applied to credit cards, customs duties, etc) partly C7 (Lack of confidence) partly C11 (Unknown webshop) partly C12 (Resolution, complaints handling, and redress R13 (Lack of branding) party
Cluster F: Cluster D services plus money back guarantee	C2 (Lack of information (e.g. on how to perform cross-border transactions, products availability, etc) partly C4 (Extra charges (uncertainty in pricing in cross-border purchase, e.g. additional charges applied

Trustmark cluster	Barrier(s) addressed
	to credit cards, customs duties, etc) partly C7 (Lack of confidence) partly C12 (Resolution, complaints handling, and redress R13 (Lack of branding) party
Cluster G: Cluster D services plus consumer ratings	C2 (Lack of information (e.g. on how to perform cross-border transactions, products availability, etc) partly C4 (Extra charges (uncertainty in pricing in cross-border purchase, e.g. additional charges applied to credit cards, customs duties, etc) partly C7 (Lack of confidence) partly C11 (Unknown webshop) C12 (Resolution, complaints handling, and redress R4 (Search and advertisement) partly R13 (Lack of branding) partly
Cluster H : Cluster D services, and being officially certified by a third party	C2 (Lack of information (e.g. on how to perform cross-border transactions, products availability, etc) partly C4 (Extra charges (uncertainty in pricing in cross-border purchase, e.g. additional charges applied to credit cards, customs duties, etc) partly C7 (Lack of confidence) partly C12 (Resolution, complaints handling, and redress R13 (Lack of branding) partly

2.6.3 Addressed, partly addressed, and unaddressed barriers

The barriers that **can** be addressed by the features, certification steps, and clusters of trustmarks are:

- **C2 (Lack of information),** and **C4 (Uncertainty in pricing in cross-border purchase, e.g. additional charges applied to credit cards, customs duties, etc.):** The trustmark features "Transparency of information concerning products placement on website, provision of prices including specification of shipping costs or taxes, comprehensive description payment procedures, comprehensive description consumer rights, etc.", and the certification step "Legal check of sales regulation; check of compliance of an online shop to the (EU and/or national) regulatory basis", and trustmark clusters D, E, F, G, and H address this barrier. Here there might be scope for the action on trustmarks. The keywords are 'best practices' and 'awareness raising'. The EC could elaborate a set of best practices, promote their awareness, and maybe "certify" the trustmarks which adhere to it. These (and the following) policy conclusions will be presented and concluded in the trustmark policy workshop to be conducted on 20.9.2012.
- **C9 (Fear of fraud: misuse of personal data).** The barrier is partly addressed by trustmark feature "Privacy protection certifying that merchants adhere to standards with regard to assurance for safety of data, privacy rules, and management of personal

data, by certification step "Check privacy rules certifying that merchants adhere to standards with regard to assurance for safety of data, privacy rules, and management of personal data", and by trustmark Cluster A. There is a scope for trustmarks here, diffusing and certifying best practices and codes of conduct and raising awareness.

- **C10 (Inability to locate trader location)** is addressed by the certification step "Certification administrative validity of online shop: 1. Verification of the existence and registration of an online retailer by administrative check (country of incorporation, VAT number, company register, bankruptcy register, etc); 2. Verification of its physical existence by physical check (address, fixed phone line, etc).", and by trustmark cluster C.
- **C11 (Unknown webshops)** is addressed by the trustmark features "consumer rating" and "publishing revocation", by the certification steps "Certification administrative validity of online shop: 1. Verification of the existence and registration of an online retailer by administrative check (country of incorporation, VAT number, company register, bankruptcy register, etc); 2. Verification of its physical existence by physical check (address, fixed phone line, etc).", "Interim (review) certification/audit according to established quality criteria that include conformity with the law, user convenience, and security of web functionalities", and "trustmark certification carried out by a third party to who the trustmark organisation hands a set of information" and by trustmark clusters C, E, and G.

There are some barriers that are only partly influenced by the features, certification steps, and clusters of trustmarks. They are presented here as some give rise to discussing a wider role of trustmarks as raising awareness, facilitating communication, and sharing best practices. In any event all the barriers that can be addressed by trustmark features, certification steps, and clusters (see above) can be additionally fuelled by diffusing and certifying best practices and codes of conduct and raising awareness. Also some of these barriers give rise to discussing the role of the European Commission in overcoming these. The barriers in which the features, certification steps, and clusters of trustmarks have a **limited scope** in are:

- **C3 (Delivery times).** This barrier is partly addressed by the trustmark feature "Transparency of information concerning products placement on website, provision of prices including specification of shipping costs or taxes, comprehensive description payment procedures, comprehensive description consumer rights, etc.", and by the certification step "Legal check of sales regulation"**.** Trustmarks have a limited scope here, except that their code of conduct could cater for customer communications. Also they can have a limited role in stock management verification. Again, this falls into the domain of awareness, communication and best practices.
- **C6 (Uncertainty about their rights as consumers).** The barrier is partly addressed by the trustmark features "Regulatory basis/ compliance of online shop to (EU and/or national) regulatory basis", and by the certification steps "Legal check of sales regulation; check of compliance of an online shop to the (EU and/or national) regulatory basis.", and "Check information transparency, e.g. products placement on website, provision of prices including specification of shipping costs or taxes, comprehensive description payment procedures, comprehensive description consumer rights, etc". The "hard" regulations are no matter trustmarks can directly influence. And the regulatory fragmentation of the EU is a fact: Even if there is EU law the main burden of law enforcement is national. Again, the DRS can be promoted, as well as best practices in customer relations. Trustmarks can play a role in mediating between the

two parties. Trustmarks can help clarifying the rights and duties and assistance of the consumer. European consumer organizations can cooperate in providing information, by building good practices and by spreading awareness.

- **C7 (Lack of confidence).** To some degree all trustmark features, certification steps, and clusters contribute partly to addressing this barrier. Not a single aspect will fully address this barrier. Instead, an integrated approach of awareness, integration with other elements of the "trust chain" [the warranties of payment systems] would be a solution. There is scope for trustmarks and for a Community intervention. It may be noted that dispute resolution (see also C12) is a major advantage of trustmarks. This is the focus of best practices, certification and awareness raising, and it is a major advantage in overcoming lack of confidence.
- **C8 (Fear of fraud: security payment).** The barrier is to some degree addressed by trustmark feature "SSL certification", and by trustmark cluster B. There is a scope for trustmarks here, diffusing and certifying best practices and codes of conduct and raising awareness.
- **C12 (Resolutions, complaints handling, and redress).** The barrier is partly addressed by trustmark features "Dispute resolution system (DRS)", and "Money back guarantee", and by the certification step "Check redress procedures", and by trustmark clusters D, E, F, G, and H. This certification step "Check redress procedures" deals with the recovery procedure for stage after sales/delivery and prior to conflict. It comprises remedy for faulty or damaged goods free of charge for the customer. Again, neither the trustmark providers nor the EU can enforce "hard" regulatory measures without following the traditional claims before court, which are too cumbersome and expensive and we do want to avoid here in favour of soft measures (<u>trustmarks are a soft measure</u>). Here we have another case for best practice building and certification and for awareness raising. There might be room to develop best practices for a [certified] DRS.
- **R2 (cross-border payments), R3 (cross-border logistics).** No scope for trustmarks. There is only a very limited potential for action in respect to merchant-customer communication and thus best practices, certification and awareness.
- **R4 (search and advertisement)** This is a real problem addressing the correlation of "physical" market presence and the trailing effect on the web presence. Here small players (merchants) could benefit from trustmarks to build credibility, but in any case a market presence is necessary and needs to be rooted solidly somewhere. To some degree the barrier is partly addressed by trustmark feature "Consumer rating", by the certification step "Certification administrative validity of online shop: 1. Verification of the existence and registration of an online retailer by administrative check (country of incorporation, VAT number, company register, bankruptcy register, etc); 2. Verification of its physical existence by physical check (address, fixed phone line, etc)" and by trustmark clusters C and G.
- **R8 (Fragmentation of consumer protection regulations), R9 (Fragmentation of VAT regulations), R10 (Fragmentation of copyright regulations), R11 (Fragmentation of electric waste disposal regulation).** As mentioned, trustmarks are a "soft" measure. It is not their nature to engage in "hard measures". The introduction and enforcement of consumer protection laws is complex and most of all a "hard" measure. Harmonization of legislation across EU Member States: Insofar, only a common simplified claim procedure can be introduced and brought in front of court; This is a hard measure and outside the scope of trustmarks policy.

- **R12 (Risk of fraud and non-payment).** The barrier is to some degree addressed by trustmark feature "SSL certification" and by trustmark B. Yes, trustmarks as "soft" measures can be successful here. Best practices, communication and awareness. Communication of trustmarks as a trust factor can be a key solution, once the best-practices are gotten right.
- **R13 (Lack of branding).** Branding of retailers is an enabler of eCommerce. It is related to consumer trust. Large and well-known businesses often do not require extra measures to boost consumer's trust. They benefit from the popularity or fame of their brand, much more than the relatively unknown SMEs. A brand increases the trust in eCommerce. One of the ways SMEs can build trust in their eCommerce activities is by using trustmarks. The purpose of trustmarks is to show consumers that a website has been accredited by a trustmark provider and found to be safe to use. Trustmarks may thereby increase trust of a person in a (online) shop/retailer by persuading an individual that the retailer will behave as expected.[9] Trustmarks thus also represent a type of branding. Therefore, their use is especially important for SMEs, as these are often not a well-known brand on their own but require extra measures to attract customers. The barrier R13 is addressed to some degree by the trustmark feature "consumer rating", by the certification steps "Certification administrative validity of online shop: 1. Verification of the existence and registration of an online retailer by administrative check (country of incorporation, VAT number, company register, bankruptcy register, etc); 2. Verification of its physical existence by physical check (address, fixed phone line, etc).", "Interim (review) certification/audit according to established quality criteria that include conformity with the law, user convenience, and security of web functionalities", or "trustmark certification carried out by a third party to who the trustmark organisation hands a set of information", and by all trustmark clusters.

There are some barriers which remain unaffected by the features, certification steps, and clusters of trustmarks. The barriers that the features, certification steps, and clusters of trustmarks **cannot** address are:

- **C1: (Lack of foreign language skills), R1: (language).** Trustmarks can offer no solutions to this barrier. They themselves are a "victim" of language barriers. According to some, language barriers will be overcome through a generational cultural change
- **C5. (Environmental issues); R5 (Costs for developing and maintaining a website); R6 (Lack of IT skills), R 7 (Higher administrative costs due to different legislations and regulations across the EU**). These are **completely** out of the scope of trustmarks.

2.7 Conclusions

Our study reveals a trustmark landscape with heterogeneous features and certification patterns. In chapter 2.2 a clustering of trustmarks into eight trustmark clusters is undertaken to aggregate each trustmark by means of their features and certification steps. As previously stated the trustmarks have very differentiated features, so the classification in one or the other

[9] Palmer, J., Bailey, J., Faraj, S. (2000) The role of intermediaries in the development of trust on the WWW: The use and prominence of trusted third parties and privacy statements. *Journal of Computer Mediated Communication*. 5; McKnight, D.H., Kacmar, C.J., Choudhury, V. (2010) Shifting Factors and the ineffectiveness of Third Party assurance seals: A two-stage model of initial trust in a web business. *Electronic Markets, 14(3)*, pp. 252-266.

cluster might not be unambiguous. The attribution to one or the other cluster therefore merely serves the general policy design purpose rather than intend to make a definite judgement.

The trustmark clusters reveal two macro-categories: the 'single issue' trustmarks (presented by the privacy trustmark, or the technically oriented trustmarks), and the traditional 'all-round' trustmarks. The latter is divided into six categories with various levels in complexity of the certification process and with various service propositions to online shop customers.

We attempt to assess the 'pros' and 'cons' of each trustmark scheme in relation to trust in eCommerce. It is generally acknowledged that many different factors determine the impact on on-line sales. It is nearly impossible to establish the difference between sales generated with and without a trustmark in place. However, we estimate the weight of trustmark clusters in respect to their importance to the online sales process, evaluating its contribution to trust-building and to supporting cross-border eCommerce by how they incite the highest propensity to spending on subscription fees, and which attract the most subscribers.

As described in chapter 2.5.1, the trustmark clusters that have attracted most subscribers are trustmark clusters B, C and D. Chapter 2.5.2 suggests that the most expensive trustmark clusters are clusters A, F and H. Chapter 2.6.2 describes which barriers to cross-border eCommerce the various clusters address. Some barriers are addressed by most trustmark cluster so it is difficult to link the effect of individual cluster characteristics to overcoming trust barriers. However some clusters focus on addressing issues other clusters do either not address or do so to a lesser degree. These barriers are presented in table 2.12. These features and certification steps are particularly important in contributing to trust-building and to supporting cross-border online trade.

Table 2.12: Unique barriers addressed by trustmarks attracting above average subscribers, and by trustmarks inciting propensity to pay above average subscription fees

Trustmark cluster	Barrier addressed more or cheaper than by other clusters	Feature/ certification step addressing said barrier
B	C8 Fear of fraud: Security threats of payments	SSL, W3C, hacker testing etc (partly addressing barrier)
C	C10 Inability to locate trader location	Administrative validity of an online shop
D	C12 Resolution, complaints handling, and redress	Dispute Resolution System (DRS)
A	C9 Fear of fraud: Misuse of personal data	Privacy protection verification
F	C7 Lack of confidence	Money back guarantee (partly addressing barrier)
H	C7 Lack of confidence	Third party certification (partly addressing barrier)

3 Other business models and (offline) labelling schemes

This section describes a number of other business models for trustmarks, such as Google's Trusted Store, and compares a few offline labelling schemes. Based on these alternative labelling schemes, lessons can be learned for trustmarks.

3.1 Google's Trusted Stores

The Google Trusted Stores service, which will be branded differently in Europe, is a free trust service which can be placed in a cluster completely on its own, even if it offers a dispute resolution system and a money back guarantee with the direct liability of the trust service itself, through an insurance approach. More details on how this scheme operates are provided in Annex 2.

To a certain extent Google Trusted Store belongs to Cluster F of the eight clusters undertaking comprehensive business model certification and offering "money back guarantee" service and in supercluster 4. The difference is that instead of undertaking a comprehensive business model certification, Google adopts a "proxy" certification based on the measurement of two variables: the respect of stated delivery times and the limited access to the Google dispute resolution system.

The adherence to the rules and code of conduct is basically on self-certification. Google does not specify which controls and checks will be carried out. Most likely the solidity and fairness of the shop is in the end bound to the proxy indicator of delivery performance and to the measurement of a reasonably large transaction base. It is very important to emphasize that all the sales regulations are set out by the trader itself and self-certified. Also in respect to technical aspects the trader commits to the use of secure channels (SSL certificates) and self-certifies this. Google's liability is capped at 1.000 USD, which is not a low amount considering the average online spending.

This type of operation is different from trustmarks although similarly focusing on the certification of the business model. In the end there is no direct relationship between Google Trusted Stores and the stores themselves. This trust relationship is based on proxy indicators measuring delivery performance and the main trust factor provided by Google is the capability to carry out accurate and non-failing performance measurements on the two proxy variables. In general the Trusted Stores service builds on the fame and knowledge of Google. The trust service marketing channel is the web itself, different from most other business model trustmarks, which take the route from the physical shop.

3.2 Off-line labelling schemes

3.2.1 Illustrative examples and lessons learned from offline labelling schemes

To provide input for the policy options for trustmarks, this study looks into a number of offline trustmarks and labelling schemes in other areas than eCommerce and formulates lessons learned. It investigates well-developed offline schemes to see whether their set-up can be transposed to online trustmarks for eCommerce. Especially, it looks into the EU involvement to find what such a stakeholder platform could look like. By comparing the features of and EU involvement in online labelling schemes, lessons learned are formulated for online trustmarks.

This study first selected offline labelling schemes that can be used to draw lessons for setting up a stakeholder platform. Searching for suitable offline labelling schemes, a full list of EU supported labels was found.[10] From this list five different trustmark schemes were selected based on their differences in labelling features, and based on different levels of EU involvement.

Secondly, using desk research, a standardized profile of the selected labelling schemes was created, describing their relevant characteristics. To allow for comparison, the template for this profile was based on the template created for the online trustmark study.

[10] http://europa.eu/legislation_summaries/consumers/product_labelling_and_packaging/index_en.htm.

Thirdly, the labelling schemes were compared based on a number of relevant characteristics:

- How do they operate; which services and features do they have? What are the certification criteria? How do they perform the certification?
- How the EU level is involved: how does the EU level regulate across 27 member states? Which features and services does a European platform have?

And finally, lessons learned from the offline labelling schemes for online trustmarks were formulated.

3.2.2 Comparison of offline labelling schemes

Five offline labelling schemes were investigated using desk research: the EU Ecolabel and EU Energylabel for household appliances, the Fairtrade label, the MCS fisheries label, and the EU Quality Food Schemes. The profiles of the labelling schemes are shown in Annex 3.

3.2.2.1 Overview of offline labelling schemes used in this study

Table 3.1: Overview of offline labelling schemes compared in this study

Name	Scope	URL	Logo(s)
Ecolabel	Wide range of non-food and non-medical products	http://ec.europa.eu/ environment/ecolabel/	EU Ecolabel www.ecolabel.eu

Energylabel of household appliances	Domestic household products	http://www.newenergylabel.com/index.php/uk/home/	
Fair Trade label	Mostly food products originating in third world countries	http://www.fairtrade.org.uk/ http://www.flo-cert.net/flo-cert/	
MSC fisheries	Fisheries	http://www.msc.org	
Quality Food Schemes	Agricultural products and foodstuff with a strong link to a region, a specific production process, or local ingredient		

3.2.2.2 Operational characteristics of the labelling schemes

The labelling schemes that were investigated are all well-developed schemes with a large number of subscribers. As the full profiles collected for the labelling schemes are shown in Annex 3, in table 3.2 and 3.3 the most important operational features and aspects of EU involvement are summarized.

Table 3.2: Operational features and certification criteria of the offline labelling schemes

Name	Features of the label	Certification criteria	Certification process
Ecolabel	Voluntary label. Certification and compliance monitory by an agency appointed by the member states.	Environmental criteria are defined based on EU environmental and ethical objectives (see profile information for the list of objectives).	Within each member state a certification body is appointed that can provide producers with the licence to run the ecolabel. Compliance to the objectives set is monitored.
Energylabel of household appliances	Mandatory label to be carried by all household appliances.	Level of energy consumption of the product, set for every product group separately by the European Union.	The Energylabel is essentially a system of self-certification by producers and self-declaration by providing the energylabel to consumers buying the producs covered by the scheme. Third party verification by agencies appointed this task in all member states. (Member states' verification is

			mandatory.)
Fairtrade label	Products that are made of a sufficient level of certified materials, can carry the logo. Producers are visited regularly and supported to meet the requirements. If they are unable to pay for the certification costs, these can be reimbursed.	The fairtrade logo is awarded to producers that meet agreed environmental, labour and developmental standards (see profile for specific standards). Products that use at least 20% of certified materials are allowed to carry the fairtrade logo.	Independent standard-setting organization. Independent (third party) certification of producers and importers of products.
MSC fisheries	Code of conduct on sustainable fishing. Third party certification of fisheries, suppliers, restaurants, and fish and chips shops. Certifiers are accredited by Accreditation Services International GmbH (ASI).	Producing sustainable fish or buying fish from certified fisheries, based on: - The United Nations FAO guidelines for fisheries certification. - The ISEAL Code of Good Practice for Setting Social and Environmental Standards.	A third party certification organization that is certified by the MSC organization performs the check whether the fish is produced in a sufficiently sustainable manner. The MSC label is valid for three years.
Quality Food Schemes	Branding of locally oriented or traditional food products. Registered products or foodstuffs are protected against misuse.	Criteria related to the local orientation, original ingredient, or traditional production method.	Within each member state a certification body is appointed that determines whether a group of producers is eligible to apply for the logos. This decision is then forwarded by the European Commission who decides whether the product can be registered.

Table 3.3: EU involvement in the labelling schemes

Name	EU legislation	Operational involvement
Ecolabel	Part of a broader EU Action Plan on Sustainable Consumption and Production and Sustainable Industrial Policy adopted by the European Commission on 16	Active involvement and set up of the label. Daily operations are carried out by agencies appointed in the 27 member states.

	July 2008, COM(2008) 397.	
Energylabel of household appliances	The implementation of energy labels is defined in the EU energy labelling framework directive, and in the general "market surveillance" regulation 765/2008/EC, which makes verification by the member states mandatory.	The European Union sets the categorization of the energylabels, according to the specifics of the product category. Daily operations are carried out by agencies appointed in the 27 member states.
Fairtrade label	While the Fairtrade label is independent from the EU, the EU supports fairtrade by a long list of directives, among which: - European Parliament and Council Directive 2000/36/EC that suggests promoting Fair Trade - Resolution on Fair Trade (OJ C 226/73, 20.07.1998) - Communication from the Commission to the Council on Fair Trade COM(1999) 619 final, 29.11.1999.	No involvement.
MSC fisheries	No involvement. MSC is based on FAO (part of the UN) directives. Discussion has been going on the involvement of the EU in the labelling scheme.[11]	No involvement. A debate within the European Commission has led to the decision to create a list of minimum requirements that to which fishery logos should adhere. This is still being implemented.[12]
Quality Food Schemes	Set up as part of the CAP, it was founded by EC Regulation No 1791/2006.	This scheme is effectively run by the European Commission in collaboration with the member states. Groups of producers apply for these schemes at the member state level. The agencies appointed at that level process the request and send it to the European Commission for approval. Only if it is not opposed and approved by the European Commission, it obtains the label. Non-EU member state producers directly apply for it at the European Commission.

3.2.3 Lessons learned from the offline labelling schemes

The purpose of this analysis of offline labelling schemes was to provide input for the development of a stakeholder platform for online trustmarks by the European Commission by

[11] http://europa.eu/legislation_summaries/consumers/product_labelling_and_packaging/l66027_en.htm.
[12] http://europa.eu/legislation_summaries/consumers/product_labelling_and_packaging/l66027_en.htm.

learning from how such a stakeholder platform has worked for the set-up of these offline labelling schemes. Lessons learned can be formulated in two categories: the set-up of the certification scheme, and the involvement of the European Commission.

3.2.3.1 Lessons learned from the certification schemes of offline labels

A few things can be noted when looking at the certification schemes of the offline label:

1. Three of the five labelling schemes have been set up by the European Commission, in a similar manner to the set-up of the Webtrader scheme for webshops a decade ago.
2. To implement these schemes set up by the European Commission, national certification bodies were appointed to carry out the certification and auditing of the labelled subjects.
3. The commercially owned labelling schemes, such as the fairtrade and fisheries schemes, make use of third party certification. The trustmark providers accredit these certifiers and check whether their practices are independent enough. These certifying organizations need to balance between being strict enough in order to ensure that the certification is performed correctly and being not too strict to attract enough customers (fisheries or suppliers of fairtrade products).
4. The fairtrade logo and fisheries label are, contrary to the other labelling schemes, bottom-up initiatives that are commercially run. To obtain these logos, businesses need to make a large investment. These investments need to be worth it in terms of marketing, meaning that they can ask a higher price for their products. This is in contrast with the Energylabel which is set up to raise awareness among consumers and therefore made mandatory for producers.

3.2.3.2 Lessons learned from the involvement of the European Commission

From the investigation into offline trustmarks it becomes clear that the European Commission can be involved in multiple ways:

1. By setting up the scheme and subsequently leaving it to the member states to run these labeling schemes (Ecolabel, Energylabel, and Quality Food Schemes). The degree of involvement of the European Commission differs, as for example the Quality Food Schemes are partly run by the Commission and the final decision is made on the EU level. For the other two labeling schemes, the criteria (on an abstract) are set by the European Commission, but the implementation and the certification and auditing based on these criteria is left to the member states. This results in operational differences between how the schemes are run between the member states.
2. By creating directives supporting the scheme or even making the scheme legally binding (Ecolabel, Energylabel, Fairtrade logo, and Quality Food Schemes). Two different ways of involvement can be discerned. On the one hand, for the schemes that are set up by the Commission a directive usually forms that basis on which the scheme is run. On the other hand, for the fairtrade and fisheries schemes, which were set up commercially, the European Commission has either supported it through their directives, or has looked into ways to support such a scheme. A successful commercially run labeling scheme can thus be 'endorsed' by the European Commission.
3. By facilitating discussion (MSC fisheries logo). There is a lot of discussion what constitutes a good fisheries logo. Furthermore, fish is a truly world-wide resources for which the European level may not be the optimal level of involvement. The MSC logo

was originally set up commercially, but it is underpinned by the United Nations. The European Commission has investigated whether they should become involved and have facilitated the discussion what constitutes a good fisheries logo.

4 Assessment of trustmarks

Trustmarks aim to assure consumers that a particular site or online seller has been validated by a trustmark provider and found to be transparent and clear to use, proposing fair contractual terms, aiding a smooth purchase process, favouring and supporting smooth and clear relationships between consumer and webshop, and/or safe to use for payments and protection of personal data. Trustmarks are thus set up to increase consumers' trust in (cross-border) eCommerce. To date, a wide variety of online trustmarks related to eCommerce exist. They vary in scope, business model, quality, and enforcement. They are represented by a seal or mark which is displayed on the webshop.

To understand the role and scope of trustmarks for (cross-border) eCommerce, it is important to obtain a fact-based understanding of the point of view of the main trustmarks stakeholder groups on the kind of policy options they would prefer, as well as on the Trustmarks Stakeholder Platform indicated by the Digital Agenda for Europe.

For this purpose we have organised and structured three stakeholder surveys, for

- Consumers
- Online merchants and traders
- Trustmarks organisations.

At this stage we have refrained from doing a specific interpretation of the results, which will be done in the forthcoming focus group workshop and then elaborated and presented in the final report of the study.

4.1 Respondents

Several questions address specific concerns of stakeholders, who might be relying on a (cross-border) trustmark to take advantage of online goods and services supplies. Stakeholders were also asked to provide input on a number of policies and actions which could be put in place by the European Commission. The outcomes of the surveys reflect the uncertainty and non-determination of the trustmarks sector, but there are also important "weak" signals which point into specific directions when it comes to shaping the policies and concrete actions in relation to trustmarks.

To carry out this assessment and validation exercise we have developed three different questionnaires aimed at

1) Consumer associations in Europe, in North America and in Asia
2) Trader Associations in the same geographical areas
3) The trustmarks organisations which already participated in the in-depth investigation in task 2 of the present study.

The rationale for addressing associations – and not individual consumers or traders – was rooted in the fact that a representative sample of traders and consumers would have required a sample of several thousands to enable a representative coverage. Addressing associations in this study was more compatible with its scope while it allows for a good representation of the stakeholders' viewpoints.

For the three survey panels the team has tried to identify relevant individual respondents by name. This was very useful for the web-survey technique which was adopted, giving each respondent or each responding organisation a unique identifier, user ID and password.

The comprehensive sample included

a) 71 trader organisations, i.e.: those who are interested in subscribing to trustmarks to support their eCommerce activities, also cross-border. Trader associations are very interested in eCommerce and often take concrete actions to study the eCommerce success factors, and to support their subscribers in successful online trade. Many trader associations are also promoters of trustmarks.
b) 96 consumer associations. Consumers are those subjects which can rely on a trustmark and on its trust-building and assurance services for smooth and secure eCommerce, also on cross-border basis. Consumer associations are active in the assessment and regulation of eCommerce and cross-border eCommerce. They have a stake in the secure setup of online commerce, making sure that individual can safely and satisfactorily purchase on-line.
c) 23 trustmark organisations. The present study has investigated about 60 trustmarks all over the world, selected according to those more "mature" and active. About one third of these trustmarks was involved in a set of in-depth interviews. The same trustmarks organisations have been involved in providing input to the main indications on the possible EU cross-border trustmarks policy setup.

The questionnaires were filled out under the condition of anonymity of respondents and the results are provided only in aggregated form.

The survey results showed quite a vast array of positions, opinions and options for the way forward. In some cases the points of views of respondents from the same category can be located on opposite positions.

Only in a few cases there is a clear concentration of positions of stakeholders. The uncertainty in the area, and in particular in respect to the cross-border dimensions of trustmarks and eCommerce, the multiplicity of actors and activities explain the variability of positions.

Most responses provide so called "weak signals" on the positions of stakeholders and on their preferences in respect to trustmark-related policy making.

4.2 Assessment surveys

The positions of these stakeholders are important to reach a shared understanding of the relationship between the

- Trustmarks features and requirements (trust-building requirements for the online traders);
- The interaction between trustmarks and eCommerce, and cross-border eCommerce
- The role of the European Commission and the EU institutions and policy actions to be adopted
- A set of policy-making approaches for the implementation of the provisions of the Digital Agenda for Europe and in particular to establish the Trustmarks Stakeholder Platform.

The stakeholder trustmarks assessment is based on three questionnaires that are included in Annex 4.

4.2.1 Set-up

The assessment questionnaires were designed on the basis of the investigations and analyses undertaken task 1, 2 and 3 of the study.

The questionnaires were designed on the basis of:

1) The trust-building features identified in task 2 (the inventory) and in task 3;
2) Possible policy options worked out of the initial interviews carried out in task 2 and task3;
3) And an on-going discussion with stakeholders, also during the Digital Agenda Assembly.

These questionnaires covered a set of investigation and assessment areas:

1) A general assessment of the perception of trustmarks, of their trust value and their relationship with (cross-border) eCommerce.
2) The assessment of the importance of trust-building features
3) Trustmarks and the construction of the trust relationship between traders and consumers
4) The institutional setup of trustmarks, in respect to the promoting body: Government body, non-profit organisation, industry association, private company
5) The market model of trustmarks: subscription fee, coverage, guarantees provided, etc.
6) The regulatory setup of trustmarks, in terms of the
7) The trustmarks' trust-building capabilities and their impact on cross-border eCommerce
8) European policy-setting, European Commission interventions, regulatory areas and references
9) Practical steps towards a European trustmark or trustmark framework
10) Proposals for the functioning of a EU stakeholder platform.

The three questionnaires had

a) Sections tailored to the specific characteristics of respondents
b) General sections, which addressed all respondents.

4.2.2 The scales

The questions in the survey were designed with four different types of measurement approaches in mind:

- The first is a plain count of answers, the easiest way to collect opinions on a certain phenomenon. In this case the respondents had to select one answer among different options, and the responses were counted;
- The second, aiming at measuring the responses along a Likert scale, from 1 to 5. The qualification of the scale was for example 1) very low level of trust, 2) low level of trust, 3) neutral in respect to trust, 4) high level of trust, 5) very high level of trust. The central value was deliberately introduced to provide the option of a neutral judgement.
- The third, requiring the definition of the relative value of each response item in relation to the other. Each respondent could indicate his or her preferred ranking of features.
- The fourth was a plain yes/no question.

Open questions were deliberately avoided, due to the difficulty of producing significant statements out of very heterogeneous answers, without the possibility to clarify them (as in an interview).

The emphasis of this interim report is on showing the outcomes of the three surveys. The questionnaires have investigated multifaceted issues with complex questions and the representation of the responses is correspondingly articulated. We have therefore decided to construct a number of three-dimensional charts, which are capable to show certain trends and concentrations. The charts are combined with their tables. For each question we have proposed a set of highlights that are the basis for the identification of 'hot issues'.

4.3 The Online Survey and the process

The questionnaires were translated into electronic format and presented as online questionnaires to facilitate compilation, data extraction and processing.

The questionnaires were proposed on-line to prospective respondents. The questionnaires were hosted on a platform by Intrasoft International and were reachable under the URL: http://rndw.intrasoft-intl.com/trustmarks/um/login.php.

The test accounts were the following:

Username	Password	Survey
rmtest	1	TRADER
tmotest	2	TMO
cotest	3	CONSUMER

The survey process was planned backwards to comply with the deadline of the 20.9.2012 for the expert validation panel to be carried out in Brussels and gathering a set of experts of the domain of trustmarks.

The timing was particularly critical due to the holiday period.

The process was articulated as follows

1) Initial phone calls to survey targets to identify respondents and their emails
2) Mailing out of preparatory request letters including the EC endorsement letter
3) The first set of questionnaires were mailed out on 24.7.2012 together with the EC endorsement letter
4) The second set of questionnaires were mailed out in the first ten days of August
5) The follow-ups were made by email on
    a. 6.8.2012
    b. 8.8.2012
    c. 16.8.2012
    d. 23.8.2012
    e. 27.8.2012
6) The final phone follow up was made on 27 and 28.8.2012

4.4 Response rate

Of the 190 invitations that assumingly arrived at their destination, we have received in total 75 replies before the closing date, which is a response rate of almost 40%. In detail the response rate per survey is presented in the table below.

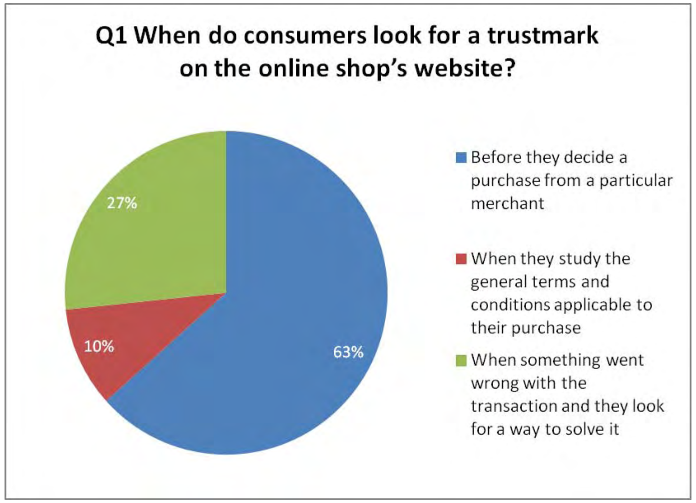
Table 4.1: Response rates to the surveys

Survey	Responses	Sample	Response Rate
Trader Associations	23	71	**32,4%**
Consumer Associations	33	96	**34,4%**
Trustmarks organisations	19	23	**82,6%**

4.5 Assessments of consumer organizations

This section discusses the results of the survey held among consumer associations. Per question, the results are discussed.

4.5.1 Q1: Consumers' awareness of trustmarks in the overall sales process

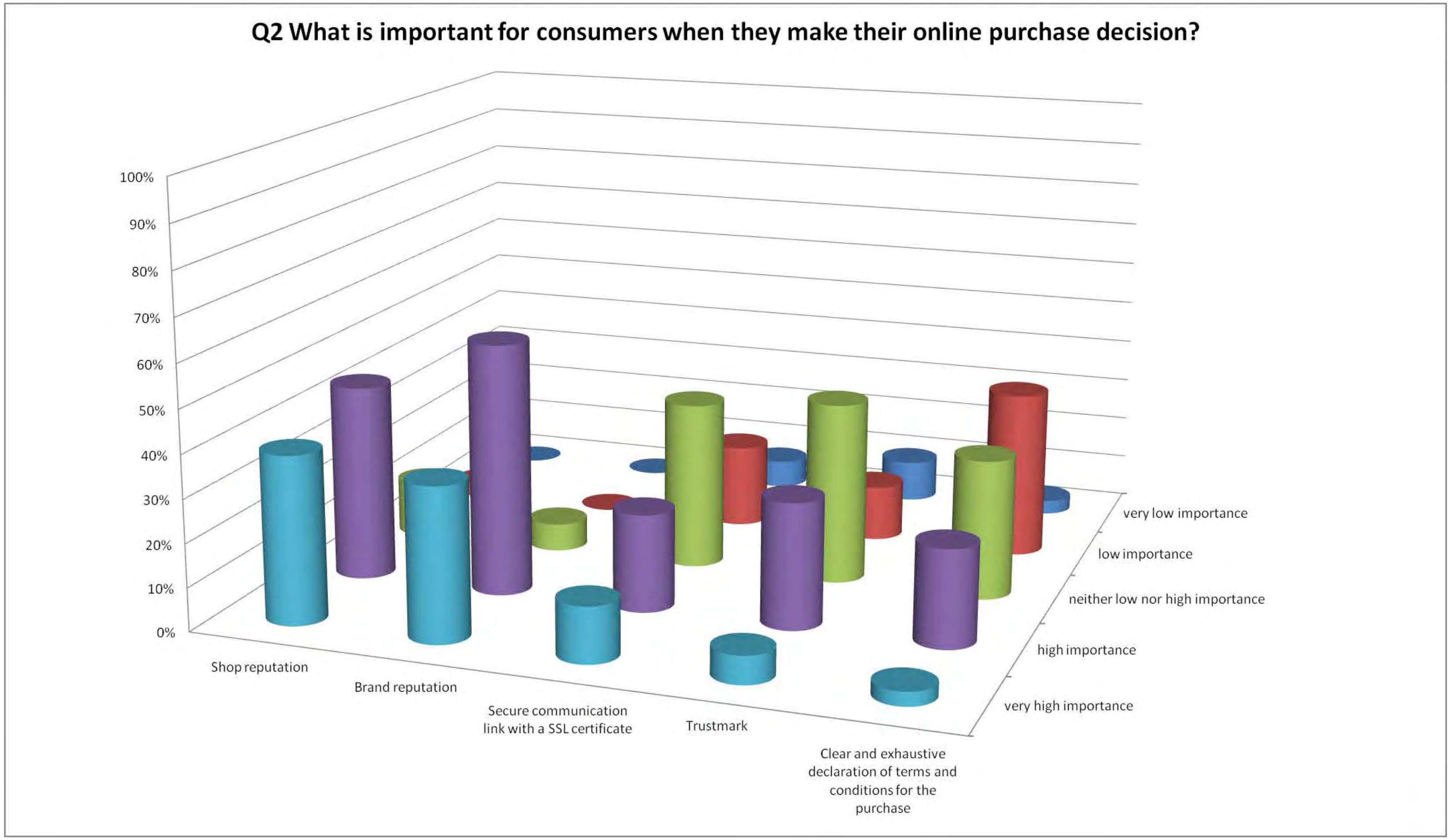


The majority of the respondents from consumer associations (63%) state that consumers look for a Trustmark on an online shop's website "before they decide a purchase from a particular merchant". 27% believe that they consider "When something went wrong with the transaction and they look for a way to solve it". A limited percentage (10%) believe that consumers will look for a Trustmark "When they study the general terms and conditions applicable to their purchase"

		%
Q1 - When do you think consumers look for a	Before they decide a purchase from a	63%

trustmark on the online shop's website?	particular merchant	
	When they study the general terms and conditions applicable to their purchase	10%
	When something went wrong with the transaction and they look for a way to solve it	27%

4.5.2 Q2: The main drivers for consumer's online purchases

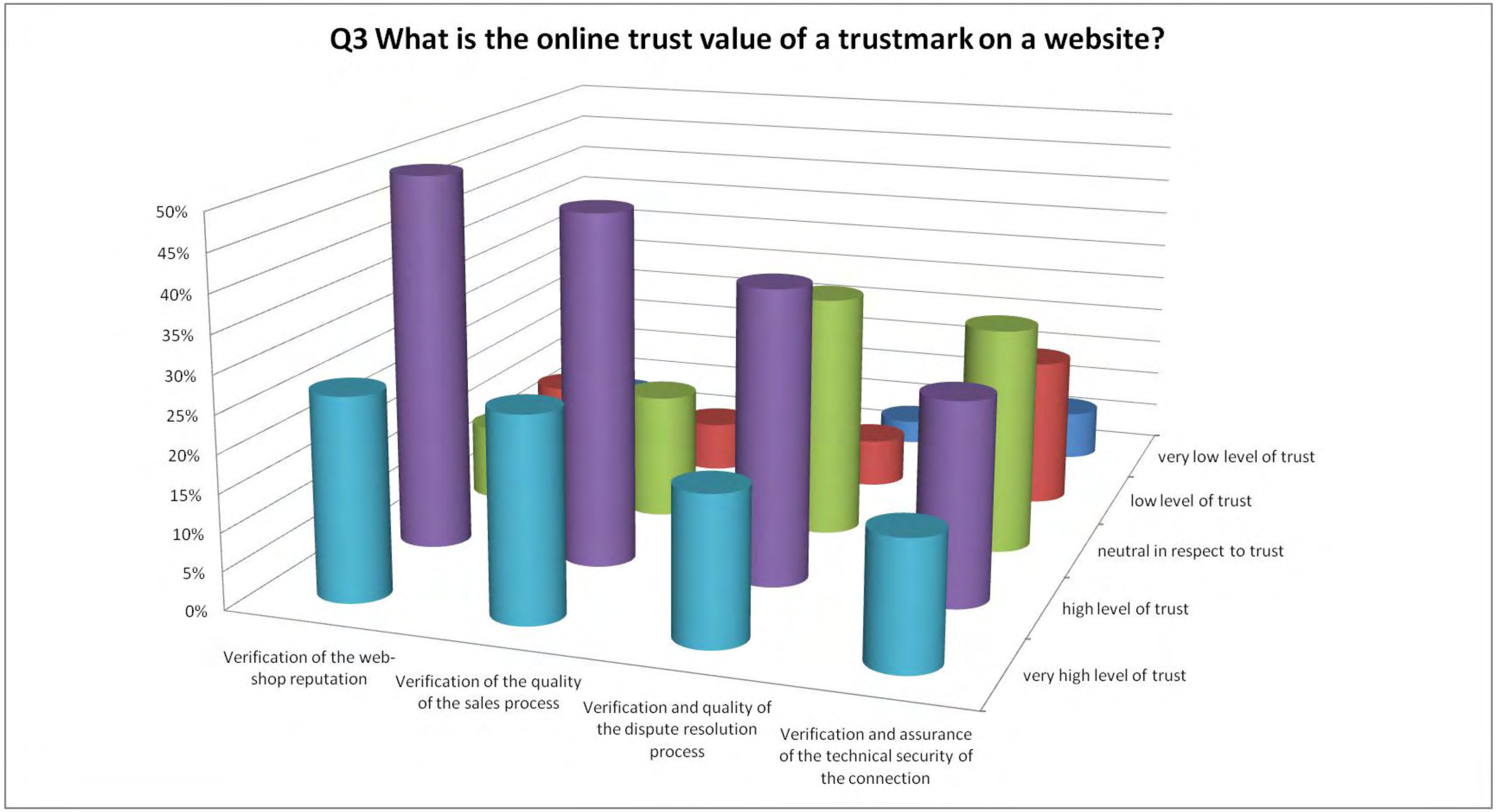


The important factors for consumers when they make an online purchase decision are

a) Shop reputation and brand reputation are of high or very high importance
b) The trustmark certification and the existence of an SSL-secured communication is neutral in respect to the purchase decision,
c) The "Clear and exhaustive declaration of terms and conditions for the purchase" is of low relative importance to the majority of respondents.

	very low importance	**low importance**	**neither low nor high importance**	**high importance**	**very high importance**	**not applicable**
Shop reputation	0%	3%	13%	**45%**	39%	0%
Brand reputation	0%	0%	6%	**58%**	35%	0%
Secure communication link with a SSL certificate	6%	19%	**39%**	23%	13%	0%
Trustmark	10%	13%	**42%**	29%	6%	0%
Clear and exhaustive declaration of terms and conditions for the purchase	3%	**39%**	32%	23%	3%	0%

4.5.3 Q3: The online trust value of a trustmark



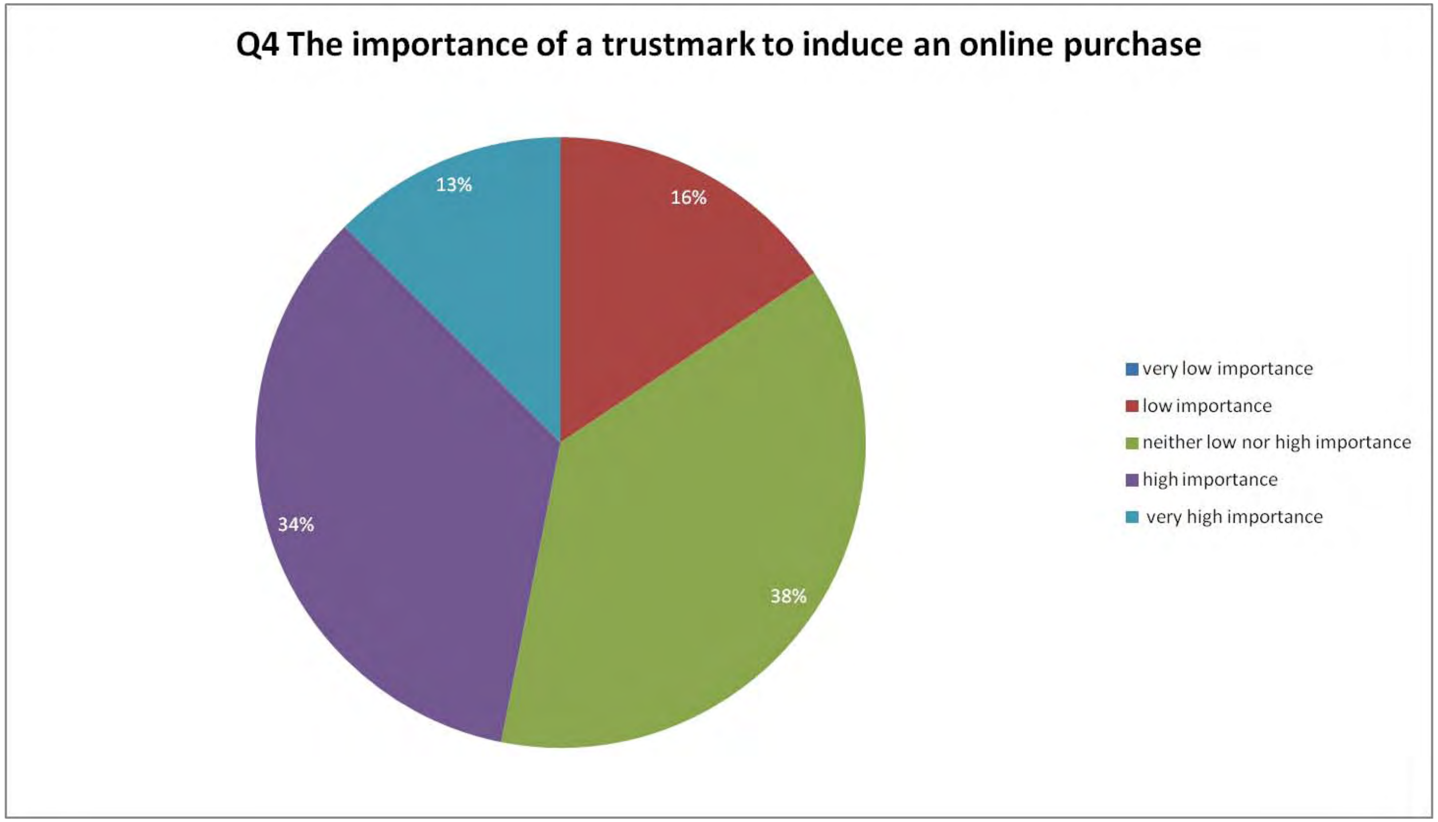
Considering the trust value of trustmarks on a website, consumers associations indicate that

a) The verification of the webshop reputation and the verification of the quality of the sales process are important to build trust
b) The verification and quality of the Dispute Resolution System is important, but a large share considers it to be of neutral value
c) The verification of the security of the connection link is in most cases a neutral factor.

The trust value concept intends to indicate a set of trust features provided by a trustmark, and which are important to create the trust relationship between trader and consumer. It's a combination of concrete features and immaterial factors.

	very low level of trust	low level of trust	neutral in respect to trust	high level of trust	very high level of trust	not applicable
Verification of the web-shop reputation	3%	10%	10%	**50%**	27%	0%
Verification of the quality of the sales process	3%	7%	17%	**47%**	27%	0%
Verification and quality of the dispute resolution process	3%	6%	32%	**39%**	19%	0%
Verification and assurance of the technical security of the connection	7%	20%	**30%**	27%	17%	0%

4.5.4 Q4: The importance of a trustmark to induce an online purchase

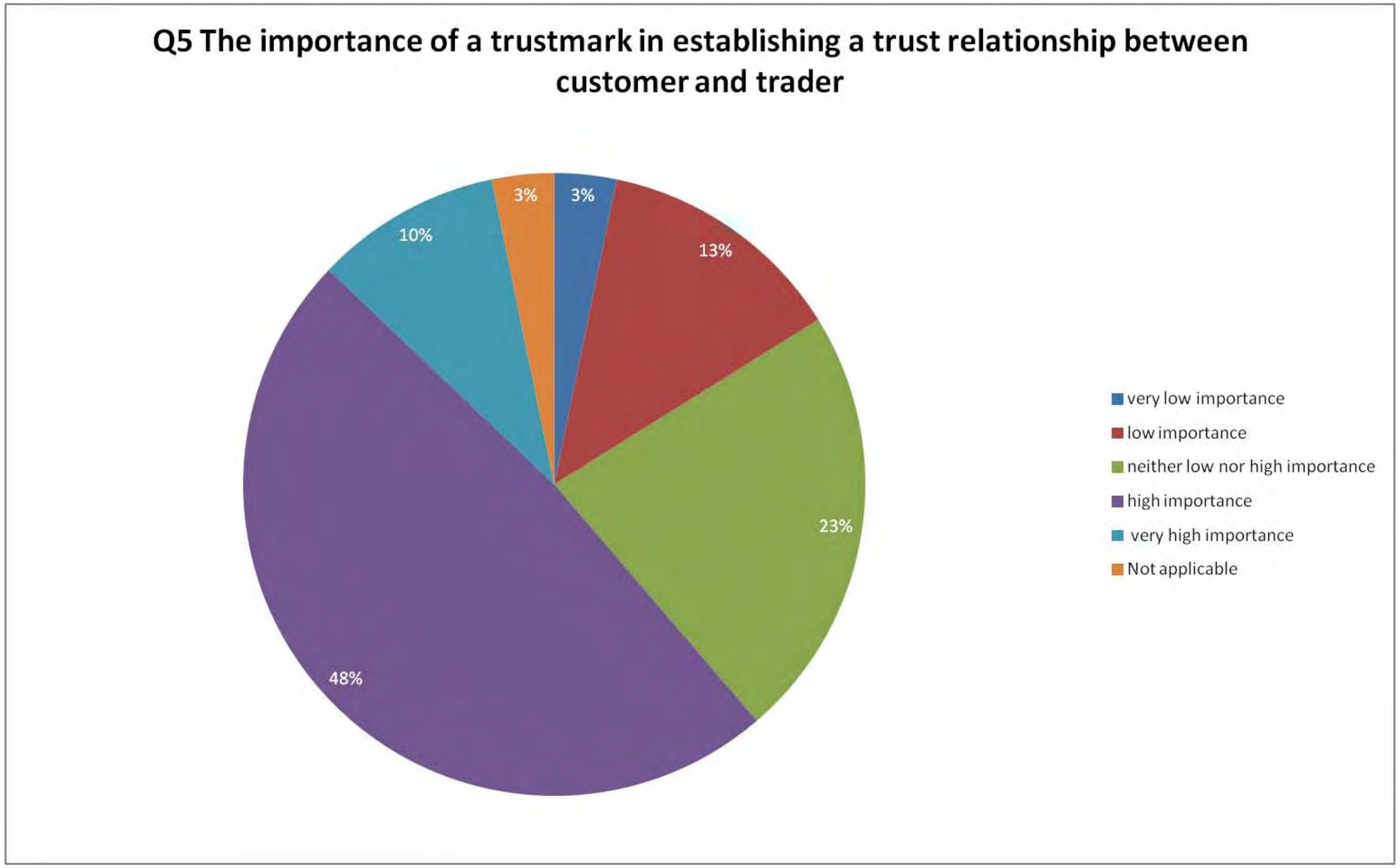


The results of this question indicate that

a) The majority of consumer associations considers that trustmarks are neutral in respect to the decision of making and online purchase, and a large share consider them of high importance.
b) A minority considers that they are of low or very low importance.

		%
Q4 - How important is a trustmark on a website to induce a consumer to make an online purchase?	very low importance	0%
	low importance	16%
	neither low nor high importance	**38%**
	high importance	34%
	very high importance	13%
	not applicable	0%

4.5.5 Q5: The importance of a trustmark in establishing a trust relationship between customer and trader

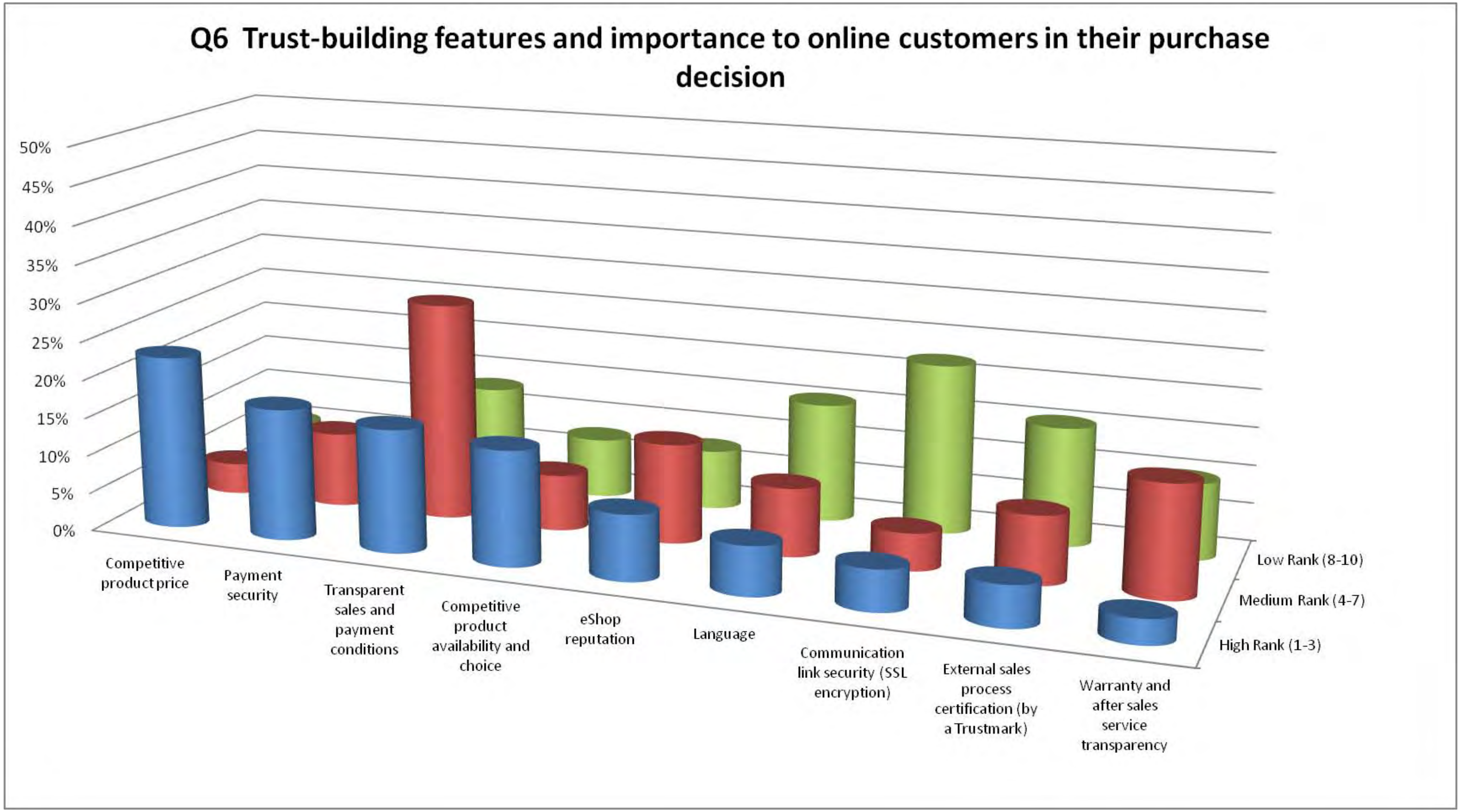


The results show that

a) The majority of responding consumer associations indicate that trustmarks are of high or very high importance in establishing a trust relationship between consumers and traders.
b) There are some consumer associations who indicate that trustmarks are neutral in this respect.

		%
Q5 - How important is a trustmark on a website to establish a trust relationship between purchaser and trader?	very low importance	3%
	low importance	13%
	neither low nor high importance	23%
	high importance	**48%**
	very high importance	10%
	not applicable	3%

4.5.6 Q6: The importance of trust-building features for consumers

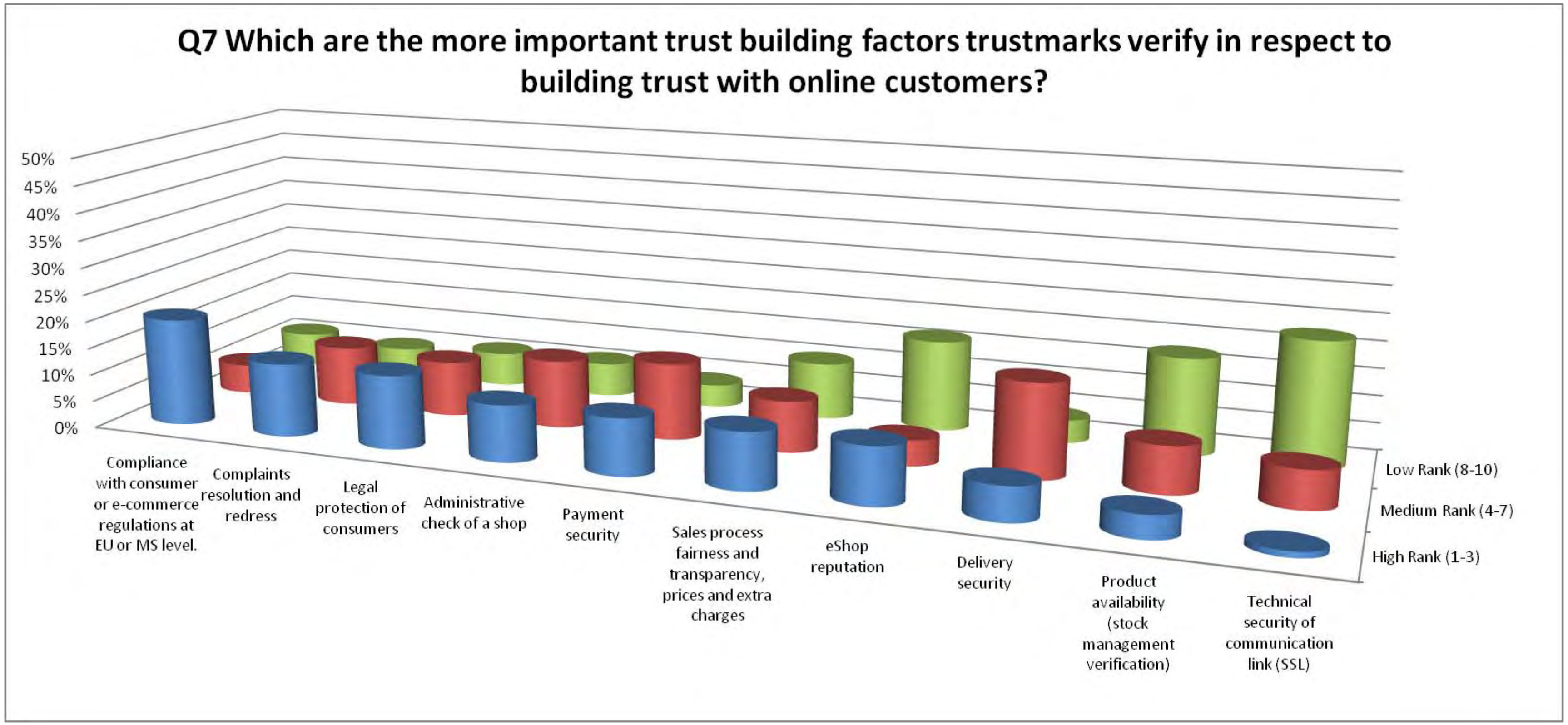


Consumer associations indicate that

a) A "Competitive product price", "Payment security", and "Competitive product availability and choice" are the key trust-building features in customer's purchase decisions
b) "Sales conditions transparency, price and extra charges" and "Warranty and after sales service transparency" are less important in respect to the purchase decision
c) "Communication link security (SSL encryption)", "Language" and "External sales process certification (by a Trustmark)" are the least important.

	High Rank (1-3)	**Medium Rank (4-7)**	**Low Rank (8-10)**
Competitive product price	**23%**	4%	6%
Payment security	**17%**	10%	2%
Transparent sales and payment conditions	**16%**	**28%**	**13%**
Competitive product availability and choice	**15%**	7%	8%
eShop reputation	9%	**13%**	8%
Language	6%	9%	**16%**
Communication link security (SSL encryption)	5%	5%	**22%**
External sales process certification (by a Trustmark)	5%	9%	**16%**
Warranty and after sales service transparency	3%	**15%**	10%

4.5.7 Q7: Which webshop characteristics should trustmarks verify?



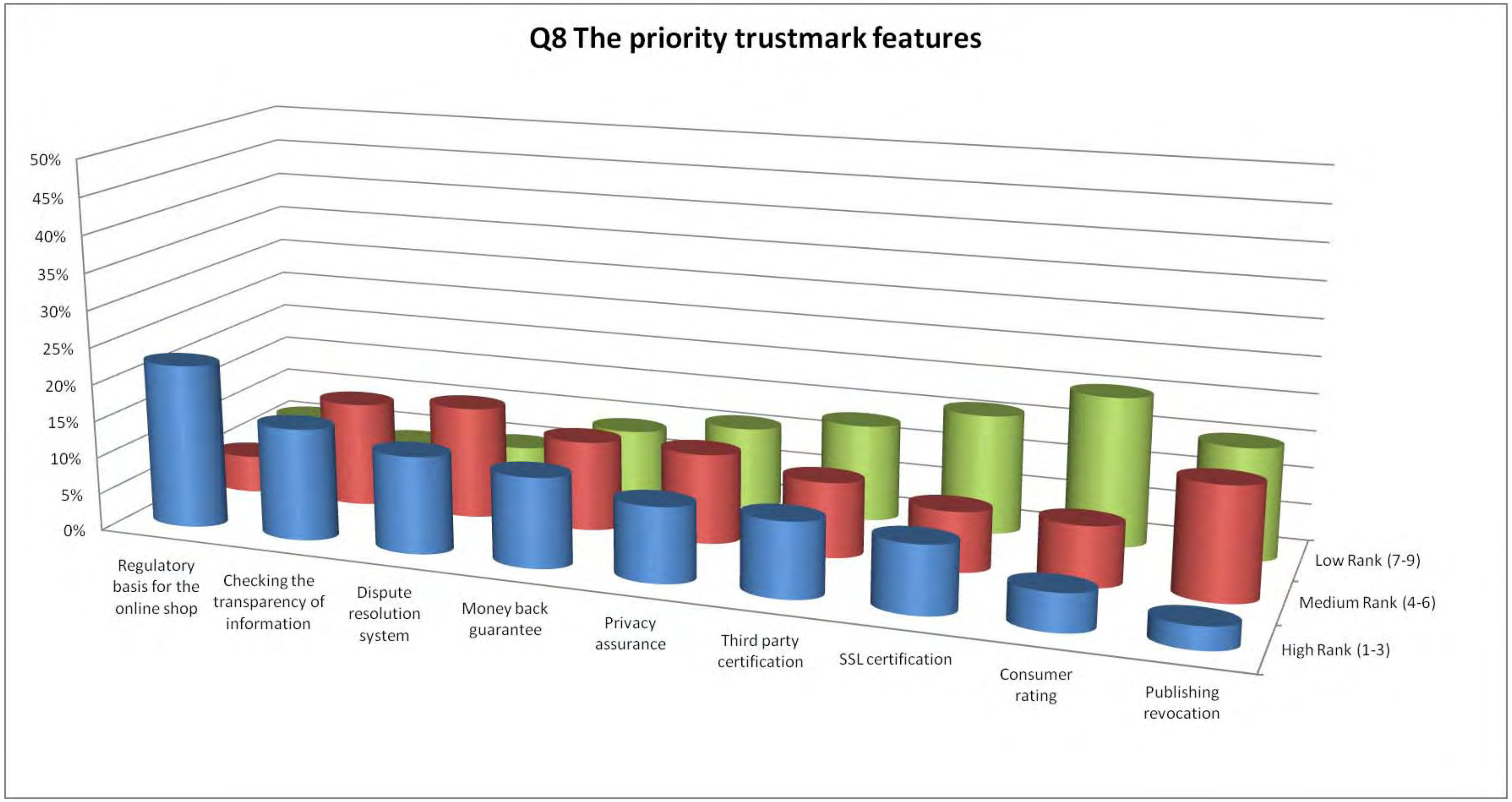
The results from this question show that

a) Consumer associations indicate that it is of highest importance that trustmarks verify the "Compliance with consumer or e-commerce regulations at EU or MS level", "Complaints resolution and redress" process, and the "Legal protection of consumers";
b) It is not so important that the trustmark verification process looks into "Delivery security", "Payment security", and carry out the "Administrative check of a shop";

c) It is not important that trustmarks verify the "Technical security of communication link (SSL)", "Product availability (stock management verification)", and "eShop reputation".

	High Rank (1-3)	**Medium Rank (4-7)**	**Low Rank (8-10)**
Compliance with consumer or e-commerce regulations at EU or MS level	**20%**	5%	6%
Complaints resolution and redress	**14%**	11%	5%
Legal protection of consumers	**14%**	10%	6%
Administrative check of a shop	10%	**13%**	6%
Payment security	10%	**14%**	4%
Sales process fairness and transparency, prices and extra charges	10%	9%	10%
eShop reputation	10%	5%	**17%**
Delivery security	6%	**17%**	4%
Product availability (stock management verification)	4%	9%	**18%**
Technical security of communication link (SSL)	1%	7%	**23%**

4.5.8 Q8: The priority trustmark features



Consumer associations indicate that the key trustmarks features should include

a) Regulatory basis for the online shop
b) Checking the transparency of information
c) Dispute resolution system

Among the less important trustmarks features consumers indicate

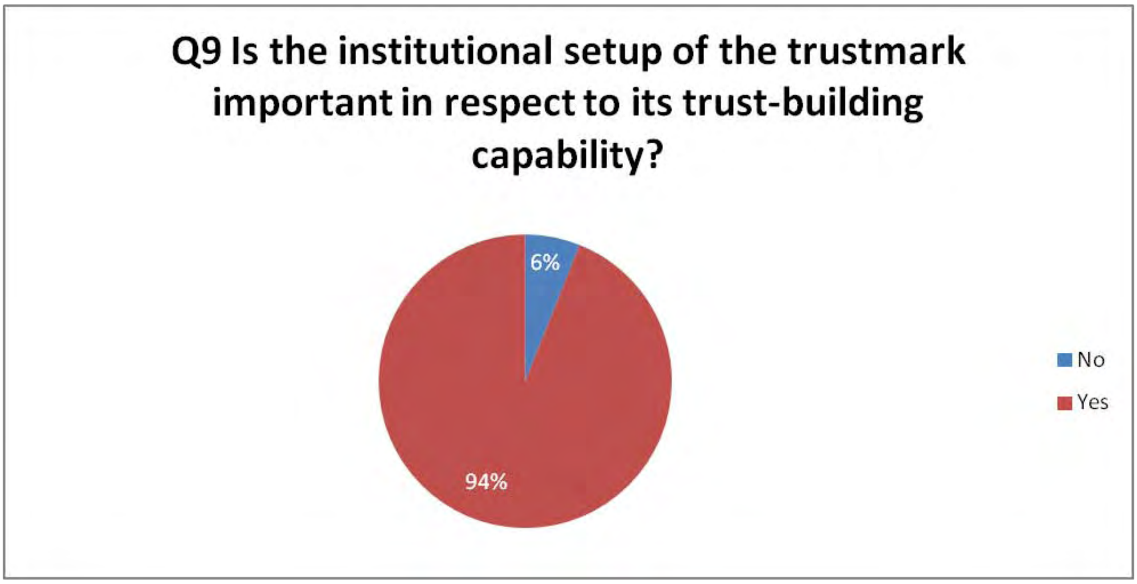
a) Third party certification
b) SSL certification
c) Consumer rating
d) Publishing revocation

There is no clear preference on

a) Money back guarantee
b) Privacy assurance

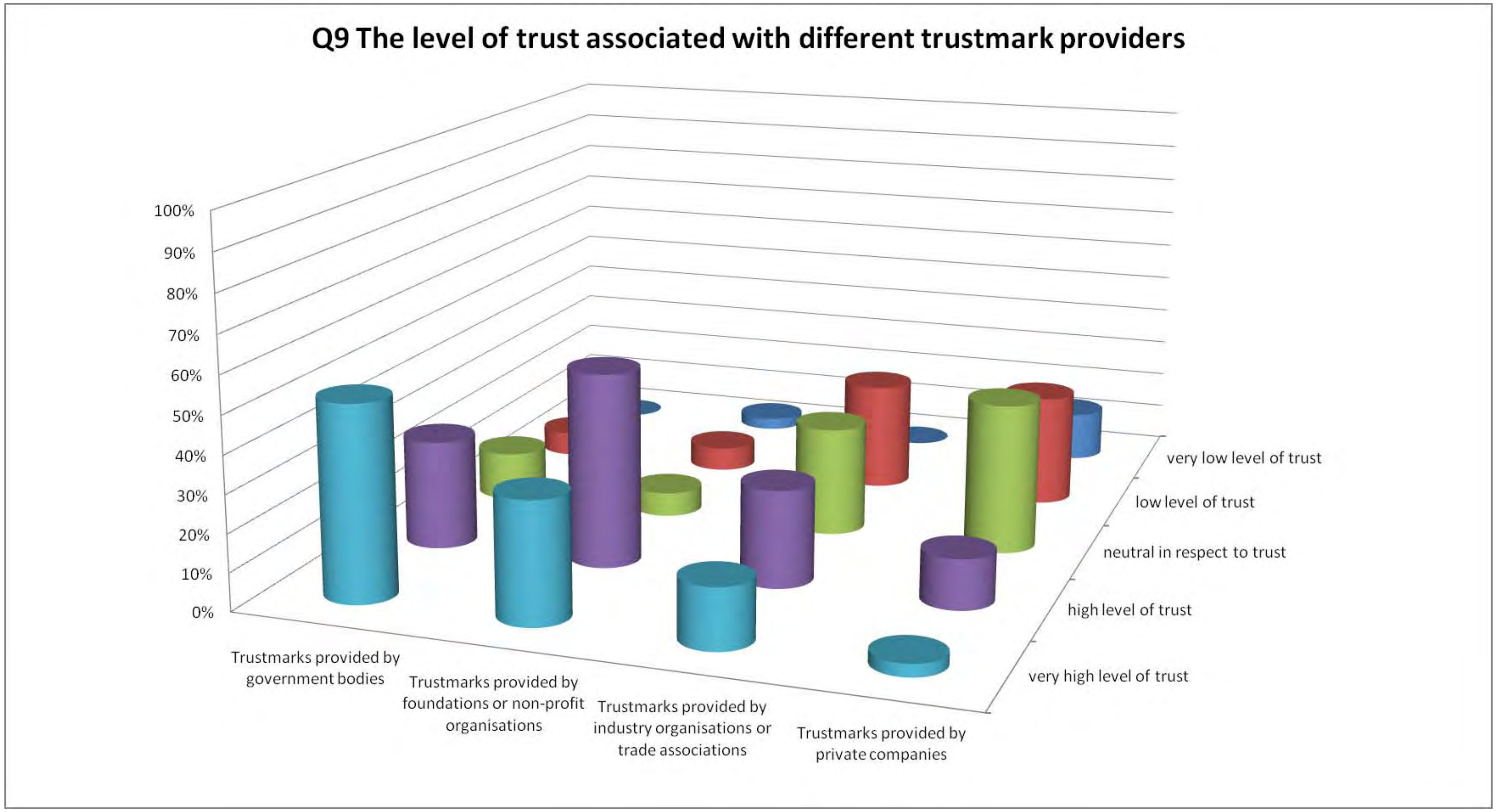
	High Rank (1-3)	Medium Rank (4-6)	Low Rank (7-9)
Regulatory basis for the online shop	**22%**	5%	6%
Checking the transparency of information	**15%**	14%	4%
Dispute resolution system	13%	**15%**	5%
Money back guarantee	**12%**	12%	9%
Privacy assurance	10%	12%	11%
Third party certification	10%	10%	13%
SSL certification	9%	8%	**16%**
Consumer rating	5%	8%	**20%**
Publishing revocation	3%	**15%**	15%

4.5.9 Q9: The importance of the institutional setup of trustmarks



Almost all consumer associations participating in the survey have indicated that the institutional setup of the trustmark is important for trust-building.

		%
Q9 - Please indicate whether the institutional setup of the trustmark is important in respect to its trust-building capability?	No	6%
	Yes	94%



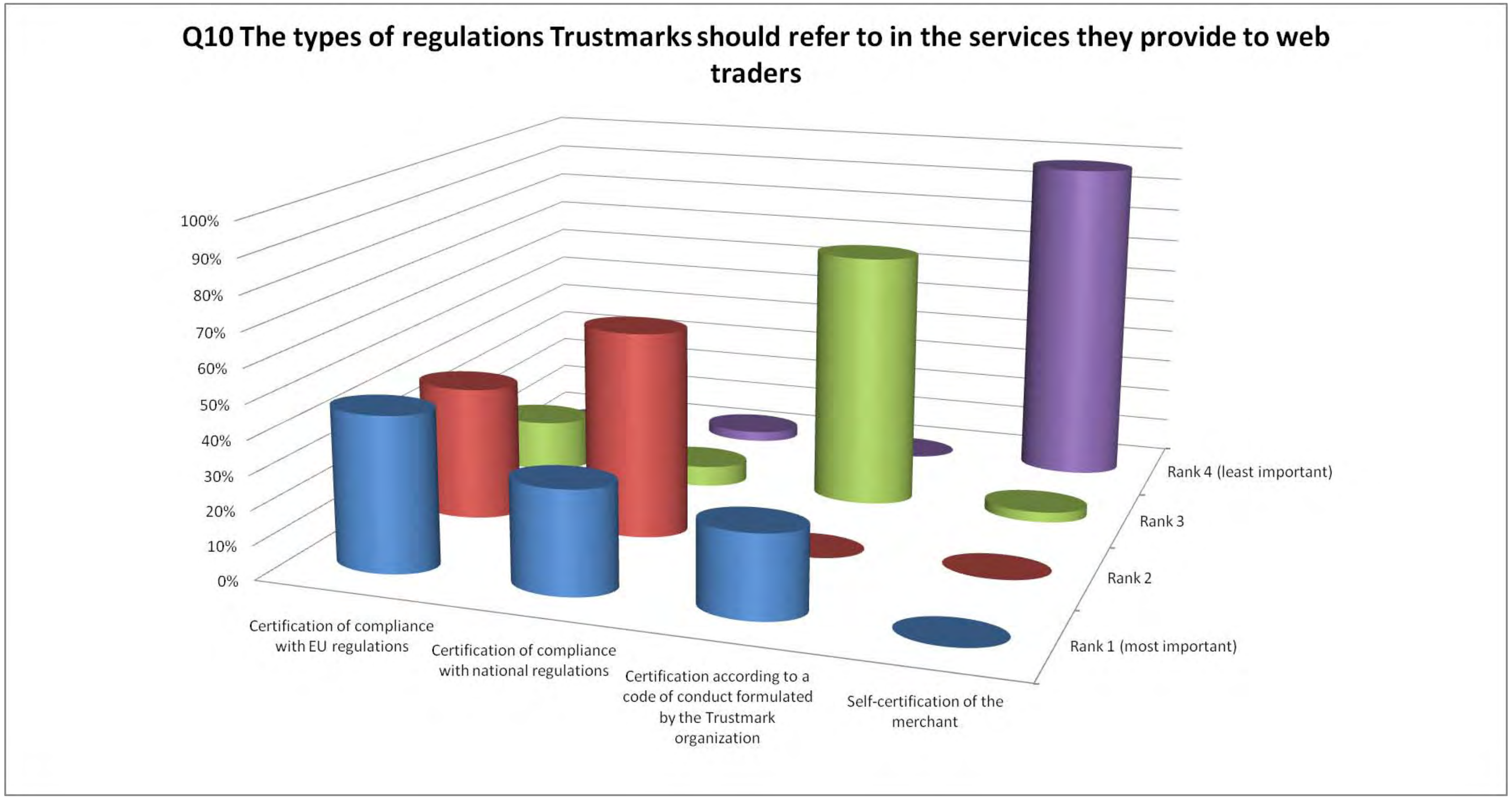
The survey results show that

1) The majority of the consumer associations participating in the survey indicate that Trustmarks provided by government bodies" provide a high or very high level of trust.

2) "Trustmarks provided by foundations or non-profit organisations" are perceived ad positive trust builders but score not so high as the government bodies.
3) Consumers associate a neutral or low level of trust to "Trustmarks provided by private companies" and "Trustmarks provided by industry organisations or trade associations".

	very low level of trust	**low level of trust**	**neutral in respect to trust**	**high level of trust**	**very high level of trust**	**not applicable**
Trustmarks provided by government bodies	0%	6%	13%	29%	**52%**	0%
Trustmarks provided by foundations or non-profit organisations	3%	6%	6%	**52%**	32%	0%
Trustmarks provided by industry organisations or trade associations	0%	29%	**29%**	26%	16%	0%
Trustmarks provided by private companies	13%	30%	**40%**	13%	3%	0%

4.5.10 Q10: The regulatory references for trustmarks

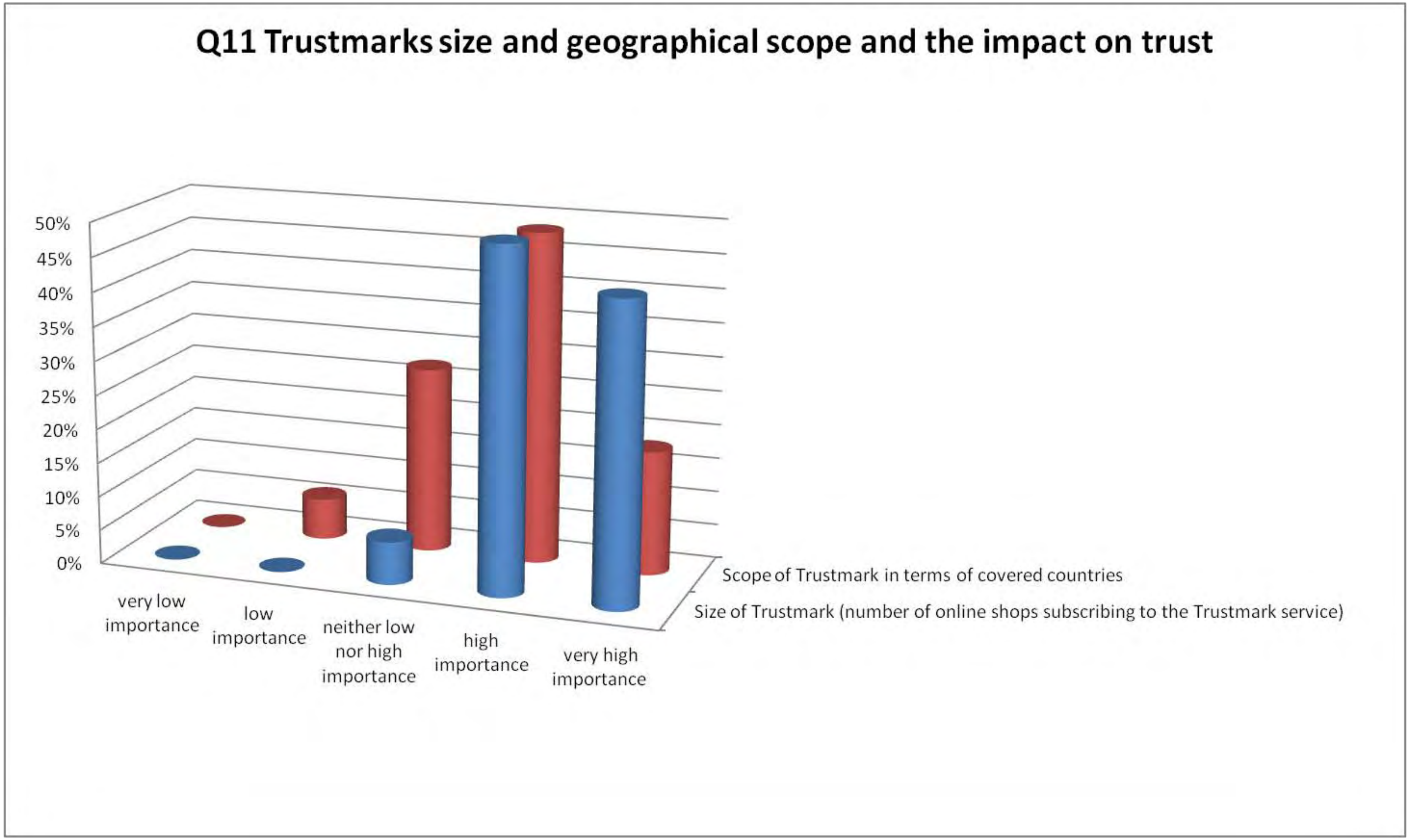


The responses regarding the importance of the types of regulations Trustmarks should refer to in their services to web traders are quite scattered among the three key levels of regulation: EU, national and trustmarks code of conduct. All respondents agree that trader self-certification is the least important regulatory reference.

a) The majority of Consumer associations indicate that trustmarks should certify the trader operations according to a certification of compliance with national regulations, whereas many also indicate that trustmarks should certify the trader operations according to applicable EU regulations;
b) Much less indicate that trustmarks should certify the trader operations according to a code of conduct formulated by the trustmark organisation itself
c) There is a general agreement by Consumer associations that any self-certification of the merchant would be the least important regulatory reference.

	Rank 1 (most important)	**Rank 2**	**Rank 3**	**Rank 4 (least important)**
Certification of compliance with EU regulations	45%	39%	15%	0%
Certification of compliance with national regulations	30%	61%	6%	3%
Certification according to a code of conduct formulated by the Trustmark organization	24%	0%	76%	0%
Self-certification of the merchant	0%	0%	3%	97%

4.5.11 Q11: Trustmarks size and geographical scope and the impact on trust

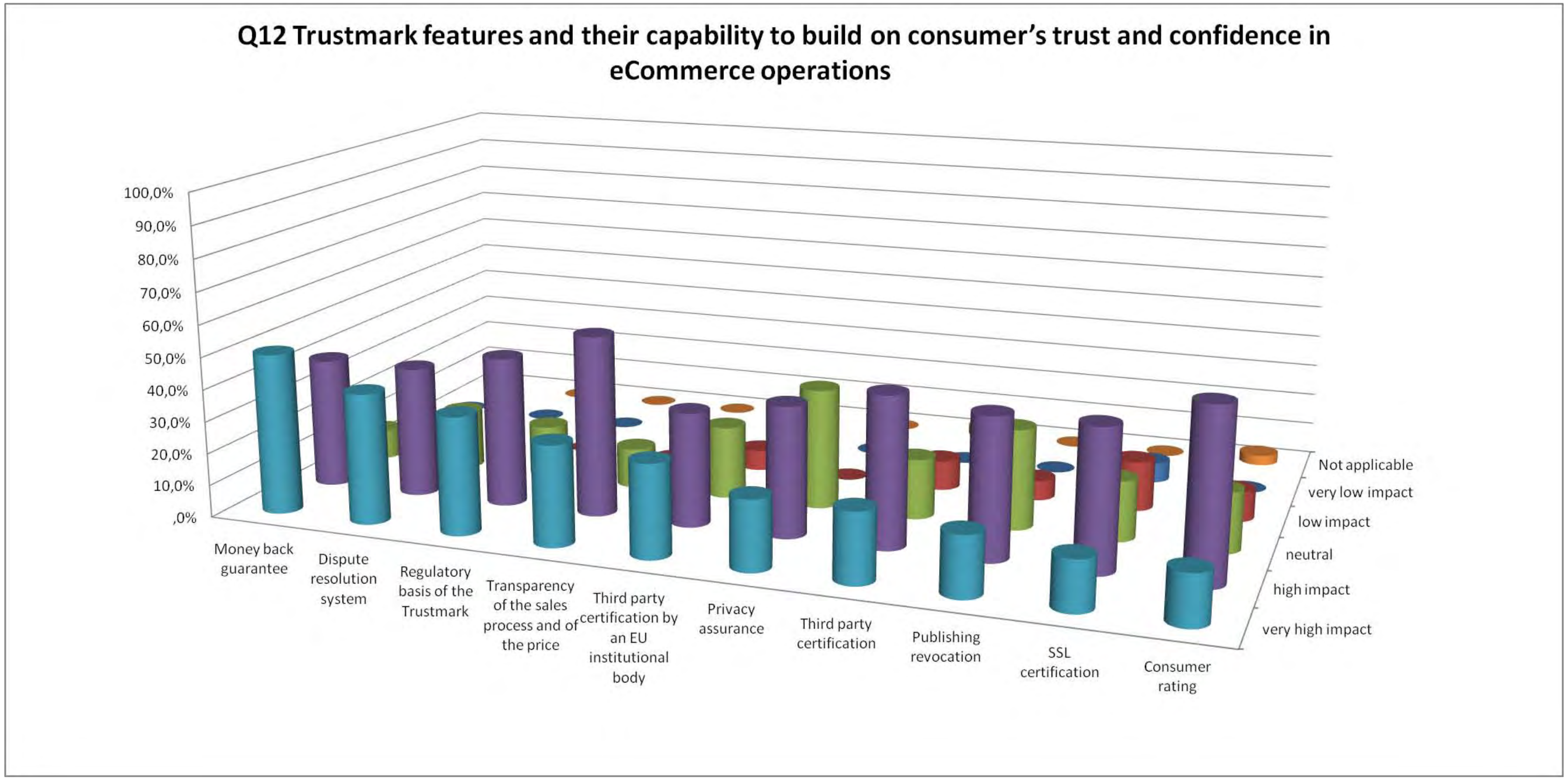


The majority of Consumer associations affirm that there is a direct correlation between the number of subscribers and the level of trust potentially perceived by consumers.

When the size of the covered geographical scope by the trustmark is considered, the correlation is much weaker and a significant – although still a minority – share of consumer associations believes that this dimension is either neutral or of low importance.

	very low importance	**low importance**	**neither low nor high importance**	**high importance**	**very high importance**	**not applicable**
Size of Trustmark (number of online shops subscribing to the Trustmark service)	0%	0%	6%	50%	44%	0%
Scope of Trustmark in terms of covered countries	0%	6%	27%	48%	18%	0%

4.5.12 Q12: The trust-building capabilities of trustmarks' features



The chart shows the heterogeneity of the consumer's perception in respect to their features and trust requirements.

The consumer associations indicate that the key trustmarks features for consumer trust-building are

a) "Money back guarantee"
b) The design of the "Dispute resolution system"

c) The “regulatory basis of the trustmark” and the “Transparency of the sales process and of the price”.

All three features are judged either important or very important.

“Third party certification by an EU institutional body” is either considered slightly important or neutral

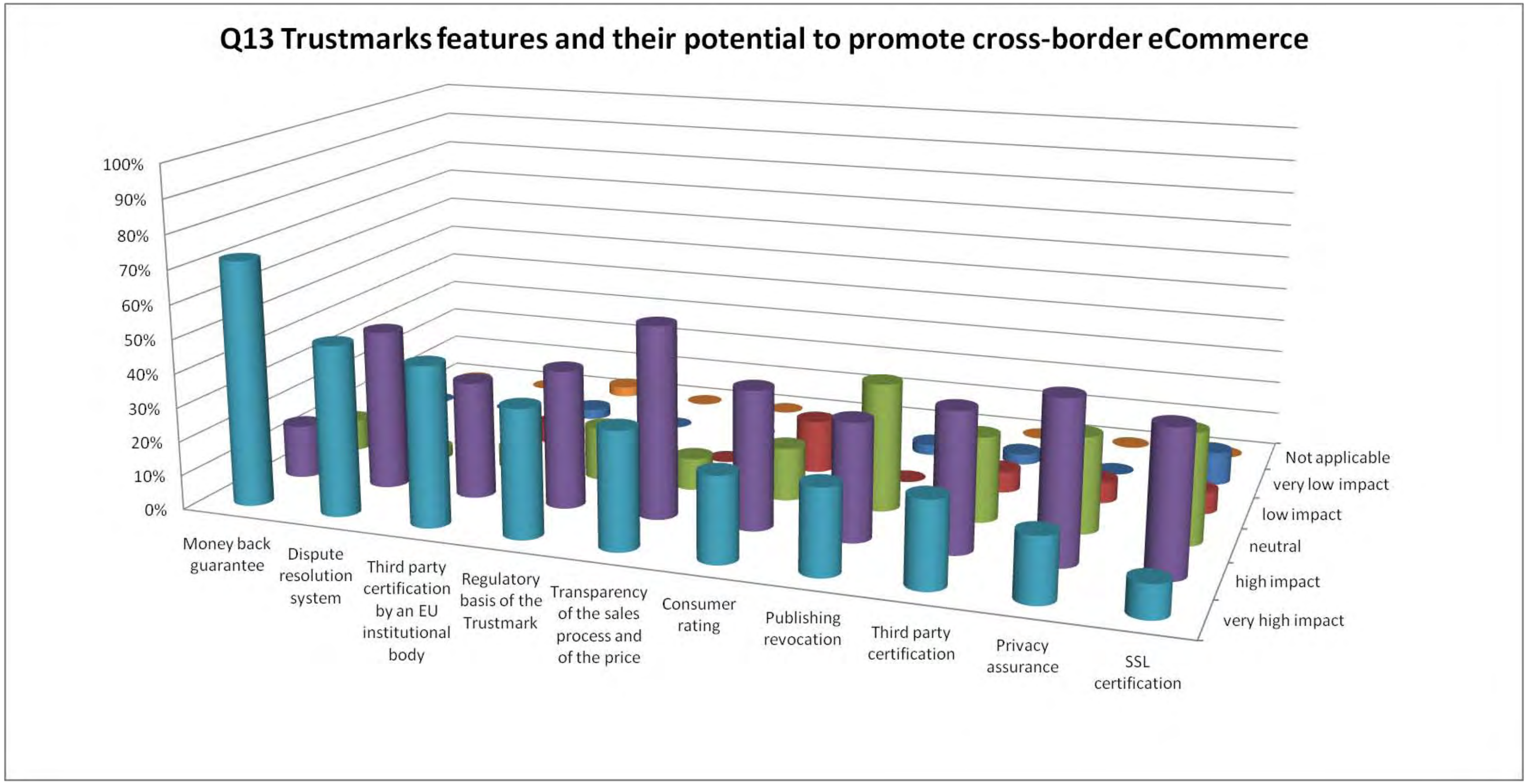
Consumer associations consider that a set of trustmarks features as quite important in respect to trust building:

a) “Privacy assurance”
b) “third party certification”, by independent bodies,
c) “Publishing revocation”
d) “SSL certification”
e) “Consumer rating”

It is not surprising that all the proposed features, or requirements are all judged pretty important for the overall trust-building effects. The variations are probably due to the differentiated perception of what trustmark should represent.

	very low impact	low impact	neutral	high impact	very high impact	not applicable
Money back guarantee	0%	0%	9%	41%	**50%**	0%
Dispute resolution system	0%	0%	19%	**41%**	**41%**	0%
Regulatory basis of the Trustmark	0%	0%	17%	**47%**	37%	0%
Transparency of the sales process and of the price	0%	0%	13%	**56%**	31%	0%
Third party certification by an EU institutional body	3%	6%	23%	**35%**	29%	3%
Privacy assurance	0%	0%	38%	**41%**	22%	0%
Third party certification	0%	9%	19%	**47%**	22%	3%
Publishing revocation	0%	6%	31%	**44%**	19%	0%
SSL certification	6%	16%	19%	**44%**	16%	0%
Consumer rating	0%	9%	19%	**53%**	16%	3%

4.5.13 Q13: Trust features and their potential to promote cross-border eCommerce

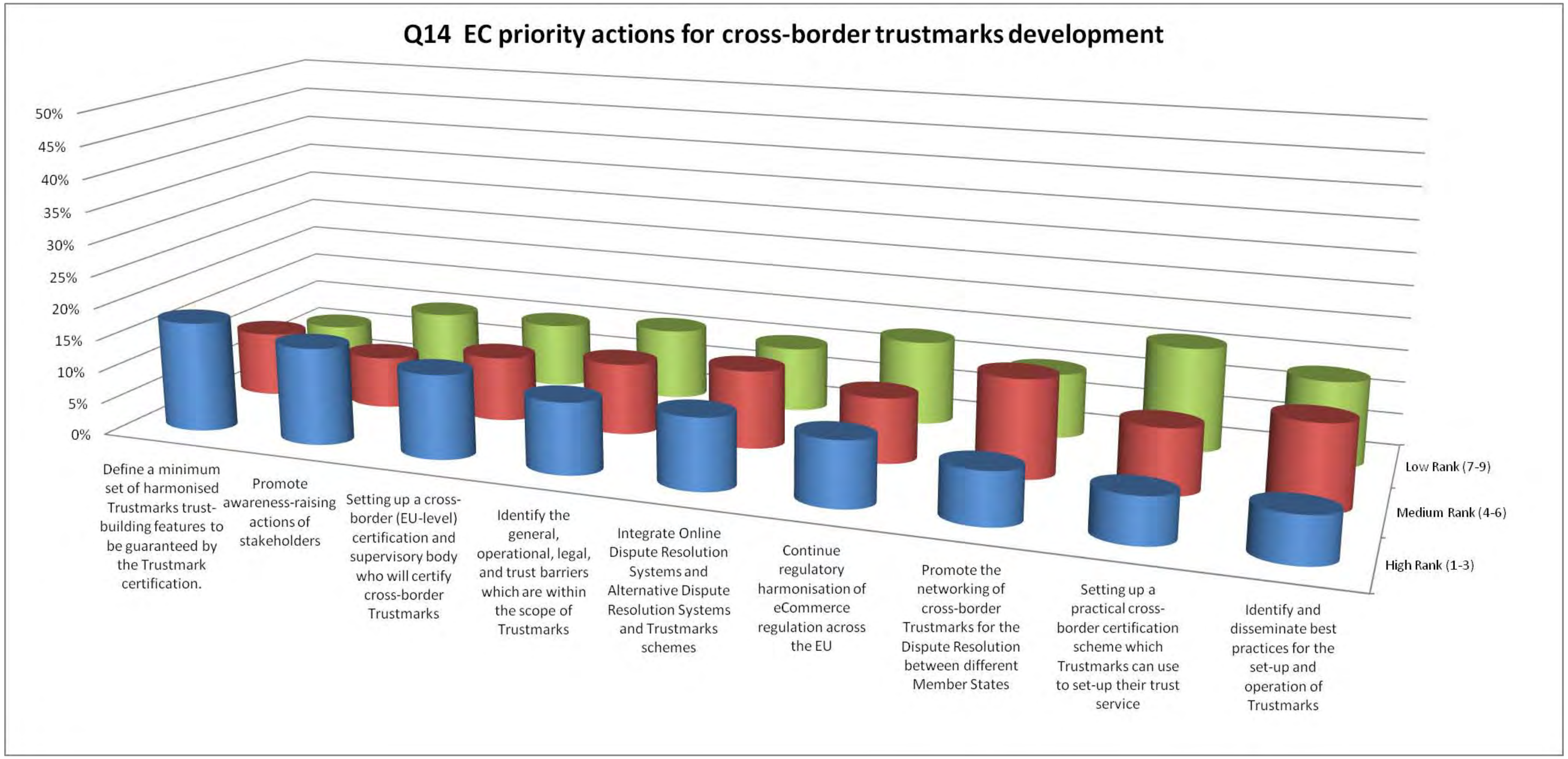


In respect to building trust in cross-border eCommerce

a) The high impact and very high impact features selected by the majority of consumer associations are: "Money back guarantee", an effective "Dispute resolution system", "Third party certification by an EU institutional body", "Transparency of the sales process and of the price", "Privacy assurance", "Third party certification" and "Regulatory basis of the Trustmark"
b) Those features considered slightly less important by a number of Consumer associations are "Publishing revocation", "Consumer rating", and "SSL certification".

	very low impact	low impact	neutral	high impact	very high impact	not applicable
Money back guarantee	0%	3%	9%	16%	**72%**	0%
Dispute resolution system	0%	0%	3%	47%	**50%**	0%
Third party certification by an EU institutional body	3%	6%	6%	34%	**47%**	3%
Regulatory basis of the Trustmark	0%	6%	16%	**41%**	38%	0%
Transparency of the sales process and of the price	0%	0%	9%	**56%**	34%	0%
Consumer rating	3%	16%	16%	**41%**	25%	0%
Publishing revocation	3%	0%	38%	34%	25%	0%
Third party certification	3%	6%	25%	**41%**	25%	0%
Privacy assurance	0%	6%	28%	**47%**	19%	0%
SSL certification	10%	6%	32%	**42%**	10%	0%

4.5.14 Q14: Priority actions to be undertaken by the European Commission to support cross-border trustmarks development



The question proposes a number of possible actions by the European Commission in respect to cross-border Trustmarks operations. The priority actions the consumer associations propose are

a) "Define a minimum set of harmonised Trustmarks trust-building features to be guaranteed by the Trustmark certification"
b) "Promote awareness-raising actions of stakeholders"
c) "Setting up a cross-border (EU-level) certification and supervisory body who will certify cross-border Trustmarks"
d) "Promote the networking of cross-border Trustmarks for the Dispute Resolution between different Member States"
e) "Identify and disseminate best practices for the set-up and operation of Trustmarks"
f) "Integrate Online Dispute Resolution Systems and Alternative Dispute Resolution Systems and Trustmarks schemes".

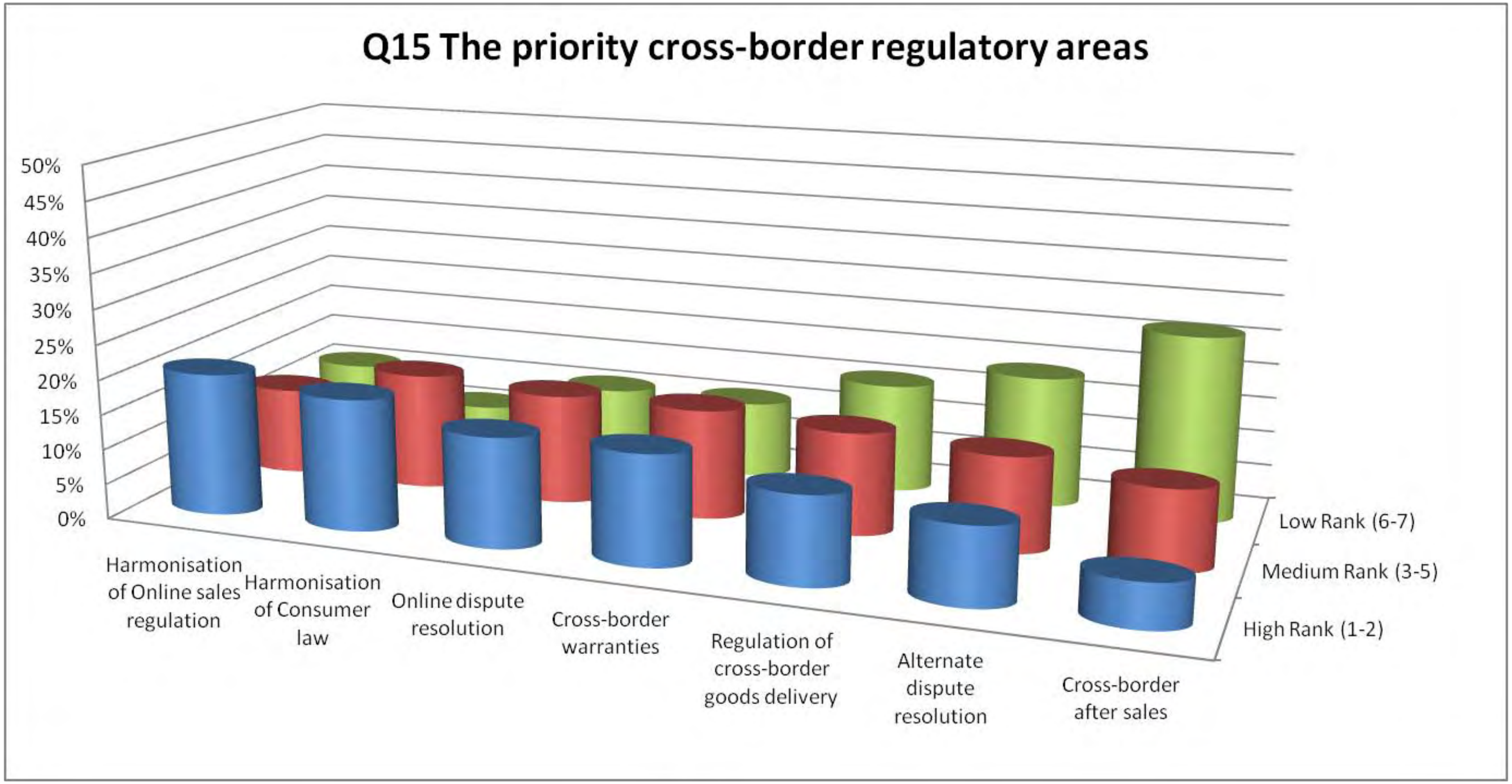
Other actions, which are still important but have been assigned lower priorities are:

a) "Setting up a practical cross-border certification scheme which Trustmarks can use to set-up their trust service"
b) "Continue regulatory harmonisation of eCommerce regulation across the EU".

	High Rank (1-3)	**Medium Rank (4-6)**	**Low Rank (7-9)**
Define a minimum set of harmonised Trustmarks trust-building features to be guaranteed by the Trustmark certification.	**17%**	10%	6%
Promote awareness-raising actions of stakeholders	**15%**	8%	10%
Setting up a cross-border (EU-level) certification and supervisory body who will certify cross-border Trustmarks	**13%**	10%	10%
Identify the general, operational, legal, and trust barriers which are within the scope of Trustmarks	11%	11%	11%
Integrate Online Dispute Resolution Systems and Alternative Dispute Resolution Systems and Trustmarks schemes	11%	**12%**	10%
Continue regulatory harmonisation of eCommerce regulation across the EU	10%	10%	**13%**
Promote the networking of cross-border Trustmarks for the Dispute Resolution between different Member States	8%	**15%**	10%
Setting up a practical cross-border certification scheme which Trustmarks can use to set-up their trust service	7%	10%	**16%**

	High Rank (1-3)	**Medium Rank (4-6)**	**Low Rank (7-9)**
Identify and disseminate best practices for the set-up and operation of Trustmarks	7%	**13%**	13%

4.5.15 Q15: The priority areas of cross-border regulation in which the European Commission should act



The question proposes a number of possible regulatory actions by the European Commission in respect to cross-border Trustmarks' operations. The priority actions the Consumer associations propose are

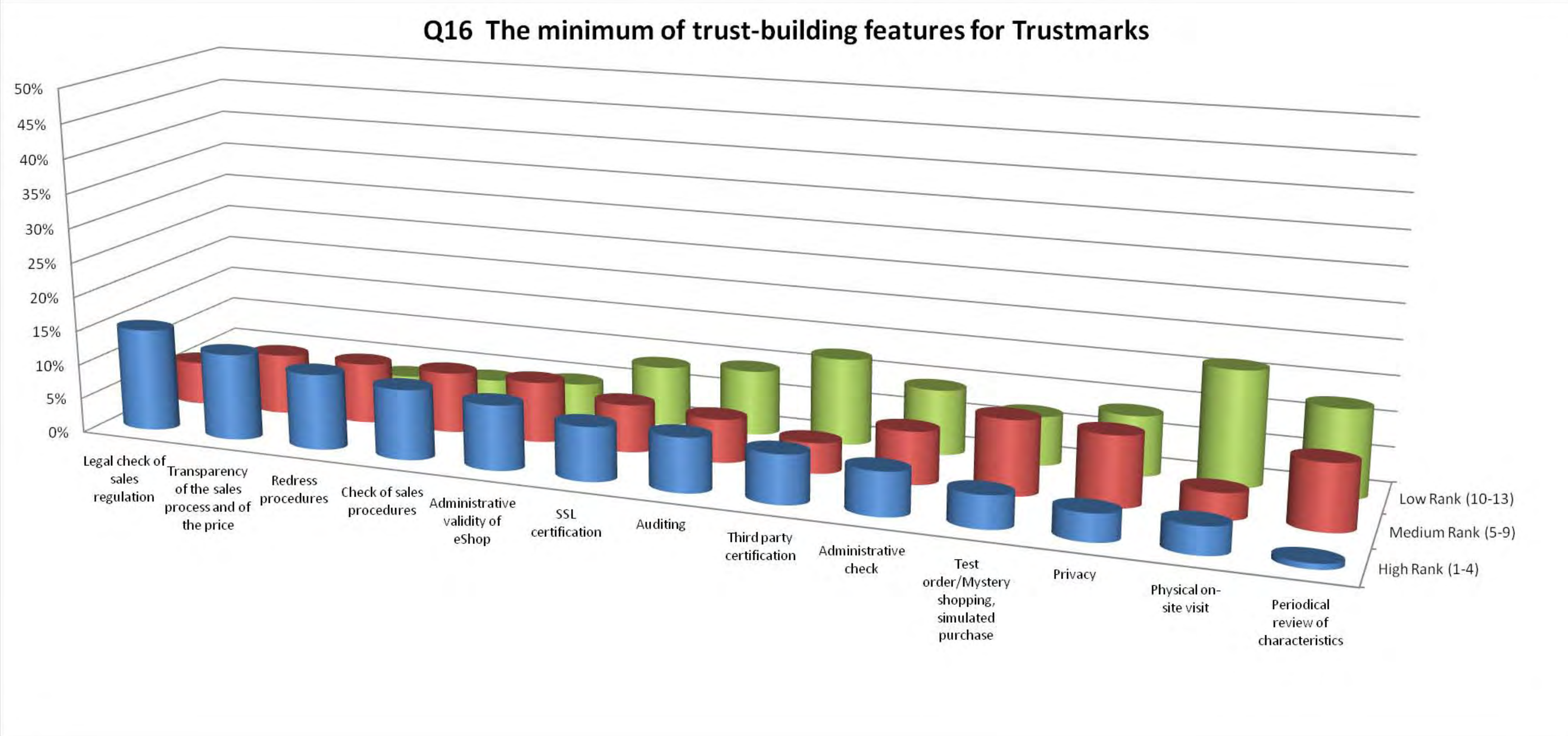
a) "Harmonisation of Online sales regulation"
b) "Harmonisation of Consumer law"
c) "Online dispute resolution"
d) "Cross-border warranties"

Other actions, which are still important but have been assigned lower priorities are:

a) "Regulation of cross-border goods delivery"
b) "Alternate dispute resolution"
c) "Regulation of cross-border goods delivery"

	High Rank (1-2)	**Medium Rank (3-5)**	**Low Rank (6-7)**
Harmonisation of Online sales regulation	**20%**	13%	11%
Harmonisation of Consumer law	**19%**	**17%**	6%
Online dispute resolution	16%	**16%**	11%
Cross-border warranties	16%	**16%**	11%
Regulation of cross-border goods delivery	13%	15%	**16%**
Alternate dispute resolution	11%	14%	**19%**
Regulation of cross-border goods delivery	6%	11%	**27%**

4.5.16 Q16: The minimum of trust-building features for trustmarks



Consumer associations have indicated their priorities in relation to the minimum set of trust-building features any trustmark should have. There are no clearly marked focus points, but the distribution gives precise indications on trends.

The primary trust-building features concern the

a) "Legal check of sales regulation"
b) "Transparency of the sales process and of the price"
c) "Verification of the Redress procedures"
d) "Check of sales procedures"
e) "Administrative validity of eShop".

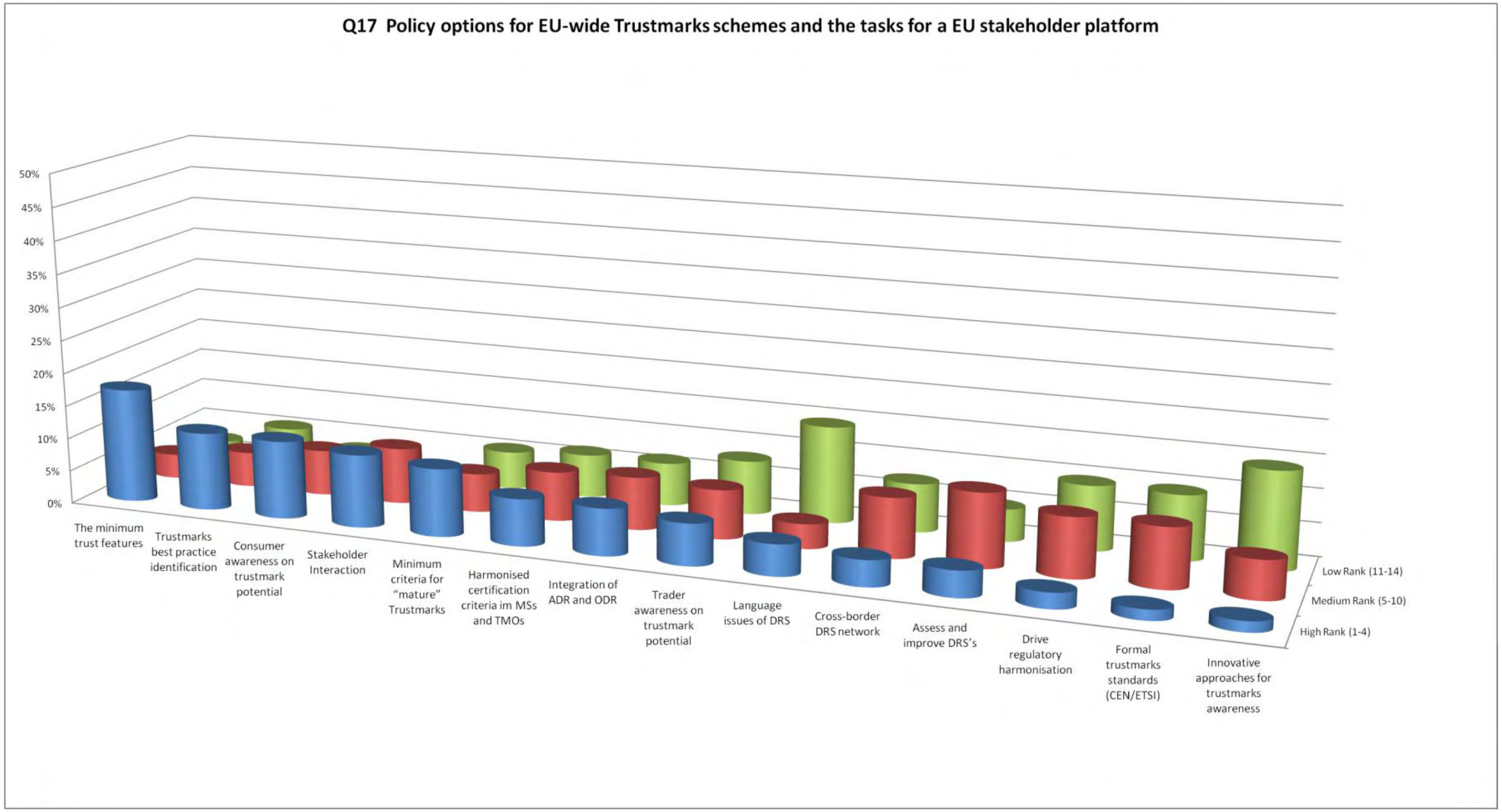
Less important features indicated by the consumer associations are

a) SSL certification
b) Auditing
c) Third party certification (the certification of the certification provided by the trustmark by a third party)
d) Administrative check
e) Test order/Mystery shopping, simulated purchase
f) Physical on-site visit
g) Periodical review of characteristics

	High Rank (1-4)	**Medium Rank (5-9)**	**Low Rank (10-13)**
Legal check of sales regulation	**15%**	6%	2%
Transparency of the sales process and of the price	**13%**	9%	2%
Redress procedures	11%	9%	3%
Check of sales procedures	10%	9%	4%
Administrative validity of eShop	9%	9%	5%
SSL certification	8%	7%	9%
Auditing	8%	6%	9%
Third party certification	7%	4%	**13%**
Administrative check	6%	8%	9%

	High Rank (1-4)	**Medium Rank (5-9)**	**Low Rank (10-13)**
Test order/Mystery shopping, simulated purchase	5%	**11%**	7%
Privacy	4%	**10%**	9%
Physical on-site visit	4%	4%	**16%**
Periodical review of characteristics	1%	9%	**13%**

4.5.17 Q17: Policy options for EU-wide trustmarks schemes and the tasks for a EU stakeholder platform



The consumer associations participating in the survey have expressed their opinion on the policy options for EU-wide Trustmarks schemes, considering their effectiveness for the governance of the schemes.

The important options are

a) "Develop minimum criteria and trust-building features for Trustmarks"
b) "Develop a methodology to identify Trustmarks best practices in operational, technical, procedural and regulatory terms"
c) "Promote awareness on the potentialities of the trust-building effects of Trustmarks among consumers"
d) Promote the interaction between the stakeholders of Trustmarks for eCommerce
e) Define the minimum criteria for "mature" Trustmarks

Medium level options are

a) "Assess the effectiveness of dispute resolution systems and elaborate plans for improvement and best practices"
b) Promote the harmonisation of quality and certification procedures among Member States and TMOs
c) Promote the integration of Alternate Dispute Resolution and Online Dispute Resolution
d) Promote awareness on the potentialities of the trust-building effects of Trustmarks among online merchants

Optional policies are

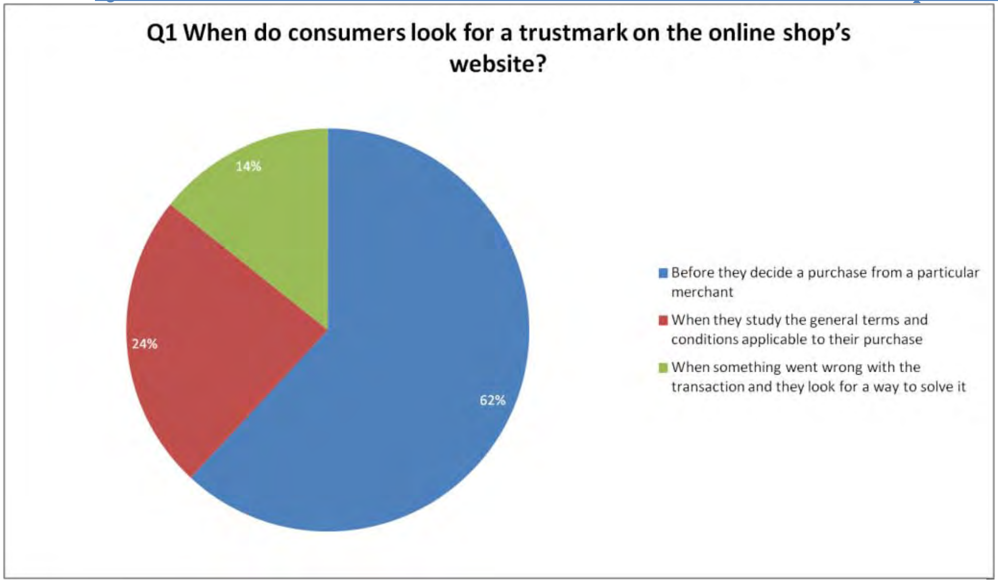
a) "Address the general language issues of dispute resolution"
b) "Promote innovative approaches to the diffusion of knowledge on Trustmarks"
c) Assess the effectiveness of dispute resolution systems and elaborate plans for improvement and best practices
d) Identify the needs for regulatory harmonisation
e) Promote Supportive measures: inclusion of standardisation/certification mechanisms (CEN/ETSI)
f) Promote innovative approaches to the diffusion of knowledge on Trustmarks

	High Rank (1-4)	**Medium Rank (5-10)**	**Low Rank (11-14)**
Develop minimum criteria and trust-building features for Trustmarks	**17%**	4%	2%
Develop a methodology to identify Trustmarks best practices in operational, technical, procedural and regulatory terms	**12%**	5%	6%
Promote awareness on the potentialities of the trust-building effects of Trustmarks among consumers	**12%**	7%	3%
Promote the interaction between the stakeholders of Trustmarks for eCommerce	11%	8%	2%

	High Rank (1-4)	**Medium Rank (5-10)**	**Low Rank (11-14)**
Define the minimum criteria for "mature" Trustmarks	10%	6%	6%
Promote the harmonisation of quality and certification procedures among Member States and TMOs	7%	7%	6%
Promote the integration of Alternate Dispute Resolution and Online Dispute Resolution	7%	8%	6%
Promote awareness on the potentialities of the trust-building effects of Trustmarks among online merchants	6%	7%	8%
Address the general language issues of dispute resolution	5%	4%	**15%**
Promote a cooperative network of Trustmarks to solve, inter alia, the issue of cross-border dispute resolution in differ	4%	9%	7%
Assess the effectiveness of dispute resolution systems and elaborate plans for improvement and best practices	4%	**11%**	5%
Identify the needs for regulatory harmonisation	2%	9%	10%
Promote Supportive measures: inclusion of standardisation/certification mechanisms (CEN/ETSI)	2%	9%	10%
Promote innovative approaches to the diffusion of knowledge on Trustmarks	2%	6%	**15%**

4.6 Assessment by trader associations

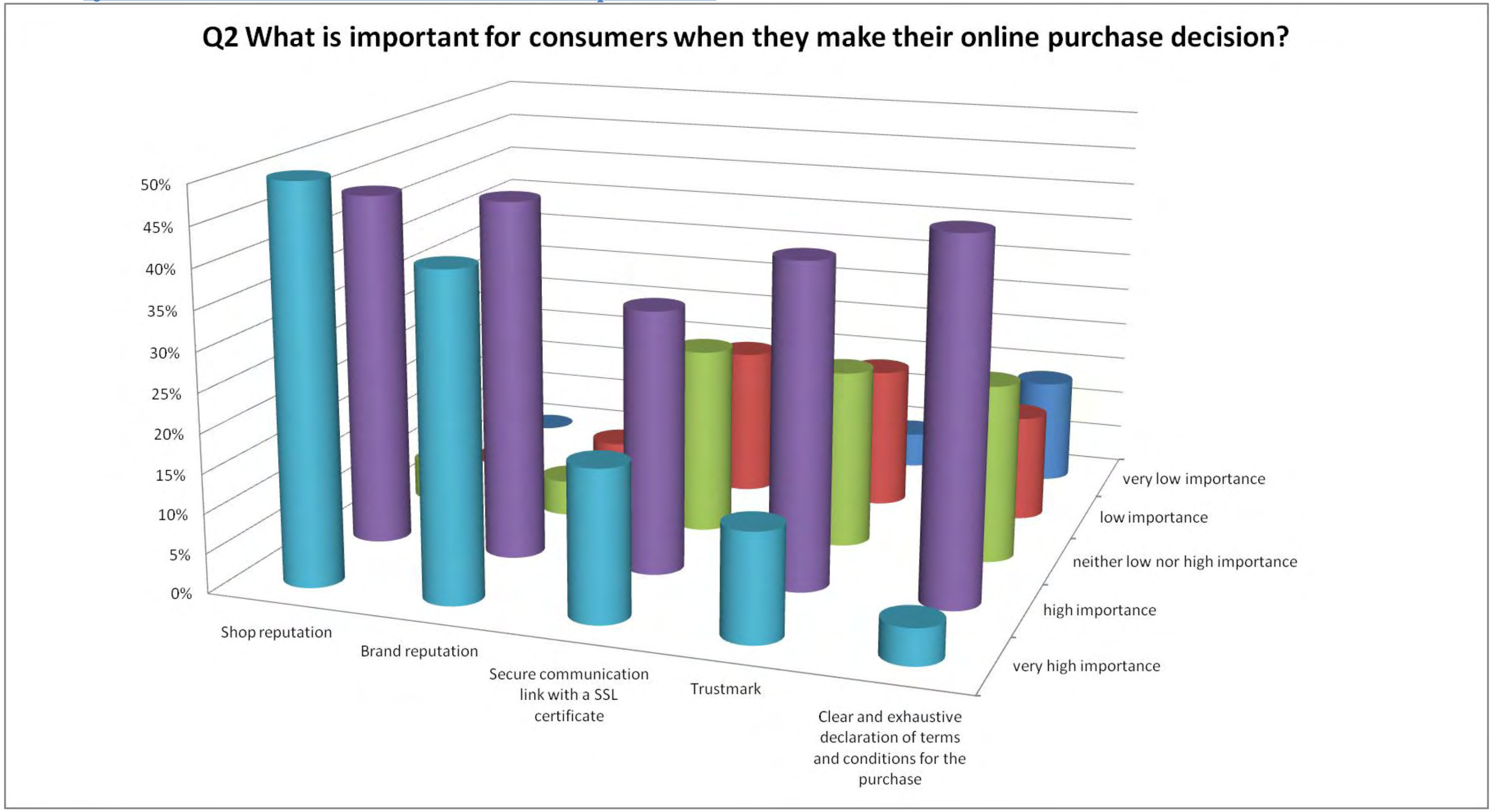
4.6.1 Q1: Consumers' awareness of trustmarks in the overall sales process



The majority of trader associations indicates that consumers consider the certification of a webshop by a trustmarks before engaging in an online purchase and only a minority of respondents believes that trustmarks are considered only once a problem with the online transaction has to be solved.

		%
Q1 - When do you think consumers look for a trustmark on the online shop's website?	Before they decide a purchase from a particular merchant	62%
	When they study the general terms and conditions applicable to their purchase	24%
	When something went wrong with the transaction and they look for a way to solve it	14%

4.6.2 Q2: The main drivers for consumer's online purchases

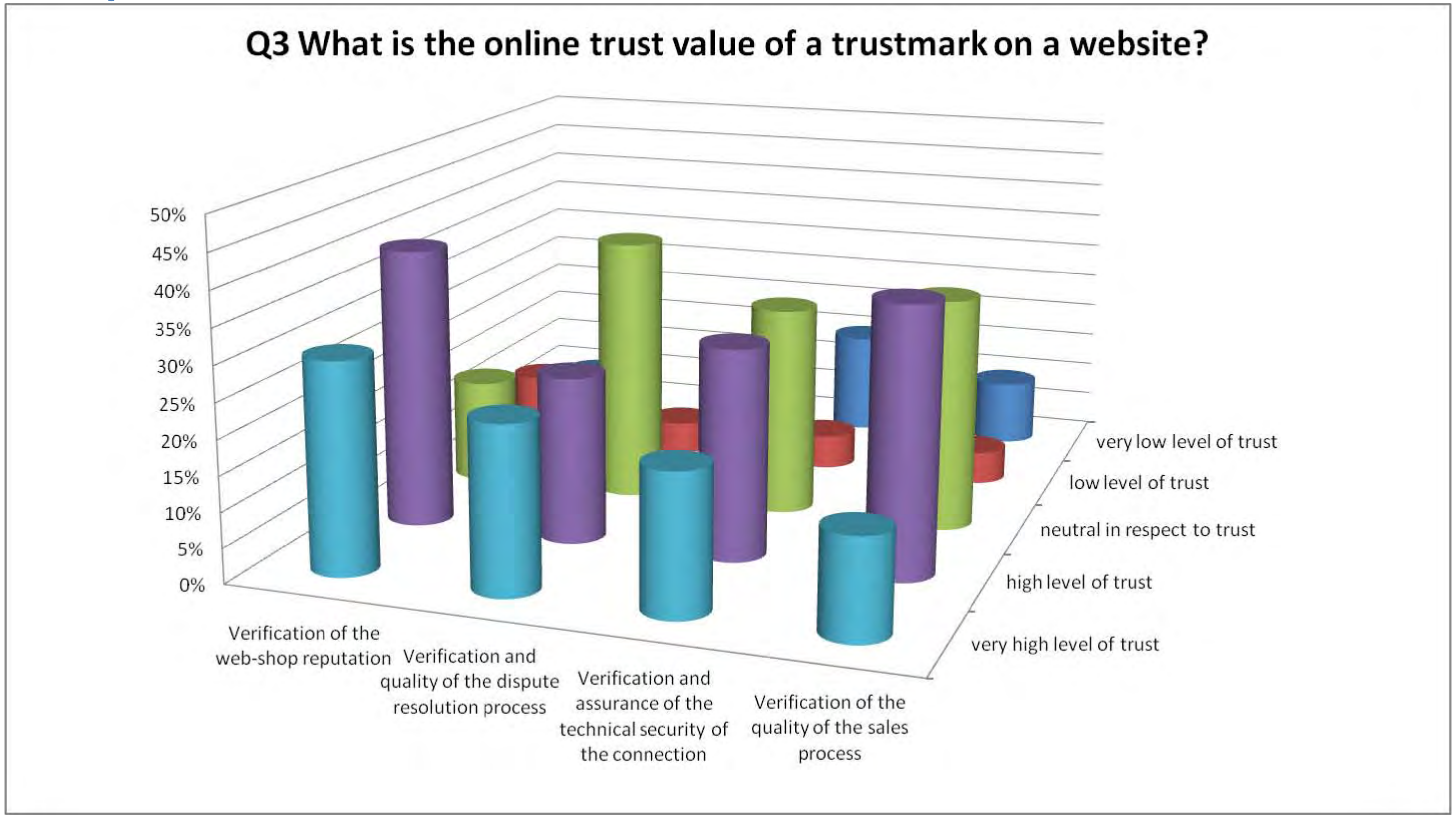


In general, traders perceive that "shop reputation", "brand reputation", the presence of a "trustmark" and a "clear and exhaustive declaration of terms and conditions for the purchase" are of high or very high importance to customers when they consider an online purchase decision. "Secure communication link with a SSL certificate" is slightly less important, but important as well.

Some traders perceive the "secure communication link", the "trustmark" itself and the "Clear and exhaustive declaration of terms and conditions for the purchase" are neutral or of low importance.

	very low importance	**low importance**	**neither low nor high importance**	**high importance**	**very high importance**	**not applicable**
Shop reputation	0%	0%	5%	45%	**50%**	0%
Brand reputation	5%	5%	5%	**45%**	41%	0%
Secure communication link with a SSL certificate	5%	19%	24%	**33%**	19%	0%
Trustmark	5%	18%	23%	**41%**	14%	0%
Clear and exhaustive declaration of terms and conditions for the purchase	14%	14%	23%	**45%**	5%	0%

4.6.3 Q3: The online trust value of a trustmark



The majority of trader associations believe that the online trust value provided by a trustmark resides in

a) The verification of the webshop reputation and in the
b) Verification of the quality of the sales process

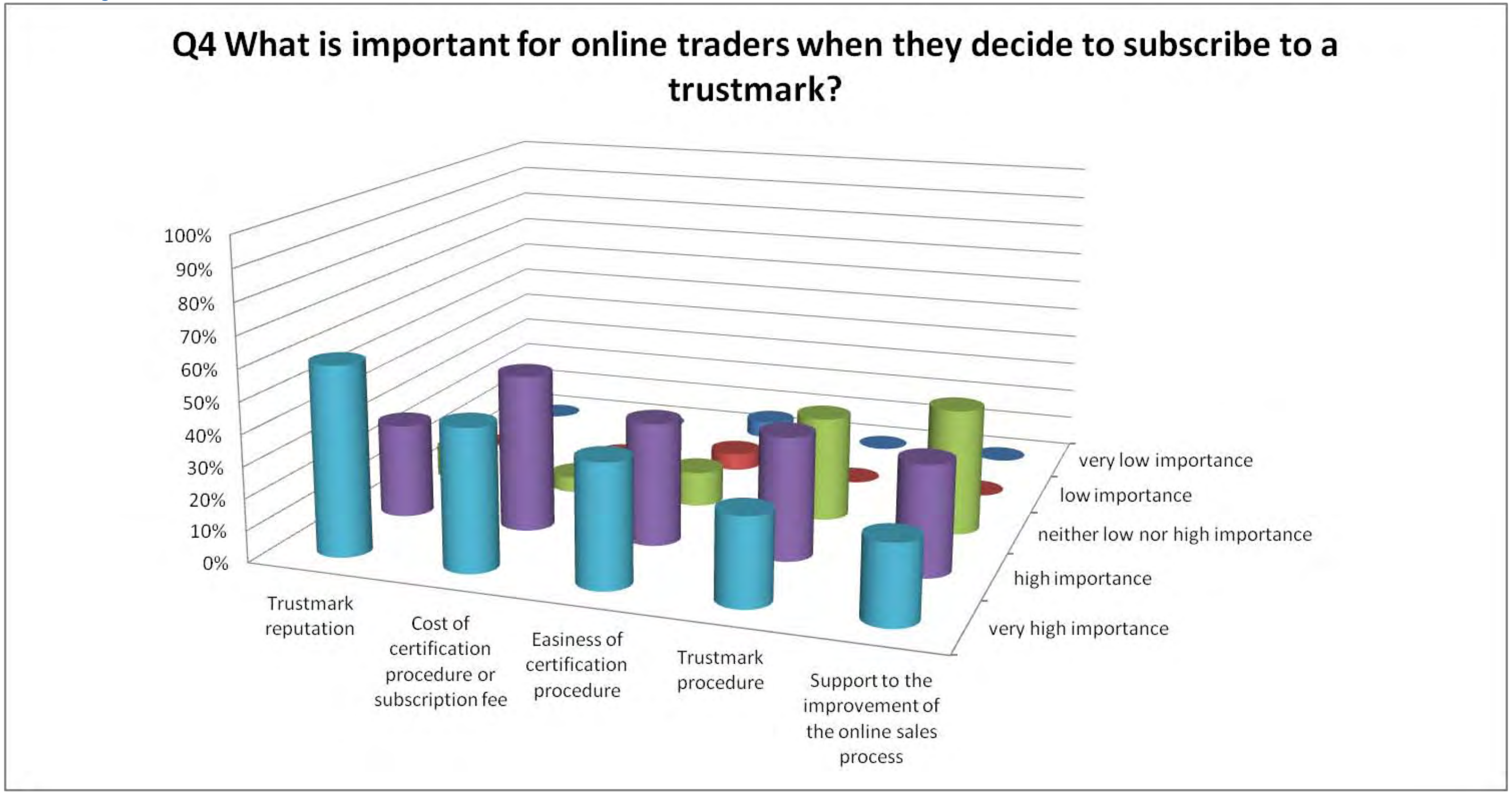
A significant number of respondents however state that the verification and quality of the dispute resolution process, of the Verification and assurance of the technical security of the connection, and the Verification of the quality of the sales process are neutral in respect to the trust value.

One possible explanation for these statements is that at present there is little certainty on the verification and quality of the dispute resolution process, and on the verification of the quality of the sales process as well.

A coordinate action at EU level on trustmarks might very well change this perception.

	very low level of trust	**low level of trust**	**neutral in respect to trust**	**high level of trust**	**very high level of trust**	**not applicable**
Verification of the web-shop reputation	5%	10%	15%	**40%**	30%	0%
Verification and quality of the dispute resolution process	10%	5%	**38%**	24%	24%	0%
Verification and assurance of the technical security of the connection	15%	5%	**30%**	**30%**	20%	0%
Verification of the quality of the sales process	10%	5%	33%	**38%**	14%	0%

4.6.4 Q4: The motivations for traders to subscribe to trustmarks



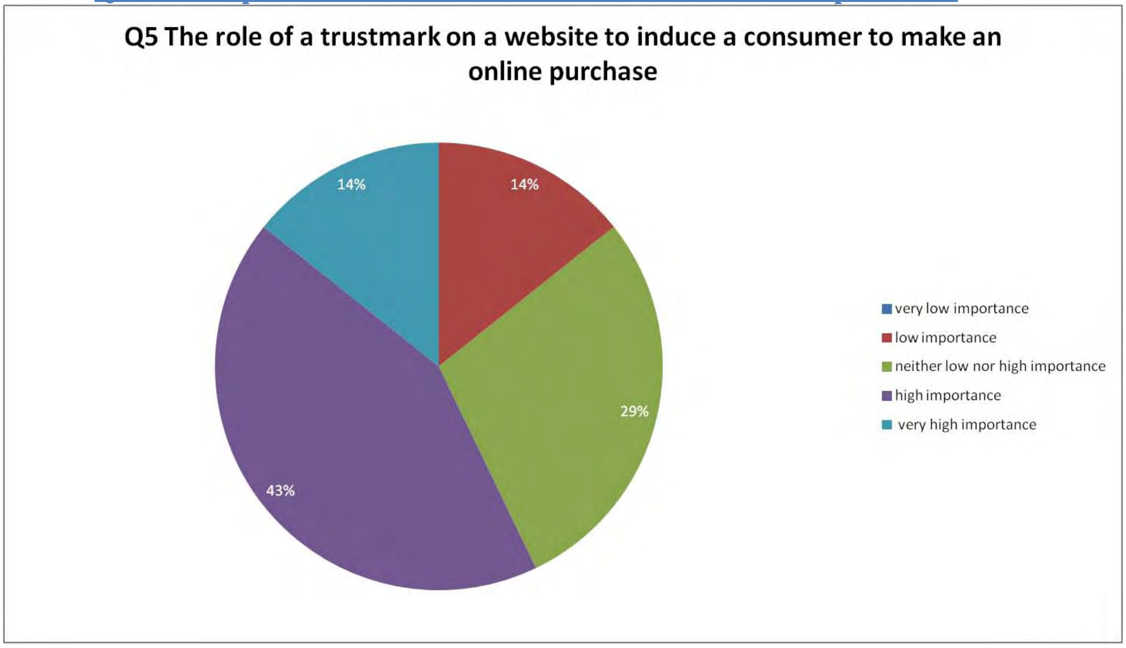
The important factors traders consider when they decide to subscribe to a trustmark are

a) The "Trustmark reputation"
b) The "Cost of certification procedure or subscription fee"
c) The "Ease of certification procedure"

Several respondents indicate that the "Trustmark procedure" itself and the "Support to the improvement of the online support process" are quite neutral in the subscription decision.

	very low importance	**low importance**	**neither low nor high importance**	**high importance**	**very high importance**	**not applicable**
Trustmark reputation	0%	0%	10%	30%	**60%**	0%
Cost of certification procedure or subscription fee	0%	0%	5%	**50%**	45%	0%
Easiness of certification procedure	6%	6%	11%	**39%**	39%	0%
Trustmark procedure	0%	0%	33%	**39%**	28%	0%
Support to the improvement of the online sales process	0%	0%	**40%**	35%	25%	0%

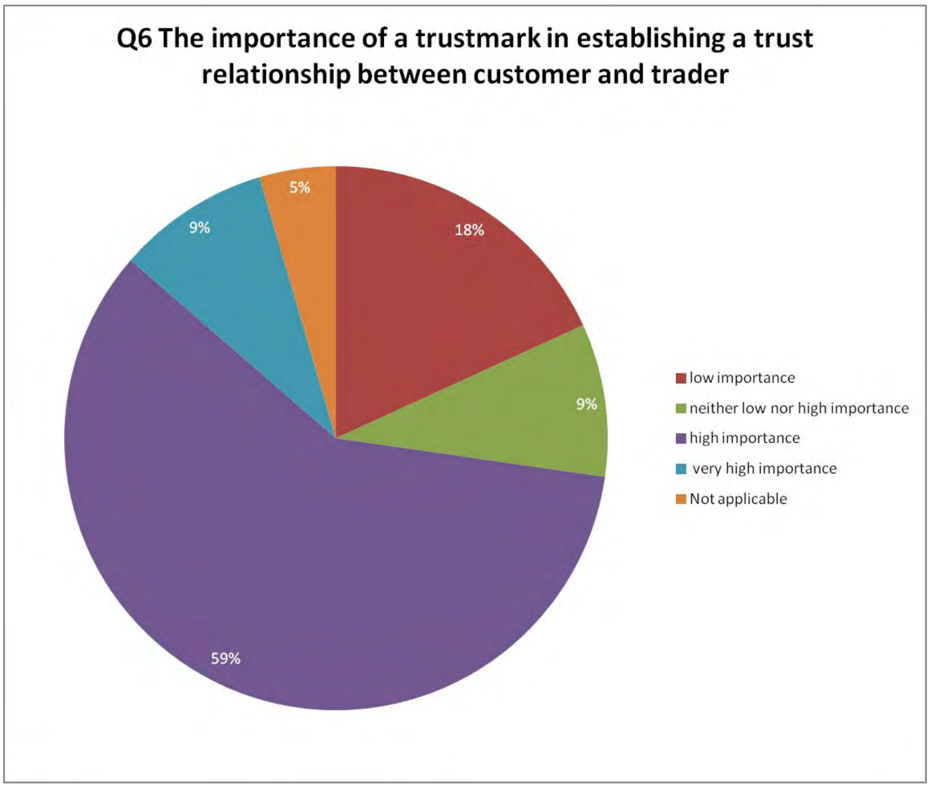
4.6.5 Q5: The importance of a trustmark to induce an online purchase



The majority of trader associations indicate that trustmarks play a high role in inducing consumers to make an online purchase. There are two important results from this question: that a small, but significant amount of respondents indicate that the importance is not "very high" and almost 30% indicate that the role of a trustmark is neutral.

		%
Q5 - How important is a trustmark on a website to induce a consumer to make an online purchase?	very low importance	0%
	low importance	14%
	neither low nor high importance	29%
	high importance	43%
	very high importance	14%
	not applicable	0%

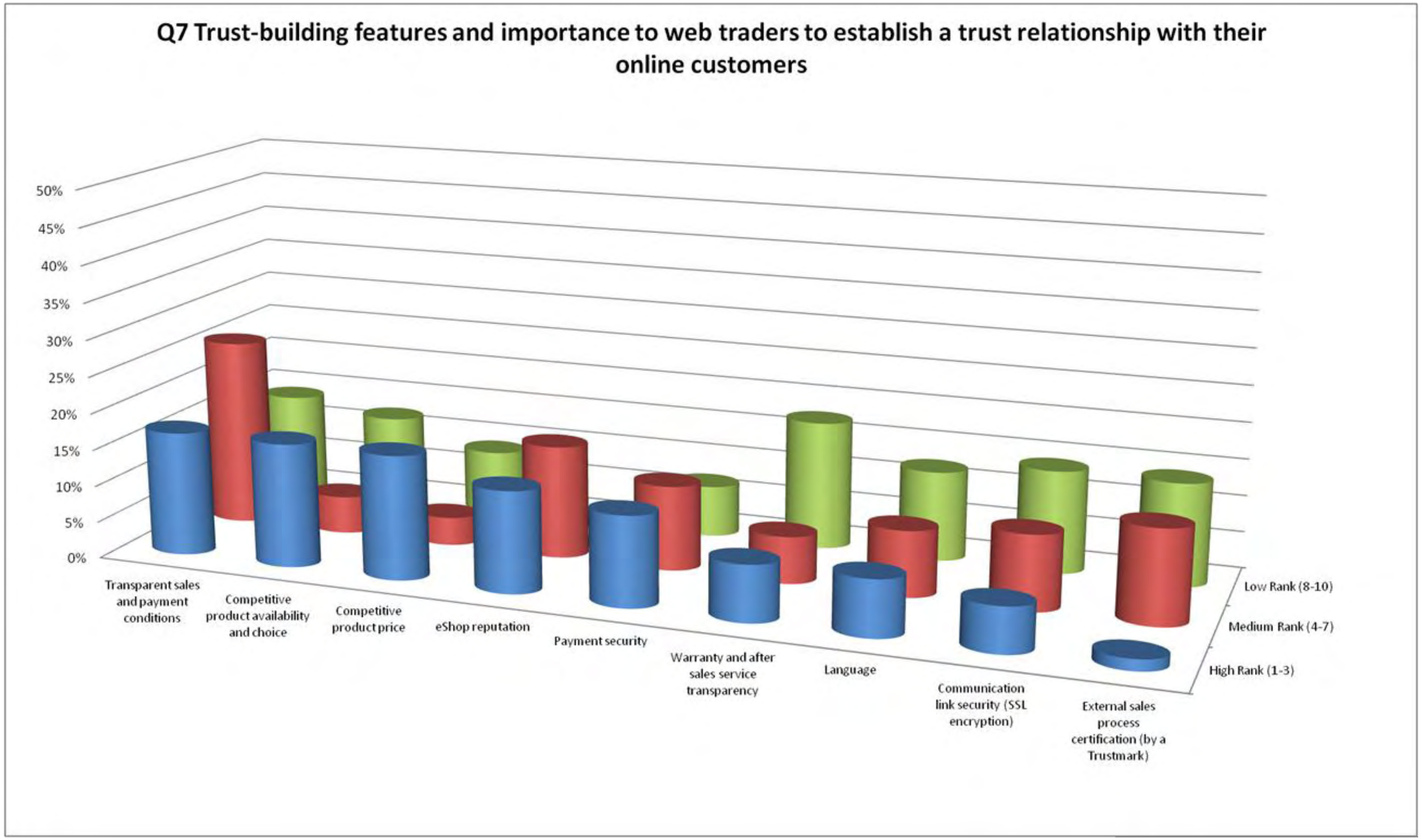
4.6.6 Q6: The importance of a trustmark in establishing a trust relationship between customer and trader



The vast majority of trader associations confirms that trustmarks are either of high importance or of very high importance in establishing a trust relationship between purchaser and trader.

		%
Q6 - How important is a trustmark on a website to establish a trust relationship between purchaser and trader?	very low importance	0%
	low importance	18%
	neither low nor high importance	9%
	high importance	59%
	very high importance	9%
	not applicable	5%

4.6.7 Q7: The importance of trust-building features for web traders



Trader associations indicate that the very important trust-building features are

a) "Competitive product availability and choice"
b) "Competitive product price"
c) "eShop reputation"
d) "Payment security"

Important features include

a) "sales conditions transparency, price and extra charges"

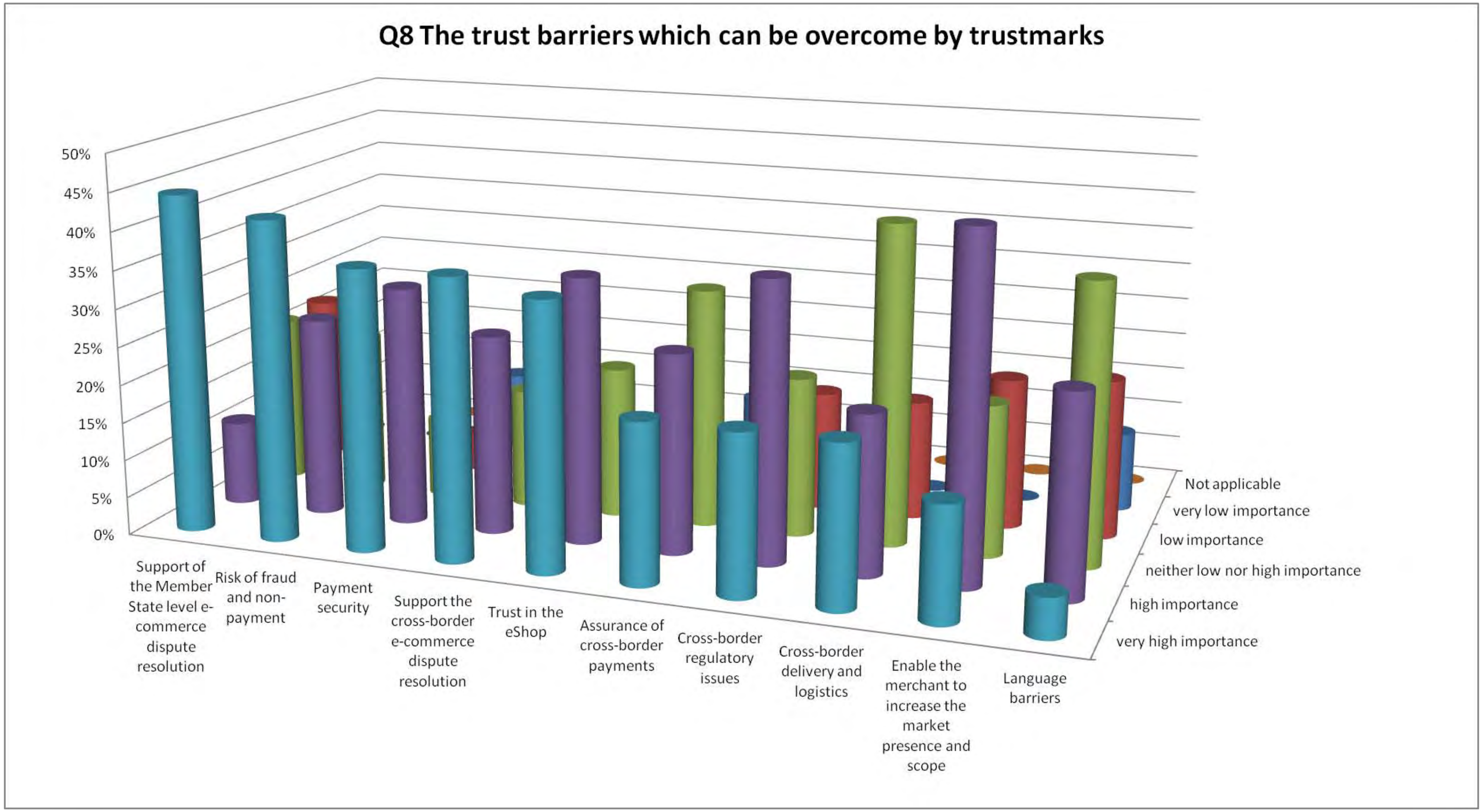
Less important features include

a) "Warranty and after sales service transparency"
b) "Language"
c) "Communication link security"
d) "External sales process certification by trustmarks"

Please note the relative character of this type of question. This means that the less important features are considered so in relation to the other requirements presented, but this does not mean at all that they are unimportant.

	High Rank (1-3)	**Medium Rank (4-7)**	**Low Rank (8-10)**
Transparent sales and payment conditions	**17%**	**26%**	14%
Competitive product availability and choice	**17%**	5%	12%
Competitive product price	**17%**	4%	9%
eShop reputation	14%	**15%**	0%
Payment security	12%	12%	7%
Warranty and after sales service transparency	8%	6%	**18%**
Language	8%	9%	12%
Communication link security (SSL encryption)	6%	10%	**14%**
External sales process certification (by a Trustmark)	2%	13%	**14%**

4.6.8 Q8: The trust barriers addressed by trustmarks



According to the majority of the trader associations, the trust barriers which can be effectively tackled by trustmarks are

a) "Member State level e-commerce dispute resolution"
b) "Risk of fraud and non-payment"
c) "Payment security"
d) "Support the cross-border e-commerce dispute resolution"
e) "Trust in the eShop"

Trustmarks have a role in dealing in

a) "Enable the merchant to increase the market presence and scope"
b) "Cross-border regulatory issues"

Trustmarks have a limited scope in overcoming the barriers of

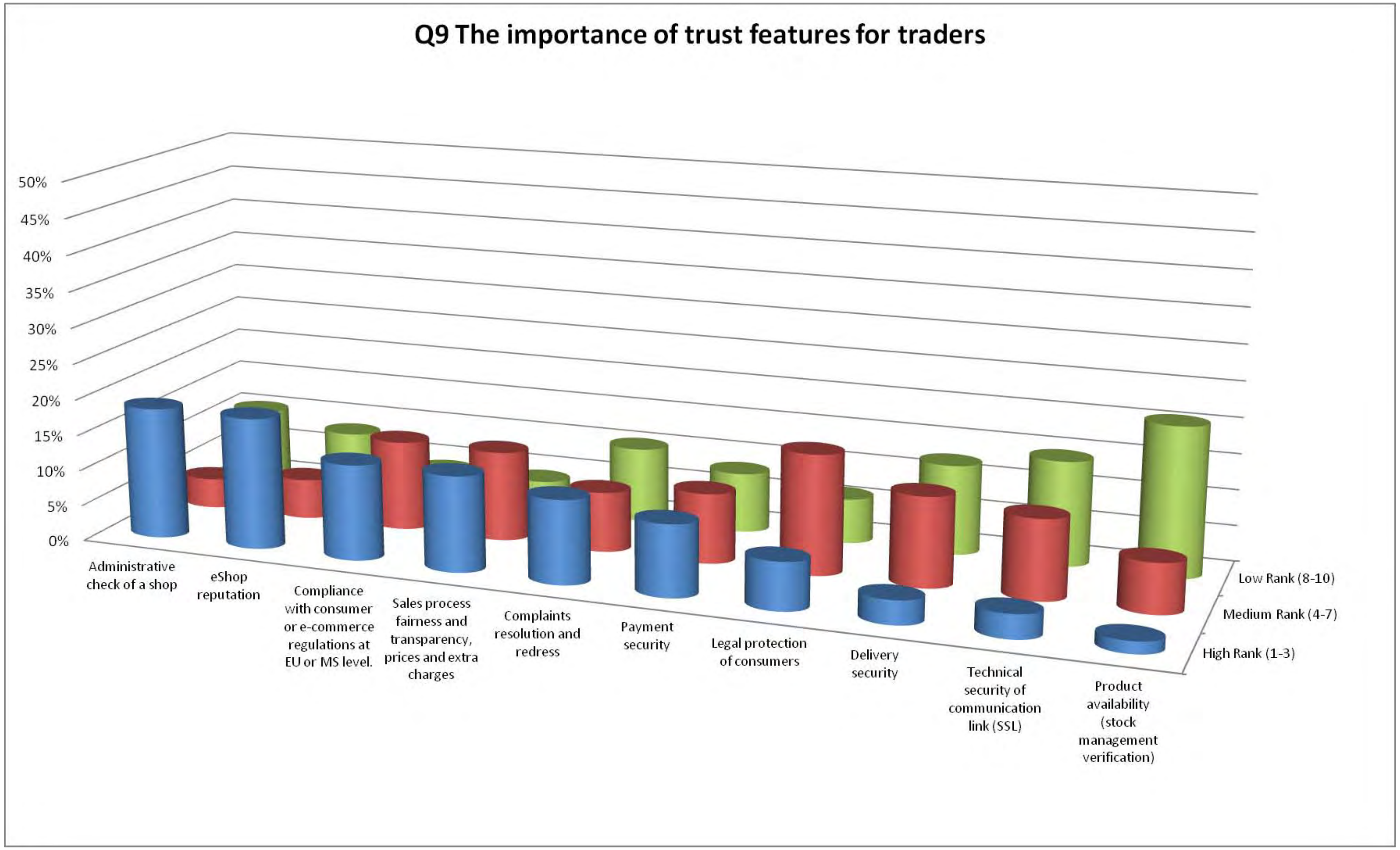
a) "Cross-border delivery and logistics"
b) "Language barriers"
f) "Assurance of cross-border payments"

The logic connection of "Payment security" and "Assurance of cross-border payments" is very clear, for example, on the other hand it will be interesting to explore the ability to support the solution of "Cross-border regulatory issues".

	very low importance	low importance	neither low nor high importance	high importance	very high importance	not applicable
Support of the Member State level e-commerce dispute resolution	0%	22%	22%	11%	**44%**	0%
Risk of fraud and non-payment	0%	11%	21%	26%	**42%**	0%
Payment security	11%	5%	11%	32%	**37%**	5%
Support the cross-border e-commerce dispute resolution	0%	21%	16%	26%	**37%**	0%
Trust in the eShop	0%	5%	20%	**35%**	**35%**	5%
Assurance of cross-border payments	11%	5%	**32%**	26%	21%	5%
Cross-border regulatory issues	5%	16%	21%	**37%**	21%	0%
Cross-border delivery and logistics	0%	16%	**42%**	21%	21%	0%

	very low importance	low importance	neither low nor high importance	high importance	very high importance	not applicable
Enable the merchant to increase the market presence and scope	0%	20%	20%	**45%**	15%	0%
Language barriers	11%	21%	**37%**	26%	5%	0%

4.6.9 Q9: The importance of trust features for traders



Most trader associations indicate that trustmarks should concentrate on the following trust-building features and operating requirements:

a) "Administrative check of a shop"
b) "eShop reputation"
c) "Compliance with consumer or e-commerce regulations at EU or MS level"
d) "Sales process fairness and transparency, prices and extra charges"
e) "Legal protection of consumers"

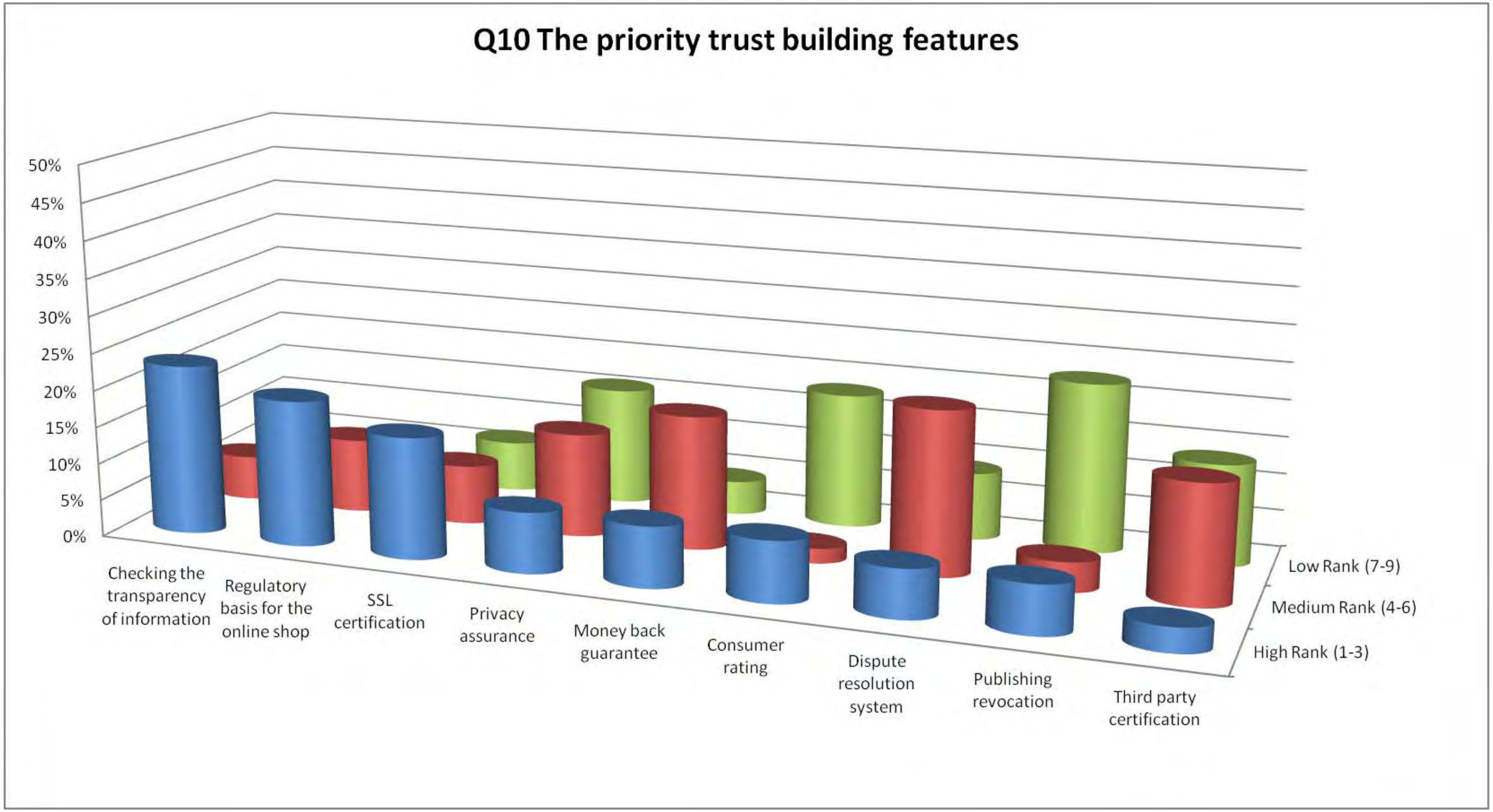
Traders do not provide clear indications on the issues of

a) "Complaints resolution and redress", and
b) "Payments security"

The respondents consider that "Delivery security", "Product availability (stock management verification)", and "Technical security of communication link (SSL)" should be less in the focus of trustmarks services for traders.

	High Rank (1-3)	**Medium Rank (4-7)**	**Low Rank (8-10)**
Administrative check of a shop	**18%**	4%	10%
eShop reputation	**18%**	6%	8%
Compliance with consumer or e-commerce regulations at EU or MS level.	13%	**13%**	4%
Sales process fairness and transparency, prices and extra charges	13%	**13%**	4%
Complaints resolution and redress	12%	8%	10%
Payment security	10%	10%	8%
Legal protection of consumers	7%	**17%**	6%
Delivery security	3%	**13%**	13%
Technical security of communication link (SSL)	3%	11%	**15%**
Product availability (stock management verification)	2%	7%	**21%**

4.6.10 Q10: The priority trust building features



The majority of trader associations indicates that the trust-building features the trustmark organisations should necessarily provide are

a) A verification of the transparency of information provided by the web-shop ("Checking the transparency of information")
b) A verification of the "Regulatory basis for the online shop"
c) Providing "SSL certification"
d) "Dispute resolution system"

The trust-building features which are considered relatively less important are

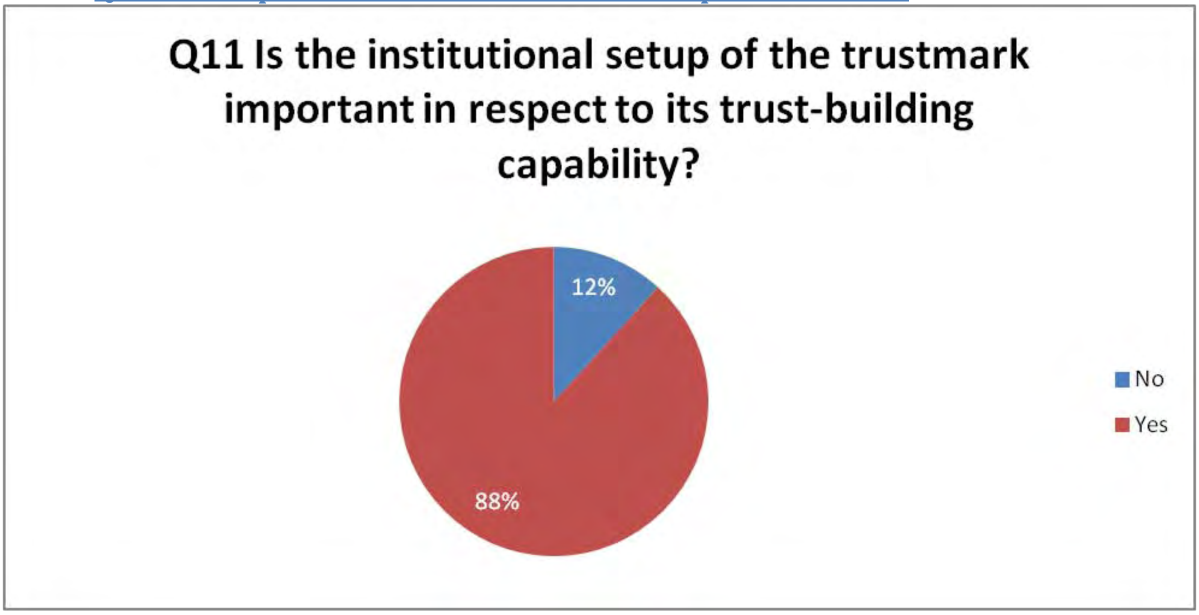
a) "Money back guarantee"
b) "Third party certification"

The trader associations indicate that the least important features are

a) "Consumer rating"
b) "Publishing revocation"
c) "Privacy assurance"

	High Rank (1-3)	**Medium Rank (4-6)**	**Low Rank (7-9)**
Checking the transparency of information	**23%**	6%	5%
Regulatory basis for the online shop	**20%**	10%	5%
SSL certification	**16%**	8%	7%
Privacy assurance	8%	14%	**16%**
Money back guarantee	8%	**18%**	5%
Consumer rating	8%	2%	**18%**
Dispute resolution system	7%	**22%**	9%
Publishing revocation	7%	4%	**23%**
Third party certification	3%	**16%**	14%

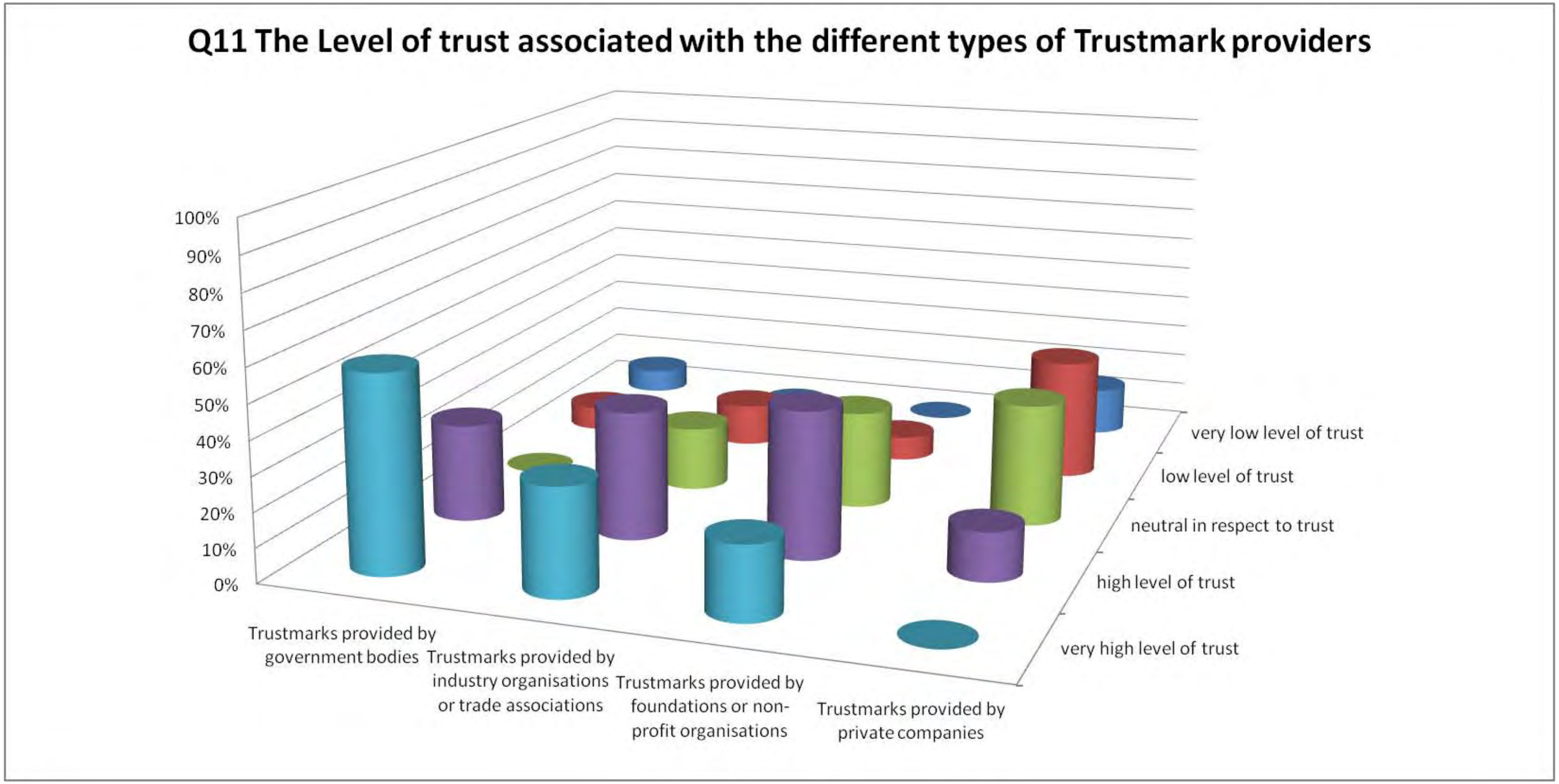
4.6.11 Q11: The importance of the institutional setup of trustmarks



		%
Q11 - Please indicate whether the institutional setup of the trustmark is important in respect to its trust-building capability.?	No	12%
	Yes	88%

A vast majority indicates (88%) that the institutional setup of the Trustmark is important in respect to its trust-building capability.

4.6.12 Q11: The level of trust associated with the different types of trustmark providers

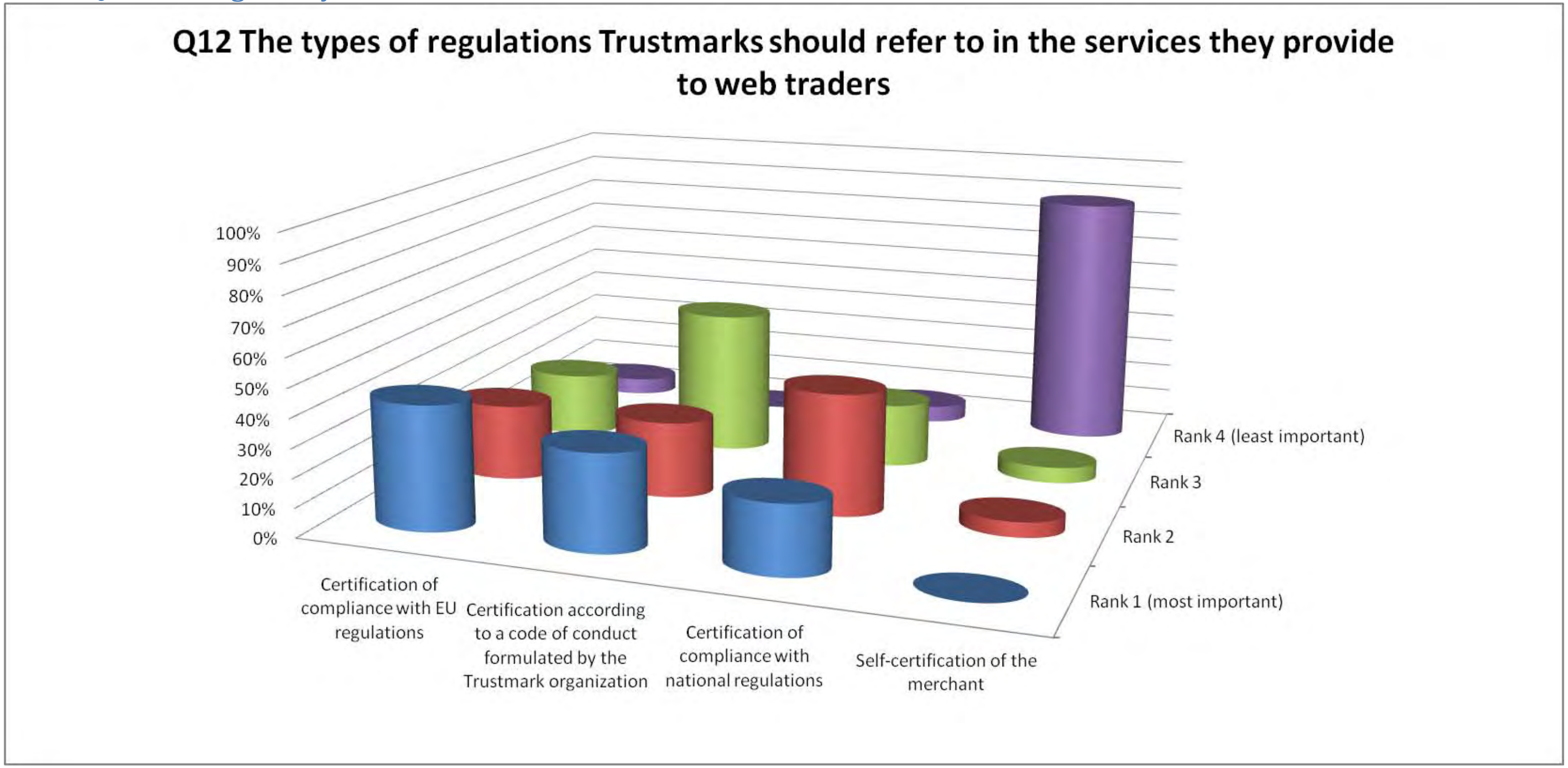


The trader associations indicate that the highest level of trust would be provided by "Trustmarks provided by government bodies". "Trustmarks provided by industry organisations or trade associations" and "Trustmarks provided by foundations or non-profit organisations" would provide significant levels of trust.

"Trustmarks provided by private companies" would be neutral in respect to trust-building or provide low or very low levels of trust.

	very low level of trust	**low level of trust**	**neutral in respect to trust**	**high level of trust**	**very high level of trust**	**not applicable**
Trustmarks provided by government bodies	7%	7%	0%	29%	**57%**	0%
Trustmarks provided by industry organisations or trade associations	0%	13%	19%	**38%**	31%	0%
Trustmarks provided by foundations or non-profit organisations	0%	7%	29%	**43%**	21%	0%
Trustmarks provided by private companies	14%	36%	**36%**	14%	0%	0%

4.6.13 Q12: The regulatory references for trustmarks

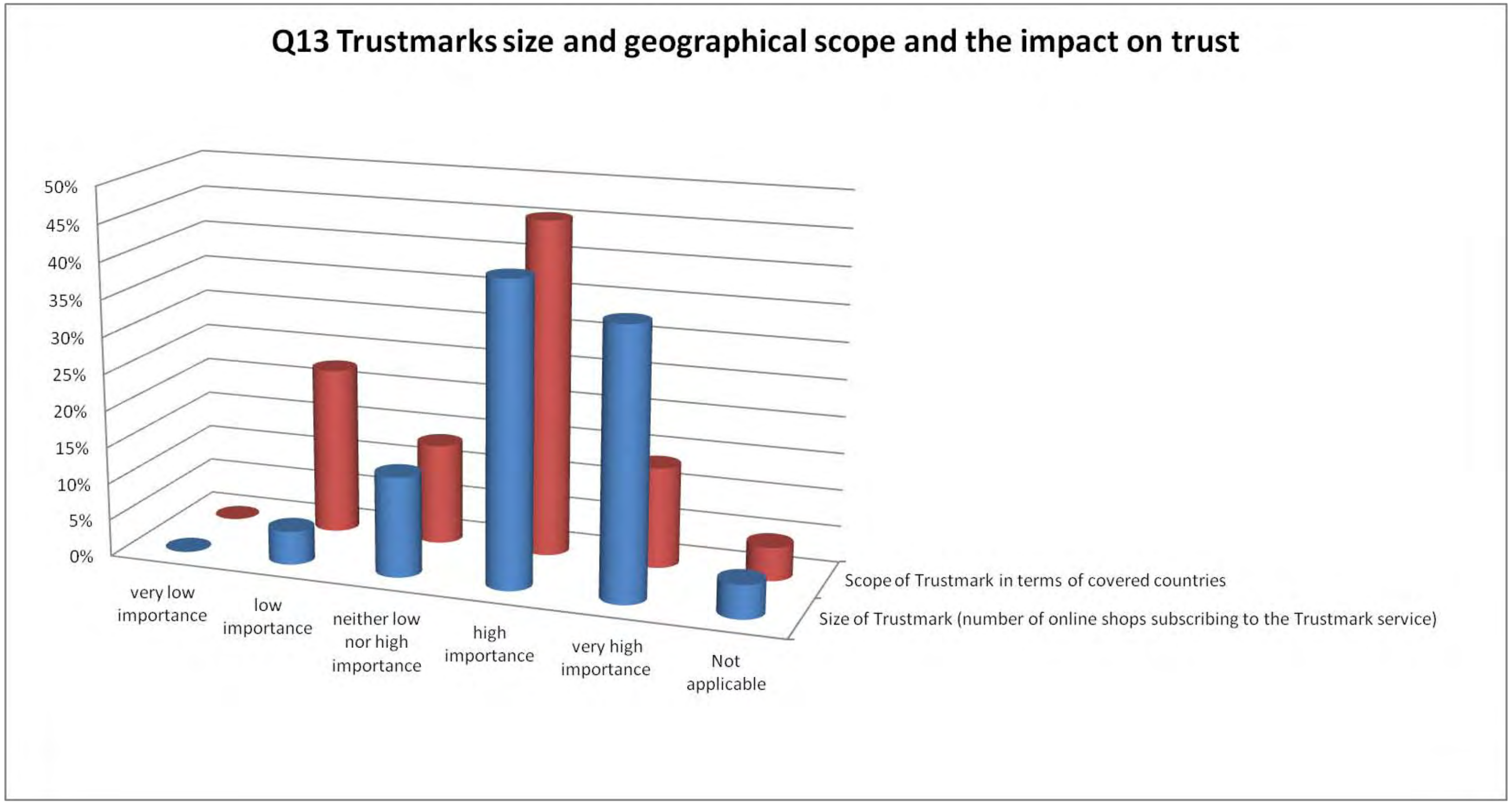


The responses to the importance of the types of regulations Trustmarks should refer to in their services to web traders are scattered among the three key levels of regulation: EU, national and trustmarks code of conduct. All respondents agree that trader self-certification is the least important regulatory reference.

a) The majority of trader associations indicate that trustmarks should certify the trader operations according to applicable EU regulations.
b) Many trader associations indicate that the certification should consider a code of conduct formulated by the trustmark organisation itself, as well as the compliance with national regulations
c) There is a general agreement by trader associations that any self-certification of the merchant would be the least important regulatory reference.

	Rank 1 (most important)	**Rank 2**	**Rank 3**	**Rank 4 (least important)**
Certification of compliance with EU regulations	**43%**	26%	22%	6%
Certification according to a code of conduct formulated by the Trustmark organization	33%	26%	**50%**	0%
Certification of compliance with national regulations	24%	**42%**	22%	6%
Self-certification of the merchant	0%	5%	6%	**88%**

4.6.14 Q13: Trustmarks size and geographical scope and the impact on trust

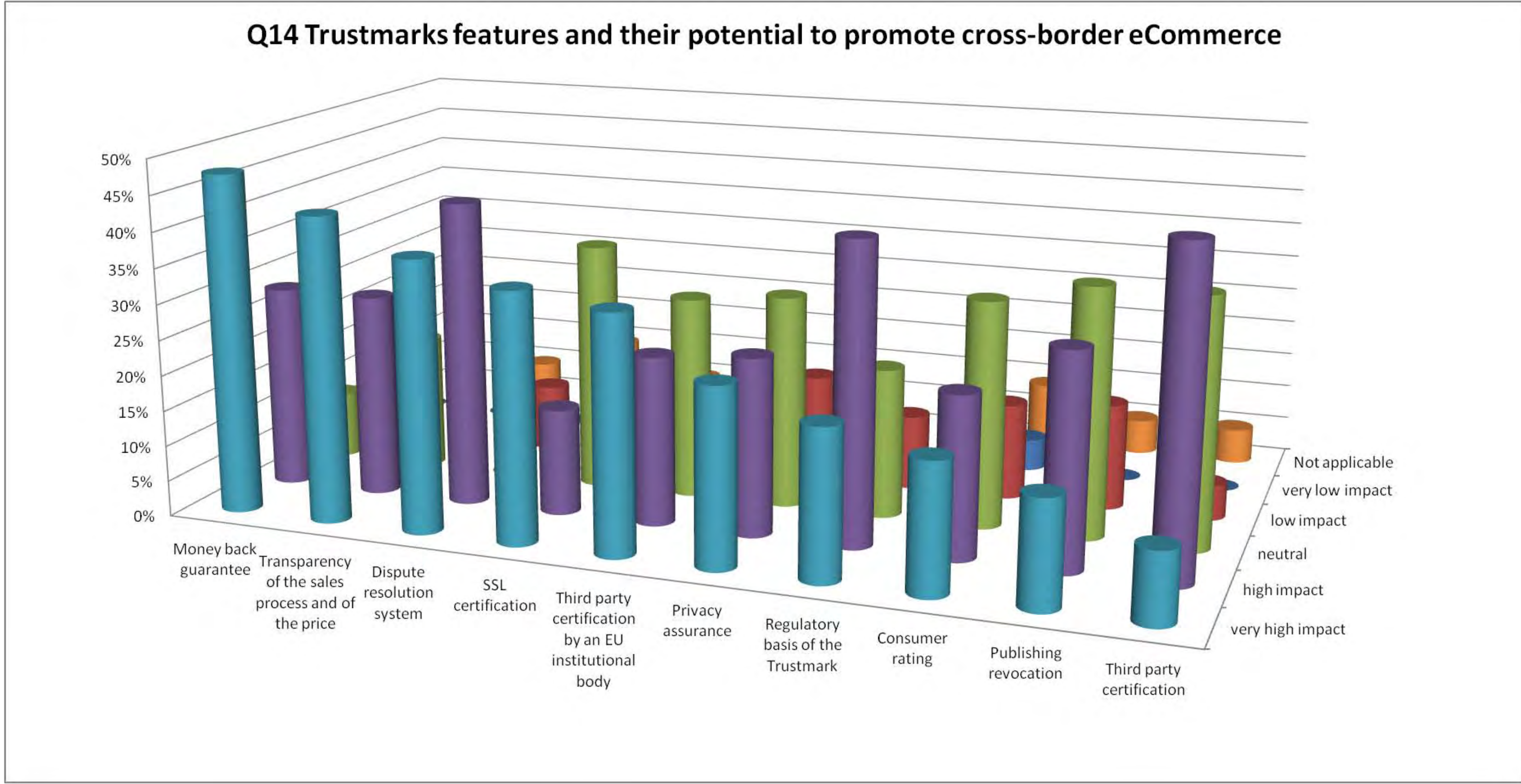


The majority of trader associations affirm that there is a direct correlation between the number of subscribers and the level of trust potentially perceived by traders.

When the size of the covered geographical scope by the trustmark is considered, the correlation is much weaker and a significant – even if minority – share of consumer associations believes that this dimension is either neutral or of low importance.

	very low importance	low importance	neither low nor high importance	high importance	very high importance	not applicable
Size of Trustmark (number of online shops subscribing to the Trustmark service)	0%	5%	14%	41%	36%	5%
Scope of Trustmark in terms of covered countries	0%	23%	14%	45%	14%	5%

4.6.15 Q14: The priority trustmark features to develop cross-border eCommerce



Trader associations indicate that the highest impact of trust features in cross-border eCommerce is delivered by

a) "Money back guarantee"

b) "Transparency of the sales process and of the price"
c) "Dispute resolution system"
d) "Third party certification by an EU institutional body"
e) "Regulatory basis of the Trustmark"
f) "Third party certification"

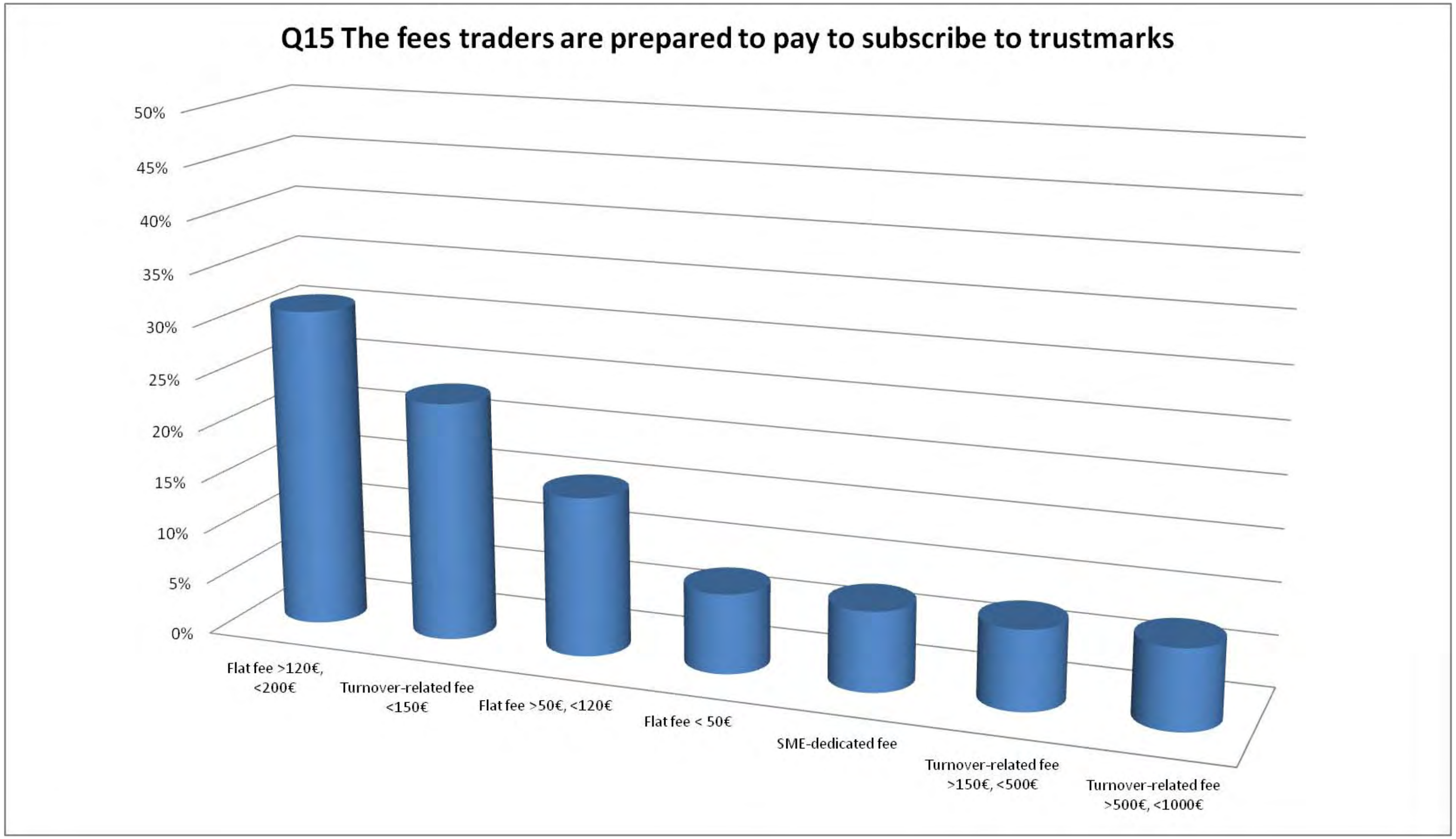
A moderate impact is produced by "SSL certification".

A neutral impact is produced by

a) "Publishing revocation"
b) "Consumer rating"
c) "Privacy assurance".

	very low impact	**low impact**	**neutral**	**high impact**	**very high impact**	**not applicable**
Money back guarantee	0%	5%	10%	29%	**48%**	10%
Transparency of the sales process and of the price	0%	5%	19%	29%	**43%**	5%
Dispute resolution system	0%	10%	0%	**43%**	38%	10%
SSL certification	5%	5%	**35%**	15%	**35%**	5%
Third party certification by an EU institutional body	0%	5%	29%	24%	**33%**	10%
Privacy assurance	0%	15%	**30%**	25%	25%	5%
Regulatory basis of the Trustmark	0%	11%	21%	**42%**	21%	5%
Consumer rating	5%	14%	**32%**	23%	18%	9%
Publishing revocation	0%	15%	**35%**	30%	15%	5%
Third party certification	0%	5%	35%	**45%**	10%	5%

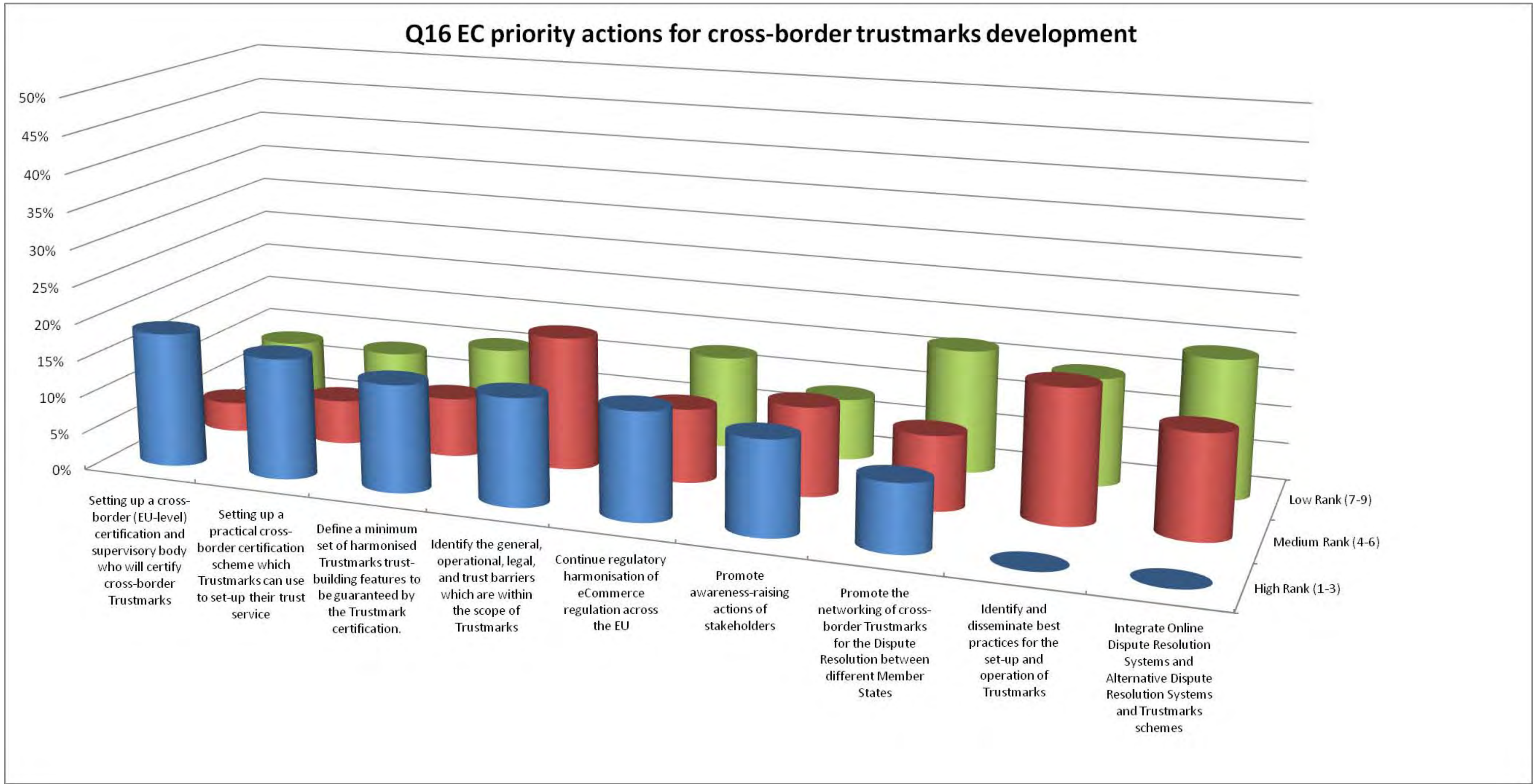
4.6.16 Q15: The fees traders are prepared to pay to subscribe to trustmarks



The majority of trader associations indicates that they would prefer a flat fee higher than 120€ per annum and lower than 200€ per annum, followed by a turnover-related fee less than 150€ per annum.

		%
Q15 - Please indicate what would be a reasonable fee to pay to subscribe to Trustmarks	Flat fee >120€, <200€	31%
	Turnover-related fee <150€	23%
	Flat fee >50€, <120€	15%
	Flat fee < 50€	8%
	SME-dedicated fee	8%
	Turnover-related fee >150€, <500€	8%
	Turnover-related fee >500€, <1000€	8%
	Flat fee >200€, <750€	0%
	Flat fee >750€, <1500€	0%
	Flat fee >1500€	0%
	Turnover-related fee >1000€, <5000€	0%
	Turnover-related fee >5000€	0%
	No answer	0%

4.6.17 Q16: Priority actions to be undertaken by the European Commission to support cross-border trustmarks development



The question proposes a number of possible actions by the European Commission in respect to cross-border Trustmarks operations. The priority actions the trader associations propose are

a) "Setting up a cross-border (EU-level) certification and supervisory body who will certify cross-border Trustmarks"
c) "Setting up a practical cross-border certification scheme which Trustmarks can use to set-up their trust service"
b) "Define a minimum set of harmonised Trustmarks trust-building features to be guaranteed by the Trustmark certification"
c) "Identify the general, operational, legal, and trust barriers which are within the scope of Trustmarks"
d) "Promote awareness-raising actions of stakeholders"

Other actions, which are still important but have been assigned lower priorities are:

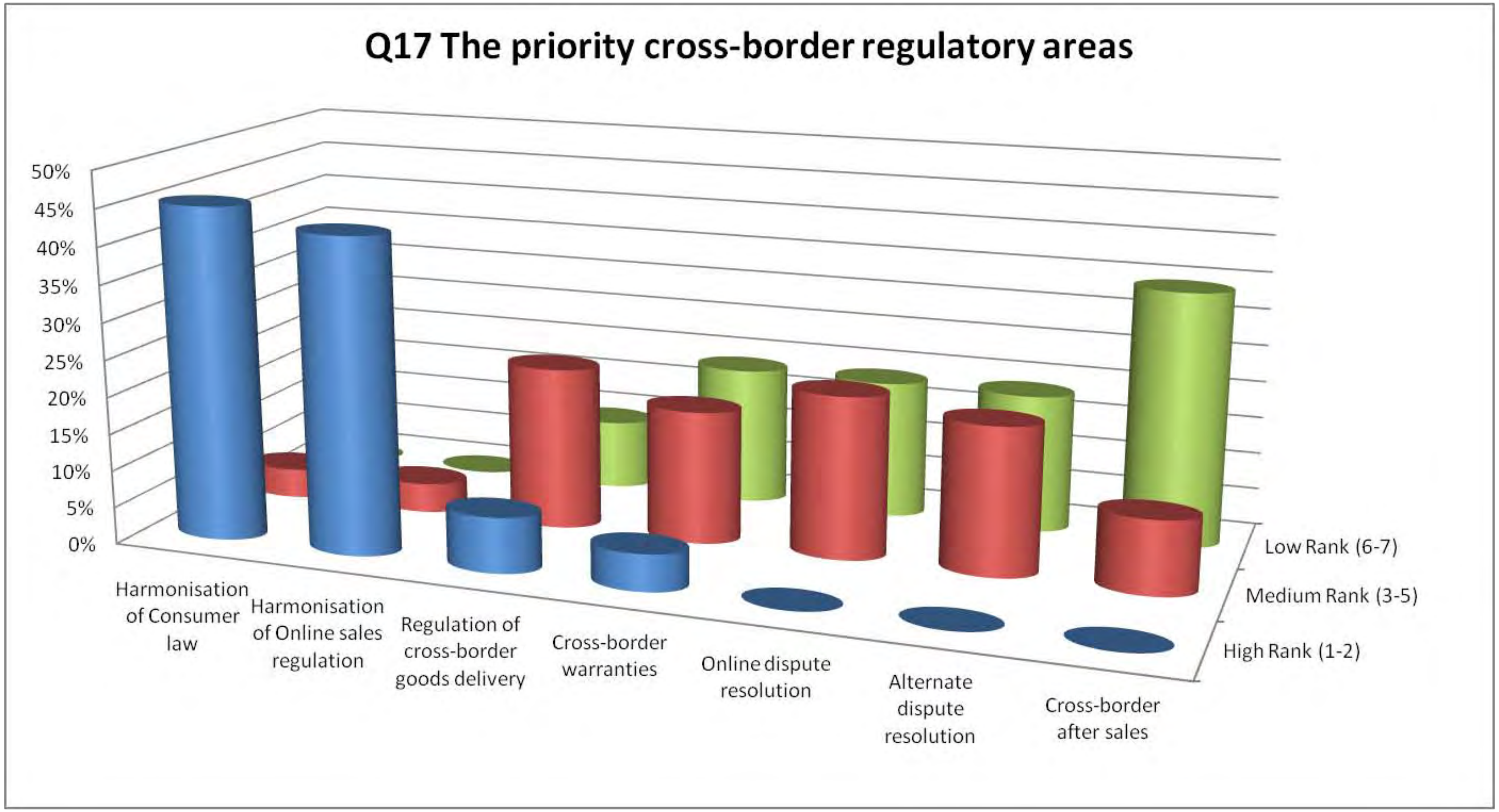
a) "Continue regulatory harmonisation of eCommerce regulation across the EU".
b) "Promote the networking of cross-border Trustmarks for the Dispute Resolution between different Member States"
c) "Identify and disseminate best practices for the set-up and operation of Trustmarks"
d) "Integrate Online Dispute Resolution Systems and Alternative Dispute Resolution Systems and Trustmarks schemes".

The distribution can be explained partly to the extremely differentiated views on the subject matter of cross-border Trustmark operations, partly the complexity of implementation of some of the issues presented. It needs to be emphasised that the question addresses the relative importance and this means that for example, the integration of ADR and ODR is not unimportant in itself, but that the traders perceive it as less important.

	High Rank (1-3)	**Medium Rank (4-6)**	**Low Rank (7-9)**
Setting up a cross-border (EU-level) certification and supervisory body who will certify cross-border Trustmarks	**18%**	4%	8%
Setting up a practical cross-border certification scheme which Trustmarks can use to set-up their trust service	**16%**	6%	8%
Define a minimum set of harmonised Trustmarks trust-building features to be guaranteed by the Trustmark certification.	**15%**	8%	10%
Identify the general, operational, legal, and trust barriers which are within the scope of Trustmarks	15%	**18%**	2%
Continue regulatory harmonisation of eCommerce regulation across the EU	**15%**	10%	13%
Promote awareness-raising actions of stakeholders	**13%**	12%	8%

	High Rank (1-3)	Medium Rank (4-6)	Low Rank (7-9)
Promote the networking of cross-border Trustmarks for the Dispute Resolution between different Member States	9%	10%	**17%**
Identify and disseminate best practices for the set-up and operation of Trustmarks	0%	**18%**	15%
Integrate Online Dispute Resolution Systems and Alternative Dispute Resolution Systems and Trustmarks schemes	0%	14%	**19%**

4.6.18 Q17: The priority areas of cross-border regulation in which the European Commission should act



The majority of trader associations indicate that the European Commission should focus the attention on regulatory issues such as:

a) "Harmonisation of Consumer law"

b) "Harmonisation of Online sales regulation"

Less important actions should deal with

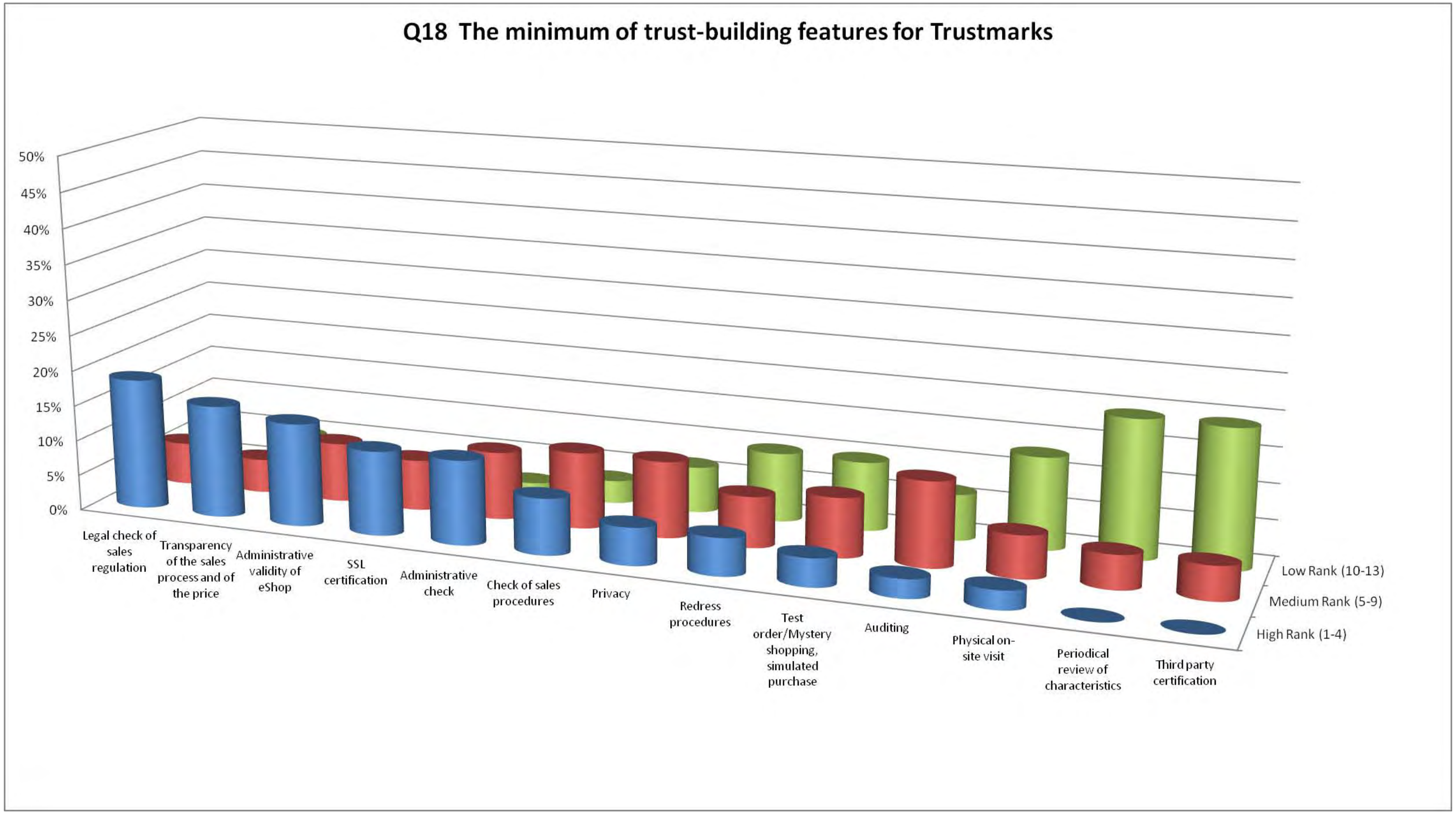
a) "Regulation of cross-border goods delivery"
b) "Online dispute resolution"
c) "Alternate dispute resolution"

The least importance is given to

a) "Cross-border after sales"
b) "Cross-border warranties"

	High Rank (1-2)	**Medium Rank (3-5)**	**Low Rank (6-7)**
Harmonisation of Consumer law	**45%**	4%	0%
Harmonisation of Online sales regulation	**43%**	4%	0%
Regulation of cross-border goods delivery	8%	**22%**	9%
Cross-border warranties	5%	18%	**19%**
Online dispute resolution	0%	**22%**	19%
Alternate dispute resolution	0%	**20%**	19%
Cross-border after sales	0%	10%	**34%**

4.6.19 Q18: The minimum of trust-building features for trustmarks



The majority of trader associations indicate that the most important Trustmarks features and requirements are

a) "Legal check of sales regulation"
b) "Transparency of the sales process and of the price"
c) "Administrative validity of eShop"
d) "SSL certification"
e) "Auditing"

Second level trust-building features include

a) "Administrative check" of webshop
b) "Check of sales procedures"
c) "Privacy"

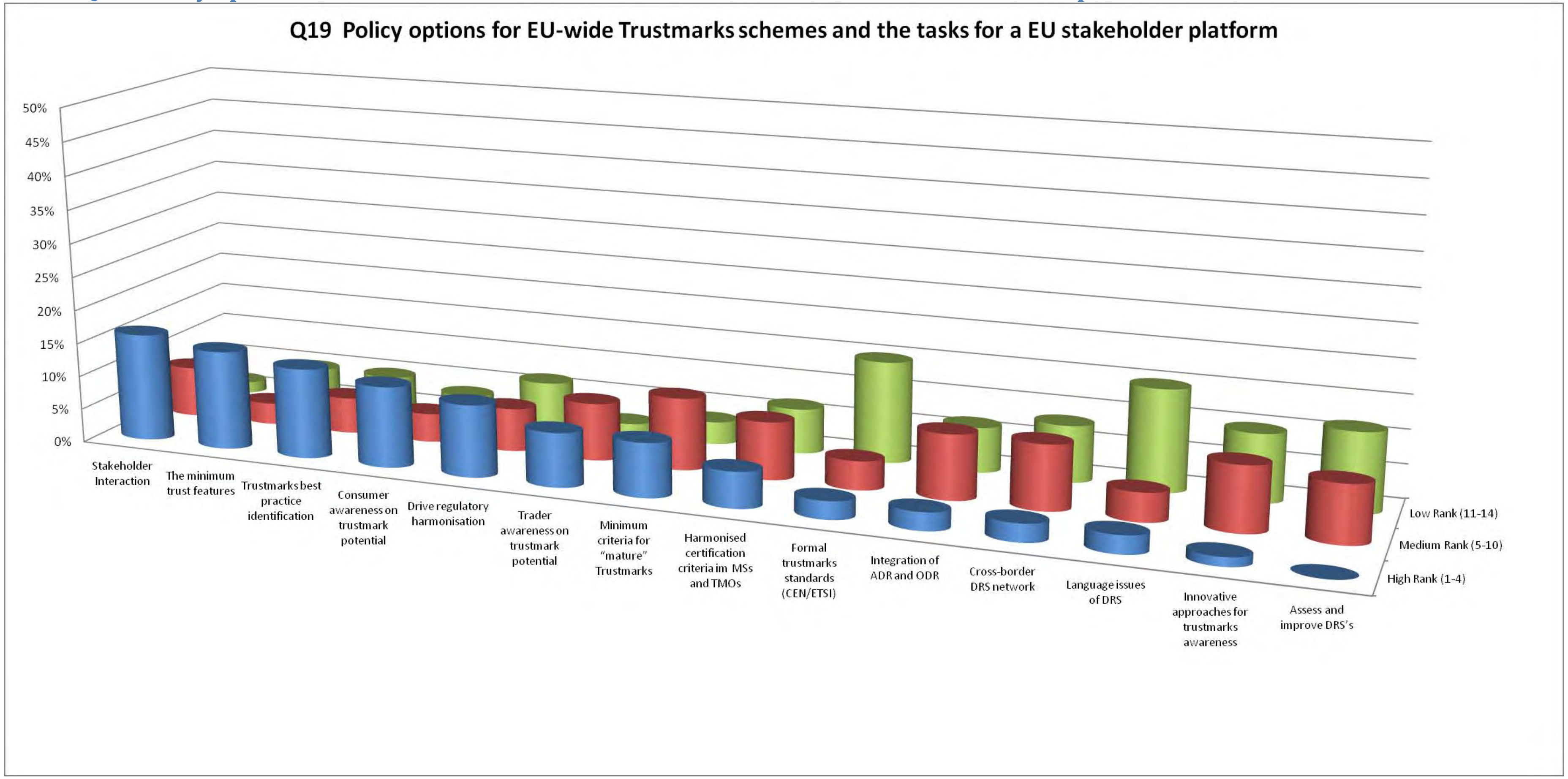
The less important features indicated by trader associations are

a) "Physical on-site visits"
b) "Periodical review of characteristics"
c) "Third party certification"

	High Rank (1-4)	Medium Rank (5-9)	Low Rank (10-13)
Legal check of sales regulation	**18%**	6%	0%
Transparency of the sales process and of the price	**16%**	5%	5%
Administrative validity of eShop	**14%**	8%	3%
SSL certification	**12%**	7%	3%
Administrative check	12%	10%	2%
Check of sales procedures	8%	**11%**	3%
Privacy	5%	**11%**	6%
Redress procedures	5%	7%	10%
Test order/Mystery shopping, simulated purchase	4%	8%	10%
Auditing	3%	**12%**	6%
Physical on-site visit	3%	6%	**13%**

	High Rank (1-4)	**Medium Rank (5-9)**	**Low Rank (10-13)**
Periodical review of characteristics	0%	5%	**19%**
Third party certification	0%	5%	**19%**

4.6.20 Q19: Policy options for EU-wide trustmarks schemes and the tasks for a EU stakeholder platform



The trader associations indicate that the European Commission policies should primarily

a) "Promote the interaction between the stakeholders of Trustmarks for eCommerce"
b) "Develop minimum criteria and trust-building features for Trustmarks"
c) "Develop a methodology to identify Trustmarks best practices in operational, technical, procedural and regulatory terms"
d) "Promote awareness on the potentialities of the trust-building effects of Trustmarks among consumers"
e) "Identify the needs for regulatory harmonisation"

Second level actions should include

a) "Define the minimum criteria for "mature" Trustmarks"
b) "Promote the harmonisation of quality and certification procedures among Member States and TMOs"
c) "Promote the integration of Alternate Dispute Resolution and Online Dispute Resolution"
d) Promote a cooperative network of Trustmarks to solve, inter alia, the issue of cross-border dispute resolution

Third level policy actions should

a) "Promote Supportive measures: inclusion of standardisation/certification mechanisms (CEN/ETSI)"
b) "Address the general language issues of dispute resolution"
c) "Promote innovative approaches to the diffusion of knowledge on Trustmarks"
d) "Assess the effectiveness of dispute resolution systems and elaborate plans for improvement and best practices"

	High Rank (1-4)	**Medium Rank (5-10)**	**Low Rank (11-14)**
Promote the interaction between the stakeholders of Trustmarks for eCommerce	**16%**	7%	2%
Develop minimum criteria and trust-building features for Trustmarks	**15%**	3%	5%
Develop a methodology to identify Trustmarks best practices in operational, technical, procedural and regulatory terms	**13%**	5%	5%
Promote awareness on the potentialities of the trust-building effects of Trustmarks among consumers	**12%**	4%	3%
Identify the needs for regulatory harmonisation	**11%**	6%	7%

	High Rank (1-4)	Medium Rank (5-10)	Low Rank (11-14)
Promote awareness on the potentialities of the trust-building effects of Trustmarks among online merchants	8%	9%	2%
Define the minimum criteria for “mature” Trustmarks	8%	**11%**	3%
Promote the harmonisation of quality and certification procedures among Member States and TMOs	5%	9%	7%
Promote Supportive measures: inclusion of standardisation/certification mechanisms (CEN/ETSI)	3%	4%	**15%**
Promote the integration of Alternate Dispute Resolution and Online Dispute Resolution	3%	**10%**	7%
Promote a cooperative network of Trustmarks to solve, inter alia, the issue of cross-border dispute resolution	3%	10%	8%
Address the general language issues of dispute resolution	3%	4%	**15%**
Promote innovative approaches to the diffusion of knowledge on Trustmarks	1%	10%	**10%**
Assess the effectiveness of dispute resolution systems and elaborate plans for improvement and best practices	0%	9%	**12%**

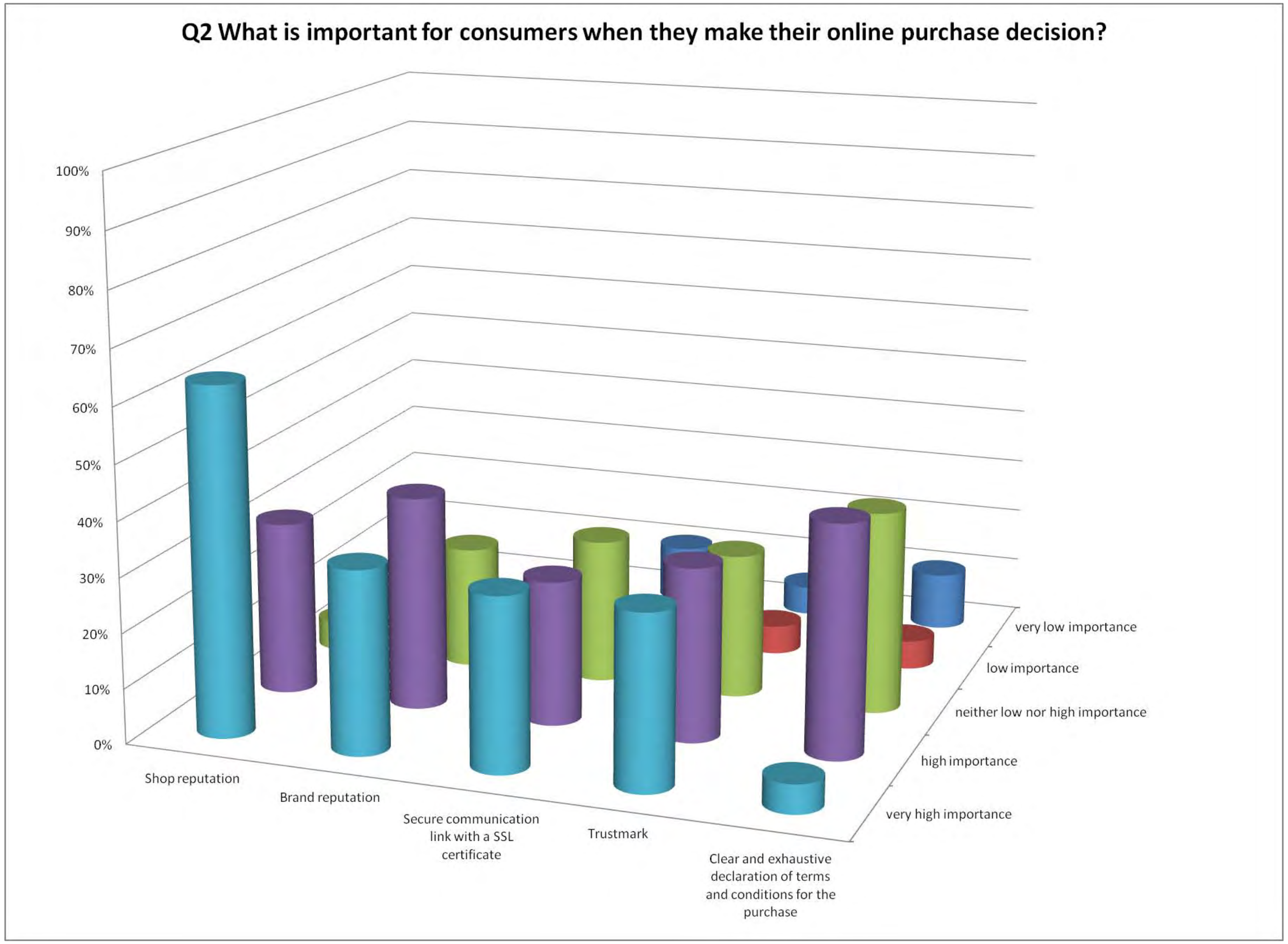
4.7 Assessment by trustmarks providers

4.7.1 Q1: Consumers' awareness of trustmarks in the overall sales process

More than two thirds of the trustmarks providers state that customers consider a trustmark before they decide to purchase from a particular webshop and only a minority believes that the trustmark is considered only when something went wrong with the transaction.

		%
Q1 - When do you think consumers look for a trustmark on the online shop's website?	Before they decide a purchase from a particular merchant	72%
	When they study the general terms and conditions applicable to their purchase	11%
	When something went wrong with the transaction and they look for a way to solve it	17%

4.7.2 Q2: The main drivers for consumer's online purchases



The majority of the trustmarks providers indicate that the most important aspects for consumers when they make an online purchase decision are

a) "The shop reputation"
b) "The brand reputation"

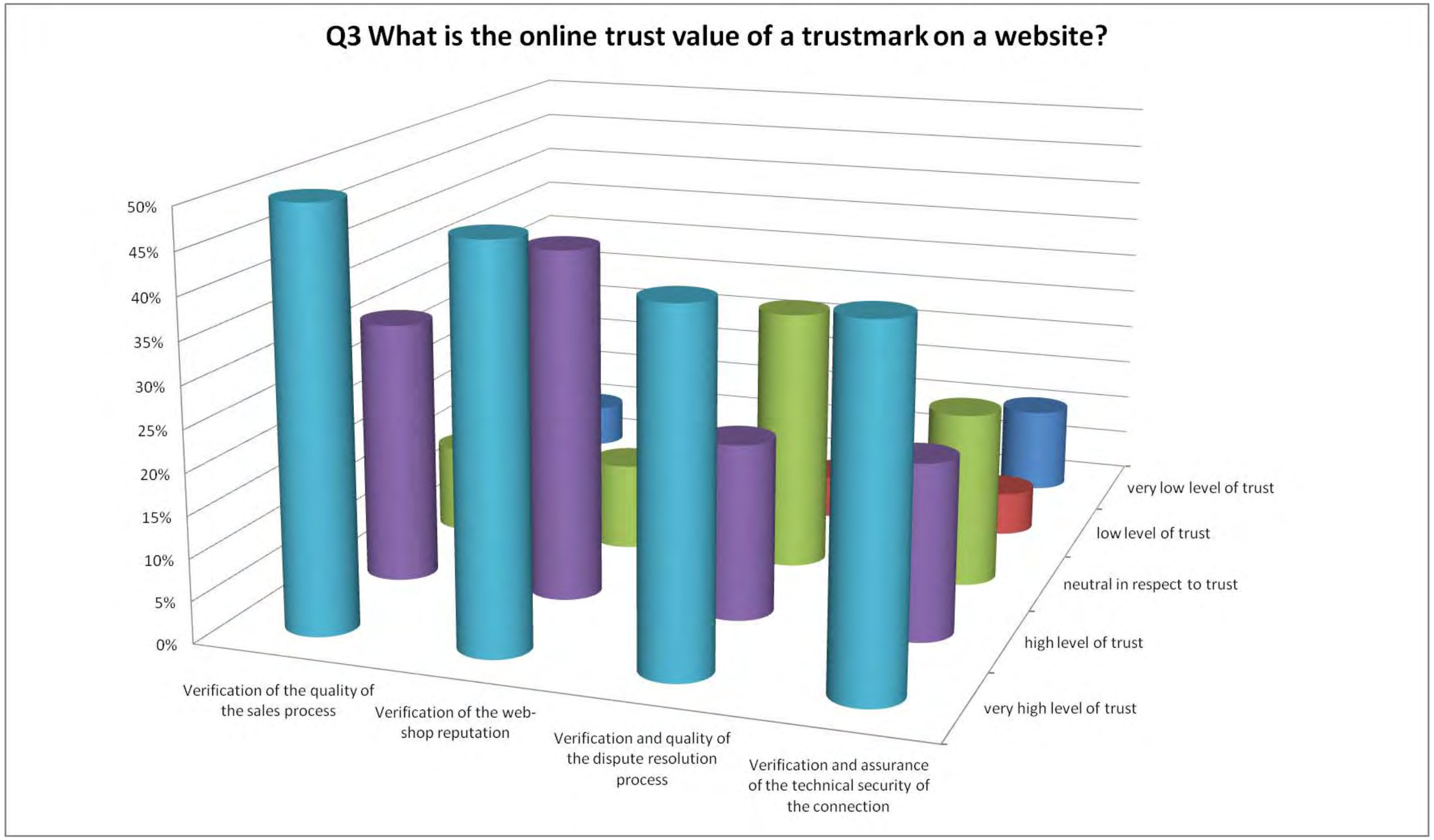
The aspects which are indicated as relatively less important there are

a) "Secure communication link with a SSL certificate"
b) The "Trustmark",

The least important element indicated is the "Clear and exhaustive declaration of terms and conditions for the purchase".

	very low importance	low importance	neither low nor high importance	high importance	very high importance	not applicable
Shop reputation	0%	0%	5%	32%	**63%**	0%
Brand reputation	0%	6%	22%	**39%**	33%	0%
Secure communication link with a SSL certificate	11%	5%	26%	26%	32%	0%
Trustmark	5%	5%	26%	**32%**	**32%**	0%
Clear and exhaustive declaration of terms and conditions for the purchase	11%	5%	37%	**42%**	5%	0%

4.7.3 Q3: The online trust value of a trustmark



The majority of Trustmark providers indicates that the key trust-building features of a trustmark are the

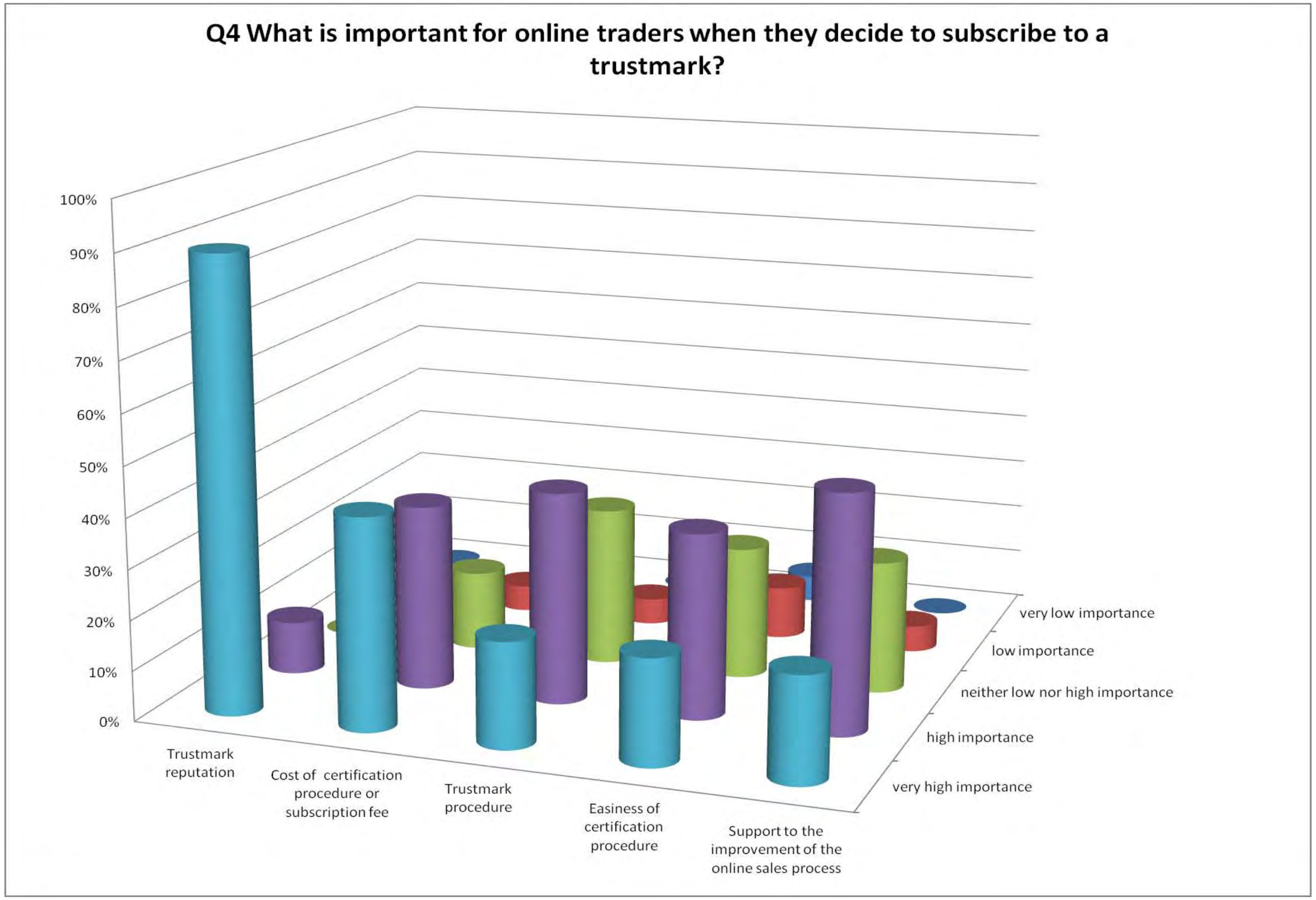
a) "Verification of the quality of the sales process"
b) "Verification of the web-shop reputation"
c) "Verification and quality of the dispute resolution process"
d) "Verification and assurance of the technical security of the connection".

Still there is a significant share of trustmarks

a) who think that the "Verification and quality of the dispute resolution process" and the
b) "Verification and assurance of the technical security of the connection" are neutral in respect to trust-building.

	very low level of trust	**low level of trust**	**neutral in respect to trust**	**high level of trust**	**very high level of trust**	**not applicable**
Verification of the quality of the sales process	5%	0%	11%	32%	**53%**	0%
Verification of the web-shop reputation	0%	0%	11%	42%	**47%**	0%
Verification and quality of the dispute resolution process	0%	5%	32%	21%	**42%**	0%
Verification and assurance of the technical security of the connection	11%	5%	21%	21%	**42%**	0%

4.7.4 Q4: The motivations for traders to subscribe to trustmarks



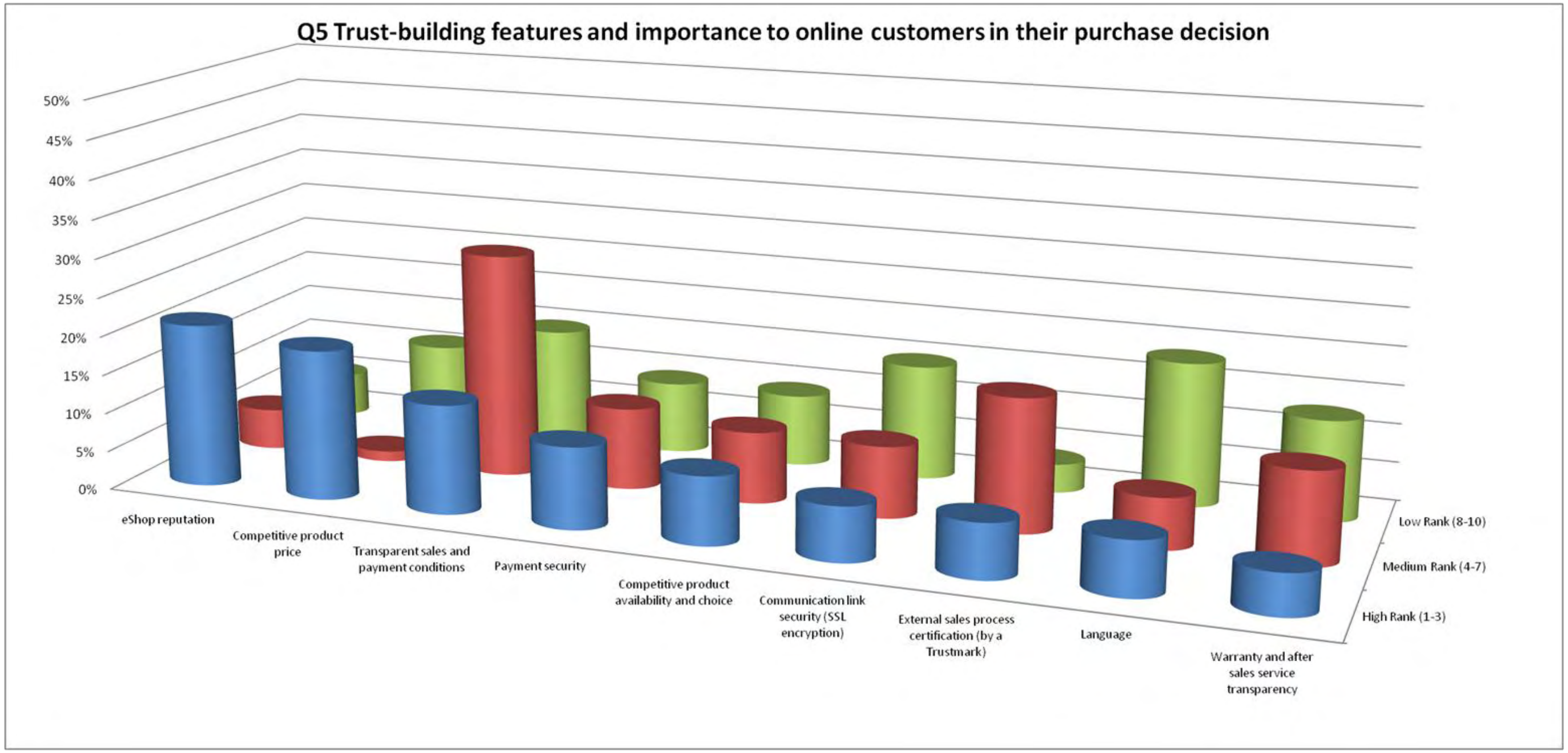
The most important sales factor considered by trustmarks is the "Trustmark reputation"

The other sales factors determining trust by traders are relatively more dispersed from the perspective of the TMOs.

a) The cost of certification is important
b) The trustmark procedures are important, even if there is a share of trustmarks who indicate that they are relatively neutral
c) The easiness of the certification procedure is of some importance but neutral to a significant share of respondents
d) To several TMOs the "Support to the improvement of the online support process" is quite important, but in several cases it is neutral in respect to trust-building.

	very low importance	low importance	neither low nor high importance	high importance	very high importance	not applicable
Trustmark reputation	0%	0%	0%	11%	**89%**	0%
Cost of certification procedure or subscription fee	0%	5%	16%	37%	**42%**	0%
Trustmark procedure	0%	5%	32%	**42%**	21%	0%
Easiness of certification procedure	5%	11%	26%	**37%**	21%	0%
Support to the improvement of the online sales process	0%	5%	26%	**47%**	21%	0%

4.7.5 Q5: The importance of trust-building features for consumers



In respect to the trust-building features and their influence on the customer's purchase decision, the trustmarks indicate that the relatively most important are

a) The "eShop reputation"
b) The "Sales conditions transparency, price and extra charges"
c) External sales process certification (by a Trustmark)
d) "Transparent sales and payment conditions"

Less important are

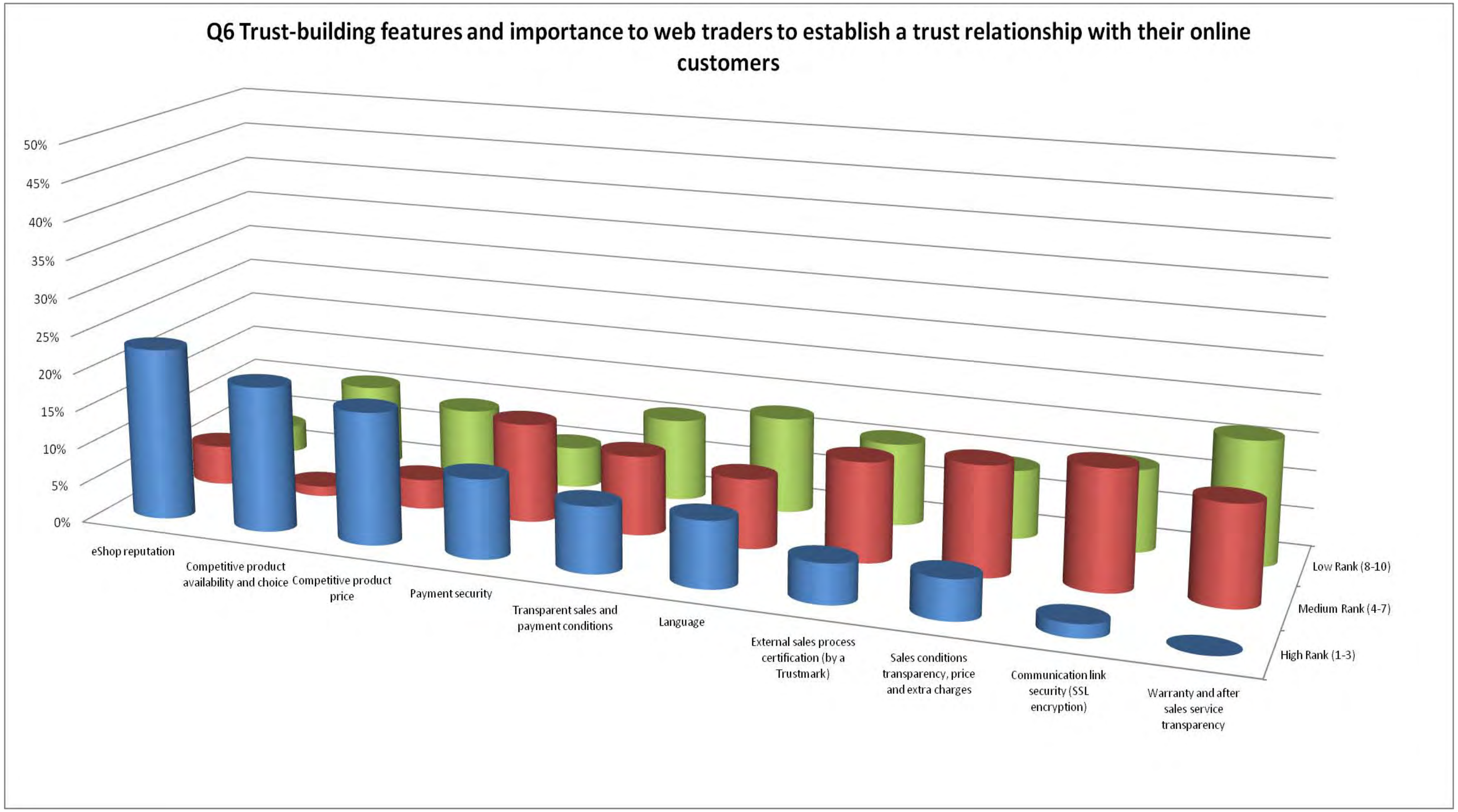
a) "Payment security"
b) "Competitive product price"
c) "Competitive product availability and choice"
d) "Warranty and after sales service transparency"

The least important are

a) "Language"
e) "Communication link security (SSL encryption)"

	High Rank (1-3)	**Medium Rank (4-7)**	**Low Rank (8-10)**
eShop reputation	**21%**	5%	6%
Competitive product price	**19%**	1%	11%
Transparent sales and payment conditions	**14%**	**29%**	**15%**
Payment security	11%	11%	9%
Competitive product availability and choice	9%	9%	9%
Communication link security (SSL encryption)	7%	9%	**15%**
External sales process certification (by a Trustmark)	7%	**17%**	4%
Language	7%	7%	**19%**
Warranty and after sales service transparency	5%	**12%**	13%

4.7.6 Q6: The importance of trust-building features for web traders



When considering the trust-building features and their impact on the trust relationship between traders and online customers, the Trustmark providers indicate that the relatively most important are

a) "eShop reputation"
b) "Competitive product availability and choice"
c) "Payment security"

Those relatively important are

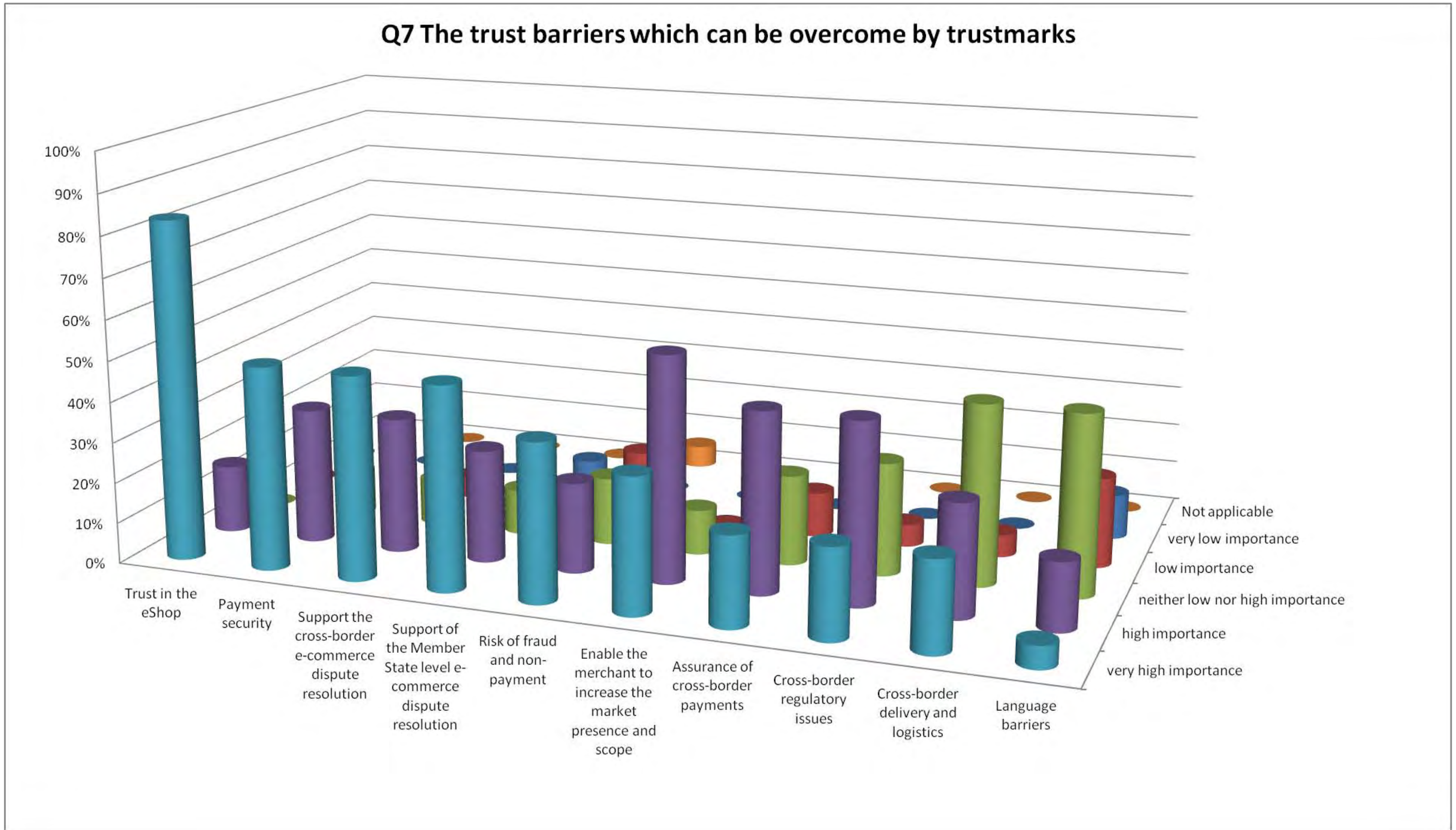
a) "Competitive product price"
b) "Language"
c) "External sales process certification (by a Trustmark)"
d) "Sales conditions transparency, price and extra charges"

The relatively least important are

a) "Transparent sales and payment conditions"
b) "Communication link security (SSL encryption)"
c) "Warranty and after sales service transparency"

	High Rank (1-3)	**Medium Rank (4-7)**	**Low Rank (8-10)**
eShop reputation	**23%**	5%	4%
Competitive product availability and choice	**19%**	1%	11%
Competitive product price	**18%**	4%	9%
Payment security	11%	13%	5%
Transparent sales and payment conditions	9%	11%	11%
Language	9%	9%	13%
External sales process certification (by a Trustmark)	5%	13%	11%
Sales conditions transparency, price and extra charges	5%	14%	9%
Communication link security (SSL encryption)	2%	**16%**	11%
Warranty and after sales service transparency	0%	13%	**16%**

4.7.7 Q7: The Trust barriers addressed by trustmarks



Considering the barriers to trust – and thus to the decision to shop online – trustmark providers indicated that those that can be directly tackled by trustmark services are

a) "Trust in the eShop"
b) "Payment security"
c) "Support the cross-border e-commerce dispute resolution"
d) "Support of the Member State level e-commerce dispute resolution"
e) "Enable the merchant to increase the market presence and scope"

The barriers for which the trustmark services are quite important are

a) Counter the "Risk of fraud and non-payment"
b) The "Assurance of cross-border payments"
c) "Cross-border regulatory issues"

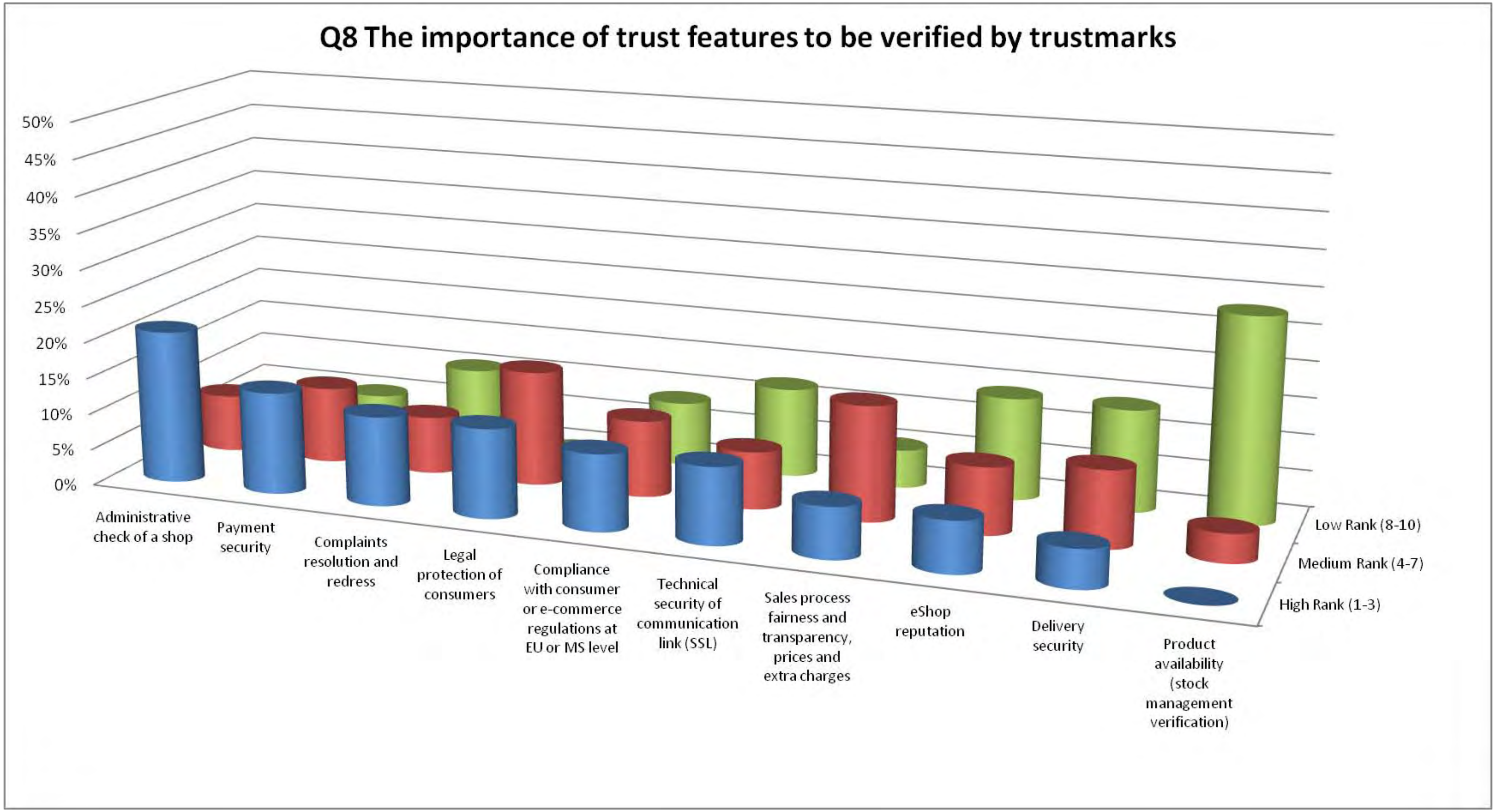
The barriers for which the trustmarks services are neutral are

a) "Cross-border delivery and logistics"
b) "Language barriers"

	very low importance	low importance	neither low nor high importance	high importance	very high importance	Not applicable
Trust in the eShop	0%	0%	0%	17%	**83%**	0%
Payment security	0%	6%	11%	33%	**50%**	0%
Support the cross-border e-commerce dispute resolution	0%	6%	11%	33%	**50%**	0%
Support of the Member State level e-commerce dispute resolution	6%	6%	11%	28%	**50%**	0%
Risk of fraud and non-payment	0%	17%	17%	22%	**39%**	6%
Enable the merchant to increase the market presence and scope	0%	0%	11%	**56%**	33%	0%
Assurance of cross-border payments	0%	11%	22%	**44%**	22%	0%
Cross-border regulatory issues	0%	6%	28%	**44%**	22%	0%

	very low importance	low importance	neither low nor high importance	high importance	very high importance	Not applicable
Cross-border delivery and logistics	0%	6%	**44%**	28%	22%	0%
Language barriers	11%	22%	**44%**	17%	6%	0%

4.7.8 Q8: The importance of trust features to be verified by trustmarks



Trustmark providers responding to the survey indicate that the relatively most important factors trustmarks should verify are

a) "Administrative check of a shop"
b) "Payment security"
c) "Legal protection of consumers"
d) "Sales process fairness and transparency, prices and extra charges"

Quite important trust factors include

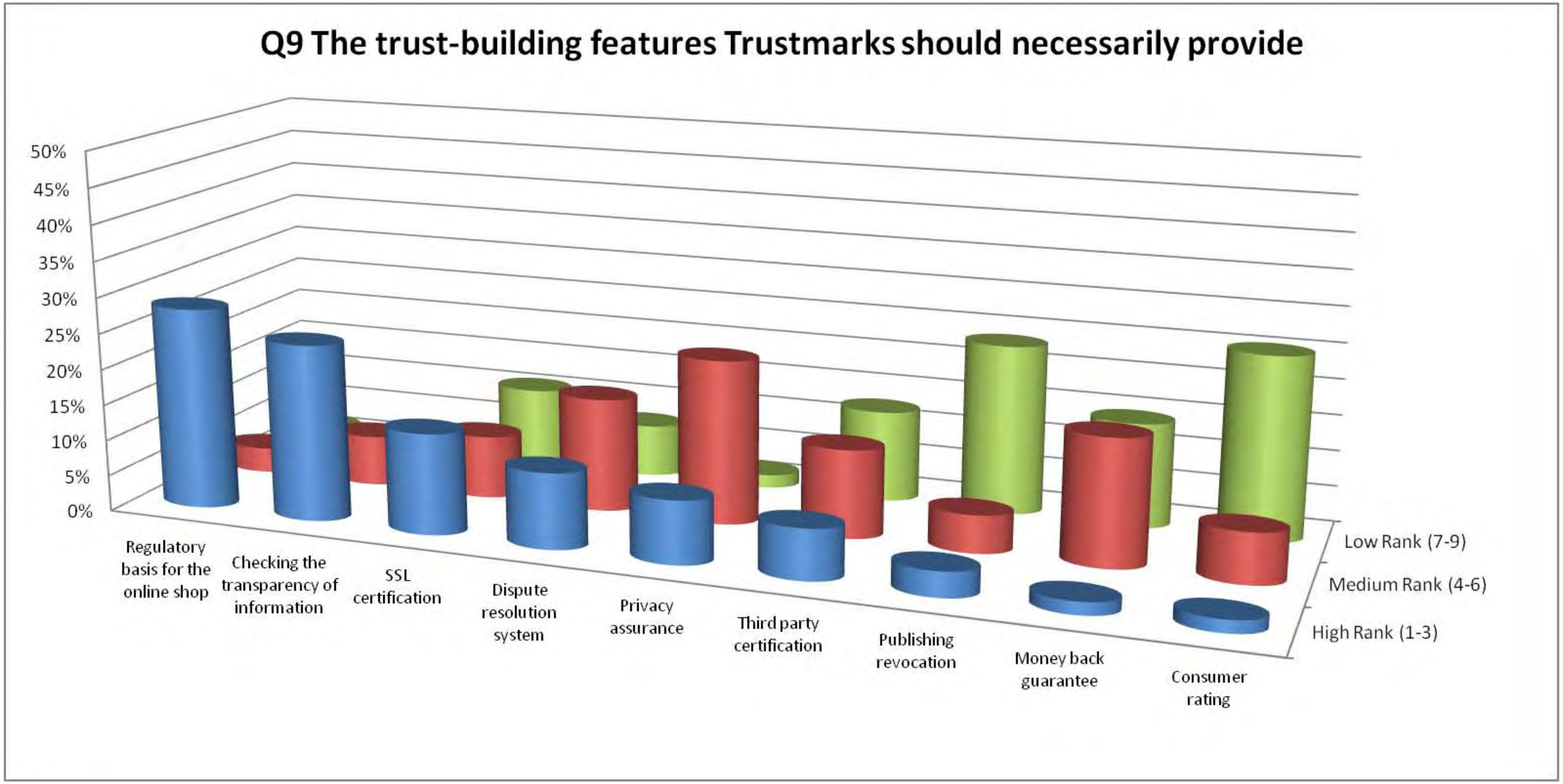
a) "Complaints resolution and redress"

Less important trust factors include

a) "Compliance with consumer or e-commerce regulations at EU or MS level"
b) "Technical security of communication link (SSL)"
c) "eShop reputation"
d) "Delivery security"
e) "Product availability (stock management verification)"

	High Rank (1-3)	Medium Rank (4-7)	Low Rank (8-10)
Administrative check of a shop	**21%**	8%	2%
Payment security	**14%**	11%	5%
Complaints resolution and redress	12%	8%	11%
Legal protection of consumers	12%	**16%**	0%
Compliance with consumer or e-commerce regulations at EU or MS level	11%	11%	9%
Technical security of communication link (SSL)	11%	8%	12%
Sales process fairness and transparency, prices and extra charges	7%	**16%**	5%
eShop reputation	7%	9%	14%
Delivery security	5%	11%	14%
Product availability (stock management verification)	0%	4%	**28%**

4.7.9 Q9: The priority trust building features



Trustmark providers responding to the survey indicate that the relatively most important factors trustmarks should necessarily provide are

a) The “Regulatory basis for the online shop”
b) “Checking the transparency of information”
c) “Dispute resolution system”
d) “Privacy assurance”
e) “Money back guarantee”

Relatively less important trust factors are

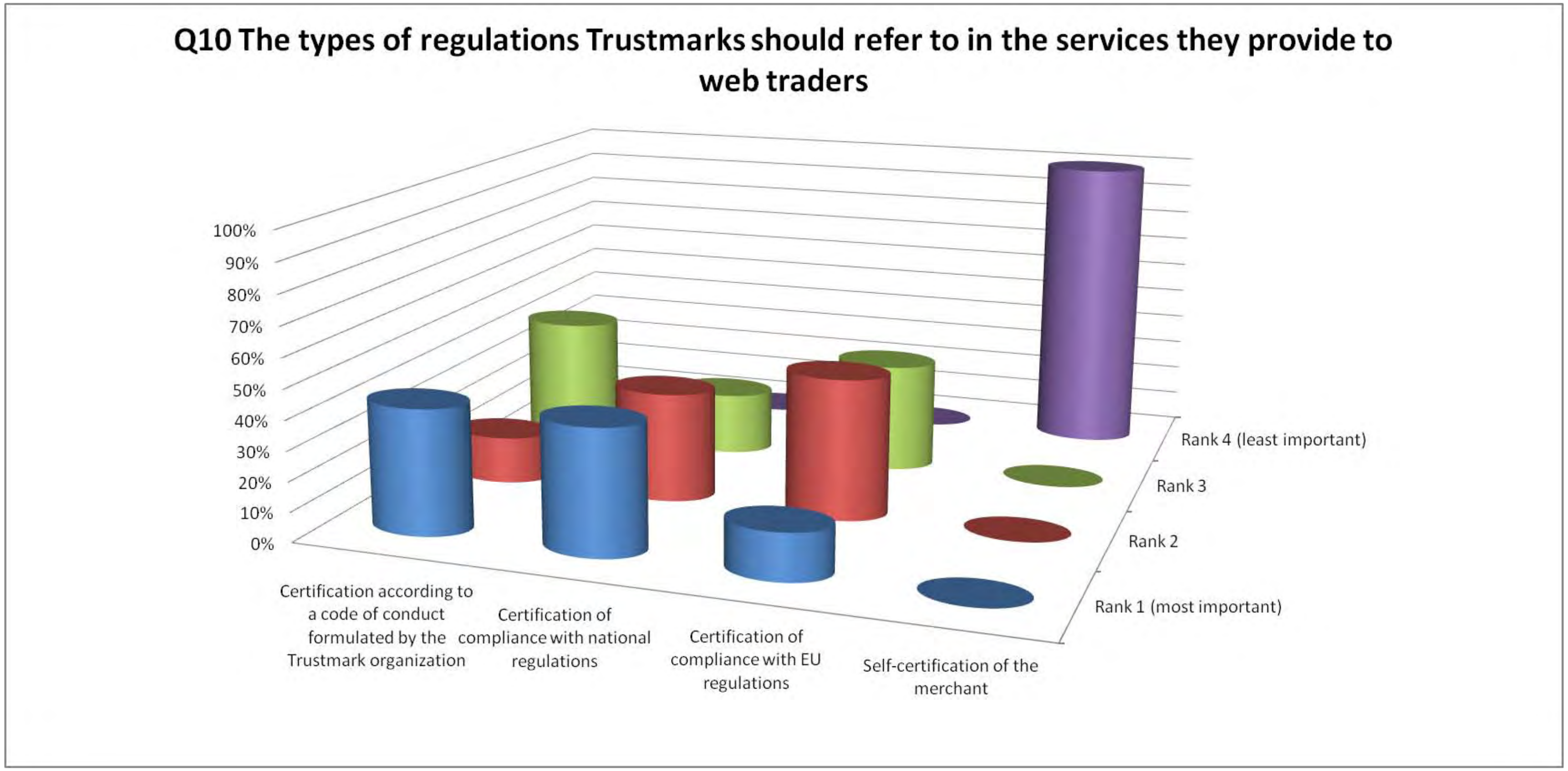
a) “SSL certification”
b) “Third party certification”

Relatively least important trust factors are

a) “Publishing revocation”
b) “Consumer rating”

	High Rank (1-3)	Medium Rank (4-6)	Low Rank (7-9)
Regulatory basis for the online shop	**28%**	4%	2%
Checking the transparency of information	**25%**	7%	2%
SSL certification	**14%**	9%	11%
Dispute resolution system	11%	16%	7%
Privacy assurance	9%	**23%**	2%
Third party certification	7%	12%	13%
Publishing revocation	4%	5%	**24%**
Money back guarantee	2%	**18%**	15%
Consumer rating	2%	7%	**25%**

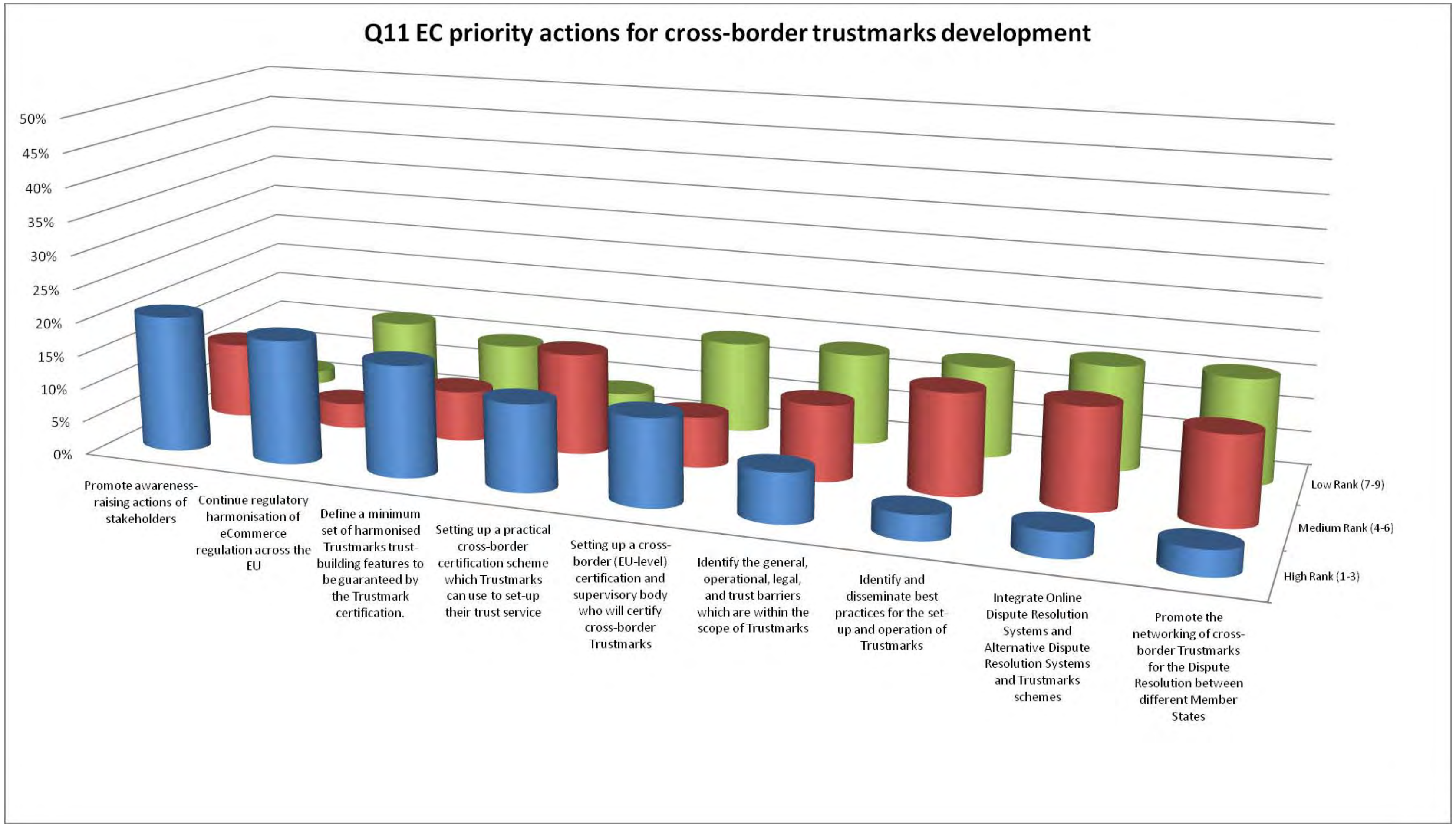
4.7.10 Q10 The regulatory references for trustmarks



a) According to trustmarks providers, the key regulatory verification should refer to the "Certification of compliance with national regulations"
b) The "Certification according to a code of conduct formulated by the Trustmark organization" receives a dual assessment. It is the most important to a significant share of Trustmark organisations, and of relatively low importance to an equivalent number of Trustmark organisations. A reason for this might be the different business model adopted by the different trustmarks as well as the specific technical orientation of some of the trustmark service providers
c) The "Certification of compliance with EU regulations" is important to several trustmarks and at the same time of low importance to another significant amount.
d) All responding trustmarks organisations agree that the "Self-certification of the merchant" is the least important.

	Rank 1 (most important)	**Rank 2**	**Rank 3**	**Rank 4 (least important)**
Certification according to a code of conduct formulated by the Trustmark organization	**42%**	16%	42%	0%
Certification of compliance with national regulations	**42%**	**37%**	21%	0%
Certification of compliance with EU regulations	16%	**47%**	37%	0%
Self-certification of the merchant	0%	0%	0%	**100%**

4.7.11 Q11: Priority actions to be undertaken by the European Commission to support cross-border trustmarks development



The trustmarks providers have indicated the relative priority of European Commission interventions.

The high priority actions include

a) "Promote awareness-raising actions of stakeholders"
b) "Define a minimum set of harmonised Trustmarks trust-building features to be guaranteed by the Trustmark certification."
c) "Setting up a practical cross-border certification scheme which Trustmarks can use to set-up their trust service"
d) "Setting up a cross-border (EU-level) certification and supervisory body who will certify cross-border Trustmarks"
e) "Continue regulatory harmonisation of eCommerce regulation across the EU"

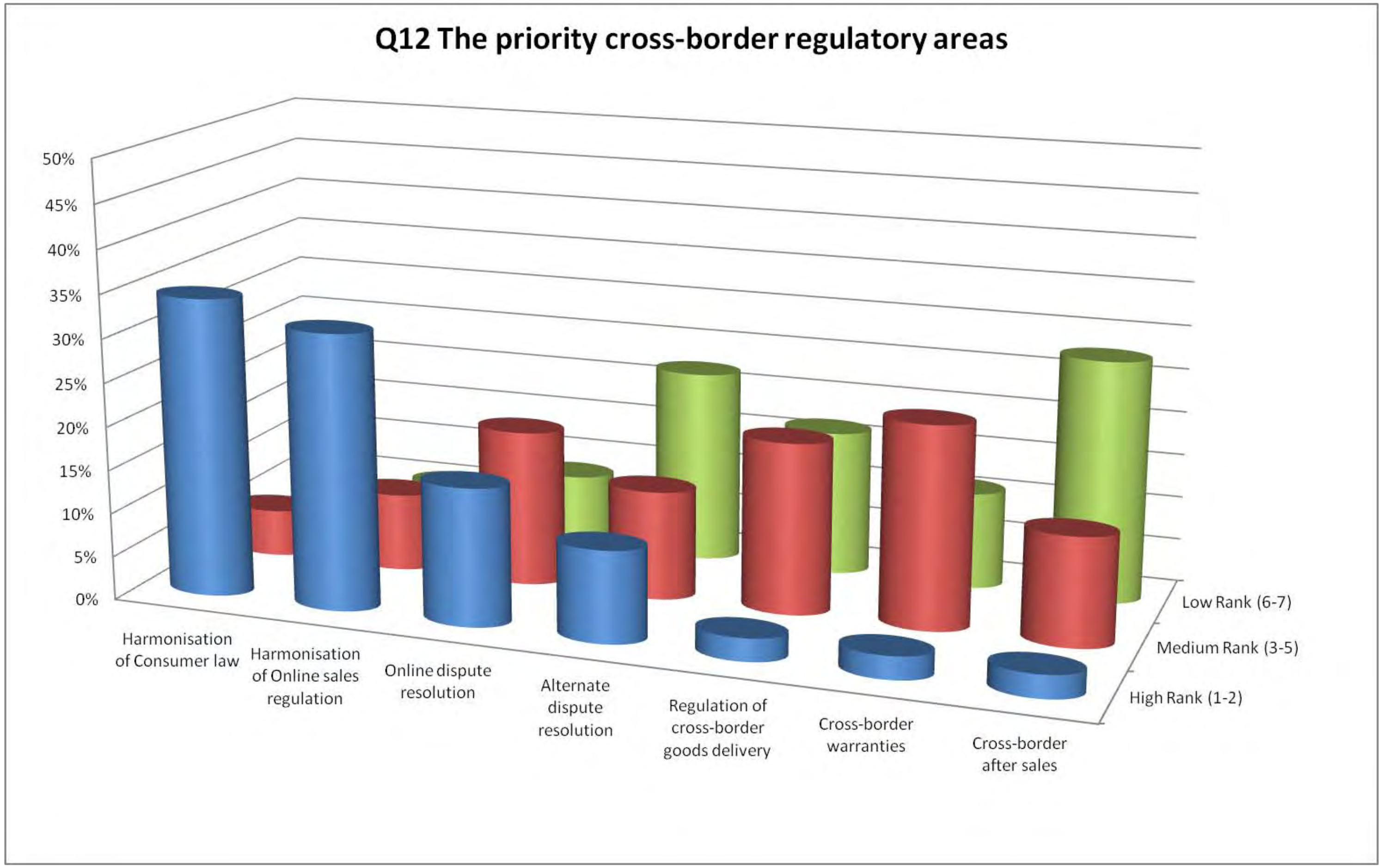
Other, less high priority actions include

a) "Identify the general, operational, legal, and trust barriers which are within the scope of Trustmarks"
b) "Identify and disseminate best practices for the set-up and operation of Trustmarks"
c) "Integrate Online Dispute Resolution Systems and Alternative Dispute Resolution Systems and Trustmarks schemes"
d) "Promote the networking of cross-border Trustmarks for the Dispute Resolution between different Member States"

	High Rank (1-3)	**Medium Rank (4-6)**	**Low Rank (7-9)**
Promote awareness-raising actions of stakeholders	**20%**	11%	2%
Continue regulatory harmonisation of eCommerce regulation across the EU	**19%**	4%	12%
Define a minimum set of harmonised Trustmarks trust-building features to be guaranteed by the Trustmark certification.	**17%**	8%	10%
Setting up a practical cross-border certification scheme which Trustmarks can use to set-up their trust service	13%	**15%**	4%
Setting up a cross-border (EU-level) certification and supervisory body who will certify cross-border Trustmarks	13%	8%	14%
Identify the general, operational, legal, and trust barriers which are within the scope of Trustmarks	7%	11%	14%
Identify and disseminate best practices for the set-up and operation of Trustmarks	4%	**15%**	14%
Integrate Online Dispute Resolution Systems and Alternative Dispute Resolution Systems and Trustmarks schemes	4%	15%	**16%**
Promote the networking of cross-border Trustmarks for the Dispute	4%	13%	**16%**

	High Rank (1-3)	**Medium Rank (4-6)**	**Low Rank (7-9)**
Resolution between different Member States			

4.7.12 Q12: The priority areas of cross-border regulation in which the European Commission should act



Trustmarks providers have indicated the priority regulatory areas in which the European Commission should take action.

The most important indicated by the participants in the survey are

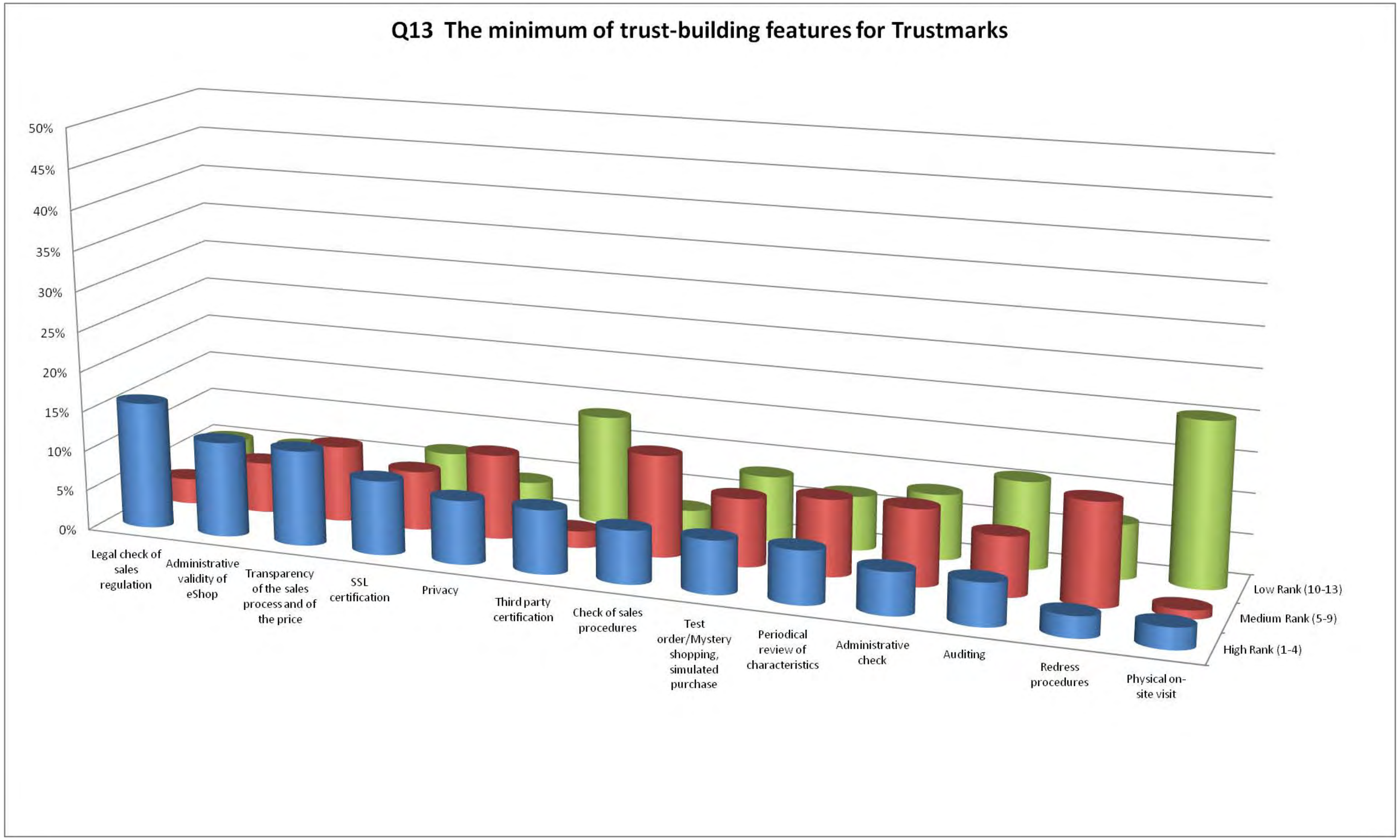
a) "Harmonisation of Consumer law"
b) "Harmonisation of Online sales regulation"
c) "Online dispute resolution"
d) "Cross-border warranties"

Other, less high priority actions concern

a) "Regulation of cross-border goods delivery"
b) "Alternate dispute resolution"
c) "Cross-border after sales"

	High Rank (1-2)	**Medium Rank (3-5)**	**Low Rank (6-7)**
Harmonisation of Consumer law	**34%**	5%	8%
Harmonisation of Online sales regulation	**32%**	9%	6%
Online dispute resolution	16%	**18%**	8%
Alternate dispute resolution	11%	13%	**22%**
Regulation of cross-border goods delivery	3%	**20%**	17%
Cross-border warranties	3%	**23%**	11%
Cross-border after sales	3%	13%	**28%**

4.7.13 Q13: The minimum of trust-building features for trustmarks



Trustmark providers have indicated which minimum trust-building features and requirements any trustmark should have.

The high priority trust features are

a) "Legal check of sales regulation"
b) "Transparency of the sales process and of the price"
c) "Privacy"
d) "Check of sales procedures"
e) "Periodical review of characteristics"
f) "Administrative check"

The medium priority features are

a) "Administrative validity of eShop"
b) "Redress procedures"

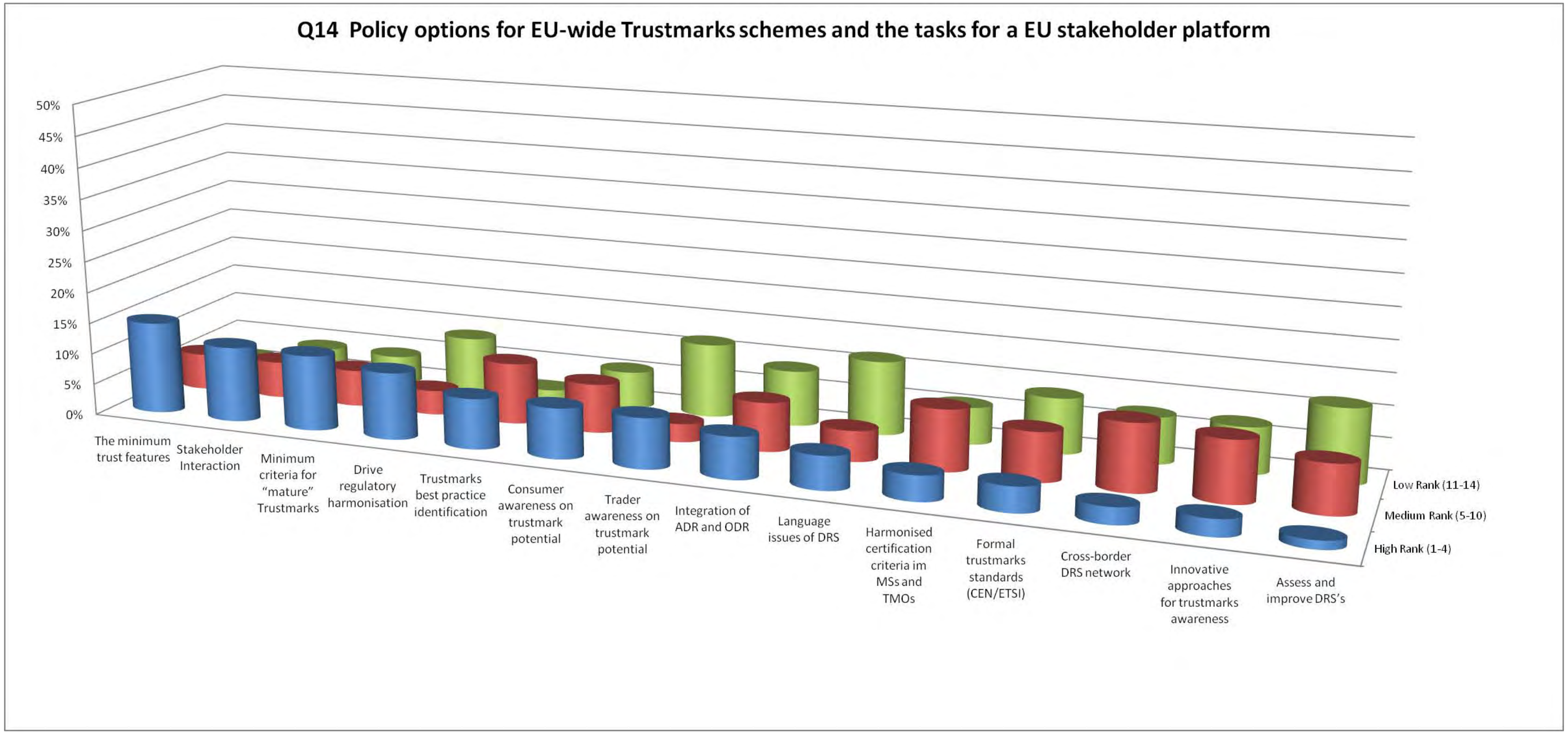
The low-priority options are

a) "SSL certification"
b) "Third party certification"
c) "Test order/Mystery shopping, simulated purchase"
d) "Auditing"
e) "Physical on-site visit"

	High Rank (1-4)	**Medium Rank (5-9)**	**Low Rank (10-13)**
Legal check of sales regulation	**16%**	3%	5%
Administrative validity of eShop	12%	6%	5%
Transparency of the sales process and of the price	12%	9%	1%
SSL certification	9%	7%	7%
Privacy	8%	11%	4%
Third party certification	8%	2%	14%
Check of sales procedures	7%	13%	3%
Test order/Mystery shopping, simulated purchase	7%	8%	8%

	High Rank (1-4)	**Medium Rank (5-9)**	**Low Rank (10-13)**
Periodical review of characteristics	7%	9%	7%
Administrative check	5%	9%	8%
Auditing	5%	7%	11%
Redress procedures	3%	13%	7%
Physical on-site visit	3%	1%	**20%**

4.7.14 Q14: Policy options for EU-wide trustmarks schemes and the tasks for a EU stakeholder platform



Trustmarks providers have provided their assessment of the policy options for cross-border trustmark schemes.

The high priority options are

a) "Develop minimum criteria and trust-building features for Trustmarks"
b) "Promote the interaction between the stakeholders of Trustmarks for eCommerce"

c) "Define the minimum criteria for "mature" Trustmarks"
d) "Develop a methodology to identify Trustmarks best practices in operational, technical, procedural and regulatory terms"

The mid-priority options are

a) "Promote the harmonisation of quality and certification procedures among Member States and TMOs"
b) "Promote a cooperative network of Trustmarks to solve, inter alia, the issue of cross-border dispute resolution in differ"
c) "Promote innovative approaches to the diffusion of knowledge on Trustmarks"
d) "Promote awareness on the potentialities of the trust-building effects of Trustmarks among consumers"
e) "Promote Supportive measures: inclusion of standardisation/certification mechanisms (CEN/ETSI)"

The low-priority options are

a) "Identify the needs for regulatory harmonisation"
b) "Promote awareness on the potentialities of the trust-building effects of Trustmarks among online merchants"
c) "Address the general language issues of dispute resolution"
d) "Assess the effectiveness of dispute resolution systems and elaborate plans for improvement and best practices"
e) "Promote the integration of Alternate Dispute Resolution and Online Dispute Resolution"

	High Rank (1-4)	**Medium Rank (5-10)**	**Low Rank (11-14)**
Develop minimum criteria and trust-building features for Trustmarks	**15%**	6%	1%
Promote the interaction between the stakeholders of Trustmarks for eCommerce	**12%**	6%	4%
Define the minimum criteria for "mature" Trustmarks	**12%**	6%	4%
Identify the needs for regulatory harmonisation	11%	4%	9%
Develop a methodology to identify Trustmarks best practices in operational, technical, procedural and regulatory terms	8%	**10%**	1%
Promote awareness on the potentialities of the trust-building effects of Trustmarks among consumers	8%	8%	6%
Promote awareness on the potentialities of the trust-building effects of Trustmarks among online merchants	8%	3%	**12%**
Promote the integration of Alternate Dispute Resolution and Online Dispute	7%	8%	9%

	High Rank (1-4)	**Medium Rank (5-10)**	**Low Rank (11-14)**
Resolution			
Address the general language issues of dispute resolution	5%	5%	**12%**
Promote the harmonisation of quality and certification procedures among Member States and TMOs	4%	**10%**	6%
Promote Supportive measures: inclusion of standardisation/certification mechanisms (CEN/ETSI)	4%	8%	9%
Promote a cooperative network of Trustmarks to solve, inter alia, the issue of cross-border dispute resolution in differ	3%	**11%**	7%
Promote innovative approaches to the diffusion of knowledge on Trustmarks	3%	**10%**	7%
Assess the effectiveness of dispute resolution systems and elaborate plans for improvement and best practices	1%	8%	**12%**

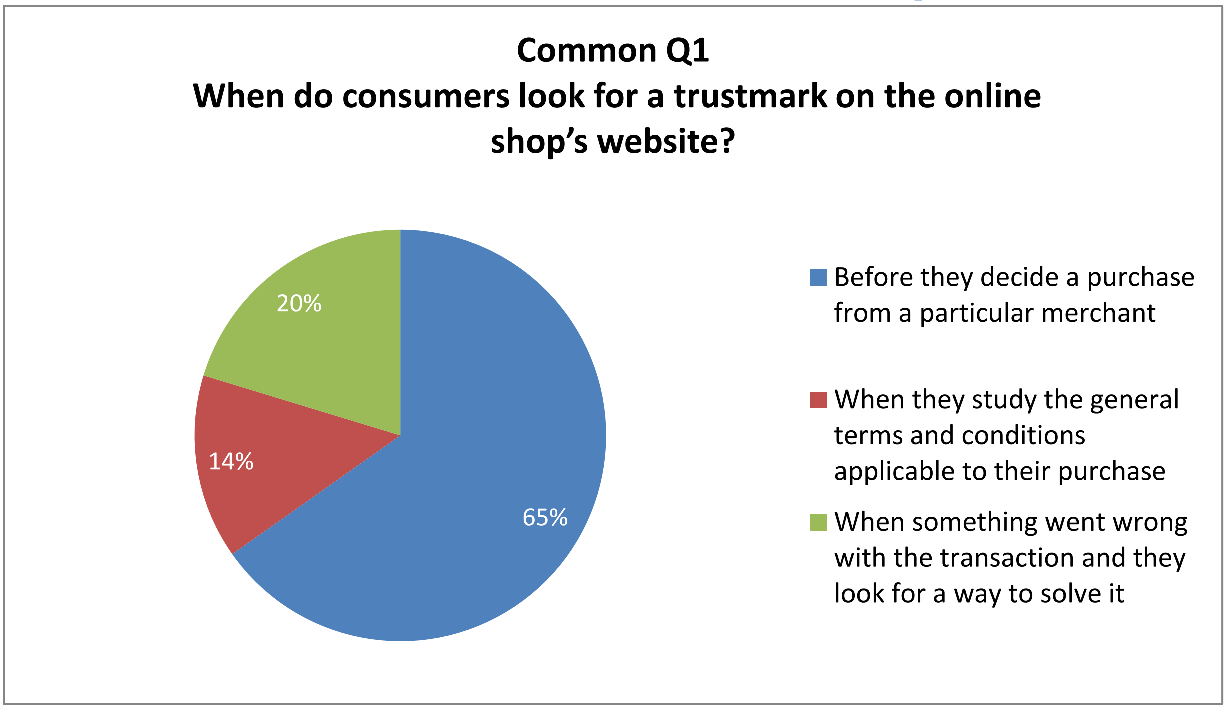
4.8 Assessment of the general questions

The present paragraph elaborates the questions of the three questions which were common to all target groups: the Consumer Associations, the Trader Associations and the single Trustmarks providers.

To aggregate the responses the panel has provided to the common questions the stakeholder-specific information provided in the previous paragraphs is lost, but the analysis shows the general trends of the opinions on the trustmarks phenomenon and the approaches to policy making.

Not all general questions have been proposed to all respondents, therefore the target stakeholders have been indicated.

4.8.1 Q1: Consumers' awareness of trustmarks in the overall sales process

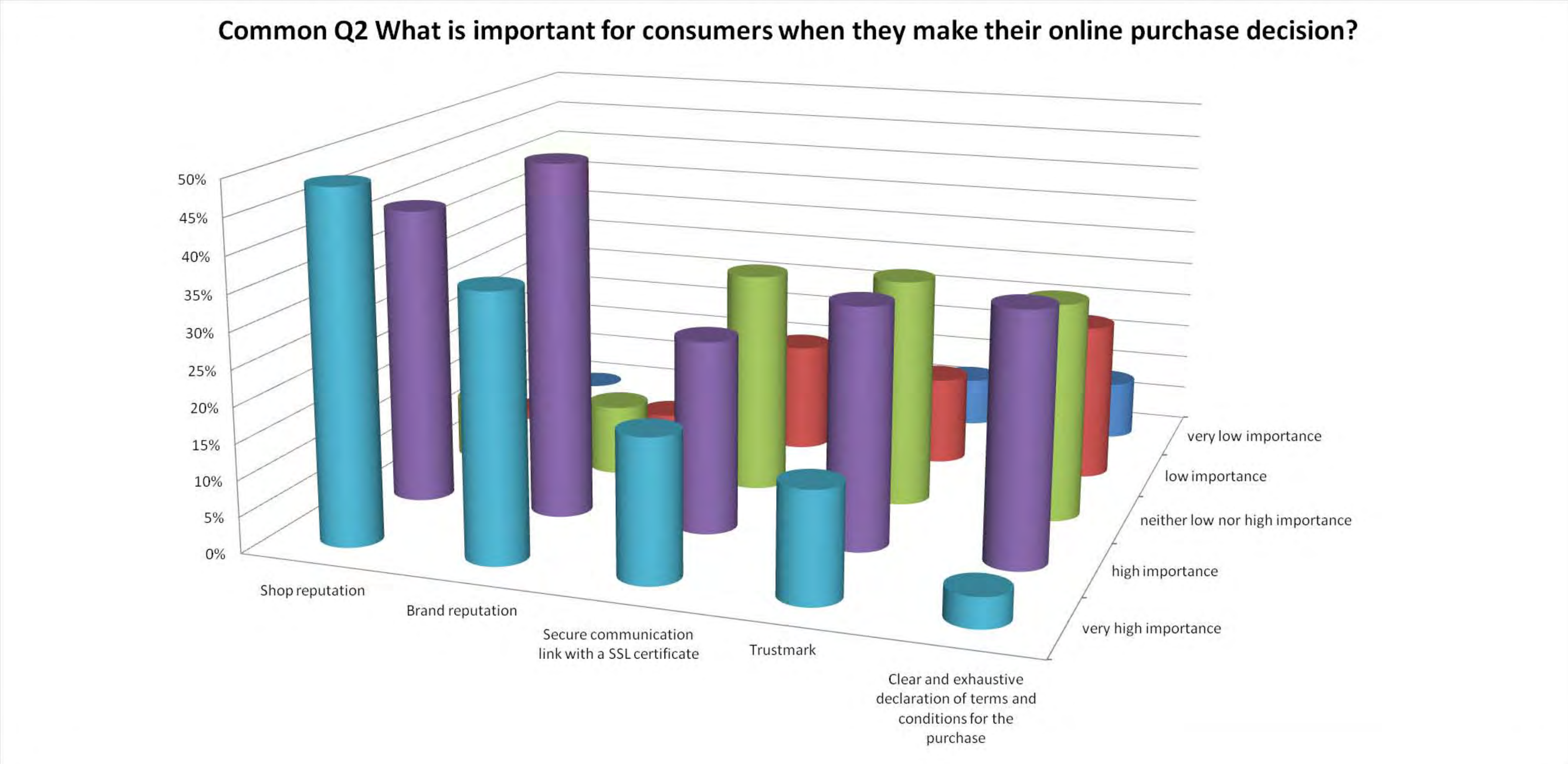


Over 65% believe that consumers are aware of the benefits trustmarks can deliver to them and consider trustmarks an important factor. One fifth of the trustmarks stakeholders believe that consumers focus on the trustmark only when something went wrong with the transaction.

		%
Q1 - When do you think consumers look for	Before they decide a purchase from a	65%

a trustmark on the online shop's website?	particular merchant	
	When they study the general terms and conditions applicable to their purchase	14%
	When something went wrong with the transaction and they look for a way to solve it	20%

4.8.2 Q2: The main drivers for consumer's online purchases



For the majority of the respondents to the trustmarks survey, the relatively most important factors considered by consumers when they make their online purchase decision are

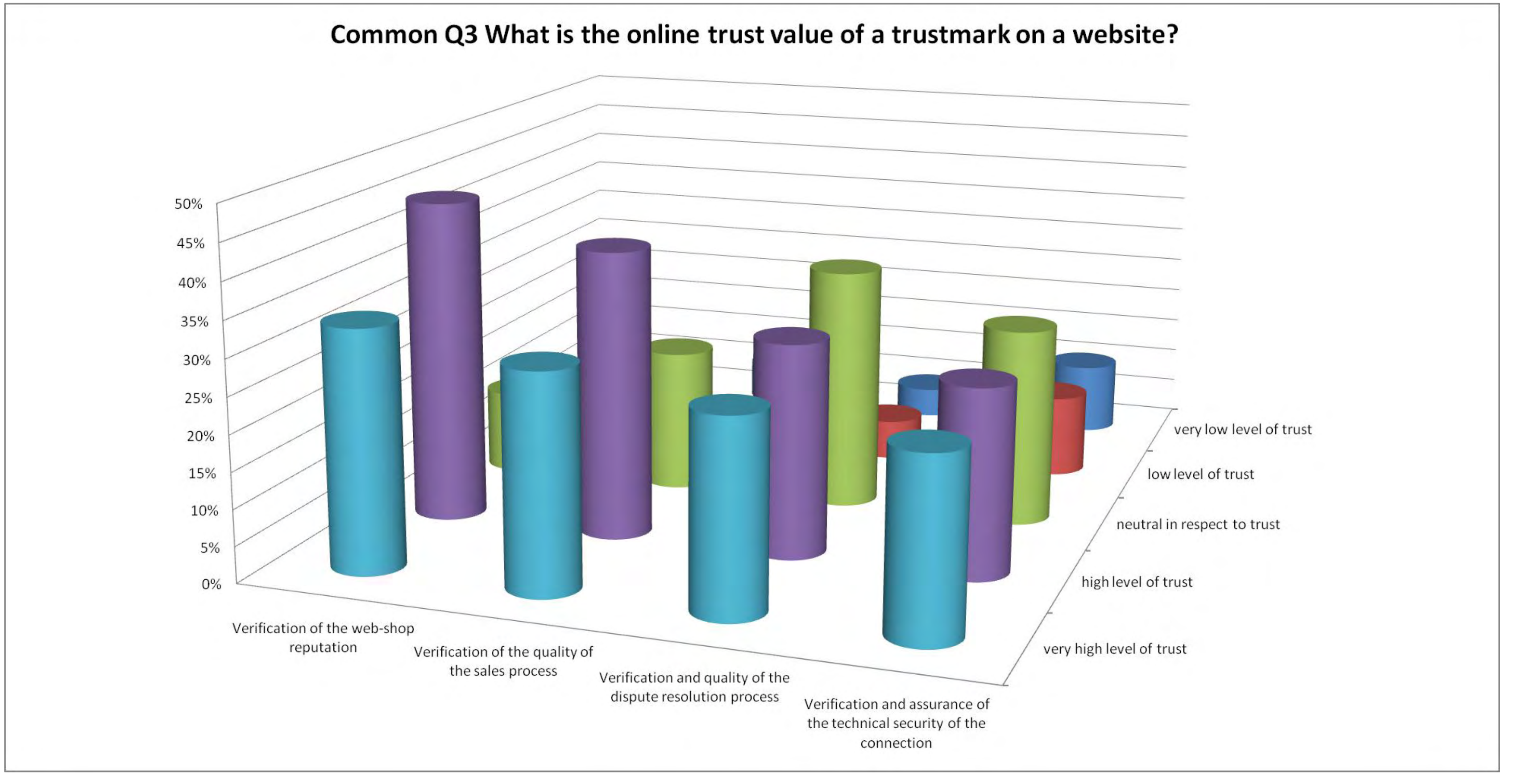
a) "The shop reputation"
b) "The brand reputation"

Less important for the decision are

a) "A secure communication link with an SSL certificate"
b) "The presence of a trustmark"
c) "Clear and exhaustive declaration of terms and conditions for the purchase"

	very low importance	**low importance**	**neither low nor high importance**	**high importance**	**very high importance**	**not applicable**
Shop reputation	0%	1%	9%	41%	49%	0%
Brand reputation	1%	3%	10%	49%	37%	0%
Secure communication link with a SSL certificate	7%	15%	31%	27%	20%	0%
Trustmark	7%	13%	32%	33%	15%	0%
Clear and exhaustive declaration of terms and conditions for the purchase	8%	22%	31%	35%	4%	0%

4.8.3 Q3: The online trust value of a trustmark

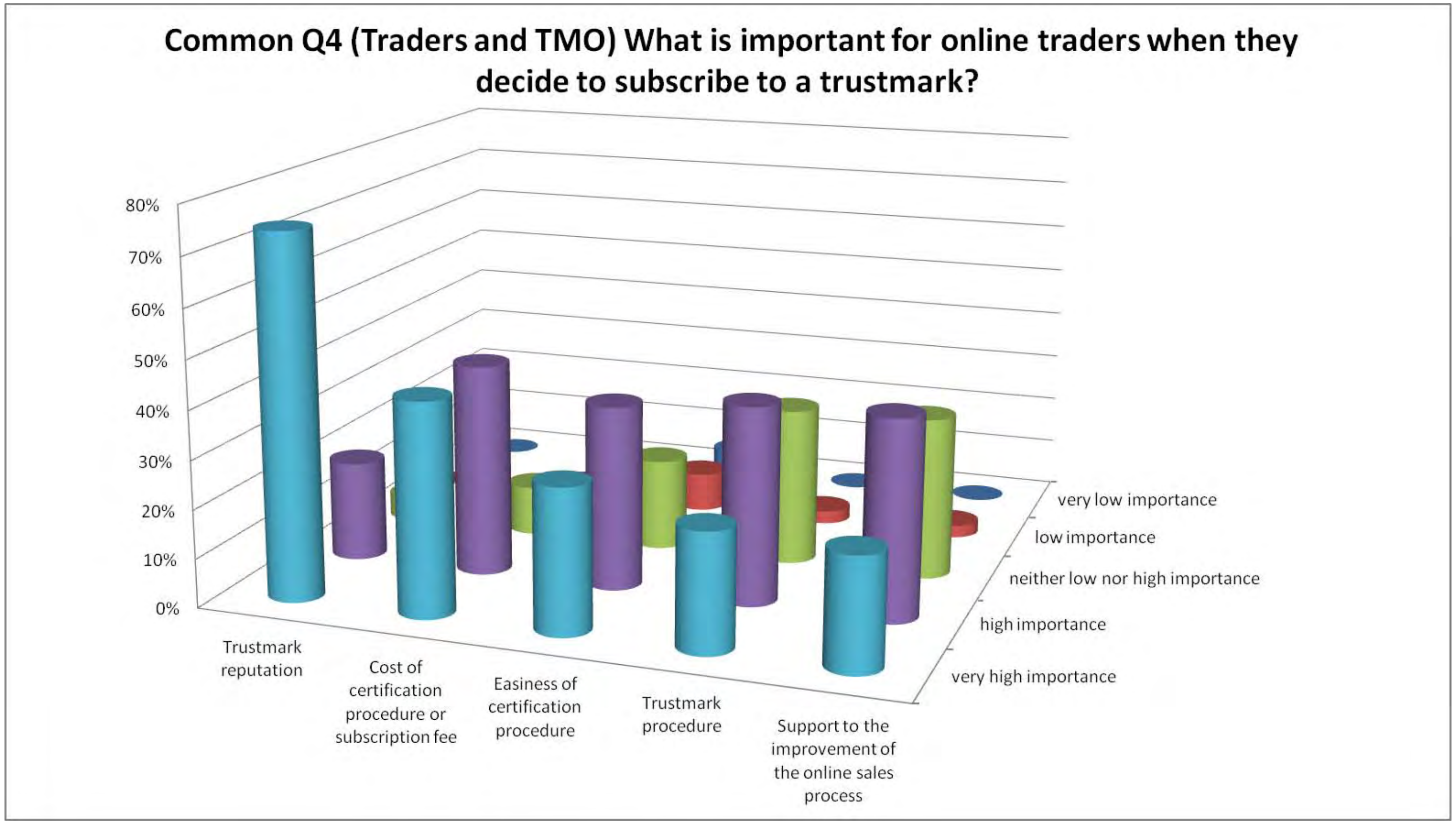


The trustmark stakeholders indicate that the "Verification of the webshop reputation" and the "Verification of the quality of the sales process" are the most important actions to deliver trust value on a website.

The "Verification and quality of the dispute resolution process" and the "Verification and assurance of the technical security of the connection" are considered less important and neutral in respect to the trust value.

	very low level of trust	**low level of trust**	**neutral in respect to trust**	**high level of trust**	**very high level of trust**	**Not applicable**
Verification of the web-shop reputation	3%	7%	12%	45%	33%	0%
Verification of the quality of the sales process	6%	4%	20%	40%	30%	0%
Verification and quality of the dispute resolution process	4%	6%	34%	30%	27%	0%
Verification and assurance of the technical security of the connection	10%	12%	28%	26%	25%	0%

4.8.4 Q4: The motivations for traders to subscribe to trustmarks

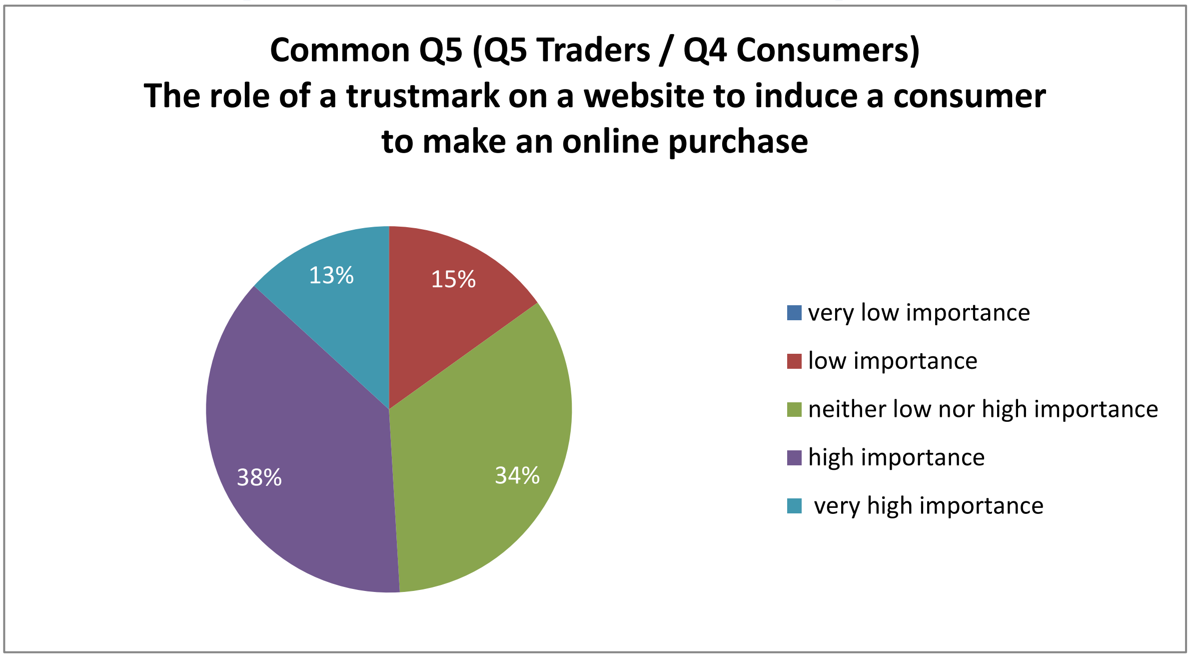


There is a general agreement by trustmarks stakeholders that trustmarks reputation is the most important marketing factor for online traders. The cost of the certification procedure or the subscription fee and the easiness of the certification procedure are considered less important.

There is a significant share of trustmarks stakeholders who consider the trustmark procedure itself and the Support to the improvement of the online sales process neutral in respect to the online traders decision making process.

	very low importance	**low importance**	**neither low nor high importance**	**high importance**	**very high importance**	**not applicable**
Trustmark reputation	0%	0%	5%	21%	74%	0%
Cost of certification procedure or subscription fee	0%	3%	10%	44%	44%	0%
Easiness of certification procedure	5%	8%	19%	38%	30%	0%
Trustmark procedure	0%	3%	32%	41%	24%	0%
Support to the improvement of the online sales process	0%	3%	33%	41%	23%	0%

4.8.5 Q5: The importance of a trustmark to induce an online purchase



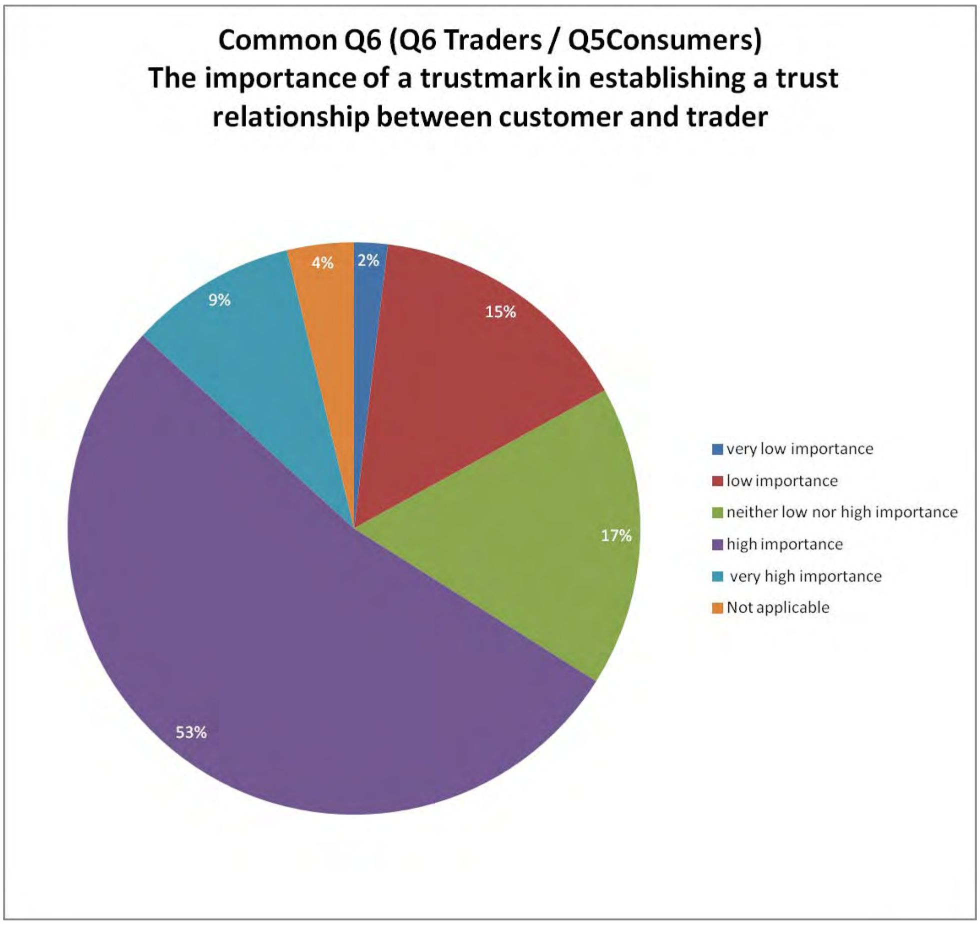
Considering the role of trustmarks in inducing a consumer to make an online purchase, it is interesting to know that the whole trustmarks stakeholder panel of traders and consumers is split in half:

- About 50% indicate that trustmarks are neutral or have a low importance in respect to the consumer decision to make an online purchase
- About 50% indicate that the importance is high or very high.

This result can be explained by the complexity of the eCommerce domain and by the many different factors which influence consumer decisions. Trustmarks seem to be an important driving factor, but not necessarily the driving factor for online sales decisions.

		%
Q5 - How important is a trustmark on a website to induce a consumer to make an online purchase?	very low importance	0%
	low importance	15%
	neither low nor high importance	34%
	high importance	38%
	very high importance	13%
	Not applicable	0%

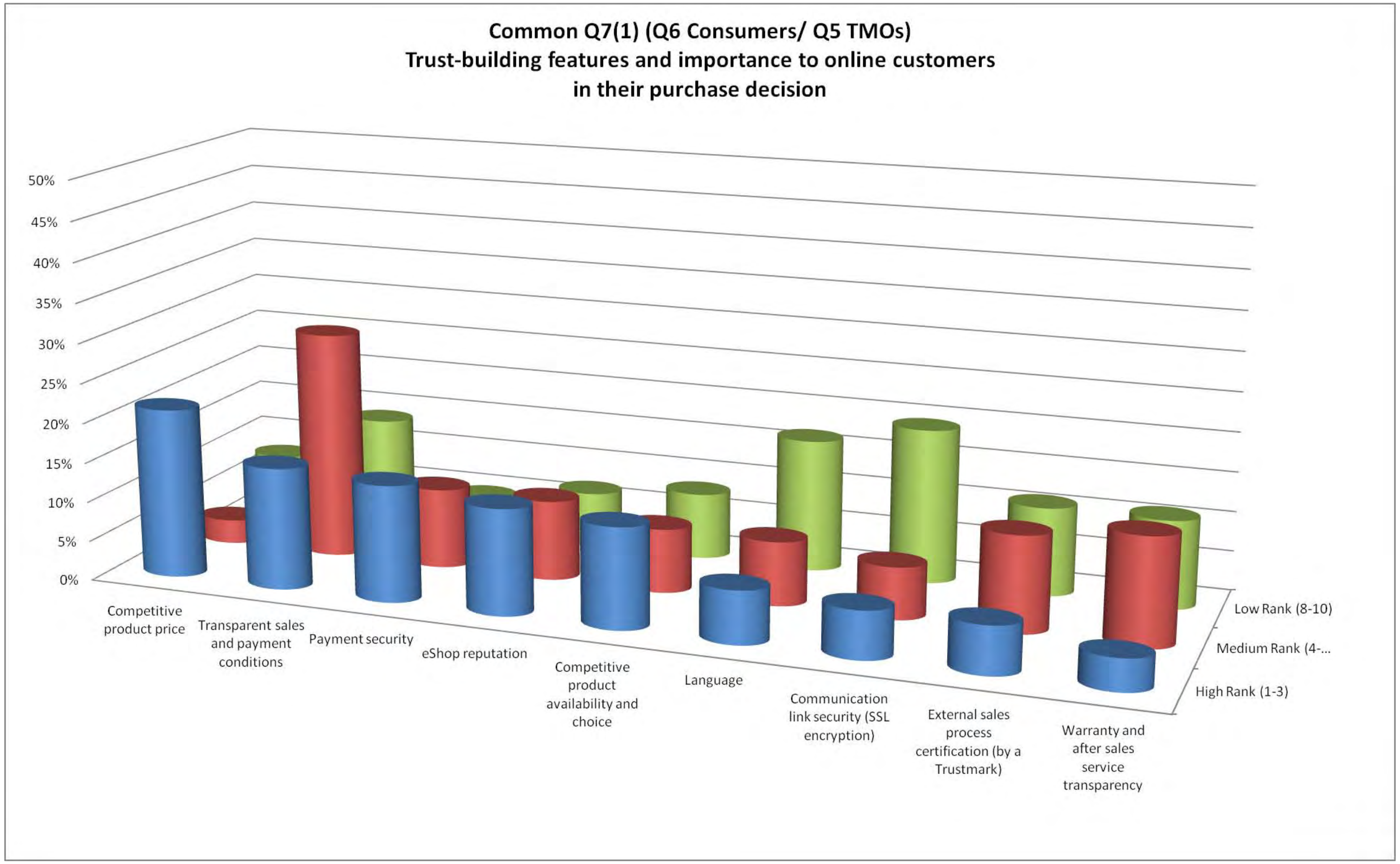
4.8.6 Q6: The importance of a trustmark in establishing a trust relationship between customer and trader



A small percentage indicates that trustmarks are very important to establish a trust relationship and over half of the respondents say that trustmarks are of high importance in this respect. Slightly over one third of the respondents indicate that trustmarks are neutral in this respect or that they are of low importance.

		%
Q6 - How important is a trustmark on a website to establish a trust relationship between purchaser and trader?	very low importance	2%
	low importance	15%
	neither low nor high importance	17%
	high importance	53%
	very high importance	9%
	Not applicable	4%

4.8.7 Q7(1): The importance of trust-building features for consumers



The stakeholder panel of TMOs and consumers responding to the questionnaire elaborated the relative importance of trust-building features in respect to the trust relationship between trader and consumer.

Most important features are

a) Competitive product price
b) Payment security
c) eShop reputation

Less important features are

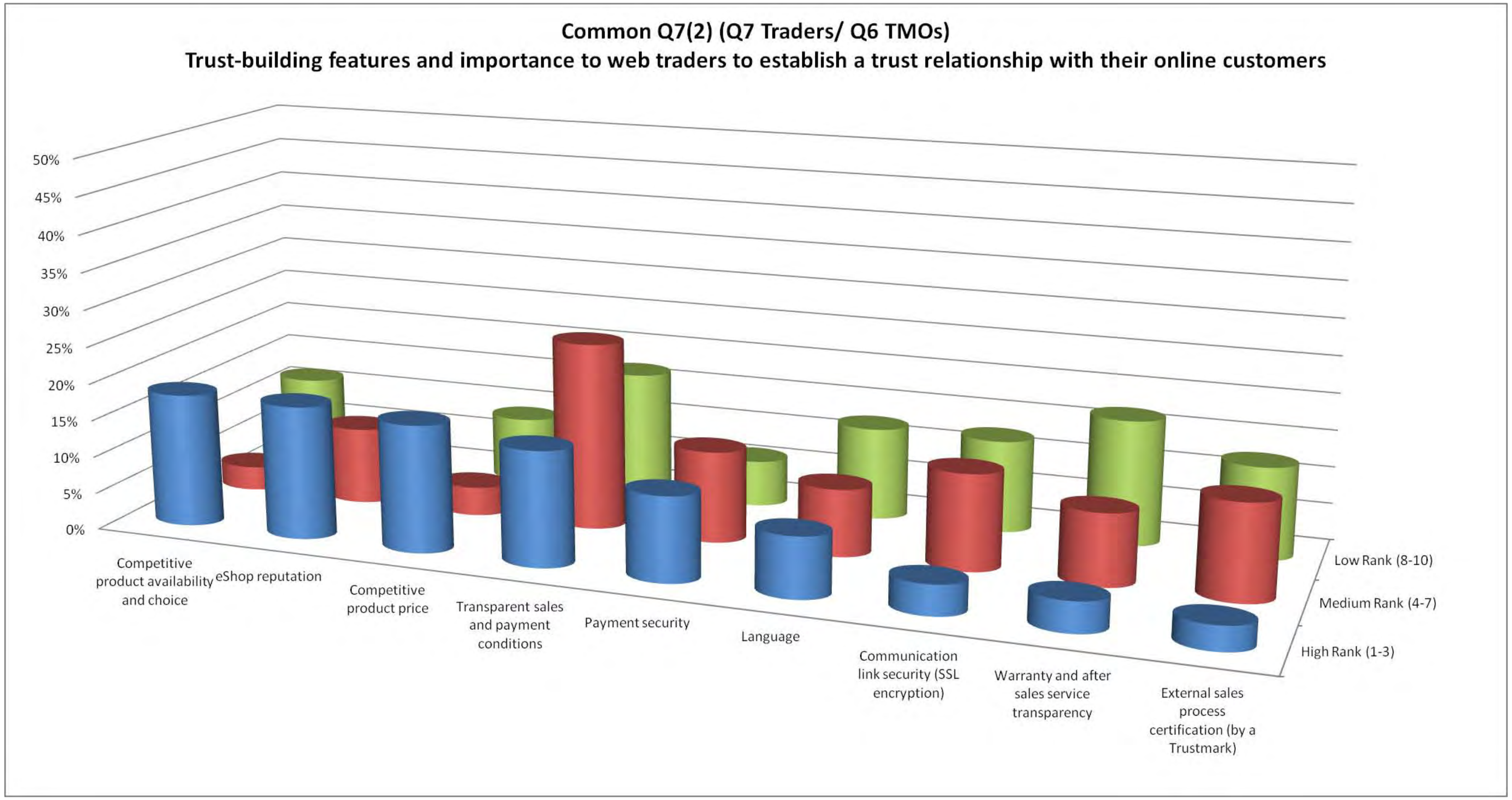
d) Competitive product availability and choice
e) Sales conditions transparency, price and extra charges, and Transparent sales and payment conditions
f) Warranty and after sales service transparency
g) External sales process certification (by a Trustmark)

The least important are

h) Language
i) Communication link security (SSL encryption)

	High Rank (1-3)	Medium Rank (4-7)	Low Rank (8-10)
Competitive product price	**21%**	3%	8%
Transparent sales and payment conditions	**15%**	**29%**	14%
Payment security	**15%**	10%	5%
eShop reputation	13%	10%	7%
Competitive product availability and choice	13%	8%	8%
Language	7%	8%	**17%**
Communication link security (SSL encryption)	**6%**	7%	**19%**
External sales process certification (by a Trustmark)	6%	12%	11%
Warranty and after sales service transparency	4%	**14%**	11%

4.8.8 Q7(2): The importance of trust-building features for web traders



The stakeholder panel of traders and TMOs responding to the questionnaire elaborated the relative importance of trust-building features in respect to the trust relationship between trader and consumer.

Most important features are

a) Competitive product availability and choice
b) Competitive product price
c) eShop reputation

Less important features are

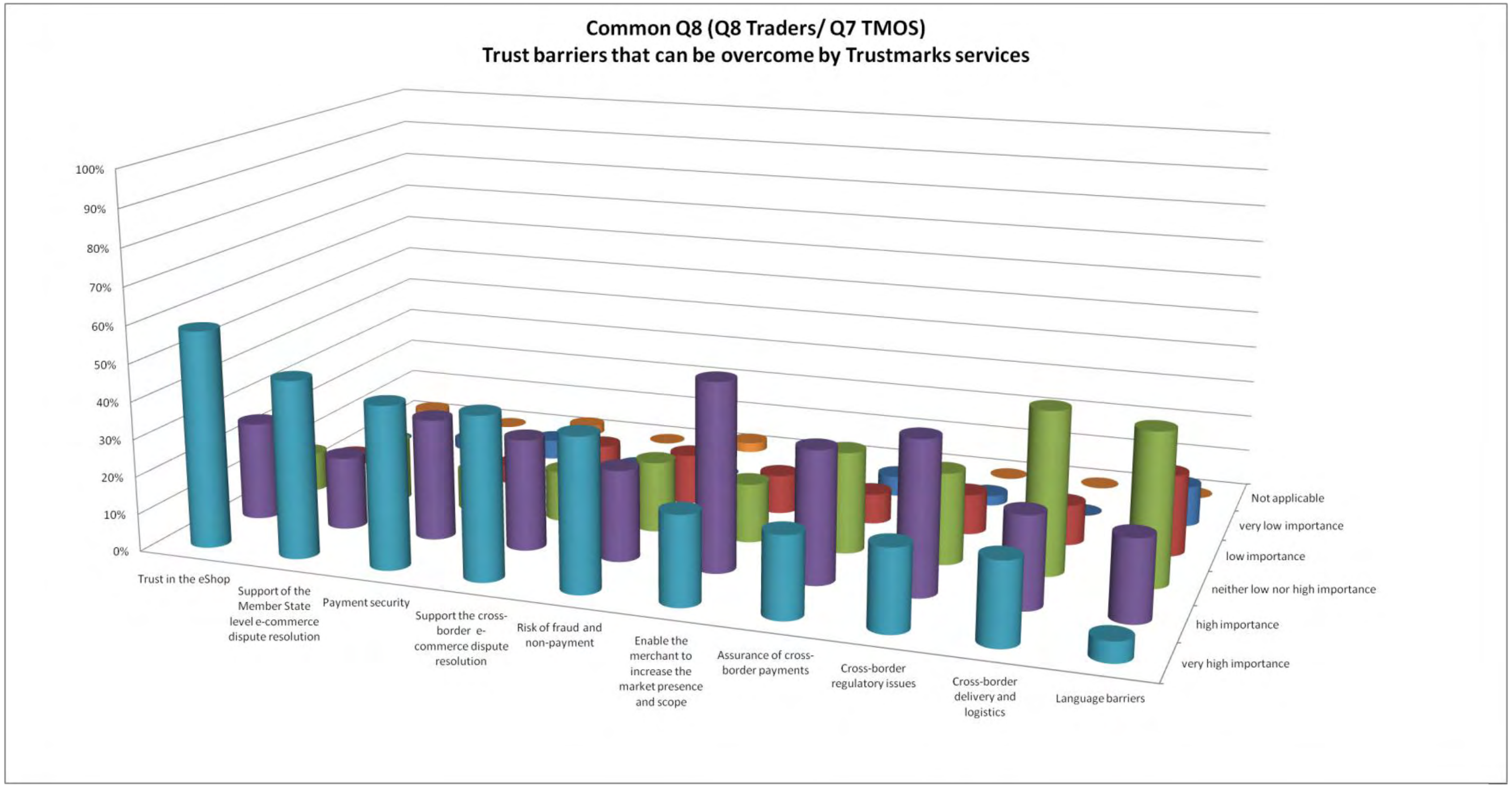
d) Payment security
e) Sales conditions transparency, price and extra charges, and Transparent sales and payment conditions
f) Warranty and after sales service transparency
g) External sales process certification (by a Trustmark)

The least important are

h) Language
i) Communication link security (SSL encryption)

	High Rank (1-3)	Medium Rank (4-7)	Low Rank (8-10)
Competitive product availability and choice	18%	3%	12%
eShop reputation	18%	10%	2%
Competitive product price	17%	4%	9%
Transparent sales and payment conditions	16%	25%	17%
Payment security	11%	12%	6%
Language	8%	9%	13%
Communication link security (SSL encryption)	4%	13%	13%
Warranty and after sales service transparency	4%	10%	17%
External sales process certification (by a Trustmark)	3%	13%	13%

4.8.9 Q8: The trust barriers addressed by trustmarks



Considering the trust barriers that can be tackled by trustmarks services, the traders and trustmarks organisations indicate that trustmarks are most important in respect to

a) "Trust in the eShop"
b) "Support of the Member State level e-commerce dispute resolution"
c) "Payment security"
d) "Support the cross-border e-commerce dispute resolution"
e) "Risk of fraud and non-payment"

They are important to

a) "Enable the merchant to increase the market presence and scope"
b) "Assurance of cross-border payments"
c) "Cross-border regulatory issues"

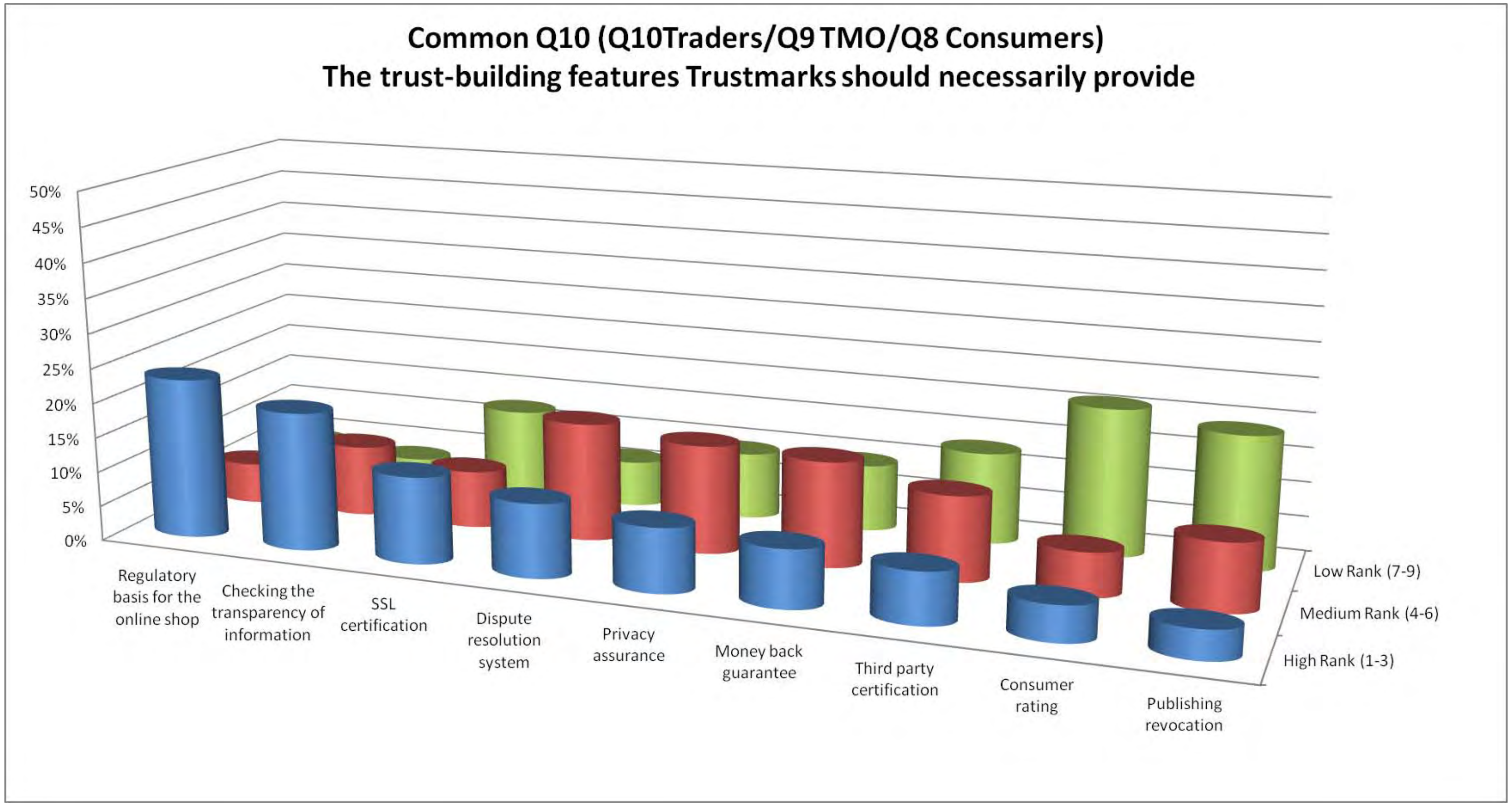
They have a limited scope in dealing with

a) "Cross-border delivery and logistics"
b) "Language barriers"

	very low importance	low importance	neither low nor high importance	high importance	very high importance	not applicable
Trust in the eShop	0%	3%	11%	26%	58%	3%
Support of the Member State level e-commerce dispute resolution	3%	14%	17%	19%	47%	0%
Payment security	5%	5%	11%	32%	43%	3%
Support the cross-border e-commerce dispute resolution	0%	14%	14%	30%	43%	0%
Risk of fraud and non-payment	0%	14%	19%	24%	41%	3%
Enable the merchant to increase the market presence and scope	0%	11%	16%	50%	24%	0%
Assurance of cross-border payments	5%	8%	27%	35%	22%	3%
Cross-border regulatory issues	3%	11%	24%	41%	22%	0%

	very low importance	**low importance**	**neither low nor high importance**	**high importance**	**very high importance**	**not applicable**
Cross-border delivery and logistics	0%	11%	43%	24%	22%	0%
Language barriers	11%	22%	41%	22%	5%	0%

4.8.10 Q10: The priority trust building features



The aggregated stakeholder panel has assessed the relative importance of the possible trustmarks trust-building features.

The most important features which should be provided are

a) "Regulatory basis for the online shop"
b) "Checking the transparency of information"

There are dispersed responses on whether trustmarks should necessarily provide SSL certification, the high ranks even out the low ranks, most likely depending on the business model.

The stakeholders indicate the trust-building features which they believe are quite important

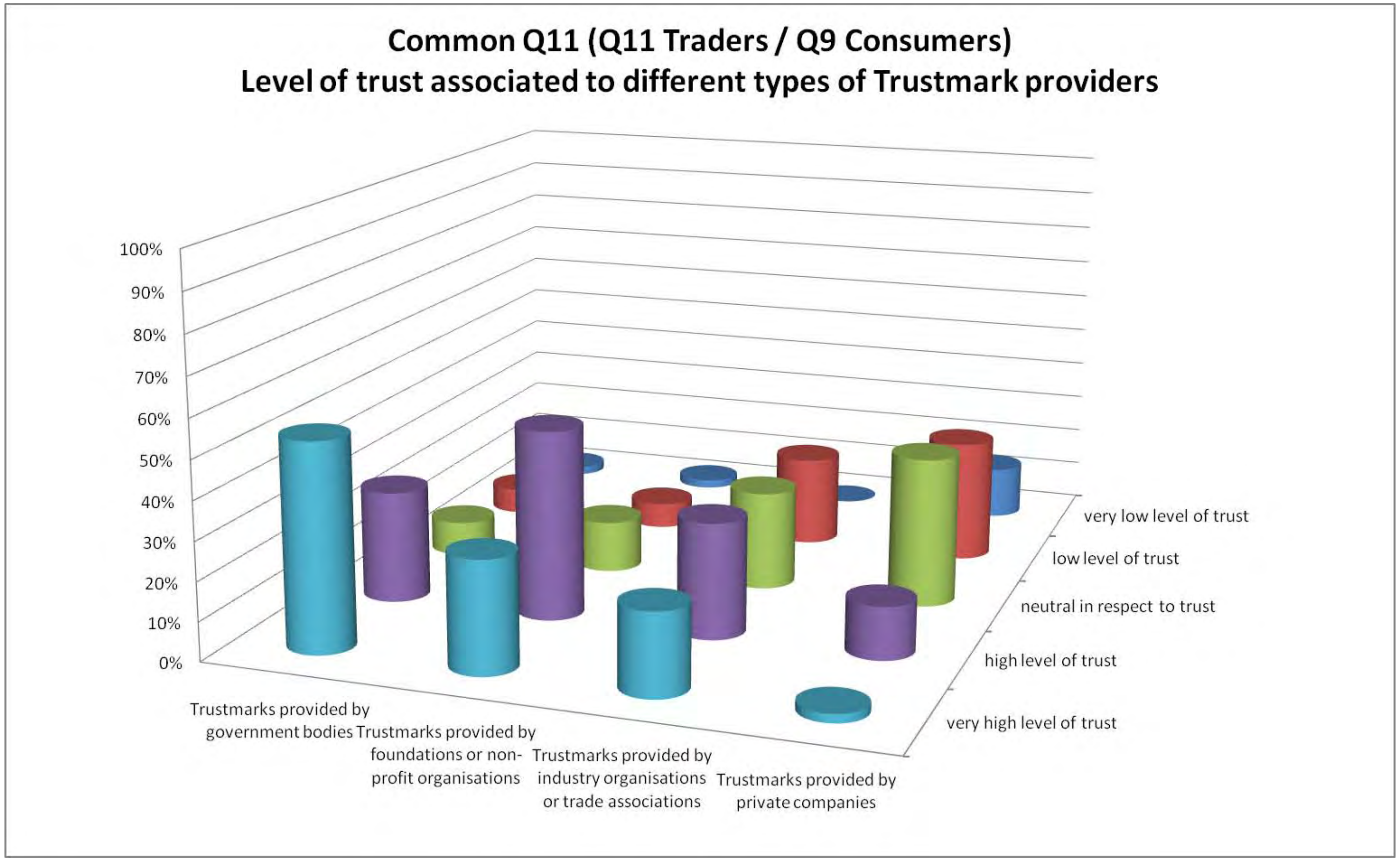
a) "Dispute resolution system"
b) "Privacy assurance"
c) "Money back guarantee"

The trust features which are considered relatively less important are

a) "Third party certification"
b) "Consumer rating"
c) "Publishing revocation"

	High Rank (1-3)	Medium Rank (4-6)	Low Rank (7-9)
Regulatory basis for the online shop	23%	6%	5%
Checking the transparency of information	20%	10%	4%
SSL certification	12%	8%	13%
Dispute resolution system	11%	17%	7%
Privacy assurance	9%	16%	10%
Money back guarantee	8%	15%	10%
Third party certification	7%	12%	13%
Consumer rating	5%	6%	21%
Publishing revocation	4%	10%	19%

4.8.11 Q11: The level of trust associated with the different types of rrustmark providers



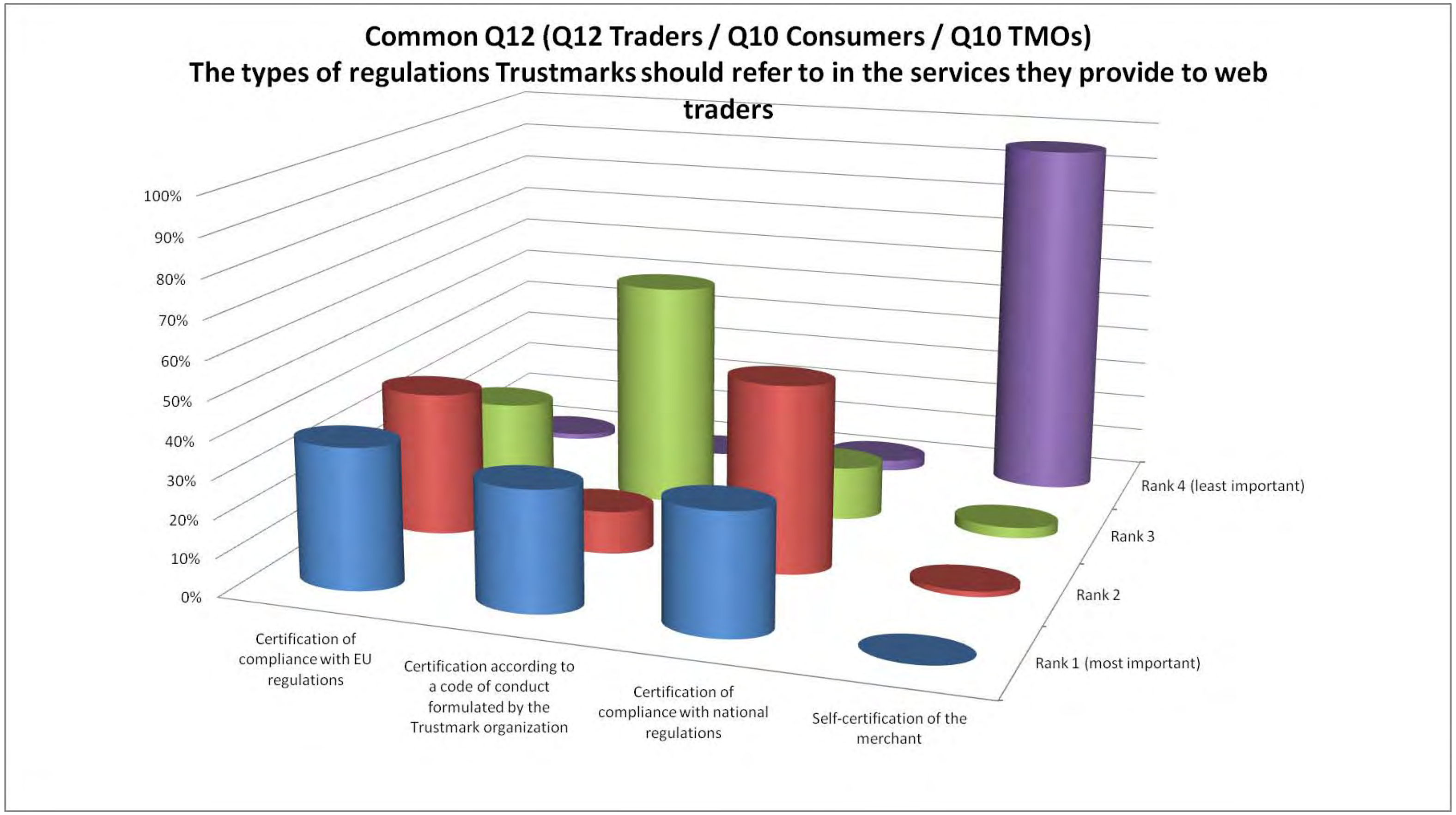
Traders and consumer associations indicate that they associate the highest level of trust with Trustmarks provided by government bodies and by Trustmarks provided by foundations or non-profit organisations.

Concerning Trustmarks provided by industry organisations or trade associations, answers are equally distributed across all the main options.

Trader and consumer stakeholders indicate that the level of trust towards private companies is either neutral or low or very low.

	very low level of trust	low level of trust	neutral in respect to trust	high level of trust	very high level of trust	not applicable
Trustmarks provided by government bodies	2%	7%	9%	29%	53%	0%
Trustmarks provided by foundations or non-profit organisations	2%	7%	13%	49%	29%	0%
Trustmarks provided by industry organisations or trade associations	0%	23%	26%	30%	21%	0%
Trustmarks provided by private companies	14%	32%	39%	14%	2%	0%

4.8.12 Q12: The regulatory references for trustmarks



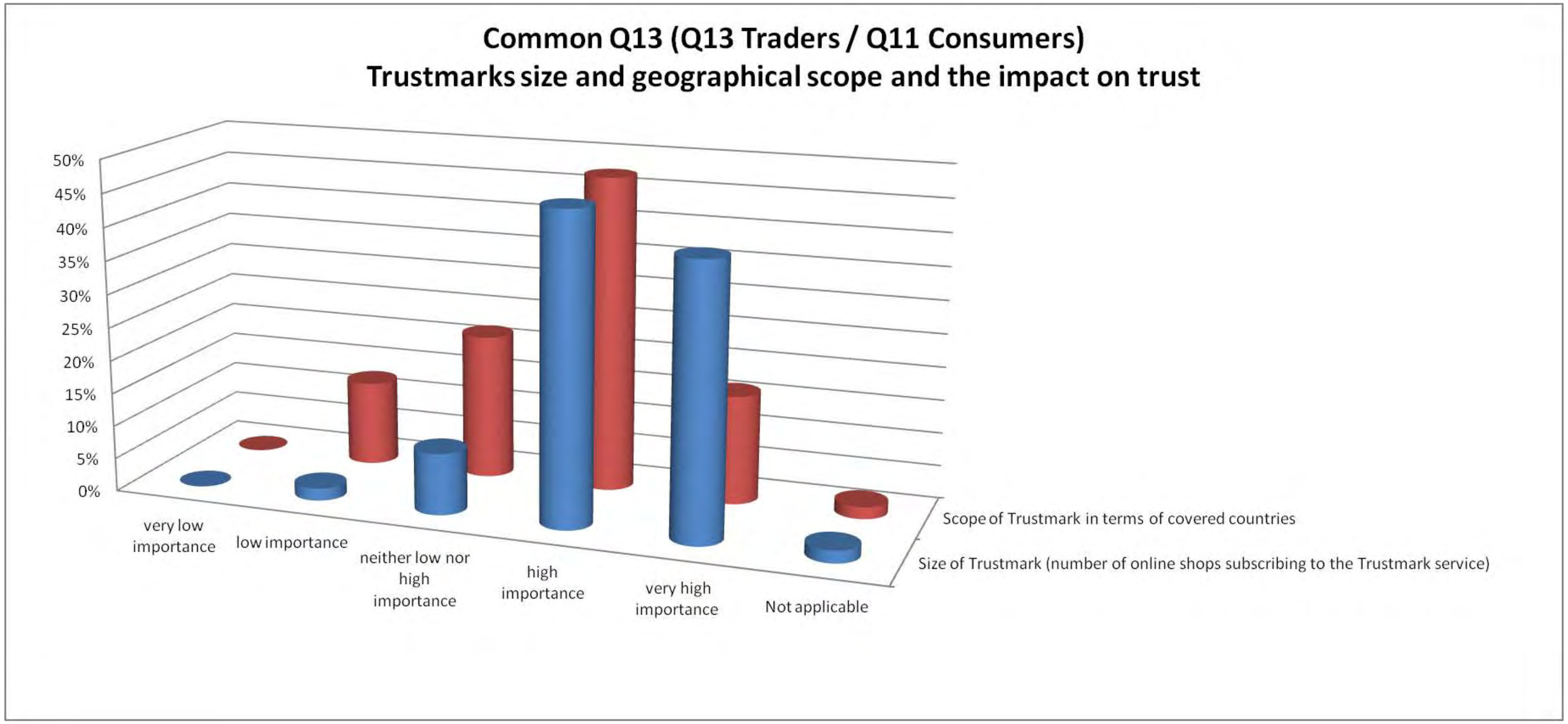
Consumer and Trader associations indicate that Trustmark providers shall refer mainly to

a) Certification of compliance with EU regulations
b) Certification of compliance with national regulations

The majority of respondents indicate that the Certification according to a code of conduct formulated by the Trustmark organization is less important, while all respondents agree that the lowest level type of regulation is the Certification according to a code of conduct formulated by the Trustmark organization.

	Rank 1 (most important)	**Rank 2**	**Rank 3**	**Rank 4 (least important)**
Certification of compliance with EU regulations	37%	38%	23%	1%
Certification according to a code of conduct formulated by the Trustmark organization	32%	11%	60%	0%
Certification of compliance with national regulations	32%	49%	14%	3%
Self-certification of the merchant	0%	1%	3%	96%

4.8.13 Q13: Trustmarks characteristics in respect to trust building

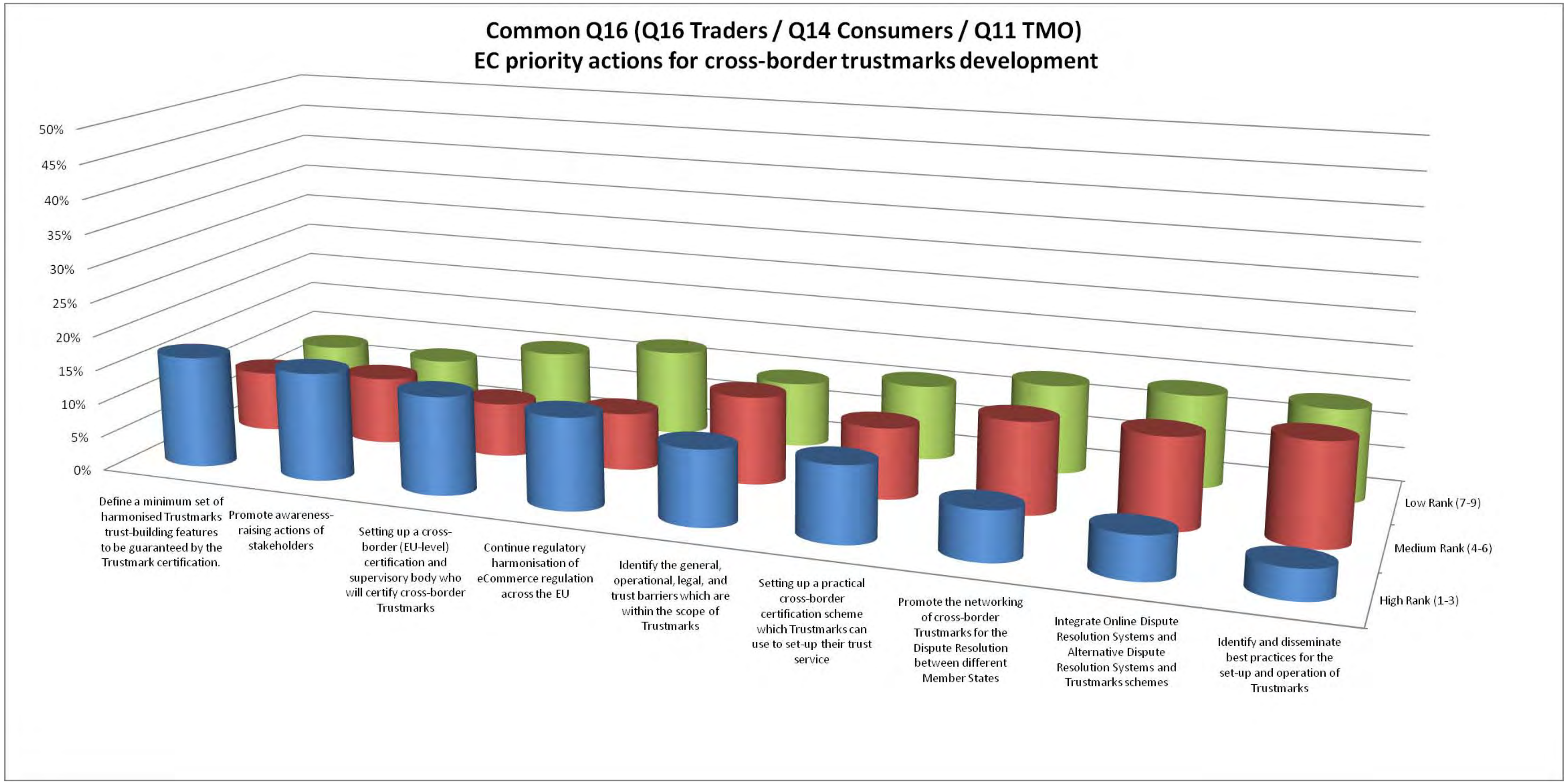


The majority of consumer and trader associations affirm that there is a direct correlation between the number of subscribers and the level of trust potentially perceived by consumers.

When the size of the covered geographical scope by the trustmark is considered, the correlation is much weaker and a significant – even if minority – share of consumer associations believes that this dimension is either neutral or of low importance.

	Size of Trustmark (number of online shops subscribing to the Trustmark service)	**Scope of Trustmark in terms of covered countries**
very low importance	0%	0%
low importance	2%	13%
neither low nor high importance	9%	22%
high importance	46%	47%
very high importance	41%	16%
not applicable	2%	2%

4.8.14 Q16: Priority actions to be undertaken by the European Commission to support cross-border trustmarks development



Consumer and trader associations have indicated their priorities for policy actions by the European Commission Interventions for cross-border Trustmarks operations.

The priority actions include

a) "Define a minimum set of harmonised Trustmarks trust-building features to be guaranteed by the Trustmark certification"
b) "Promote awareness-raising actions of stakeholders"
c) "Identify the general, operational, legal, and trust barriers which are within the scope of Trustmarks"

Policy actions on which stakeholders have not expressed clear preference include

a) "Setting up a cross-border (EU-level) certification and supervisory body who will certify cross-border Trustmarks"
b) "Continue regulatory harmonisation of eCommerce regulation across the EU"
c) "Setting up a practical cross-border certification scheme which Trustmarks can use to set-up their trust service"

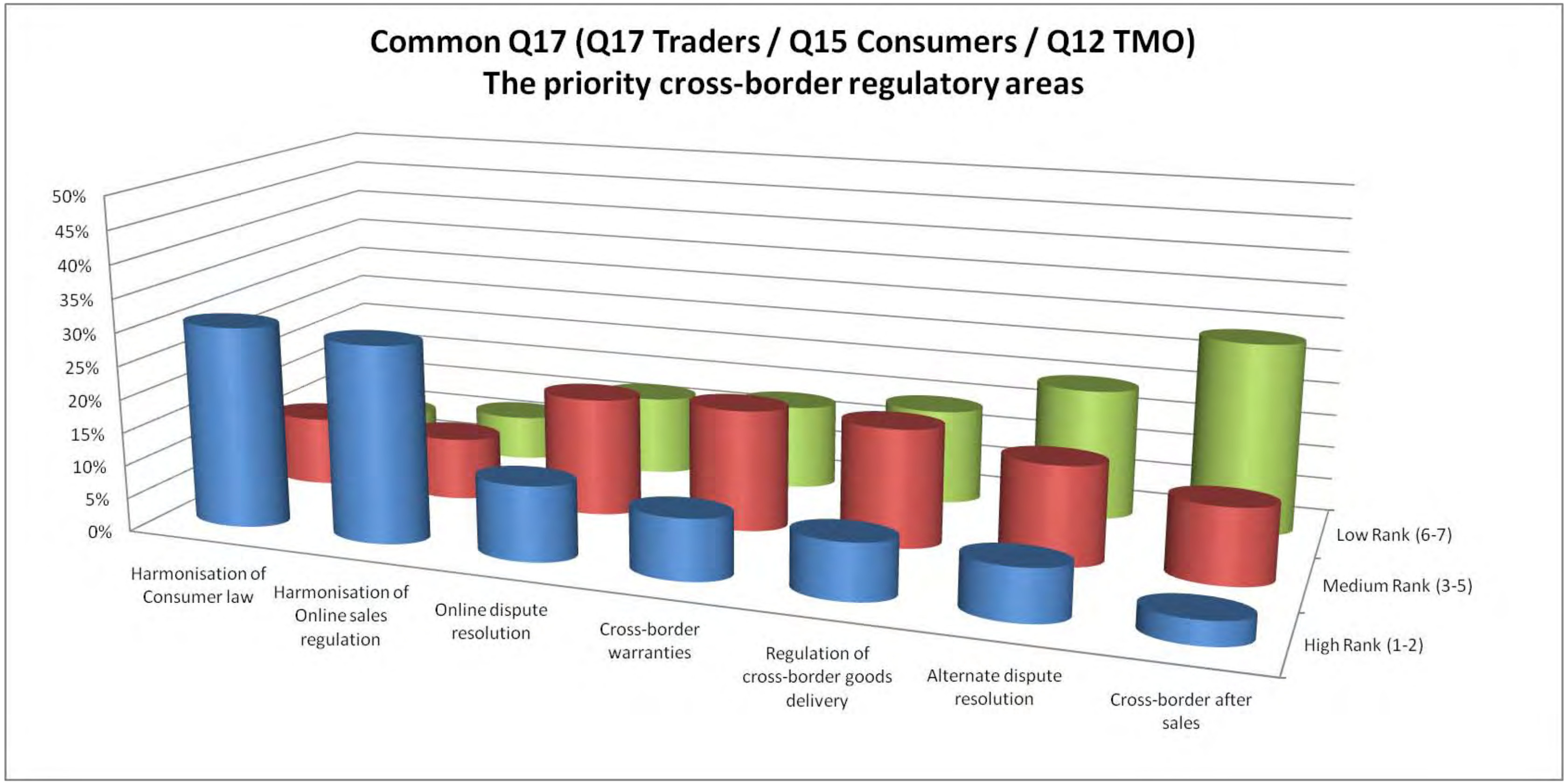
Policy actions by the European Commission which should are of less high priority in the opinion of consumer and trader associations are

a) "Promote the networking of cross-border Trustmarks for the Dispute Resolution between different Member States"
b) "Integrate Online Dispute Resolution Systems and Alternative Dispute Resolution Systems and Trustmarks schemes"
c) "Identify and disseminate best practices for the set-up and operation of Trustmarks"

	High Rank (1-3)	**Medium Rank (4-6)**	**Low Rank (7-9)**
Define a minimum set of harmonised Trustmarks trust-building features to be guaranteed by the Trustmark certification.	16%	9%	8%
Promote awareness-raising actions of stakeholders	16%	10%	8%
Setting up a cross-border (EU-level) certification and supervisory body who will certify cross-border Trustmarks	14%	8%	11%
Continue regulatory harmonisation of eCommerce regulation across the EU	13%	8%	13%
Identify the general, operational, legal, and trust barriers which are within the scope of Trustmarks	11%	13%	10%
Setting up a practical cross-border certification scheme which Trustmarks can use to set-up their trust service	11%	10%	11%
Promote the networking of cross-border Trustmarks for the Dispute Resolution between different Member States	7%	13%	13%

	High Rank (1-3)	**Medium Rank (4-6)**	**Low Rank (7-9)**
Integrate Online Dispute Resolution Systems and Alternative Dispute Resolution Systems and Trustmarks schemes	6%	13%	14%
Identify and disseminate best practices for the set-up and operation of Trustmarks	4%	15%	14%

4.8.15 Q17: The priority areas of cross-border regulation in which the European Commission should act



The question proposes a number of possible regulatory actions by the European Commission in respect to cross-border Trustmarks operations. The priority actions the trustmark stakeholders propose are

a) Harmonisation of Consumer law
b) Harmonisation of Online sales regulation

Other actions, which are still important but with less high priorities are:

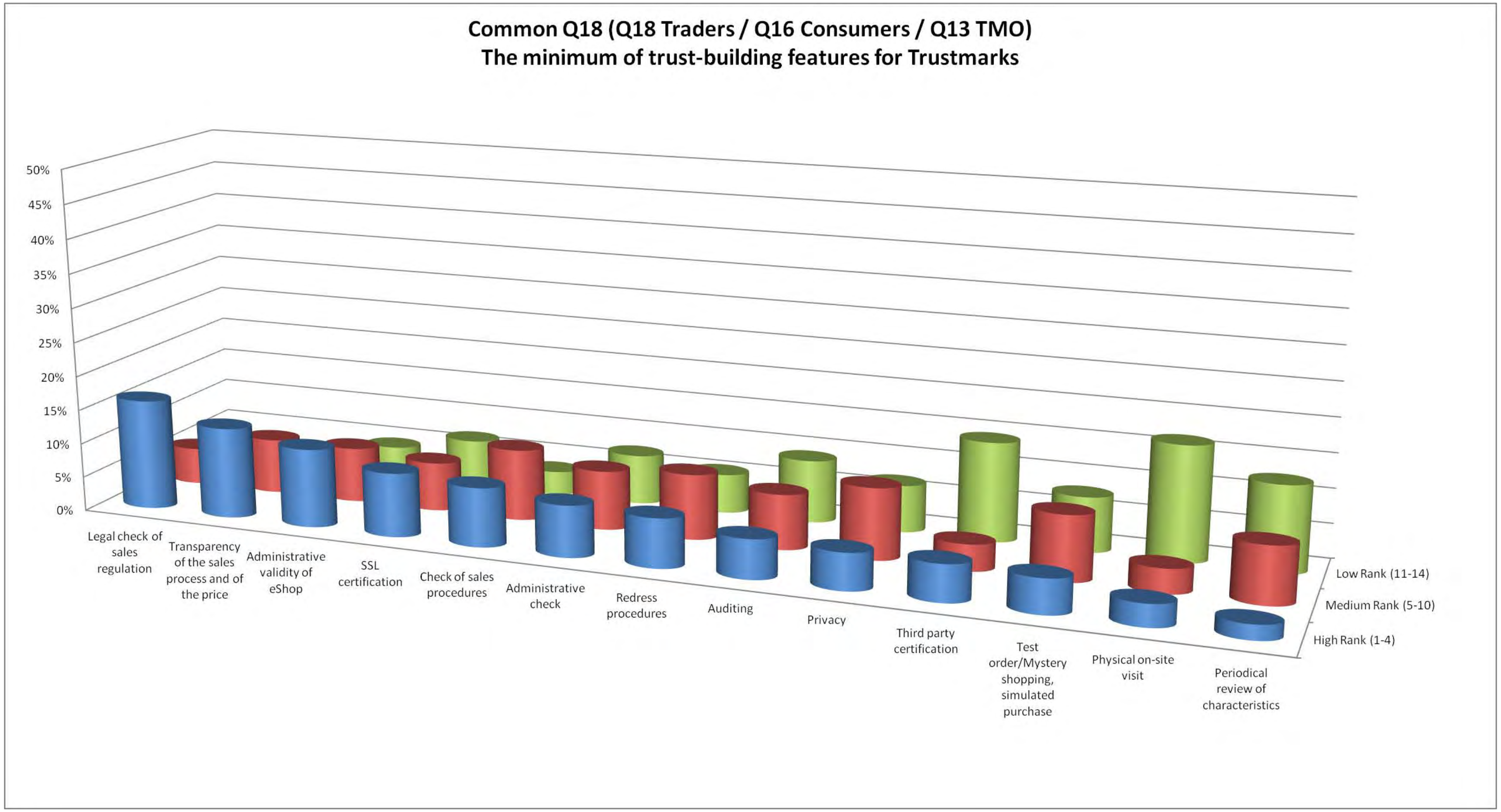
a) Online dispute resolution
b) Cross-border warranties
c) Regulation of cross-border goods delivery

Other actions, which are still important but with lower priorities are:

a) Alternate dispute resolution
b) Cross-border after sales.

	High Rank (1-2)	**Medium Rank (3-5)**	**Low Rank (6-7)**
Harmonisation of Consumer law	30%	10%	5%
Harmonisation of Online sales regulation	30%	9%	7%
Online dispute resolution	11%	18%	12%
Cross-border warranties	9%	18%	13%
Regulation of cross-border goods delivery	8%	18%	14%
Alternate dispute resolution	8%	15%	20%
Cross-border after sales	4%	11%	29%

4.8.16 Q18: The minimum of trust-building features for trustmarks



Trustmarks stakeholders have indicated their priorities in relation to the minimum set of trust-building features any trustmark should have. There are no clearly marked focus points, but the distribution gives precise indications on trends.

The primary trust-building features concern the

a) "Legal check of sales regulation"
b) "Transparency of the sales process and of the price"
c) Administrative validity of eShop.
d) verification of the Redress procedures
e) Check of sales procedures
f) Privacy

Less high important features indicated by the Consumer associations are

a) SSL certification
b) Administrative check
c) Auditing
d) Test order/Mystery shopping, simulated purchase

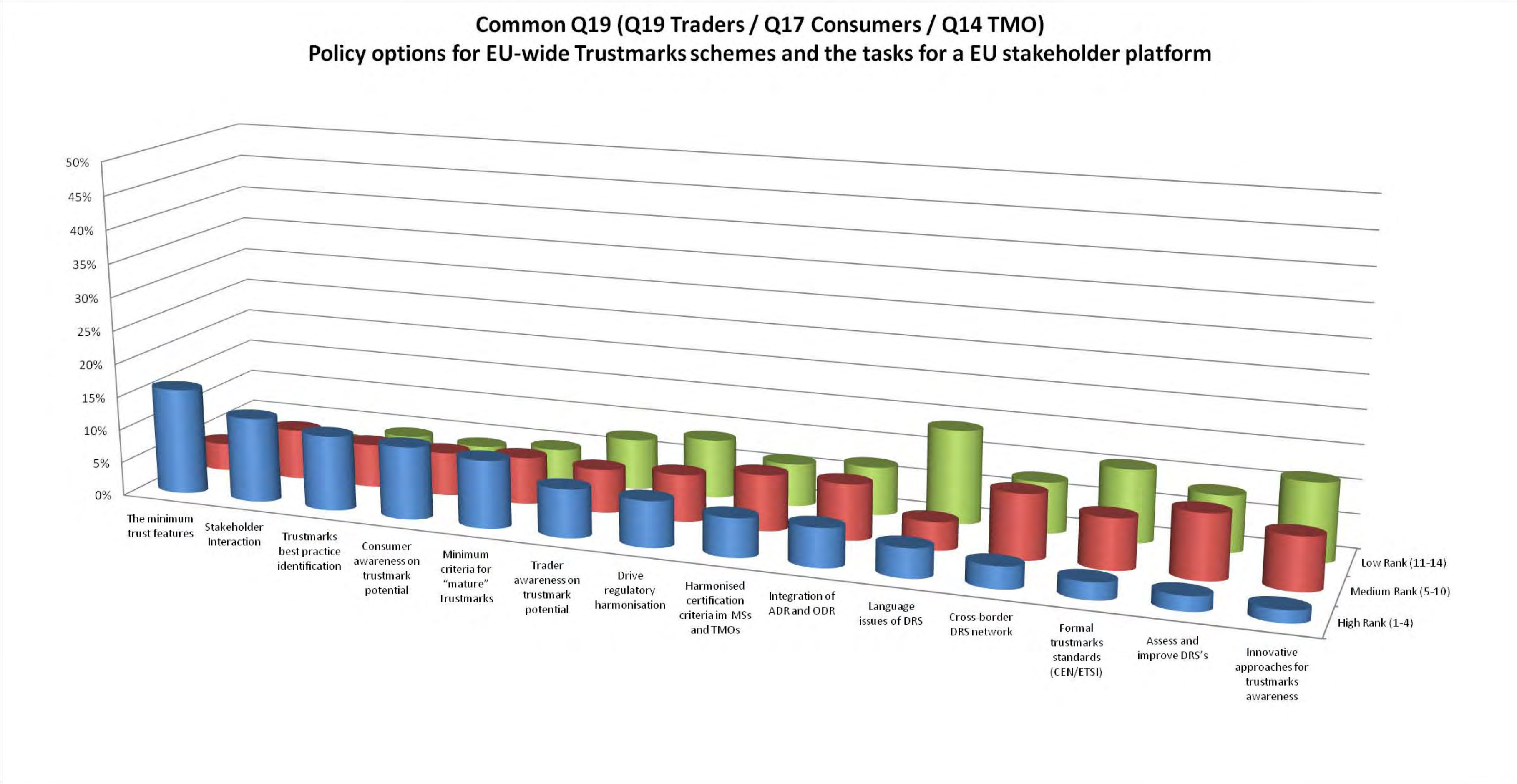
Lower priority features include

a) Third party certification (the certification of the certification provided by the trustmark by a third party)
b) Physical on-site visit
c) Periodical review of characteristics

	High Rank (1-4)	**Medium Rank (5-10)**	**Low Rank (11-14)**
Legal check of sales regulation	16%	5%	3%
Transparency of the sales process and of the price	13%	8%	2%
Administrative validity of eShop	11%	8%	5%
SSL certification	9%	7%	7%
Check of sales procedures	9%	10%	3%
Administrative check	8%	9%	7%

	High Rank (1-4)	**Medium Rank (5-10)**	**Low Rank (11-14)**
Redress procedures	7%	9%	6%
Auditing	6%	8%	9%
Privacy	5%	10%	7%
Third party certification	5%	4%	14%
Test order/Mystery shopping, simulated purchase	5%	9%	8%
Physical on-site visit	3%	4%	17%
Periodical review of characteristics	2%	8%	13%

4.8.17 Q19 Policy options for EU-wide trustmarks schemes and the tasks for a EU stakeholder platform



The Trustmarks stakeholders participating in the survey have expressed their opinion on the policy options for EU-wide Trustmarks schemes, considering their effectiveness for the governance of the schemes.

The important options are

a) Develop minimum criteria and trust-building features for Trustmarks
b) Promote the interaction between the stakeholders of Trustmarks for eCommerce
c) Develop a methodology to identify Trustmarks best practices in operational, technical, procedural and regulatory terms
d) Promote awareness on the potentialities of the trust-building effects of Trustmarks among consumers
e) Define the minimum criteria for "mature" Trustmarks

Medium priority options are

a) Promote awareness on the potentialities of the trust-building effects of Trustmarks among online merchants
b) Identify the needs for regulatory harmonisation
c) Promote the harmonisation of quality and certification procedures among Member States and TMOs
d) Promote the integration of Alternate Dispute Resolution and Online Dispute Resolution
e) Assess the effectiveness of dispute resolution systems and elaborate plans for improvement and best practices

Relatively low-level options are

a) Promote a cooperative network of Trustmarks to solve, inter alia, the issue of cross-border dispute resolution
b) Promote Supportive measures: inclusion of standardisation/certification mechanisms (CEN/ETSI)
c) Address the general language issues of dispute resolution
d) Promote innovative approaches to the diffusion of knowledge on Trustmarks

	High Rank (1-4)	**Medium Rank (5-10)**	**Low Rank (11-14)**
Develop minimum criteria and trust-building features for Trustmarks	16%	4%	3%
Promote the interaction between the stakeholders of Trustmarks for eCommerce	13%	7%	2%
Develop a methodology to identify Trustmarks best practices in operational, technical, procedural and regulatory terms	11%	6%	4%
Promote awareness on the potentialities of the trust-building effects of Trustmarks among consumers	11%	6%	4%

	High Rank (1-4)	**Medium Rank (5-10)**	**Low Rank (11-14)**
Define the minimum criteria for "mature" Trustmarks	10%	7%	5%
Promote awareness on the potentialities of the trust-building effects of Trustmarks among online merchants	7%	6%	8%
Identify the needs for regulatory harmonisation	7%	7%	9%
Promote the harmonisation of quality and certification procedures among Member States and TMOs	6%	8%	6%
Promote the integration of Alternate Dispute Resolution and Online Dispute Resolution	6%	8%	7%
Address the general language issues of dispute resolution	4%	4%	14%
Promote a cooperative network of Trustmarks to solve, inter alia, the issue of cross-border dispute resolution in differ	3%	10%	8%
Promote Supportive measures: inclusion of standardisation/certification mechanisms (CEN/ETSI)	3%	7%	11%
Assess the effectiveness of dispute resolution systems and elaborate plans for improvement and best practices	2%	10%	8%
Promote innovative approaches to the diffusion of knowledge on Trustmarks	2%	8%	12%

4.9 A preliminary synthesis from the surveys

4.9.1 Consumer organizations

- A majority believes that customers look for a trustmark on an online webshop and that this is an important step of their purchase process. (Q1)
- Shop reputation and brand reputation are a very important factor for the online purchase decision, the majority of consumer associations affirms it. There is obviously a scope for trustmark services to promote eCommerce. (Q2)
- Consumer associations indicate that the trust value of trustmarks is very much related to the verification of the webshop reputation and of the quality of the quality of the sales process. (Q3)
- There seems to be less scope for the verification and quality of the dispute resolution process and for the technical assurance of the connection. The former may due to the current uncertain scenario in dispute resolution at national level, and more important, at EU (cross-border) level. (Q3)
- The majority of consumer associations do not seem to believe that trustmarks are the principal factor to induce a consumer to make an online purchase. (Q4)
- Nevertheless, the majority of consumer associations confirms that a trustmark on a website is of high importance to establish a trust relationship between purchaser and trader. (Q5)
- The majority of consumer associations indicates that a competitive product price, payment security and competitive product availability and choice are the key trust-building factors in an online purchase decision. It needs to be noted that the payment security is referred to the process of payment itself, the care in securing the specific financial transaction, and not the assurance of the link through a certified SSL connection. (Q6)
- From the consumer association perspective it is absolutely important that trustmarks verify the "Compliance with consumer or e-commerce regulations at EU or MS level", "Complaints resolution and redress" process, and the "Legal protection of consumers". Trustmarks should not verify the eShop reputation, since this would be very difficult and, more important, it is the task of the trustmark to act as a warrantor of the eShop reputation. (Q7)
- The opinions of the relative importance of the trust-building features trustmarks should necessarily provide are scattered. The explanation for this result might be that the whole domain is still so uncertain, at national and, more important, at cross-border level, that the preferences are quite differentiated. The consumer association indicate that the trust features (requirements) the trustmarks should necessarily provide should necessarily include the Regulatory basis for the online shop, Checking the transparency of information, and the dispute resolution system. Less important features include Third party certification, SSL certification, Consumer rating, Publishing revocation. Clearly there is an emphasis on the features which more directly impact on the trust between trader and purchaser. (Q8)
- Consumer associations state clearly that the institutional setup of the trustmark is important for trust-building (Q9) and that trustmarks provided by governments and by foundations and non-profit organisations are considered the more trustworthy.

- There is a clear preference for compliance with national regulations and with EU regulations, while the certification according to a code of conduct formulated by the trustmark organisation is not a clear preference for all consumer associations. (Q10)
- Consumer associations indicate clearly that the number of subscribers is a positive trust-building factor for trustmarks, much less the size in terms of covered countries. (Q11)
- In respect to trust features of trustmarks, the responses are again extremely scattered, but there is clear preference for "Money back guarantee", The design of the "Dispute resolution system", The "regulatory basis of the trustmark" and the "Transparency of the sales process and of the price". (Q12)
- The consumer associations indicate that the trust features having the highest impact on the cross-border trade transactions are Money back guarantee, a Dispute resolution system, Third party certification by an EU institutional body, the Regulatory basis of the Trustmark, and the Transparency of the sales process and of the price. Low preferences for consumer ratings, revocation publishing, third party certification, privacy assurance and SSL certification. (Q13)
- The European Commission should (Q14):
    - "Define a minimum set of harmonised Trustmarks trust-building features to be guaranteed by the Trustmark certification"
    - "Promote awareness-raising actions of stakeholders"
    - "Setting up a cross-border (EU-level) certification and supervisory body who will certify cross-border Trustmarks"
    - "Promote the networking of cross-border Trustmarks for the Dispute Resolution between different Member States"
    - "Identify and disseminate best practices for the set-up and operation of Trustmarks"
    - "Integrate Online Dispute Resolution Systems and Alternative Dispute Resolution Systems and Trustmarks schemes"
- The European Commission should take regulatory measures to (Q15):
    - "Harmonisation of Online sales regulation"
    - "Harmonisation of Consumer law"
    - "Online dispute resolution"
    - "Cross-border warranties"
- Any trustmark should have the following minimum trust-building features (Q16)
    - "Legal check of sales regulation"
    - "Transparency of the sales process and of the price"
    - verification of the Redress procedures
    - Check of sales procedures
    - Administrative validity of eShop.
- The EU trustmark policy platform should deal with actions aimed at (Q17)
    - "Developing minimum criteria and trust-building features for Trustmarks"
    - "Developing a methodology to identify Trustmarks best practices in operational, technical, procedural and regulatory terms"
    - "Promoting awareness on the potentialities of the trust-building effects of Trustmarks among consumers"

- Promoting the interaction between the stakeholders of Trustmarks for eCommerce
- Defining the minimum criteria for "mature" Trustmarks.

4.9.2 Trader associations

- The majority of trader associations indicates that consumers consider the certification of a webshop by a trustmarks before engaging in an online purchase. (Q1)
- Shop reputation and Brand reputation are the most important factors when consumers make their online purchase decision (Q2)
- For the majority the online trust value of trustmarks resides in the verification of the web-shop reputation. All other features (quality of DRS, technical assurance of the connection, verification of the sales process) are much less important. It still notable that in fact the verification of the webshop reputation is also somehow overarching the other three checks. (Q3)
- When traders choose a trustmark they consider The "Trustmark reputation", The "Cost of certification procedure or subscription fee", and the "Easiness of certification procedure". They care much less for the Trustmark procedure and the services provided by the trustmark. (Q4)
- The majority of trader associations indicate that trustmarks can play a high role in inducing consumers to make an online purchase. There are two important results from this question: that a small, but significant amount of respondents indicate that the importance is not "very high" and almost 30% indicate that the role of a trustmark is neutral. (Q5)
- A trustmark on a website is of high importance to establish a trust relationship between purchaser and trader (Q6).
- The most important trust-building features in the trader-customer relationship are "competitive product availability and choice", "competitive product price", "eShop reputation", "payment security". There are quite different perceptions by traders and consumers, where the latter prefer general shop and brand reliability and the formers more concrete sales factors. (Q7)
- Traders expect that trustmarks are able to tackle "Member State level e-commerce dispute resolution", "Risk of fraud and non-payment", "Payment security", "Support the cross-border e-commerce dispute resolution", "Trust in the eShop". (Q8)
- According to traders, trustmarks should base their certification on "Administrative check of a shop", on the "eShop reputation", "Compliance with consumer or e-commerce regulations at EU or MS level", on the "Sales process fairness and transparency, prices and extra charges", and on "Legal protection of consumers". (Q9)
- Trader associations have indicated that trustmarks should necessarily require a verification of the transparency of information provided by the web-shop ("Checking the transparency of information"), a verification of the "Regulatory basis for the online shop", Providing "SSL certification", and make available a "Dispute resolution system". (Q10)
- A significant majority indicates that that the institutional setup of the Trustmark is important in respect to its trust-building capability. (Q11)

- The trader associations indicate that the highest level of trust would be provided by "Trustmarks provided by government bodies". "Trustmarks provided by industry organisations or trade associations" and "Trustmarks provided by foundations or non-profit organisations" would provide significant levels of trust. (Q12)
- The majority of trader associations affirm that there is a direct correlation between the number of subscribers and the level of trust potentially perceived by traders. When the size of the covered geographical scope by the trustmark is considered, the correlation is much weaker and a significant – even if minority – share of consumer associations believes that this dimension is either neutral or of low importance. (Q13)
- Considering the influence of trustmark features on current and future cross-border eCommerce, trader associations indicate that the ones with the highest impact are "Money back guarantee", "Transparency of the sales process and of the price", "Dispute resolution system", "Third party certification by an EU institutional body", "Regulatory basis of the Trustmark", and "Third party certification". (Q14)
- The majority of trader associations indicates that they would prefer a flat fee higher than 120€ per annum and lower than 200€ per annum, followed by a turnover-related fee less than 150€ per annum. (Q15)
- The European Commission should proceed towards (Q16):
  - "Setting up a cross-border (EU-level) certification and supervisory body who will certify cross-border Trustmarks"
  - "Setting up a practical cross-border certification scheme which Trustmarks can use to set-up their trust service"
  - "Define a minimum set of harmonised Trustmarks trust-building features to be guaranteed by the Trustmark certification"
  - "Identify the general, operational, legal, and trust barriers which are within the scope of Trustmarks"
  - "Promote awareness-raising actions of stakeholders"
- The European Commission should take regulatory measures to (Q17):
  - "Harmonisation of Consumer law"
  - "Harmonisation of Online sales regulation"
- Any trustmark should have the following minimum trust-building features (Q18)
  - "Legal check of sales regulation"
  - "Transparency of the sales process and of the price"
  - "Administrative validity of eShop"
  - "SSL certification"
  - "Auditing"
- The EU trustmark policy platform should deal with actions aimed at (Q19)
  - "Promoting the interaction between the stakeholders of Trustmarks for eCommerce"
  - "Developing minimum criteria and trust-building features for Trustmarks"
  - "Developing a methodology to identify Trustmarks best practices in operational, technical, procedural and regulatory terms"
  - "Promoting awareness on the potentialities of the trust-building effects of Trustmarks among consumers"
  - "Identifying the needs for regulatory harmonisation"

4.9.3 Trustmark providers

- Over two thirds of the trustmarks providers state that customers consider a trustmark before they decide to purchase from a particular webshop and only a minority believes that the trustmark is considered only when something went wrong with the transaction. Of course this figures reflect the "original bias" of respondents, i.e.: the trustmarks providers in respect to consumers and traders. (Q1)
- Trustmarks organisations confirm that the most important aspects for consumers in their online purchase decision are the shop reputation and the brand reputation. There is also quite a preference for SSL certification, probably due to quite a number of TMOs who choose this as their core business (Q2)
- The verification of the quality of the sales process and the verification of the webshop reputation are the most important trust value provided to traders by trustmarks. It should be noted that a significant number of trustmarks believe that the "Verification and quality of the dispute resolution process" and the "Verification and assurance of the technical security of the connection" are neutral in respect to trust-building. (Q3)
- According to TMOs the most important factor according to which traders choose to subscribe is the "trustmarks reputation". (Q4)
- The most important customer decision making factors are the "eShop reputation", the "Sales conditions transparency, price and extra charges", the External sales process certification (by a Trustmark), and the "Transparent sales and payment conditions". (Q5)
- The most important factors to establish a trust relationship are "eShop reputation", "Competitive product availability and choice", Payment security. (Q6)
- According to the TMOs, trustmarks can effectively overcome the trust barriers related to "Trust in the eShop", "Payment security", "Support the cross-border e-commerce dispute resolution", "Support of the Member State level e-commerce dispute resolution", "Enable the merchant to increase the market presence and scope". (Q7)
- The most important trust factors TMOs should verify include "Administrative check of a shop", "Payment security", "Legal protection of consumers", "Sales process fairness and transparency, prices and extra charges", as well as "Complaints resolution and redress". (Q8)
- TMOs should include the following requirements in their certification: The "Regulatory basis for the online shop", "Checking the transparency of information", "Dispute resolution system", "Privacy assurance", "Money back guarantee". (Q9)
- According to trustmarks organisations, the key regulatory verification should refer to the "Certification of compliance with national regulations". The "Certification according to a code of conduct formulated by the Trustmark organization" is the most important to a significant share of Trustmark organisations, and of relatively low importance to an equivalent number of Trustmark organisations. The reason for this might be the different business model adopted by the different trustmarks as well as the specific technical orientation of some of the trustmark service providers. The "Certification of compliance with EU regulations" is important to several trustmarks and at the same time of low importance to another significant amount. The background thinking might be related to the difficulty and the length of enforcement in this field and also the difficulty of enforcing the code of conduct. (Q10)
- The European Commission should proceed towards (Q11):

- Promote awareness-raising actions of stakeholders
- Define a minimum set of harmonised Trustmarks trust-building features to be guaranteed by the Trustmark certification.
- Setting up a practical cross-border certification scheme which Trustmarks can use to set-up their trust service
- Setting up a cross-border (EU-level) certification and supervisory body who will certify cross-border Trustmarks
- Continue regulatory harmonisation of eCommerce regulation across the EU

- The European Commission should take regulatory measures to (Q12):
  - "Harmonisation of Consumer law"
  - "Harmonisation of Online sales regulation"
  - "Online dispute resolution"
  - "Cross-border warranties"
- Any trustmark should have the following minimum trust-building features (Q13)
  - Legal check of shop's sales regulation
  - Transparency of the sales process and of the price
  - Privacy
  - Check of sales procedures
  - Periodical review of characteristics
  - Administrative check
- The EU trustmark policy platform should deal with actions aimed at (Q14)
  - "Develop minimum criteria and trust-building features for Trustmarks"
  - "Promote the interaction between the stakeholders of Trustmarks for eCommerce"
  - "Define the minimum criteria for "mature" Trustmarks"
  - "Develop a methodology to identify Trustmarks best practices in operational, technical, procedural and regulatory terms"

4.9.4 The common questions

4.9.4.1 Consumer and trader associations and TMOs

- The majority of the respondents believes that consumers are aware of the benefits trustmarks can deliver to them and consider trustmarks an important factor. One fifth of the trustmarks stakeholders believe that consumers focus on the trustmark only when something went wrong with the transaction.
- For the majority of the respondents to the trustmarks survey, the relatively most important factors considered by consumers when they make their online purchase decision are "The shop reputation" and "The brand reputation".
- The online trust value of a trustmark on a web-site is the verification of the reputation of the webshop and the verification of the quality of the sales process.
- The most important trust-building features to all stakeholders responding to the survey are Competitive product price, Payment security, and eShop reputation.
- According to all stakeholders the most important features which should be provided are the Regulatory basis for the online shop, Checking the transparency of information.

The dispute resolution system, privacy assurance and money back guarantee are also important.

- All trustmarks stakeholders give priority to compliance with EU regulations and with national regulations in respect to the regulatory basis of trustmarks. Surprisingly the certification according to a code of conduct formulated by the Trustmark organization is less important, indicating still a strong orientation towards "traditional" regulations and enforcement.
- The European Commission should proceed towards
  - Defining a minimum set of harmonised Trustmarks trust-building features to be guaranteed by the Trustmark certification
  - Promoting awareness-raising actions of stakeholders
  - Identifying the general, operational, legal, and trust barriers which are within the scope of Trustmarks
- The European Commission should take regulatory measures for the
  - Harmonisation of Consumer law
  - Harmonisation of Online sales regulation
  - Online dispute resolution
  - Cross-border warranties
  - Regulation of cross-border goods delivery
- Any trustmark should have the following minimum trust-building features
  - "Legal check of sales regulation"
  - "Transparency of the sales process and of the price"
  - Administrative validity of eShop.
  - verification of the Redress procedures
  - Check of sales procedures
  - Privacy
- The EU trustmark policy platform should deal with actions aimed at
  - Develop minimum criteria and trust-building features for Trustmarks
  - Promote the interaction between the stakeholders of Trustmarks for eCommerce
  - Develop a methodology to identify Trustmarks best practices in operational, technical, procedural and regulatory terms
  - Promote awareness on the potentialities of the trust-building effects of Trustmarks among consumers
  - Define the minimum criteria for "mature" Trustmarks

4.9.4.2 Traders and TMOs

- The most important factor traders consider when deciding to subscribe to a trustmarks is its reputation.
- Considering the trust barriers which can be tackled by trustmarks services, the traders and trustmarks organisations indicate that trustmarks are most important in respect to Trust in the eShop, Support of the Member State level e-commerce dispute resolution, Payment security, Support the cross-border e-commerce dispute resolution, and Risk of fraud and non-payment.

4.9.4.3 Trades and consumers

- When they assess the role of a trustmark on a website to induce a consumer to make an online purchase, about half indicate that trustmarks are neutral or have a low importance in respect to the consumer decision to make an online purchase and about 50% indicate that the importance is high or very high.
- Considering the importance to establish a trust relationship between customer and trader, the majority of respondents indicate that a trustmark is of high importance or of very high importance.
- Trader associations and consumer associations indicate that trustmarks run by government bodies and by foundations or non-profit organisations are the most trustworthy ones.
- To both traders and consumers the size of a trustmark in terms of subscribers is an important trust-building factor.

5 THE EVALUATION WORKSHOP

During the introduction of the workshop, the purpose of the workshop is explained and a tour de table is taken during which the participants introduce themselves. The workshop aimed to evaluate the findings from the trustmarks study so far and discuss and evaluate the policy options that may be pursued by the European Commission. The topics that are discussed include:

- The barriers to eCommerce and the capability of trustmarks to tackle them
- The trust-building features of trustmarks
- The policy options
- The outline of the stakeholder platform

5.1 Tour de table

A group of experts on eCommerce, cross-border trade and trustmarks were invited to the stakeholder workshop. The invited experts are policy makers, representatives of consumer organizations, trade associations, trustmark providers, and SME's:

- James Roper, CEO of IMRG to which the UK trustmark ISIS (carried by 1300 webshops) belongs, which merged in 2012 with TrustedShops. Vice-president of EMOTA.
- Marc Périn, CEO of Safeshop Belgium, a webshop provider with 30 members running 103 webshops.
- Jean-Marc Noel, TrustedShops, a trustmark provider that was set up in 1999 and which is operational in 11 countries with 30.169 members.
- Florence Diss, Google, Strategic partner development manager, representing the Google Trusted Stores service.
- Carine Moitier, Director and co-founder of Becommerce Belgium (242 members).
- Vincent Tilman, Eurochambres, who set up the (currently inactive) ChamberSign code of conduct and dispute resolution system 10 years ago.
- Dora Szentpaly-Kleis, UEAPMA retail forum (with 86 members among SMEs).
- Susanne Czech, EMOTA, the multi-channel and online trade association with members in 19 countries.
- Jan Barnes, representative of eBay and PayPal. eBay is used by 350.000 SMEs.
- Agustin Reyna, legal department of BEUC, European consumer association.
- Jeremy Rollison, Director of Edima, European digital media association.

The European Commission, represented by Alis-Irena Riviere-Osipov and Jörgen Grem, underlined its interest in an open dialogue aiming to gain insight in the viewpoints of the stakeholders for setting up a trustmarks stakeholder platform.

5.2 Presentation of findings from the trustmarks study

The first part of the stakeholder workshop discusses the main findings of the survey among the major stakeholders (industry associations, consumer organizations and trustmark providers) were presented.

According to IMRG, the heterogeneity of the trustmarks and the variety of their trust building features is the result of the fast-changing eCommerce market in which many different aspects can be covered by trustmarks. It is also a result of the heterogeneity of the webshops, which range from large and internationally oriented webshops to very small (often owned by one person) webshops. According to eBay, this heterogeneity also calls for an approach that fosters it rather than confines it with a 'one size fits all'-approach. SafeShops and TrustedShops express the usefulness of (European) standards for trustmarks. According to BEUC and IMRG, consumers are especially interested in trustmarks covering the after-sales process in case something goes wrong.

5.2.1 Barriers to cross-border eCommerce

The barriers to cross-border eCommerce were looked at to see which can and which cannot be solved by trustmarks. The participants were asked to score and evaluate the barriers to cross-border eCommerce that trustmarks can and cannot be solved from the consumer and the webshop perspective.

5.2.1.1 Barriers to cross-border eCommerce from the consumer perspective

First they were asked which trust barriers (based on a list of 12 barriers to trust) can be addressed by trustmarks. The outcomes of this exercise were varied and can be grouped into three groups:

Group 1: a limited number of barriers can be solved, such as the uncertainty of consumer rights and wrong or misleading information.

Group 2: a medium number of barriers can be solved, such as the uncertainty of consumer rights, lack of confidence, fear of fraud, problems with redress, the location of the webshop, fear of the misuse of personal data, and environmental issues.

Group 3: (nearly) all barriers can be solved by trustmarks, including all of the above-mentioned barriers, but with the exception of two barriers: the language of the webshop and problems related to the delivery.

Table 10.1: Barriers to eCommerce from the consumer perspective

Barrier to eCommerce from the consumer perspective	Trustmark can address it	Trustmark cannot address it	Comments
1. Language barrier	2	7	
2. Delivery times	5	5	
3. Environmental regulation issues	4	2	Certain doubt of need
4. Overall lack in confidence	8		One delegate expressed importance with an

			exclamation mark
5. Fear of fraud: misuse of personal data	7		
6. Uncertainty of webshop location	6	2	
7. Lack of information on the cross-border process	6	2	
8. Extra charges	3	3	
9. Uncertainty on consumer rights	7	1	
10. Fear of fraud: payment security threats	8		
11. Resolution, complaints, after sales handling and redress	6	1	
12. Performance of webshops (new barrier identified by participant)	1		
13. Optimised likelihood of success of customer (new barrier identified by participant)	1		
14. Eventual global preference for local shopping (new barrier identified by participant)		1	

5.2.1.2 Barriers to cross-border eCommerce from the perspective of the webshop

Then the participants were asked, based on the same list of 12 barriers to trust, which barriers to cross-border eCommerce from the perspective of the webshop can be addressed. The answers are divided into two groups (see table 10.1):

Group 1: a few barriers are mentioned more often by the participants, including legal barriers (fear of fraud), barriers related to consumer rights, lack of branding of webshops, and barriers related to redress and complaints handling.

Group 2: (nearly) all barriers can be solved.

A similar question was asked about which barriers from the perspective of the webshop cannot be addressed by trustmarks, these answers are divided in a similar fashion:

Group 1: a few barriers are mentioned more often from the trader perspective, including the language barriers, barriers related to logistics, copyright issues, IT skills, problems related to delivery, technical costs, tax regulations, and lack of branding.

Group 2: (nearly) all barriers cannot be solved.

Table 10.2: Barriers to eCommerce from the workshop

Barrier to eCommerce from the	Trustmark can	Trustmark cannot	Comments

perspective of the webshop	address it	address it	
1. Language barrier	2	6	
2. Hampered cross-border logistics	1	5	
3. Technical costs for the webshops	1	6	
4. Higher administrative burden	1	6	
5. Tax regulation fragmentation	1	6	
6. Fragmentation of environmental regulations	1	5	
7. Risky cross-border payments	1	6	
8. Hampered search and advertisements	1	5	
9. Lack of IT skills	1	5	
10. Consumer protection regulatory fragmentation	5	2	
11. Fragmentation of copyright regulation	1	5	
12. Lack of branding	6	1	perhaps
13. Performance of webshop (new barrier identified by participant)	1	1	

5.2.1.3 Conclusion on the barriers that trustmarks address

The participants are clearly divided between those that believe that (nearly) all barriers to cross-border eCommerce can be solved and those that believe that almost nothing can be solved by trustmarks. A third group of participants find themselves 'in the middle', by mentioning a few barriers that may be addressed by trustmarks, and some others that are probably not be addressed.

5.2.2 The relevance of trustmark features for making a purchase decision

The survey findings show that the reputation of a webshop is a central element for establishing the reputation of a webshop. According to Google, this does not mean that trustmarks do not have an effect. Both branding of a webshop and a trustmark may influence the reputation of a webshop. One issue, as maintained by BeCommerce, is that the existence of too many trustmarks may have a negative effect on the reputation of every webshop, also the serious trustmarks. In that case, consumers may no longer understand which trustmark is reliable. According to TrustedShops, especially the after-sales process is important, since this is what consumers need to be able to rely on when something goes wrong in the sales process. According to IMRG consumers simply want trustmarks to guarantee what is stated in their code of conduct. Google says that consumers need to be able to rely on trustmarks to ensure that webshops comply with the code of conduct of a trustmark. According to BeCommerce even the large webshops see the need for a trustmark, although they may not need one as they are well-known by themselves.

5.2.3 Role of the reputation of a trustmark

The survey findings show that the reputation of a trustmark is central to its effectiveness. How can trustmarks improve their reputation? According to IMRG the answer to this question may lie in a standard to which all trustmarks adhere in order to make eCommerce a trusted platform. A problem is however, according to them, that it is not the companies that are not trusted by consumers, but the internet itself. BeCommerce therefore pleas for a national champion per member state, for consumers to understand which webshops are trustworthy or not. A European umbrella could provide for such branding of trustmarks. TrustedShops also says that the standards or minimum requirements for trustmarks can be defined at the European level to ensure trust in cross-border eCommerce. According to EMOTA trustmarks may be used as pre-contractual harmonization of the sale process.

5.2.4 The role of the language of a webshop

A barrier to cross-border eCommerce is the language barrier between a consumer and a webshop. According to UEAPME and Google the language of a webshop is not a problem, especially if you are looking for a specific product or service. But, according to TrustedShops, regarding legal issues, localization of webshops may still be necessary. Similarly, EMOTA says that as soon as a consumer encounters a problem, the language can become a problem and webshops need multi-lingual systems for that.

5.2.5 The type of trustmark provider

In the survey results, the type of trustmark provider was found to influence the trustworthiness of trustmarks: governmental or non-profit trustmarks were found to be more reliable than those provided by a private company. TrustedShops, however, raises the issue that trust in government may not be equally large across different European countries. SafeShops states that this is somewhat odd since a governmental body can only enforce compliance with the law, while a trustmark provided by an industry association may ensure a higher quality as it is able to set extra standards.

5.2.6 The type of regulation of trustmarks

The survey results show that hard regulation and compliance with EU and national regulations are valued most by the respondents, while having a code of conduct is considered less relevant. BEUC addresses the issue that it may also be about what is mentioned in such a code of conduct. eBay mentions that there is a difference between a large webshop and an SME as the latter would have to perform a large amount of work in order to prove that they are liable to the certification of compliance with EU regulations. EMOTA mentions that not complying with European or nation laws could actually be illegal, regardless of the use of a trustmark. However, due to the fast changing nature of internet and eCommerce it will be difficult to have a legal framework that captures this changing nature.

5.2.7 The role of dispute resolution

Regarding the role of the after-sales process, dispute resolution is considered important to the trustworthiness of a trustmark. Currently, not every trustmark has such a system. According to TrustedShops trustmarks are especially important when something goes wrong in the sales process. Furthermore, he considers the working of a trustmark is important. Accreditation of trustmarks could play a large role in this. BeCommerce and TrustedShops both maintain that the auditing of a webshop should also help SMEs in organizing their legal and sales processes. However, TrustedShops also maintains that it is necessary to not overestimate the influence of a trustmark, especially in the cross-border sphere.

5.2.8 Trust-building features of trustmarks

Finally the different features of trustmarks were discussed in terms of their effectiveness of building trust in webshops and determine which trust-building features could become part of the scheme that is to be developed. A differentiation was made in the discussion between those features that are 'must-haves' and those that are 'nice-to-have'. IMRG maintains that consumer ratings actually more important than mentioned in the survey. Furthermore, he states that the certification of the trustmark itself (accreditation) may be an important feature to establish trust. This could be ensured by a global dimension, such as an ISO-standard. eBay asks whether consumer feedback also needs to be developed by SME's, as this will mean a lot of extra work for them. According to BeCommerce consumer feedback could be a 'nice-to-have' feature.

5.3 The stakeholder's assessment of the policy options

Four policy options or scenarios were discussed: 'business as usual', 'self-regulation', 'accreditation of trustmarks', and an 'EU-level trustmark'. They are discussed one by one.

5.3.1 Policy option 1: 'business as usual'

The first policy option is 'business as usual'. This means that the European Commission will not step in and undertake action towards the set-up of a stakeholder platform. According to IMRG, eCommerce is expected to grow anyhow over the next years, regardless of action undertaken at the European level. He says that within a few years eCommerce will be even more invasive and that intervention could enable European traders to be good and to take a leading global role.

However, the participants of the workshop agree that 'doing nothing' may not stimulate cross-border eCommerce in the best possible way. In fact, as TrustedShops and IMRG point out, it may lead to further fragmentation of the eCommerce market rather than stimulating an increase of the cross-border dimension. Fragmentation means more expensive logistics and fragmentation of legislation. Moreover, according to IMRG, doing nothing may lead to a greater influx of American companies, especially large organisations such as Amazon that are well-known brands not in need of further branding. Edima maintains that this may not be a problem as these larger companies are often sensitive to user awareness, user quality and user experiences, and they will therefore fill the void of trust in cross-border eCommerce.

A few reasons for the European Commission to undertake action were mentioned. SafeShops states that the European Commission may do what seems obvious, namely to set up something of a cross-border nature and that is recognized across borders. EMOTA and TrustedShops see a need for action to overcome the enormous diversity of trustmarks that are now in place. TrustedShops points out that everything can be copied online, such as is the case with the Russian trustmark that looks exactly like TrustedShops. Edima signals that while the discussion so far has been about stimulating eCommerce by also supporting webshops that are not yet widely known, this may certainly not be solved by doing nothing.

BEUC therefore calls for setting up standards for trustmarks, as this fosters cultural diversity between member states. eBay states that something needs to be done, rather than that nothing is undertaken by the European Commission. But he asks the question whether that 'something' is setting up a trustmark, or whether attention could be directed to the delivery network (the most important barrier, according to EMOTA), consumer law or ADR/ODR. Also Edima points at the need to improve delivery. According to TrustedShops, if nothing happens, another impact is that the number of trustmarks will grow and it will become less transparent which ones are trustworthy. To overcome this, a minimum requirements approach could be useful for this.

Also a few reasons for not doing anything were mentioned. IMRG points out that while the role of the European Commission is not so much questioned, its line of action may be. This needs to be effective and not hamper innovation or diversity. Google explains their position saying that not undertaking any policy actions may stimulate creativity, and whereas doing nothing may be too extreme a position, you may not want to lose that creativity.

A somewhat different position between trustmark organisations (such as IMRG and TrustedShops) and the larger businesses (such as eBay, Google) thus emerged. The former clearly sees the need for action on the part of the European Commission, while the latter leans towards a position without action on the European level.

5.3.2 Policy option 2: 'self-regulation'

The second policy option is a 'self-constructed federation' of trustmarks. This federation may come up with its own ways of regulation, such as setting minimum requirements, but the central notion is that it is a form of self-regulation of the trustmarks. The participants of the workshop widely agree that this option is the most feasible one, as long as it remains voluntary, not mandatory. It could be made to look like a self-constructed federation of trustmarks.

eBay maintained that flexibility of such a system is important. According to IMRG, this self-regulation needs to be connected to other options ensuring the development of a stakeholder platform. TrustedShops finds this a good first step that may set the standard and the context for collaboration. eBay and IMRG emphasize that it would have to be a voluntary, not a mandatory, scheme.

5.3.3 Policy option 3: 'accreditation of trustmarks'

The third policy option is a participatory approach that the Commission endorses and pays for, which would mean that minimum requirements for trustmarks are determined and accreditation of trustmarks takes place. However, the issue regarding trustmarks is not that these minimum criteria are not yet fixed in regulations yet, but that based on this regulation anyone can set up a trustmark, which may lead to confusing practices. Some endorsement or expert voice thus seems desirable by most participants of the workshop.

IMRG raises the question of why this would differ from Eurolabel, which is not very successful, as it would take a long time to specify the minimum criteria. He says that the problem is how to get politicians involved, as it is such a complex issue and they may not have sufficient knowledge or expertise. IMRG thus states that it would not support the Commission backing up the organization, but only to back up the standard (which would be set by the sector itself). SafeShops states that this could only be done for a minimum of elements. He makes the cComparison with a car: develop minimal technical requirements for allowance you on our roads. Edima continues this analogy by stating that there are already regulations that define this (similar to the consumer law). SafeShops says that on the basis of these regulations anyone can set up a trustmark. TrustedShops states that experts should be involved that determine what is a feasible standard and EMOTA volunteers to become involved in this.

It is widely agreed on by the participants that such an EU accreditation scheme would have to be a participatory approach in setting the standards, even though it may be possible that (an agency reporting to) the Commission would perform the actual accreditation. TrustedShops states that accreditation of trustmark providers would send a strong signal to the sector by the Commission to show that they take this very seriously. However, IMRG states that they do not want the Commission to propose or set standards. This is where the different participants differ in opinion, since BEUC would like the Commission to define the standards. According to SafeShops these minimum requirements should at the very least comply with EU regulation.

The question that remains is who would perform the accreditation. Would this be (an agency reporting to) the European Commission or through self-regulation and the set-up of an agency by the sector itself. According to BEUC a governmental institution backing the accreditation scheme would create more confidence, but a distinction is necessary between defining the standards and monitoring and auditing these standards. But BEUC also raises the question who will pay for the EU trustmark scheme. TrustedShops sees this as a process, in which policy option 2 (self-regulation) could be a start in defining a standard and determining later on whether it would be a standard that should become part of the European Commission. EMOTA states that it could set up such a scheme using a code of conduct as a starting point.

5.3.4 Policy option 4: 'an EU-level trustmark'

The fourth policy option is to set up a full-fledged European trustmark. However, the participants agreed that this policy option is going too far. The European Commission itself asserts that the internet is developing at such a quick pace that it is difficult to keep track of the developments and which regulations would be fitting. Google and Edima state that eCommerce is moving to a multi-channel experience. EMOTA states that political feasibility is a problem as it is difficult to interfere in well-established matters without creating legislation. According to IMRG the objective is to include anyone in this development and raise the game over time. Also Google finds that the Commission as well as the sector needs to be pragmatic and start somewhere rather than setting up a whole new scheme. EMOTA states that in the process of harmonization of trustmarks that emerges legislation could be created over time (for example on delivery).

5.3.5 Conclusion on the policy options

A number of policy options the European Commission can undertake were discussed one by one to identify which ones are feasible for action. The participants agree on that both 'doing nothing' and 'setting-up a pan-European trustmark' are too extreme. They agree that the solution is somewhere in the middle. One option could be set out by the self-regulatory option followed by the development of an accreditation scheme that is backed up by the European Commission. The discussion is about where to move to and on the level of involvement of the European Commission. The notion of developing first a self-regulatory scheme, then develop it into an EC-backed scheme was widely supported by the participants.

TrustedShops explains that they are in favour of the Commission undertaking action as it would support SME's. These smaller webshops need the support – unlike American companies. BEUC would therefore be interested in setting up minimum requirements for trustmarks that support consumer needs, as it is not possible to set up a whole new trustmark scheme. BEUC also states that consumer organizations need to be involved in developing these requirements. Edima maintains that the real challenge is in setting up the scheme, as a top-down approach is less effective than a bottom-up approach.

5.4 The stakeholder platform

The last part of the discussion aimed to evaluate possible actions undertaken by a stakeholder platform. A set of possible actions of the stakeholder platform was identified and subsequently discussed (see table 1). Fifteen different actions were identified and evaluated by the participants. The evaluation was performed by dividing the actions between 'must-have', 'nice-to-have', 'no!', and 'no opinion'. The numbers in the table correspond to the number of participants that voted for every option.

Table 10.3: evaluation of actions performed by the stakeholder platform

Stakeholder platform action	Must-have	Nice-to-have	No!	No opinion
1. Develop minimum criteria for trustmark features	5	2		
2. Promote the interaction between stakeholders	4	2		
3. Develop a methodology to identify best practices (operational, technical, procedural and regulatory)	3	4		
4. Promote awareness among consumers on the possible effect of trustmarks on trust	3	4		

5. Define minimum criteria for 'mature' trustmarks	3	2		2
6. Promote awareness among webshops on the possible effect of trustmarks on trust	4	2		
7. Identify the needs for harmonization of regulations	1	2	3	1
8. Promote the harmonization of quality and certification procedures among member states and trustmark providers		4		2
9. Promote the integration of alternate dispute resolution and online dispute resolution (ADR/ODR)	1	3		2
10. Address the language issues of dispute resolution		2		4
11. Promote a cooperative network of trustmarks to solve, inter alia, the issue of cross-border dispute resolution	3	4		
12. Promote supportive measures: inclusion of standardization or certification mechanisms such as CEN/ETSI			3	3
13. Assess the effectiveness of dispute resolution systems and elaborate plans for improvement and best practices		3		3

14. Promote innovative approaches to the diffusion of knowledge on trustmarks		6		
15. Identify the trustmarks that do not work well	5	1		

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Annex 1 - Trustmarks costs to subscribing companies categorised in Clusters A – H Part one: per trustmark flat rates, and costs per online webshop turnover

				Flat			Variable (related to turnover)		
	Definition	**0-250**	**251-400**	**401-750**	**751-1500**	**1501-**	**<500.000 EUR turnover**	**500.001 - 5.000.000 EUR**	**> 5.000.000**
Cluster A: focusing merely on privacy	Europrise					Europrise Certification incl. validation by Certification Body is Effort based and starts at 2.800 Euros			
	TrustE (US)								
Cluster B: technically oriented trustmarks (SSL, W3C, hacker testing, etc)	CPA Webtrust (US)	CPA Webtrust (US) - there is no differentiation (there is one subscription package and price);							
	GeoTrust (US)	GeoTrust (US) - Ranging from 108 EUR to 360 EUR (150 to 500 USD)	GeoTrust (US) - Ranging from 108 EUR to 360 EUR (150 to 500 USD)						
	McAfee (US)								
	TrustWave SSL certificates (US)	TrustWave SSL certificates (US) - Ranging from 74 to 290 EUR (98 to 383 USD) depending on security level.	TrustWave SSL certificates (US) - Ranging from 74 to 290 EUR (98 to 383 USD) depending on security level.						
	VeriSign (being renamed into Norton Secured) (US)	VeriSign (US) - Subscription costs differ because of the different SSL certificates and vary	VeriSign (US) - Subscription costs differ because of the different SSL certificates and vary	VeriSign (US) - Subscription costs differ because of the different SSL certificates and vary					

				Flat			Variable (related to turnover)		
	Definition	**0-250**	**251-400**	**401-750**	**751-1500**	**1501-**	**<500.000 EUR turnover**	**500.001 - 5.000.000 EUR**	**> 5.000.000**
		from about 180 to 505 EUR (250 -700 USD) per year	from about 180 to 505 EUR (250 -700 USD) per year	from about 180 to 505 EUR (250 -700 USD) per year					
	Comodo SSL certificates (US)	Comodo SSL certificates (US) - Ranging from free to 611 EUR (809 USD), depending on the level of security.	Comodo SSL certificates (US) - Ranging from free to 611 EUR (809 USD), depending on the level of security.	Comodo SSL certificates (US) - Ranging from free to 611 EUR (809 USD), depending on the level of security.					
	Segala (IR)								
Cluster C: trustmark merely looking at "documents" and at the results of registry enquiries (simple online business certification)	SOAP (CZ)								
	Trygg eHandel (SV)				Trygg eHandel (SV) 896,38 EUR (Registration costs are 280,10 (2500 SEK) registration costs + 616,28 (5500 SEK) annually. Additional costs for financial control is € 56(500 SEK) and inspection is €112(1000 SEK). For Members 448,1 EUR (Registration costs are 168 (1500 SEK) + 280,10 (2500 SEK) annually.				
	InfoCons (RO)								
	Trade safe (JP)								
	Sure Seal (PH)		SureSeal - costs 292.93 EUR (P16,800)						
	BuySafe (US)								
	TrustVn (VN)								
	ChamberTrust business seal	ChamberTrust - EURO 150 - 300 EUR	ChamberTrust - EURO 150 - 300 EUR						

					Flat		Variable (related to turnover)		
	Definition	**0-250**	**251-400**	**401-750**	**751-1500**	**1501-**	**<500.000 EUR turnover**	**500.001 - 5.000.000 EUR**	**> 5.000.000**
	(Worldwide)	for setup and year one, Annual renewal 100 - 300 EUR	for setup and year one, Annual renewal 100 - 300 EUR						
Cluster D: trustmark undertaking a comprehensive business model certification, including a DRS	e-Mark (DK)								
	Eurolabel Poland (PO)						Eurolabel Poland (PO) - (< 100 000.00) - 456 EUR , (> 100 000.00) - 840 EUR		
	Fia-net (FR)								
	Tuv Sud (DE)								
	eShop (MT)	eShop - The application is free. The cost is 50 EUR p.a							
	Webshop Keurmerk (NL)	Webshop Keurmerk - 195 EUR for every member (up to five shops).							
	Confianca Online (PT)								
	Trusted.ro (RO)	Trusted.ro - 150 EUR (Annual 120 + 30 one time fee)							
	Confianza Online (ES)							Confianza Online - (< 1.000.000) - 295 EUR, (1.000.001 - 5.000.000) - 550 EUR	Confianza Online - (5.000.001 - 10.000.000) - 1.250 EUR, (10.000.001 - 25.000.000) - 2.400 EUR, (> 25.000.001) - 3.500 EUR
	VSV (SW)								
	TrustSg (SG)						TrustSg - ($0 - $5 million) – 343 EUR (S$600) + 943EUR (S$1650) (Total	TrustSg - ($0 - $5 million) – 926 EUR (S$600) + 2547EUR (S$1650) (Total	TrustSg -(> $5 million) – 1389 EUR (S$900) + 2547EUR (S$1650) (Total

				Flat			Variable (related to turnover)		
	Definition	**0-250**	**251-400**	**401-750**	**751-1500**	**1501-**	**<500.000 EUR turnover**	**500.001 - 5.000.000 EUR**	**> 5.000.000**
							Audit and Certification Fee Cost)	Audit and Certification Fee Cost)	Audit and Certification Fee Cost)
	Trustmark Thai (TH)								
	BBBOnline (US)								
	Guete zeichen (AU)								
	APEK (CZ)			APEK - 480 EUR annually					
	Qshops (NL)		Q shops - 299,40 EUR p.a (24,95 per month, first three months are free) for a maximum of five webshops.						
	Trygg eHandel (NO)			Trygg eHandel - 460 EUR for members (260 euros for members of Distance Handle Norway, + 200 registration costs)	Trygg eHandel - 1040 for non - members retailers, entrance costs 400 euros for the non-members.				
	Radet for EhandelscertifierIng (SV)		Radet for EhandelscertifierIng (SV) - 269,16 EUR (200 SEK per month - first month for free).						
	ISIS (UK)								
	JDMA (Japan direct marketing association) - Online Shopping Trust (JP)								
Cluster F: cluster D services plus money back guarantee	CaseTrust for Webfront (SG)								

		Flat					Variable (related to turnover)		
	Definition	**0-250**	**251-400**	**401-750**	**751-1500**	**1501-**	**<500.000 EUR turnover**	**500.001 - 5.000.000 EUR**	**> 5.000.000**
service									
Cluster F+G: trustmark adding money back guarantee and consumer ratings	Trusted Shops (DE)			Trusted Shops - 720 EUR (60 per month) basic	Trusted Shops - 960 EUR (80 per month) Pro, 1200 EUR (100 per month)Premium				
	SafeBuy (UK)			SafeBuy (UK) - Total annual value 638 EUR (£532.00)					
Cluster F+H: trustmark adding money back guarantee plus official third part certification	Thuiswinkel Waarborg (NL)						Thuiswinkel Waarborg - Full members 465 EUR (registration 75 + 390 EUR certification) + (150 EUR if < 50.000) up to 29.000 EUR (> 50.000.000). For every extra webshop/website an extra 45 EUR p.a. is paid. For candidate members 515 EUR (registration 75 + 290 EUR certification +150 EUR membership fee). For every extra webshop/website an extra 45 EUR p.a. is paid.		
Cluster G: cluster D services plus consumer	EHI (Eurolabel DE)						EHI Eurolabel - < 250.000 EUR - 750 EUR, < 500.000 EUR - 850 EUR	EHI Eurolabel - (500.000 - 1.000.000) - 950 EUR, 1.000.000 -	EHI Eurolabel - (> 5.000.000) - 2.200 EUR

				Flat			Variable (related to turnover)		
	Definition	**0-250**	**251-400**	**401-750**	**751-1500**	**1501-**	**<500.000 EUR turnover**	**500.001 - 5.000.000 EUR**	**> 5.000.000**
ratings								2.500.000 EUR) - 1.200 EUR, (2.500.000 - 5.000.000 EUR) - 1.800 EUR	
	eShops (LT)	eShops - 1 year for free, afterwards 145 EUR (500 Lt) annualy. Additional services – customers ratings and reviews block for web store. 17 EUR monthly (59 Lt).							
Cluster H: cluster D services plus official third part certification	Sicher einkaufen (AU)				Sicher einkaufen - Members 1200 EUR (700 + process fee 500), Non-members 1360 EUR (780 + 580)				
	BeCommerce (BE)						BeCommerce - 150 EUR	BeCommerce - (500.000-1.250.000) - 900 EUR, (1.250.000-2.250.000) - 1800 EUR, (2.250.000-5.000.000) - 2200 EUR	BeCommerce - (5.000.000 - 7.500.000) - 2900 EUR, (7.500.000 - 12.500.000) - 6900EUR, (12.500.000 - 25.000.000) - 8700 EUR, (>25.000.000) - 11000 EUR
	mkbOK (NL)	mkbOK - One year subscription for 147 EUR + 39,50 EUR for each extra website, Two year subscription for 197 EUR + 39,50 EUR for							

				Flat			Variable (related to turnover)		
	Definition	**0-250**	**251-400**	**401-750**	**751-1500**	**1501-**	**<500.000 EUR turnover**	**500.001 - 5.000.000 EUR**	**> 5.000.000**
		each extra website							

Annex 2: Trustmarks costs to subscribing companies categorised in clusters A – H Part two: costs per number of employees per subscriber company, and costs per number of websites the subscriber company

		SME-rate (1) per employee			SME-rate (2) per website			N/A - Not Available
	Definition	<25 employees	26-100 employees	>101 employees	<25 websites	26-100 websites	>101 websites	
Cluster A: focusing merely on privacy	Europrise							
	TrustE (US)							TrustE - No figure provided
Cluster B: technically oriented Trustmarks (SSL, W3C, hacker testing, etc)	CPA Webtrust (US)							
	GeoTrust (US)							
	McAfee (US)				McAfee (US) - 4 Internet addresses 293 EUR ($360)/year, 8 Internet addresses 378 EUR ($464)/year, 16 Internet addresses 574 EUR ($704)/year	McAfee (US) - 32 Internet addresses 913 EUR ($1120)/year		
	TrustWave SSL certificates (US)							
	VeriSign (being renamed into Norton Secured) (US)							
	Comodo SSL certificates (US)							
	Segala (IR)							Segala
Cluster C: trustmark merely looking at "documents" and at the results of registry enquiries (simple online business certification)	SOAP (CZ)				SOAP - Certification costs: 386 - 531 EUR (8.999 – 12.999 CZK) per website, depending on the size of the business and the review, Renewal of certificate (non-compliant organizations):307 - 368 EUR (7.499 – 8.999 CZK) per website, Renewal of certificate (non-compliant organizations): 2.999 CZK (123 EUR) per website. (all incl. VAT)	SOAP - Certification costs: 386 - 531 EUR (8.999 – 12.999 CZK) per website, depending on the size of the business and the review, Renewal of certificate (non-compliant organizations):307 - 368 EUR (7.499 – 8.999 CZK) per website, Renewal of certificate (non-compliant organizations): 2.999 CZK (123 EUR) per	SOAP - Certification costs: 386 - 531 EUR (8.999 – 12.999 CZK) per website, depending on the size of the business and the review, Renewal of certificate (non-compliant organizations):307 - 368 EUR (7.499 – 8.999 CZK) per website, Renewal of certificate (non-compliant	

		SME-rate (1) per employee			SME-rate (2) per website			N/A - Not Available
	Definition	**<25 employees**	**26-100 employees**	**>101 employees**	**<25 websites**	**26-100 websites**	**>101 websites**	
						website. (all incl. VAT)	organizations): 2.999 CZK (123 EUR) per website. (all incl. VAT)	
	Trygg eHandel (SV)							
	InfoCons (RO)							InfoCons (RO)
	Trade safe (JP)							Trade safe (JP)
	Sure Seal (PH)							
	BuySafe (US)							BuySafe (US)
	TrustVn (VN)							TrustVn (VN)
	ChamberTrust business seal (Worldwide)							
Cluster D: trustmark undertaking a comprehensive business model certification, including a DRS	e-Mark (DK)	e-Mark - 0-4 employees: 2100 kr. (282 EUR) application fee + 4800 kr. (646 EUR) annual subscription fee 5-24 employees: 3300 kr. (444 EUR) application fee + 6300 kr. (847 EUR) annual subscription fee	e-Mark - 25-99 employees: 4700 kr. (632 EUR) application fee + 8700 kr. (1170 EUR) annual subscription fee	e-Mark - 100-250 employees: 6200 kr. (834 EUR) application fee + 11700 kr. (1574 EUR) annual subscription fee >250 employees: 7700 kr. (1036 EUR) application fee + 15200 kr. (2045 EUR) annual subscription fee				
	Eurolabel Poland (PO)							
	Fia-net (FR)							Fia-net (FR)
	Tuv Sud (DE)							Tuv Sud (DE)

		SME-rate (1) per employee			SME-rate (2) per website			N/A - Not Available
	Definition	**<25 employees**	**26-100 employees**	**>101 employees**	**<25 websites**	**26-100 websites**	**>101 websites**	
	eShop (MT)							
	Webshop Keurmerk (NL)							
	Confianca Online (PT)	Confianca Online - Small businesses (< 10 employees): 920 EUR (120 p.a. subscription costs to ACEPI + 800 EUR Certification and accreditation costs)	Confianca Online - Medium businesses (50-250 employees) 240 EUR p.a. subscription costs to ACEPI + 1000 EUR Certification and accreditation costs)	Confianca Online - Large businesses (>250 employees): 1200 EUR p.a. subscription costs to ACEPI + 1500 EUR Certification and accreditation costs)				
	Trusted.ro (RO)							
	Confianza Online (ES)							
	VSV (SW)							VSV (SW)
	TrustSg (SG)							
	Trustmark Thai (TH)							Trustmark Thai (Thailand)
	BBBOnline (US)							BBBOnline (US)
	Guete zeichen (AU)	Guete zeichen - (1-3 employees) - 500 EUR p.a, (4-10 employees) - 600 EUR p.a	Guete zeichen - (11-30 employees) - 800 EUR p.a, (31-100 employees) - > 1.000 EUR p.a.	Guete zeichen - (>100 employees) - 1.500 EUR p.a.				
	APEK (CZ)							
	Qshops (NL)							

		SME-rate (1) per employee			SME-rate (2) per website			N/A - Not Available
	Definition	**<25 employees**	**26-100 employees**	**>101 employees**	**<25 websites**	**26-100 websites**	**>101 websites**	
	Trygg eHandel (NO)							
	Radet for EhandelscertifierIng (SV)							
	ISIS (UK)				ISIS - No differentiation in subscription costs, charge per URL			
	JDMA (Japan direct marketing association) - Online Shopping Trust (JP)	JDMA - The fee varies according to the size of companies.	JDMA - The fee varies according to the size of companies.	JDMA - The fee varies according to the size of companies.				
Cluster F: cluster D services plus money back guarantee service	CaseTrust for Webfront (SG)							CaseTrust for Webfront (SG)
Cluster F+G: trustmark adding money back guarantee and consumer ratings	Trusted Shops (DE)							
	SafeBuy (UK)							
Cluster F+H: trustmark adding money back guarantee plus official third part certification	Thuiswinkel Waarborg (NL)							
Cluster G: cluster D services plus consumer ratings	EHI (Eurolabel DE)							
	eShops (LT)							
Cluster H: cluster D services plus official third part certification	Sicher einkaufen (AU)							
	BeCommerce (BE)							
	mkbOK (NL)							

Annex 3: Google's Trusted Stores

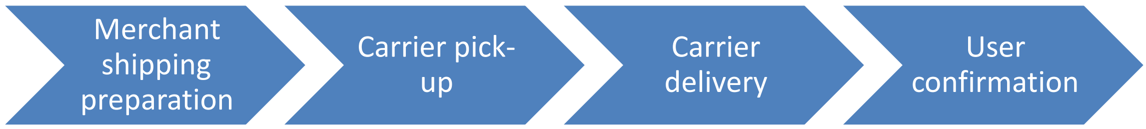
Google's certification program, called Google Trusted Stores* in the US (the name will change for Europe), aims to help customers feel more comfortable shopping online, resulting in higher conversion rates for e-commerce retailers, increasing overall e-commerce. It is based on the Google shopping process integration, focusing on the guarantee of delivery and services and providing an objective measure of delivery.

The Google Trusted Store badge shows the customer a detailed report card of that store's shipping and customer service performance in respect to the delivery benchmark. The small Google Trusted Store logo displayed on a participating merchant's website will show key statistics on the merchant's shipping reliability and customer service, as well as the number of transactions the data is based on. Google allows merchants who meet certain shipping and customer service performance metrics to participate in the program. The badge embeds a verification link to the verification pages, which will always be hosted on the domain google.com.

How the program works

The Google Trusted Stores program helps shoppers feel confident in their purchases across the web. Google allows merchants who meet certain shipping and customer service performance metrics to participate in this free program. Participating merchants display the Google Trusted Store badge on their web sites.

Figure 3.1: overview of the certification aspects of Google Trusted Store



Based on figure 3.1, we can list the elements that are certified:

- Merchant shipping preparation
- Carrier pick up
- Carrier delivery
- User confirmation

The technical integration with carriers allows a validation of the retailer's shipping promise through the confirmation of the pick-up

Opt in for Free Purchase Protection

Google also offers free purchase protection to customers who order from these stores and opt in for the program. There is no fee or charge to opt in for free purchase protection from Google Trusted Stores. Purchase protection with Google Trusted Stores means that if there's an eligible issue with the order which cannot be resolved with the retailer, Google will help and work with the customer to resolve the issue. After completing a purchase with a Google Trusted Store, some users will be offered the chance to opt the order in to free purchase protection from Google.

If the customer opts in, the merchant will share the order information and email address with Google. Google will send an email with the details of the order, the merchant's contact details, and a link to contact Google in the event of an issue. At this time, the ability to opt in for purchase protection is only available at the time of purchase.

Resolving Issues

If an issue arises with the order, or in case of questions, the steps are:

1. Contact the store directly. Participating stores have the opportunity to first address the customer's questions or concerns. Contacting the store directly is usually the fastest and most effective way to get issues resolved and questions answered.
2. If the customer still needs help, Google can be contacted for assistance by setting up a Google Trusted Stores customer account. Issues need to be reported within 60 days after the order is placed. Google, will contact the store on the customer's behalf. The store may contact the customer to resolve the issue. If the issue remains unresolved, Google will determine a resolution, which may include a full refund of the order or item replacement.

Performance standards of Google Trusted Stores

Google Trusted Stores have proven track records of reliable shipping and great customer service. Google evaluates and monitors participating merchants on order shipping and issue resolution, to ensure a high quality online shopping experience. Merchants are measured on the following shipping and service metrics:

1. Shipping
   a) High percentage of orders with on-time shipping.
   b) Participating merchants must ship the order within the timeframe specified at purchase.
   c) Low average days for product to ship.
   d) Participating merchants must ship quickly.
2. Service
   e) High percentage of issues resolved quickly.
   f) Participating merchants must resolve any customer issues quickly.
   g) Low number of customers needing assistance with an issue.

Participating merchants must maintain a low number of customers who experience order issues and need assistance.

Verifying Merchants

To verify that a badge is authentic, the customer expands the badge and clicks the Verify link that appears, which will show the badge verification page. Verification pages will always be hosted on the domain google.com. the customer should check the browser address bar to ensure it is on google.com and that the displayed domain on the verification page is for the domain of the Google Trusted Store.

Purchase protection

When the customer opts in for free purchase protection, and is unable to resolve an eligible issue with the qualifying merchant, Google will help to resolve the issue, which can include a full refund or item replacement.

After the customer makes a purchase from a Google Trusted Store, Google may offer the option of opting in to purchase protection. There is no fee or charge to opt in for free purchase protection from Google Trusted Stores. If the customer opts in, Google will send an email confirming the purchase protection. At this time, the ability to opt in for purchase protection is only available at the time of purchase.

Purchase protection covers the entire purchase amount, including tax and shipping. Purchase protection is limited to $1,000 in lifetime claims. Eligible purchase protection issues include the following:

a) You fail to receive the correct item.
b) The item is not in the promised condition.
c) You are billed an incorrect amount.
d) The item is not shipped in a timely manner.
e) The store does not honor their return policies.

Limitations to purchase protection include the following:

f) The merchant’s return policy and terms still apply.
g) Purchase protection is not a product warranty.
h) Google does not evaluate or endorse specific products sold by stores in the program.
i) Purchase protection does not apply to lost or stolen items.
j) Purchase protection is limited to the item you purchased; it does not apply for identity theft or credit card theft.

Resolution process

In the event that the customer has an issue with the order, the first step is contacting the store directly. Participating stores have requested the opportunity to be first to address custoimer’s questions or concerns. Contacting the store directly is typically the fastest and most effective way to resolve any issues or questions.

In the situation that the customer has contacted the merchant, but was unable to reach a resolution about the eligible issue, Google will help.

When resolving an order issue, Google refers to the merchant’s policies and terms of service. Merchant's policies can include items which may not be returned or cancelled, or must be returned before receiving the refund, restocking fees, return shipping fees, and cancellation fees. The customer needs to review the merchant's policies prior to filing an issue.

Google's process for resolving the issue is as follows:

1) You contacted or tried to contact the store, but were unable to resolve your eligible issue.
2) You contact Google through your Google Trusted Stores customer account about the issue.
3) Google contacts the merchant with the details of your report.

At this point, a few things could happen:

1) Customer and merchant agree upon a resolution:
    a) The merchant will update the report in their Google Trusted Stores account and you’ll be notified of this via email. If you agree with the proposed resolution, the issue is closed.
2) The customer disagrees with the proposed resolution:

   a) The customer can inform Google in the account page by viewing the Order Details page for the order and clicking Issue is not resolved. The issue will escalate to Google to determine an outcome.

3) The merchant does not update the report in their account:
   a) The issue will automatically escalate to Google to determine an outcome. If the issue is escalated to Google, Google will step in to determine an outcome.

Market

The US is launched and Europe is planned in 2013

Start

- US pilot launched in November 2011 with a selection of partners
- Certification also exposed on Google AdWords, Product Search
- July 2012: launch to all retailers within the US

Current record

- 14000 + retailers signed up in the US
- 4% average increase in transactions
- Over 15 million shoppers and
- 1.5 Billion USD in transactions protected
- Set to cover 20% of US eCommerce by end 2012

Next steps

- Launches planned in UK, FR and DE in 2013
- Pilot phase planned as in US
- Launch of APAC and other European countries soon after

Expected Benefits of Certification Program

More Shipments

- More confident shoppers = more orders.
- Growth is a rising tide in e-commerce, not shifting market share.

Larger Packages

- Higher average order size = higher yield/order.
- Multiple packages shipped to same address.

Faster Services & Logistics Help

- Transparency on shipping speed rewards retailers for upgrading to 3-Day Select and 2-Day Air.
- Retailers will also pursue help optimizing pick/pack.

Distributed Volume

- Trusted Stores Badge gives high-margin niche retailers a voice to remain competitive.

Motivated Retailers

Rules of operation

It is not clear at this stage whether Google checks the collected primary contact information:

- Address
- City
- State, ZIP
- Primary contact name
- Main phone
- Main email.
- Account administrators (email)

The applying store has to adhere to eligibility requirements and performance standards, which include:

- One Account Only
- US Merchants Only
- Language Requirements: The Merchant's site content and customer support must be in English
- Multi-Domain Merchants: Merchants may register each domain as an individual Merchant in the Program, in which case Google may treat each domain as a separate Merchant. Alternatively, Merchants may aggregate multiple domains into one Program account.
- Merchant Is Merchant of Record; Transactions on Third-Party Websites
- Membership Sites; Discriminatory Practices Prohibited
- Clearly Posted Terms of Service, Privacy Policy, Return Policy and Shipping Policies
- Content Policies: Merchants must adhere to Google's content and copyright guidelines
- Prohibited Products
- Merchant Privacy Practices: Merchant's privacy policy will accurately disclose the Merchant's practices regarding the collection, use, and disclosure of information (including personally-identifiable information), including such collection, use, and disclosure by Merchant in connection with the Program.
- Secure Online Transactions: Merchants must provide a secure way for customers to purchase products online. Merchant's sites and systems are expected to follow best practices for privacy and security. Merchants must use https when transmitting customer information or financial data, including on order confirmation, order history and order status pages.

Performance Standards

Only Merchants who meet the performance standards set forth below are eligible to display the badge on their sites; however, such eligibility is not a guarantee that Google will permit Merchants to display the badge or otherwise participate in the Program.

If a Merchant's ratings fall below the required standards, Google may suppress or remove the visual elements of the Program from the Merchant's site; after such time, orders on the Merchant's site will be ineligible for the Program.

Metric	Criteria

On-Time Shipping	>90%
Order Coverage	>85%
Transaction Volume	>100 orders on a rolling 28-day basis
Trackable Shipments	>50%
Accurate Shipment Dates	90% of orders must have an actual ship date within 3 days of the estimated ship date provided by the Merchant
Avg. Time to Shipment	<=14 days
Secondary Escalation Rate* (customers claiming initial concern was not resolved by Merchant)	< 1 in 5,000 protected orders
Refund Resolution (refunds compelled by Google)	< 1 in 15,000 protected orders

Exceptions to Standard Criteria

A Merchant may request an exception from one or more of the Program's eligibility criteria, and Google may grant such request if Google determines, in its sole discretion, that application of such criteria do not accurately reflect or are not representative of the quality of the Merchant's operations. If an exception is granted, it may be contingent on Google's ability to track an alternate metric which more accurately reflects the quality of the Merchant. For example, Merchants who hand deliver products may be granted an exception to the trackable shipments requirement (see "Trackable Shipments" below), contingent upon Google capturing sufficient customer feedback on an ongoing basis to assess the quality of the delivery experience. Any exceptions are solely at Google's discretion.

Timeframes for Performance Monitoring

Google generally monitors Merchant performance on a 28-day rolling average, and shows metrics in the badge flyover on a 90-day rolling average; however Google may make determinations regarding Merchant's adherence to Program performance requirements over longer or shorter timeframes.

Metrics and Data Verification

To further assess the Merchant's shipping and service quality, Google may contact or encourage other parties, including customers and carriers, to provide feedback or to validate data provided by the Merchant. Information about a merchant provided by third parties may impact the merchant's eligibility for the program.

If Google reasonably suspects that Merchant has manipulated performance data or any other data provided to Google in connection with Merchant's participation in the Program, Google may suspend Merchant's participation in the Program.

ANNEX 4: PROFILES OF OFFLINE LABELLING SCHEMES

Name	**EU energy label**
Country of origin	EU
Established in	Regulation has existed since the 1980s, but the legislation was set up in 2010.
Objective and unique selling point	The EU energy label is designed to provide consumers with accurate, recognizable and comparable information on domestic household products regarding energy consumption, performance and other essential characteristics. It allows consumers to identify how energy efficient a product actually is and to assess a product's potential to reduce energy costs.
Regulatory basis	The essential elements of the implementation of energy labels in Member States are defined in the EU energy labelling framework directive and in the product-specific implementing directives or regulations, and in the general "market surveillance" regulation 765/2008/EC. European law states that suppliers placing on the market or putting into service energy-related products supply a label (and a fiche) containing the energy efficiency class and other information as defined in the relevant implementing measure. Directive 2010/30/EU on the indication by labelling and standard product information of the consumption of energy and other resources by energy related products has been published in 2010 and is the framework for the new labelling scheme. 1. Specific product labels are ruled by more recent delegated Regulations or older implementing directives. The Directives have already been transposed into national laws; the delegated Regulations are immediately applicable in Member States without the need of a national transposition. 2. The manufacturers should provide the new labels for these four groups of appliances by the end of 2011. Retailers shall ensure that each energy-related product, at the point of sale, bears the label provided by suppliers on the outside of the front or top, in such a way as to be clearly visible. 3. In addition, ecodesign requirements have been adopted in 2009 for these appliances.
Certification procedure, including registration policy (financial and legal controls) and revocation/ alteration policy	The European level determines the level and classification of the label categories (A – F), per product category. The EU energy label is based on the principle of self-declaration which gives the suppliers full responsibility for the values declared on the label. Manufacturers of an appliance categorize their product and determine which label should be put on it. The labels are thus effectively handed out by self-regulation. Furthermore, suppliers are responsible for providing the label to dealers. Dealers are responsible for displaying the information the label contains at the point of sale and/or in any form of distance selling. Verification is done in the EU counties by Market Surveillance Authorities or other Agencies appointed for the control of proper presence of labels in shops. Each member state has its own enforcement agency.

	The declaration procedure consists of a series of tests that must conform to the required European standards. Suppliers make the technical documentation available for inspection by market surveillance authorities. Subsequently, enforcement, auditing and control is carried out by the member states. These procedures are left to each Member State following the principle of subsidiarity, although Regulation 768/2008/EC makes the market verification mandatory for Member States. Effectively, 27 different labeling schemes exist. Non-compliance is also punished by the member states.
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	
# Subscribers	Endless: all appliances that fall within the categories covered by the energy label need to carry the label.
Owner/sponsor	EU
Provider (can be the same)	
Third Party Certification	Verification is performed by agencies set up in the member states. Contact details of the verification agencies in all member countries: http://www.newenergylabel.com/uk/sitetools/contacts
Third Party Accreditation	
Website	http://www.newenergylabel.com/index.php/uk/home/
Logo	

Preliminary assessment remarks	Effectively 27 labelling schemes exist in the member states.

Name	**EU Ecolabel**
Country of origin	EU
Established in	1992
Objective (and Unique Selling Point)	To identify products and services that have a reduced environmental impact throughout their life cycle, from the extraction of raw material through to production, use and disposal. Recognised throughout Europe, EU Ecolabel is a voluntary label promoting environmental excellence which can be trusted. The EU Ecolabel currently covers a huge range of products and services, which are all non-food and non-medical. Tissue paper and all-purpose cleaners each equate to around 10% of EU Ecolabel products, while indoor paints and varnishes make up nearly 14%. The largest product group is hard floor coverings, which total more than 33% of EU Ecolabel products. **Award criteria** The label shall be awarded in consideration of European environmental and ethical objectives. In particular: - the impact of goods and services on climate change, nature and biodiversity, energy and resource consumption, generation of waste, pollution, emissions and the release of hazardous substances into the environment; - the substitution of hazardous substances by safer substances; - durability and reusability of products; - ultimate impact on the environment, including on consumer health and safety; - compliance with social and ethical standards, such as international labour standards; - taking into account criteria established by other labels at national and regional levels; - reducing animal testing.
Regulatory basis	**EU legislation** The EU Ecolabel is part of a broader EU Action Plan on Sustainable Consumption and Production and Sustainable Industrial Policy adopted by the European Commission on 16 July 2008, COM(2008) 397, which also links the EU Ecolabel to other EU policies such as Green Public Procurement (GPP) and Ecodesign of Energy Using products.
Certification procedure, including registration policy (financial and legal	A license gives a company the right to use the EU Ecolabel logo for a specific product group. The label can be obtained by manufacturers, importers, service providers, wholesalers or retailers whose product or service is placed on the European Economic Area market (European Union + Iceland, Lichtenstein and Norway).

controls) and revocation policy (if possible # revoked subscribers)	Certification is done by independent competent bodies that have been appointed in each EU member state to administer the certification of the label at national level. Application procedure: 1. **Application** from nationally appointed competent body that evaluates applications to award the EU Ecolabel, and is available to provide technical support throughout the application process. 2. **Documentation submission** Depending on the product group, declarations, documents, data sheets and test results are needed to prove compliance with the EU Ecolabel criteria. 3. **Assessment done by the relevant competent body** that provides applicant with specific information on the application, as well as details on annual fees. 4. **Application approval:** competent body awards the EU Ecolabel to by creating a contract. 5. **Compliance monitoring:** the competent body carries out factory inspections and product tests. Seal holders need to keep a journal on the test results and all the relevant documentation. If the competent body receives evidence that during the validity period, the product no longer complies with the criteria, it will prohibit the use of the EU Ecolabel on that product.
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	As the costs of running the scheme vary slightly between competent bodies and from one product to another, fees vary accordingly. Type of applicants / One-off application fee (€) / Annual fee (€) Micro-enterprises / 200-350 / Maximum 350 SMEs and firms from developing countries / 200-600 / Maximum 750 All other companies / 200-1200 / Maximum 1500
# Subscribers	By the end of 2011, more than 1,300 licences had been awarded, and today, the EU Ecolabel can be found on more than 17,000 products.
Owner/sponsor	EU
Provider (can be the same)	
Third Party Certification	
Third Party Accreditation	

Website	http://ec.europa.eu/environment/ecolabel/
Logo	
Preliminary assessment remarks	Effectively 27 labelling schemes are implemented in the member states.

Name	**Fairtrade label**
Country of origin	International Fairtrade Labelling was created in the Netherlands in the 1980s. The Max Havelaar Foundation launched the first Fairtrade consumer guarantee label in 1988 on coffee sourced from Mexico. Since then, fair trade labeling appeared in as many 18 European countries as well as in Canada, the United States, Japan, Australia and New Zealand. In 1997 Fairtrade Labelling Organizations International was established and it united 3 producer networks, 19 national labelling initiatives and 3 marketing organizations. In January 2004, Fairtrade Labelling Organizations International was divided into two independent organizations: 1. Fairtrade International (FLO), which sets Fairtrade Standards and provides producer business support. It unites over 25 labelling initiatives and producer networks are members or associate members of Fairtrade International. 2. FLO-CERT, which inspects and certifies producer organizations. The aim of the split was to ensure the impartiality, the independence of the certification process and compliance with ISO 65 standards for product certification bodies.
Established in	In 2002, FLO launched a new International FAIRTRADE Certification Mark, that replaced most previous Max Havelaar and TransFair certification marks.
Objective (and	Fairtrade certification is a product certification system (coffee, tea, rice, bananas,

Unique Selling Point)	mangoes, cocoa, cotton, sugar, honey, fruit juices, nuts, fresh fruit, quinoa, herbs and spices, wine etc.) designed to allow people to identify products that meet agreed environmental, labour and developmental standards. Overseen by a standard-setting body, Fairtrade International (FLO), and a certification body, FLO-CERT, the system involves independent auditing of producers to ensure the agreed standards are met. Companies offering products that meet the Fairtrade Standards may apply for licences to use the Fairtrade Certification Mark (or, in North America, the applicable Fair Trade Certified Mark) for those products.
Regulatory basis	In EU fair-trade is supported by - European Parliament and Council Directive 2000/36/EC that suggests promoting Fair Trade - "Resolution on Fair Trade" (OJ C 226/73, 20.07.1998) - Communication from the Commission to the Council on 'Fair Trade COM(1999) 619 final, 29.11.1999. - By signing the Cotonou Agreement in 2000, the European Union committed to support Fair Trade. However, current support to Fair Trade and Fair Trade Organisations is limited and fragmented. The European Union's legal commitments are found in Art. 23 g) and the Compendium of the Cotonou Agreement. - A European policy framework for Fair Trade could help to clarify the use of the term "Fair Trade" and to serve as a reference for national policies on Fair Trade and Fair Trade Organisations. - The Fairtrade labelling route (from EU directive 2005/2245(INI)) Under this route, national labelling initiatives monitor the compliance with Fairtrade standards by producers or traders against a set of internationally harmonized standards. These organisations are all members of FLO (Fairtrade Labelling Organisations International), the Fairtrade standard-setting and certification organisation. The International Fairtrade Standards are developed and regularly reviewed and monitored independently. The Fairtrade movement is organized in four international associations: 1. The International Fair Trade Association (IFAT) is the global network of Fair Trade Organizations, with 270 members in 61 countries. The members are producers, exporters, importers and retailers who all believe that trade should improve the lives of marginalized people without harming the planet. 2. FLO, Fairtrade Labelling Organizations International, is the world-wide Fairtrade standard setting and certification body. FLO comprises two organizations, the multi-stakeholder FLO e.V. which develops and reviews standards, and FLO Certification Ltd which ensures that those standards are met. FLO also provides the umbrella association for twenty national Labelling initiatives across 15 European countries, Japan, the USA, Canada, Mexico, Australia and New Zealand. 3. EFTA, the European Fair Trade Association, belongs to the international association along with its eleven members in nine European countries, all major Fair trade importers. The aim of EFTA is to support its member organizations in their work and to encourage them to cooperate and coordinate. 4. The Network of European World Shops is also a member of the international association. NEWS! is the umbrella network of 15 national Worldshop

	associations in 13 countries in Europe. Between them they have a membership of 2500 Worldshops, run by more than 100,000 volunteers and more than hundred staff, selling fairly traded products and campaigning for a fairer world trade system.
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	Fairtrade inspection and certification are carried by FLO-CERT, an independent body created by Fairtrade International in 2004. FLO-CERT ensures that both producers and traders comply with Fairtrade Standards and that producers invest the benefits received through Fairtrade in their development. FLO-CERT works with a network of around 100 independent inspectors that regularly visit producer and trade organizations and report back to FLO-CERT. All certification decisions are then taken by a Certification Committee, composed of stakeholders from producers, traders, national labelling organisations and external experts. An Appeals Committee handles all appeals. FLO-CERT inspections and certification follow the international ISO standards for product certification bodies (ISO 65). Typically, in order for a product to be marked as "Fair-Trade" at least 20% of its mass must be made up of a Fairtrade product.
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	
# Subscribers	
Owner/sponsor	Fairtrade International (FLO)
Provider (can be the same)	
Third Party Certification	
Third Party Accreditation	
Website	http://www.fairtrade.org.uk/ http://www.flo-cert.net/flo-cert/
Logo	FAIRTRADE

Preliminary assessment remarks	Fairtrade is a bottom-up initiative, that is now united under 2 umbrella organizations: Fairtrade International (FLO), which sets Fairtrade Standards and FLO-CERT, which inspects and certifies producer organizations. Fairtade is supported also within legislation of the EU that created a list of organizations that can label the products.

Name	**MSC Sustainable seafood label**
Country of origin	World-wide
Established in	1997
Objective (and Unique Selling Point)	The mission of the MSC is recognizing and rewarding sustainable fishing practices, influencing the choices people make when buying seafood, and working with our partners to transform the seafood market to a sustainable basis.
Regulatory basis	Certification and ecolabelling program for wild-capture fisheries consistent with: - The United Nations FAO guidelines for fisheries certification. - The ISEAL Code of Good Practice for Setting Social and Environmental Standards,
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if possible # revoked subscribers)	To get the certification, businesses must be audited to show they have effective traceability, storage and record-keeping systems which prove that only seafood from a certified fishery carries the MSC ecolabel. Businesses that wish to get MSC certified appoint an independent, accredited certifier to assess their business against the MSC Chain of Custody standard. When conducting assessments, certifiers use MSC Certification Requirements, which sets out how to assess businesses against the MSC Chain of Custody standard. Three-level certification: 1. First-party certification: An organization, product or service meets standards it has set for itself 2. Second-party certification: It meets standards established by peers, for example by an industry association 3. Third-party (‘certification’): An independent assessment shows that the organisation, product or service meets standards that have been established by impartial experts, often in consultation with stakeholders. A certificate is issued to prove that the standard has been met. MSC Chain of Custody certification is valid for 3 years
Subscription costs (in local currency and in Euros)	MSC certifies 1. Fisheries

If possible specify entrance costs, yearly subscription costs and certification costs	2. Supply chains 3. Restaurants 4. Fish and chips shops Costs include Annual fee + Royalty The annual fee is based on the total value of MSC certified seafood sold/purchased by organisation during the year Value of MSC certified seafood purchased/sold — Annual fee 0 - $200,000 — $250 $200,000-$500,000 — $1,000 >$500,000 — $2,000 Royalties Royalties are calculated at 0.5% on the value of seafood that is sold/purchased
# Subscribers	Over 13,000 seafood products available with the MSC eco-label are sold in 74 countries around the world. **163** Certified fisheries **119** Fisheries in assessment
Owner/sponsor	The Marine Stewardship Council (MSC), an independent non-profit organization. MSC was founded in 1997 by the World Wide Fund for Nature and Unilever, and became fully independent in 1999.
Provider (can be the same)	
Third Party Certification	'Third-party' certification program: certificates are issued by certifiers who are independently accredited to be able to perform assessments of fisheries and businesses against the MSC standards. To ensure our complete independence from the certification process a third organization, Accreditation Services International GmbH (ASI), manages the accreditation of certifiers to conduct MSC assessments.
Third Party Accreditation	
Website	http://www.msc.org

Logo	
Preliminary assessment remarks	

Name	**EU Quality Food Schemes**
Country of origin	EU
Established in	1992
Objective (and Unique Selling Point)	The purpose of the seals is to protect the reputation of the regional foods, promote rural and agricultural activity, help producers obtain a premium price for their authentic products, and eliminate the unfair competition and misleading of consumers by non-genuine products which may be of inferior quality or of different flavor. - PDO: covers agricultural products and foodstuffs which are produced, processed and prepared in a given geographical area using recognized know-how. - PGI: covers agricultural products and foodstuffs closely linked to the geographical area. At least one of the stages of production, processing or preparation takes place in the area. - TSG: highlights traditional character, either in the composition or means of production.
Regulatory basis	Commission Regulation (EC) No 1216/2007 of 18 October 2007 laying down detailed rules for the implementation of Council Regulation (EC) No 509/2006 on agricultural products and foodstuffs as traditional specialities guaranteed [Official Journal L 275 of 19 October 2007]. This Regulation specifies the rules for the application of Regulation (EC) No 509/2006. It contains the forms relating to traditional specialities guaranteed, including the model for applying registration of a traditional speciality guaranteed. It also contains the logos used to mark these products.
Certification procedure, including registration policy (financial and legal controls) and revocation policy (if	The application for registration may be made only by a group of producers or processors. A joint application may be submitted by several groups originating from different Member States or third countries. A product can only be registered if it applies to specific rules regarding its origin, production process, location of production etc. Applications are to be lodged with the Member State where a group is established. The Member State examines it and initiates a national objection procedure, ensuring adequate publication of the application and providing for a reasonable period in which any natural or legal person having a legitimate interest and established or resident on its territory may lodge an objection. Then it forwards the completed application to the Commission,

possible # revoked subscribers)	including a declaration that all the conditions have been met. Where an application for an agricultural product or foodstuff comes from a group in a third country, it has to be sent to the Commission either directly or through the authorities of that country. The Commission shall check, within a maximum of twelve months, that the application is justified and that it meets all the necessary conditions. Commission shall make public the list of the names for which registration applications have been submitted. If the conditions are met, it publishes in the *Official Journal of the European Union* the name and address of the applicant group, the product specification and the name and address of the authorities or bodies verifying compliance with the provisions of the product specification. If the conditions are not met, the Commission will reject the application for registration.
Subscription costs (in local currency and in Euros) If possible specify entrance costs, yearly subscription costs and certification costs	The control over the scheme is done by the Member States that designate control body operating as a product certification body. The costs of such verification are to be borne by the operators subject to those controls. In respect of agricultural products and foodstuffs originating from a third country, verification of compliance with the product specification must be ensured by one or more public authorities designated by the third country or by one or more product certification bodies. A producer intending to produce a traditional specialty guaranteed for the first time must notify this fact to the authorities of the Member State. A third country producer intending to produce a traditional specialty guaranteed for the first time must notify this fact to the designated authorities or bodies. The Member States must take the necessary measures to ensure legal protection against any misuse or misleading use of the term, the abbreviation and the associated Community symbol and against any imitation of names registered and reserved. Registered names must be protected against any The Member States may charge a fee to cover their costs, including those incurred in examining applications for registration, statements of objection, applications for amendments and requests for cancellations under this Regulation.
# Subscribers	1097 products registered, 65 published, en 209 applied
Owner/sponsor	EU
Provider (can be the same)	
Third Party Certification	
Third Party Accreditation	
Website	http://europa.eu/legislation_summaries/consumers/product_labelling_and_packaging/l66044_en.htm
Logo	

Annex 5: Online survey questionnaires

Consumer organization survey

Trustmarks aim to assure consumers that a particular site or online seller has been validated by a Trustmark provider and found

- Transparent and clear to use
- Proposing fair contractual terms
- Aiding a smooth purchase process
- Favouring and supporting smooth and clear relationships between consumer and merchant
- Safe to use for payments and protection of personal data

They are designed to increase consumers' trust in (cross-border) eCommerce. To date, a wide variety of online Trustmarks related to eCommerce exist. They vary on scope, business model, quality and enforcement.

They are normally represented by a "mark" which is shown on the on-line shop's website.

The purpose of this questionnaire is to assess to what extent **consumers** perceive Trustmarks as services that can increase confidence in online shops and thereby stimulate eCommerce and in particular cross-border eCommerce.

Thank you for taking time to answer the questionnaire.

Each question is accompanied by an icon:

the email button: by clicking this button you can send a question to a colleague. The questions touch upon a variety of issues and areas and in some organisations the expertise on these issues is divided over different departments or people. This email function allows you to send a link to the specific question to a colleague with the request to answer that question.

Please note that the questionnaire is fully compliant with **Internet Explorer (6.0+)**, **Firefox** and **Opera**, and only these browsers are supported. Other browsers (such as Safari) may encounter problems.

The questionnaire can be filled in in several steps, meaning you can save your answers and continue later by logging in again.

As indicated in the invitation letter, we adhere to very strict privacy and confidentiality rules. The information collected through the survey will only be used in the context of our research for the current study and no identifiable or individual data will be disclosed to any third party.

Thank you very much for your cooperation and kind regards.

The EU online Trustmarks building digital confidence in Europe study team (trustmarks@intrasoft-intl.com).

Q.1 When do you think consumers look for a trustmark on the online shop's website? (only one option)	
	Yes/no
- Before they decide a purchase from a particular merchant - When they study the general terms and conditions applicable to their purchase - When something went wrong with the transaction and they look for a way to solve it	

Q.2 Please indicate what is important for consumers when they make their online purchase decision (please rate from 1=not important; 2=small importance; 3=important; 4=very important)	
	scale
- The reputation of the brand - The reputation of the shop - A secure communication link with a SSL certificate - A clear and exhaustive declaration of terms and conditions for the purchase - A trustmark	

Q.3 What is the online trust value of a trustmark on a website (please rate from 1=no trust value; 2=low trust value; 3=medium trust value; 4=high trust value)	
	scale
- Verification of the web-shop reputation - Verification of the quality of the sales process - Verification and quality of the dispute resolution process - Verification and assurance of the technical security of the connection	

Q.4 How important is a trustmark on a website to induce a consumer to make an online purchase? (please rate from 1=not important; 2=small importance; 3=important; 4=very important)	
(just the rating scale)	scale

Q.5 How important is a trustmark on a website to establish a trust relationship between purchaser and trader? (please rate from 1=not important; 2=small importance; 3=important; 4=very important)	
(just the rating scale)	scale

Q1.	According to your experience, which of the following trust-building features do customers value in their online purchase decision? (*Please rank the items according to importance, with 1 being most important and 10 being least important*)	
		Most important = 1;

		least important = 10
1	Communication link security (SSL encryption)	
2	Transparent sales and payment conditions	
3	Payment security	
4	Presence of a Trustmark	
5	Product availability and choice	
6	Product price	
7	Sales conditions transparency, price and extra charges	
8	Warranty and after sales service transparency	
9	eShop reputation	
10	Language	

Q2.	How important are the factors that Trustmarks can help to/usually verify in respect to trust building? (*please rank the trust factors according to effectiveness of Trustmarks, 1 most important and 10 being the least important*)	
		Most important = 1; least important = 10
1	Administrative check of a shop (e.g. company or VAT register, administrative permits, merchant location and identification, etc)	
2	Complaints resolution and redress (facilitating the agreement between customer and merchant in case of a dispute)	
3	Compliance with consumer or e-commerce regulations at EU or Member State level.	
4	Delivery security (also ensuring availability and appropriate selection of shipping method, as well as appropriate agreements in case of loss in the shipping process)	
5	Legal protection of consumers (clarification of the rights and duties and assistance of the consumer)	
6	Payment security	
7	Product availability (stock management verification)	
8	Sales process fairness and transparency, prices and extra charges	
9	Technical security of communication link (SSL)	
10	eShop reputation	

Q3.	Which customer trust-building features should Trustmarks necessarily provide and verify? (*please rank according to priority, 1 being the most important and 9 being least important*)	
		Most important = 1 least important = 9
1	SSL certification (technical security of the link)	
2	Regulatory basis for the online shop (reference to national or EU legislation, code of conduct)	
3	Checking the transparency of information (sales process, rules,	

	price, extra costs, after sales, terms and conditions, warranty)	
4	Privacy assurance (protection of personal data)	
5	Dispute resolution system (mediation between customer and merchant in case of problems regarding a transaction, in the delivery or the delivered product)	
6	Money back guarantee	
7	Consumer rating (opinions and ratings of consumers regarding a merchant, made available by the Trustmark)	
8	Publishing revocation (publishing the merchants which have breached the terms of subscription of the Trustmark and are no longer allowed to use the sign on their website)	
9	Third party certification (independent third parties involved by the Trustmarks in assessing the trustworthiness of the merchant: two-step certification)	

Q4.	Trustmarks providers originate from different areas and have different institutional setups.	
1	The institutional setup of Trustmark matters when making a decision of shopping online	Yes/no
	In case you clicked "yes", please rate the level of trust associated to different types of Trustmark providers (*please rate from* 1) very low *level of trust, 2) low level of trust, 3)* neutral in respect to trust, *4) high level of trust, 5) very high level of trust*	
		1 to 5
2	Trustmarks provided by industry organisations or trade associations	
3	Trustmarks provided by government bodies	
4	Trustmarks provided by private companies	
5	Trustmarks provided by foundations or non-profit organisations	

Q5.	How important is it that Trustmarks make a clear reference to the different possible types of regulations to build trust? (*please rank according to importance, with 1 being the most important and 4 being the least important*)	
		Most important = 1; least important = 4
1	Certification according to a code of conduct formulated by the Trustmark organization	
2	Certification of compliance with national regulations	
3	Certification of compliance with EU regulations	
4	Self-certification of the merchant	

Q6.	Please rate the importance of the following Trustmark characteristics in respect to trust-building (please rate from 1) very low importance 2) low importance 3) neither low nor high importance, 4) high importance 5) very high importance	
		1 - 5
1	Size of Trustmark: number of online shops subscribing to the	

	Trustmark service and thus holding the Trustmark seal.	
2	Scope of Trustmark in terms of covered countries	

Q7.	Please rate the following Trustmarks features in respect to their capability to build on **consumer's trust and confidence in eCommerce operations** (*please rate from* 1) very low impact 2) low impact 3) neutral 4) high impact 5) very high impact	
		1 to 5
1	SSL certification – (Technical assurance of the communication link)	
2	Verification and certification of the regulatory basis of the Trustmark	
3	Transparency of the sales process and of the price	
4	Privacy assurance	
5	Dispute resolution system	
6	Money back guarantee	
7	Consumer rating (opinions and ratings of consumers regarding a merchant, made available by the Trustmark)	
8	Publishing revocation (publishing the merchants which have breached the terms of subscription and are no longer allowed to use the sign on their website)	
9	Third party certification (independent third parties involved by the Trustmarks in assessing the trustworthiness of the merchant: two-step certification)	
10	Third party certification by an EU institutional body	

Q8.	Please rate the following Trustmarks features in respect to their **potential to promote and favour cross-border eCommerce** (*please rate from* 1) very low impact 2) low impact 3) neither low nor high impact 4) high impact 5) very high impact	
		1 to 5
1	SSL certification – (Technical assurance of the communication link)	
2	Verification and certification of the regulatory basis of the trustmark	
3	Transparency of the sales process and of the price	
4	Privacy assurance	
5	Dispute resolution system	
6	Money back guarantee	
7	Consumer rating (opinions and ratings of consumers regarding a merchant, made available by the Trustmark)	
8	Publishing revocation (publishing the merchants which have breached the terms of subscription of the Trustmark and are no longer allowed to use the sign on their website)	
9	Third party certification (independent third parties involved by the Trustmarks in assessing the trustworthiness of the merchant: two-step certification)	
10	Third party certification by an EU institutional body	

Q9.	Please rank the different types of European Commission interventions which could facilitate the establishment of cross-border Trustmark operations, raise awareness of consumers on the effectiveness of Trustmarks in securing cross-border eCommerce and promote cross-border eCommerce (*please rank according to importance, with 1 being the most important and 9 being the least important*)	
		Most important = 1; least important = 9
1	Promote awareness-raising actions of stakeholders (consumers and merchants) by elaborating a set of best practices, promoting their awareness, or "certifying" the Trustmarks which adhere to it)	
2	Define a minimum set of harmonised Trustmarks trust-building features to be guaranteed by the Trustmark certification. In other terms, should the EC make a proposal on the minimum set of features a European cross-border Trustmark should provide?	
3	Identify the general, operational, legal, and trust barriers which are within the scope of Trustmarks (e.g., Fear of fraud; Lack of information; Uncertainty about their rights as consumers; Resolutions, Complaints handling, and redress)	
4	Setting up a practical cross-border **certification scheme** which Trustmarks can use to set-up their trust service	
5	Setting up a cross-border (EU-level) certification and supervisory body who will certify cross-border Trustmarks and supervise the cross-border activity.	
6	Identify and disseminate best practices for the set-up and operation of Trustmarks	
7	Integrate Online Dispute Resolution Systems and Alternative Dispute Resolution Systems and Trustmarks schemes	
8	Promote the networking of cross-border Trustmarks for the Dispute Resolution between different Member States.	
9	Continue regulatory harmonisation of eCommerce regulation across the EU	

Q10.	Please indicate the main regulatory areas related to cross-border eCommerce and Trustmarks, where the European Commission should take action in the near future (*please rank according to importance, with 1 being the most important and 7 being the least important*)	
		Most important = 1; least important = 7
1	Harmonisation of Consumer law	
2	Harmonisation of Online sales regulation	
3	Regulation of cross-border goods delivery	
4	Online dispute resolution	
5	Alternate dispute resolution	

6	Cross-border warranties	
7	Cross-border after sales	

Q11.	One of the possibilities for the EU to play a role in creating trust in eCommerce is to set up a minimum set of trust-building features that any Trustmark scheme should have. Which do you think are most important to be part of this? Please rank the different Trustmarks verification and certification services which should be provided by a prospective certified EU-level Trustmark. (*please rank according to importance, with 1 being the most important and 13 being the least important*)	
		Most important = 1; least important = 13
1	SSL certification	
2	Administrative validity of eShop	
3	Administrative check	
4	Legal check of sales regulation	
5	Check of sales procedures	
6	Transparency of the sales process and of the price	
7	Privacy	
8	Redress procedures	
9	Test order/Mystery shopping, simulated purchase	
10	Auditing	
11	Periodical review of characteristics	
12	Physical on-site visit	
13	Third party certification	

Q12.	The Digital Agenda for Europe envisages a detailed analysis of options for EU online Trustmarks and requires the elaboration of different policy options for EU-wide Trustmark schemes and the effectiveness of cooperation platforms in the governance of such Trustmark systems. Please rank the different possible activities and functions of the stakeholder platform (*please rank according to importance, 1 being the most important and 14 being the least important*)	
		Most important = 1; least important = 14
1	Promote the interaction between the stakeholders of Trustmarks for eCommerce: Trustmarks providers, online merchants and consumers: sharing objectives and solutions	
2	Develop minimum criteria and trust-building features for Trustmarks	
3	Develop a methodology to identify Trustmarks best practices in operational, technical, procedural and regulatory terms	
4	Promote awareness on the potentialities of the trust-building effects of Trustmarks among consumers	
5	Promote awareness on the potentialities of the trust-building effects of Trustmarks among online merchants	

6	Define the minimum criteria for "mature" Trustmarks, i.e.: for Trustmarks well established and with a consolidated market position	
7	Promote the harmonisation of quality and certification procedures among Member States and TMOs	
8	Promote Supportive measures: inclusion of standardisation/certification mechanisms (CEN/ETSI)	
9	Promote the integration of Alternate Dispute Resolution and Online Dispute Resolution	
10	Promote a cooperative network of Trustmarks to solve, inter alia, the issue of cross-border dispute resolution in different languages and in respect to different legal frameworks	
11	Identify the needs for regulatory harmonisation	
12	Assess the effectiveness of dispute resolution systems and elaborate plans for improvement and best practices	
13	Promote innovative approaches to the diffusion of knowledge on Trustmarks (annual Trustmark prize for most innovative approach towards improving trust in cross-border eCommerce)	
14	Address the general language issues of dispute resolution	

Q13.	The Digital Agenda for Europe envisages a detailed analysis of options for EU online Trustmarks and requires the elaboration of different policy options for EU-wide Trustmark schemes and the effectiveness of cooperation platforms in the governance of such Trustmark systems.	
1	Please provide your opinion on possible activities and functions of the stakeholder platform	textbox
2	Please provide your opinion on any other issue of relevance to Trustmarks that was not addressed in the questionnaire	textbox

Trader association survey

Trustmarks aim to assure consumers that a particular site or online seller has been validated by a Trustmark provider and found

- Transparent and clear to use
- Proposing fair contractual terms
- Aiding a smooth purchase process
- Favouring and supporting smooth and clear relationships between consumer and merchant
- Safe to use for payments and protection of personal data

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They are normally represented by a "mark" which is shown on the on-line shop's website.

The purpose of this questionnaire is to assess to what extent **traders** perceive Trustmarks as services that can increase confidence in online shops and thereby stimulate eCommerce and in particular cross-border eCommerce.

Thank you for taking time to answer the questionnaire.

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the email button: by clicking this button you can send a question to a colleague. The questions touch upon a variety of issues and areas and in some organisations the expertise on these issues is divided over different departments or people. This email function allows you to send a link to the specific question to a colleague with the request to answer that question.
Please note that the questionnaire is fully compliant with **Internet Explorer (6.0+)**, **Firefox** and **Opera**, and only these browsers are supported. Other browsers (such as Safari) may encounter problems.
The questionnaire can be filled in in several steps, meaning you can save your answers and continue later by logging in again.
As indicated in the invitation letter, we adhere to very strict privacy and confidentiality rules. The information collected through the survey will only be used in the context of our research for the current study and no identifiable or individual data will be disclosed to any third party.

Thank you very much for your cooperation and kind regards.

The EU online Trustmarks building digital confidence in Europe study team (trustmarks@intrasoft-intl.com).

Q0.1 When do you think consumers look for a trustmark on the online shop's website? (only one option)	
	Yes/no
- Before they decide a purchase from a particular merchant - When they study the general terms and conditions applicable to their purchase - When something went wrong with the transaction and they look for a way to solve it	

Q0.2 Please indicate what is important for consumers when they make their online purchase decision (please rate from 1=not important; 2=small importance; 3=important; 4=very important)	
	scale
- The reputation of the brand - The reputation of the shop - A secure communication link with a SSL certificate - A clear and exhaustive declaration of terms and conditions for the purchase - A trustmark	

Q0.3 What is the online trust value of a trustmark on a website (please rate from 1=no trust value; 2=low trust value; 3=medium trust value; 4=high trust value)

	scale
- Verification of the web-shop reputation - Verification of the quality of the sales process - Verification and quality of the dispute resolution process - Verification and assurance of the technical security of the connection	

Q0.4 Please indicate what is important for online traders when they decide to subscribe to a trustmark (please rate from 1=not important; 2=small importance; 3=important; 4=very important)	
	scale
- The reputation of the trustmark - The procedure of the trustmark - The easiness of the certification procedure - The cost of the certification procedure or the subscription fee - The support to the improvement of the online sales process	

Q0.5 How important is a trustmark on a website to induce a consumer to make an online purchase? (please rate from 1=not important; 2=small importance; 3=important; 4=very important)	
(just the rating scale)	scale

Q0.6 How important is a trustmark on a website to establish a trust relationship between purchaser and trader? (please rate from 1=not important; 2=small importance; 3=important; 4=very important)	
(just the rating scale)	scale

Q14.	According to your experience, which of the following trust-building features do merchants consider important in order to ensure that their customers find them trustworthy when they set-up an online business? (*Please rank the items according to importance, with 1 being most important and 10 being least important*)	
		Most important = 1; least important = 10
1	Communication link security (SSL encryption)	
2	Transparent sales and payment conditions	
3	Payment security	
4	External sales process certification (by a Trustmark)	
5	Competitive product availability and choice	
6	Competitive product price	
7	Sales conditions transparency, price and extra charges	
8	Warranty and after sales service transparency	
9	eShop reputation	
10	Language	

Q15.	Which trust barriers can be overcome by Trustmarks services? (*please rate from* 1) very low effectiveness 2) low *effectiveness* 3) neither low nor high *effectiveness*, 4) high *effectiveness* 5) very high *effectiveness)*	
		1 to 5
1	Assurance of cross-border payments	
2	Assurance of the payment process (payment security)	
3	Cross-border regulatory issues, VAT regulations, cross-border consumer protection, cross-border eCommerce rules, regulations on copyright	
4	Cross-border delivery and logistics	
5	Enable the merchant to increase the market presence and scope	
6	Trust in the eShop	
7	Language barriers	
8	Risk of fraud and non-payment	
9	Support the cross-border e-commerce dispute resolution	
10	Support of the Member State level e-commerce dispute resolution	

Q16.	Which trust factors do Trustmarks actually provide? (*please rank the trust factors according to effectiveness of Trustmarks, 1 most important and 10 being the least important*)	
		Most important = 1; least important = 10
1	Administrative check of a shop (e.g. company or VAT register, administrative permits, merchant location and identification, etc)	
2	Complaints resolution and redress (facilitating the agreement between customer and merchant in case of a dispute)	
3	Compliance with consumer or e-commerce regulations at EU or Member State level.	
4	Delivery security (also ensuring availability and appropriate selection of shipping method, as well as appropriate agreements in case of loss in the shipping process)	
5	Legal protection of consumers (clarification of the rights and duties and assistance of the consumer)	
6	Payment security	
7	Product availability (stock management verification)	
8	Sales process fairness and transparency, prices and extra charges	
9	Technical security of communication link (SSL)	
10	eShop reputation	

Q17.	Please rank the trust-building features that Trustmarks should necessarily provide (*please rank according to priority, 1 being the most important and 9 being least important*)

		Please rank. Most important = 1 Least important = 9
1	SSL certification (technical security of the link)	
2	Regulatory basis for the online shop (reference to national or EU legislation, code of conduct)	
3	Checking the transparency of information (sales process, rules, price, extra costs, after sales, terms and conditions, warranty)	
4	Privacy assurance (protection of personal data)	
5	Dispute resolution system (mediation between customer and merchant in case of problems regarding a transaction, in the delivery or the delivered product)	
6	Money back guarantee	
7	Consumer rating (opinions and ratings of consumers on the merchant, made available by the Trustmark)	
8	Publishing revocation (publishing the merchants which have breached the terms of subscription of the Trustmark and are no longer allowed to use the sign on their website)	
9	Third party certification (independent third parties involved by the Trustmarks in assessing the trustworthiness of the merchant: two-step certification)	

Q18.	Trustmarks providers originate from different areas and have different institutional setups.	
1	The institutional setup of Trustmark matters when making a decision of shopping online	Yes/no
	In case you clicked "yes", please rate the level of trust associated to different types of Trustmark providers (*please rate from* 1) very low *level of trust, 2) low level of trust, 3)* neutral in respect to trust, *4) high level of trust, 5) very high level of trust*	
		1 to 5
2	Trustmarks provided by industry organisations or trade associations	
3	Trustmarks provided by government bodies	
4	Trustmarks provided by private companies	
5	Trustmarks provided by foundations or non-profit organisations	

Q19.	How important is it that Trustmarks make a clear reference to the different possible types of regulations to build trust? (*please rank according to importance, with 1 being the most important and 4 being the least important*)	
		Most important = 1; least important = 4
1	Certification according to a code of conduct formulated by the Trustmark organization	
2	Certification of compliance with national regulations	

3	Certification of compliance with EU regulations	
4	Self-certification of the merchant	

Q20.	Please rate the importance of the following Trustmark characteristics in respect to trust-building (please rate from 1) very low importance 2) low importance 3) neither low nor high importance, 4) high importance 5) very high importance	
		1 - 5
1	Size of Trustmark: number of online shops subscribing to the Trustmark service and thus holding the Trustmark seal.	
2	Scope of Trustmark in terms of covered countries	

Q21.	Please assess the following impacts of Trustmarks features on merchant's current and future **cross-border eCommerce operations** (*please rate from* 1) very low impact 2) low impact 3) neutral 4) high impact 5) very high impact	
		1 to 5
1	SSL certification – (Technical assurance of the communication link)	
2	Verification and certification of the regulatory basis of the Trustmark	
3	Transparency of the sales process and of the price	
4	Privacy assurance	
5	Dispute resolution system	
6	Money back guarantee	
7	Consumer rating (opinions and ratings of consumers regarding a merchant, made available by the Trustmark)	
8	Publishing revocation (publishing the merchants which have breached the terms of subscription and are no longer allowed to use the sign on their website)	
9	Third party certification (independent third parties involved by the Trustmarks in assessing the trustworthiness of the merchant: two-step certification)	
10	Third party certification by an EU institutional body	

Q22.	Please indicate what would be a reasonable fee to pay to subscribe to Trustmarks (*one choice only*)		
			Yes/no
1	Flat fee	< 50€	
2	Flat fee	>50€, <120€	
3	Flat fee	>120€, <200€	
4	Flat fee	>200€, <750€	
5	Flat fee	>750€, <1500€	
6	Flat fee	>1500€	

7	SME-dedicated fee	-	
8	Turnover-related fee	<150€	
9	Turnover-related fee	>150€, <500€	
10	Turnover-related fee	>500€, >1000€	
11	Turnover-related fee	>1000€, >5000€	
12	Turnover-related fee	>5000€	

Q23.	Please rank the different types of European Commission interventions which could facilitate the establishment of cross-border Trustmark operations, raise awareness of consumers on the effectiveness of Trustmarks in securing cross-border eCommerce and promote cross-border eCommerce (*please rank according to importance, with 1 being the most important and 9 being the least important*)	
		Most important = 1; least important = 9
1	Promote awareness-raising actions of stakeholders (consumers and merchants) by elaborating a set of best practices, promoting their awareness, or "certifying" the Trustmarks which adhere to it)	
2	Define a minimum set of harmonised Trustmarks trust-building features to be guaranteed by the Trustmark certification. In other terms, should the EC make a proposal on the minimum set of features a European cross-border Trustmark should provide?	
3	Identify the general, operational, legal, and trust barriers which are within the scope of Trustmarks (e.g., Fear of fraud; Lack of information; Uncertainty about their rights as consumers; Resolutions, Complaints handling, and redress)	
4	Setting up a practical cross-border **certification scheme** which Trustmarks can use to set-up their trust service	
5	Setting up a cross-border (EU-level) certification and supervisory body who will certify cross-border Trustmarks and supervise the cross-border activity.	
6	Identify and disseminate best practices for the set-up and operation of Trustmarks	
7	Integrate Online Dispute Resolution Systems and Alternative Dispute Resolution Systems and Trustmarks schemes	
8	Promote the networking of cross-border Trustmarks for the Dispute Resolution between different Member States.	
9	Continue regulatory harmonisation of eCommerce regulation across the EU	

Q24.	Please indicate the main regulatory areas related to cross-border eCommerce and Trustmarks, where the European Commission should take action in the near future (*please rank according to importance, with 1 being the most important and 7 being the least important*)	
		Most important = 1;

		least important = 7
1	Harmonisation of Consumer law	
2	Harmonisation of Online sales regulation	
3	Regulation of cross-border goods delivery	
4	Online dispute resolution	
5	Alternate dispute resolution	
6	Cross-border warranties	
7	Cross-border after sales	

Q25.	One of the possibilities for the EU to play a role in creating trust in eCommerce is to set up a minimum set of trust-building features that any Trustmark scheme should have. Which do you think are most important to be part of this? Please rank the different Trustmarks verification and certification services which should be provided by a prospective certified EU-level Trustmark. (please rank according to importance, with 1 being the most important and 13 being the least important)	
		Please rank. Most important = 1 Least important = 13
1	SSL certification	
2	Administrative validity of eShop	
3	Administrative check	
4	Legal check of sales regulation	
5	Check of sales procedures	
6	Transparency of the sales process and of the price	
7	Privacy	
8	Redress procedures	
9	Test order/Mystery shopping, simulated purchase	
10	Auditing	
11	Periodical review of characteristics	
12	Physical on-site visit	
13	Third party certification	

Q26.	The Digital Agenda for Europe envisages a detailed analysis of options for EU online Trustmarks and requires the elaboration of different policy options for EU-wide Trustmark schemes and the effectiveness of cooperation platforms in the governance of such Trustmark systems. Please rank the different possible activities and functions of the stakeholder platform (*please rank according to importance, 1 being the most important and 14 being the least important*)	
		Most important = 1; least important = 14

1	Promote the interaction between the stakeholders of Trustmarks for eCommerce: Trustmarks providers, online merchants and consumers: sharing objectives and solutions	
2	Develop minimum criteria and trust-building features for Trustmarks	
3	Develop a methodology to identify Trustmarks best practices in operational, technical, procedural and regulatory terms	
4	Promote awareness on the potentialities of the trust-building effects of Trustmarks among consumers	
5	Promote awareness on the potentialities of the trust-building effects of Trustmarks among online merchants	
6	Define the minimum criteria for "mature" Trustmarks, i.e.: for Trustmarks well established and with a consolidated market position	
7	Promote the harmonisation of quality and certification procedures among Member States and TMOs	
8	Promote Supportive measures: inclusion of standardisation/certification mechanisms (CEN/ETSI)	
9	Promote the integration of Alternate Dispute Resolution and Online Dispute Resolution	
10	Promote a cooperative network of Trustmarks to solve, inter alia, the issue of cross-border dispute resolution in different languages and in respect to different legal frameworks	
11	Identify the needs for regulatory harmonisation	
12	Assess the effectiveness of dispute resolution systems and elaborate plans for improvement and best practices	
13	Promote innovative approaches to the diffusion of knowledge on Trustmarks (annual Trustmark prize for most innovative approach towards improving trust in cross-border eCommerce)	
14	Address the general language issues of dispute resolution	

Q27.	The Digital Agenda for Europe envisages a detailed analysis of options for EU online Trustmarks and requires the elaboration of different policy options for EU-wide Trustmark schemes and the effectiveness of cooperation platforms in the governance of such Trustmark systems.	
1	Please provide your opinion on possible activities and functions of the stakeholder platform	textbox
2	Please provide your opinion on any other issue of relevance to Trustmarks that was not addressed in the questionnaire	textbox

Trustmarks providers survey

Trustmarks aim to assure consumers that a particular site or online seller has been validated by a Trustmark provider and found

- Transparent and clear to use
- Proposing fair contractual terms

- Aiding a smooth purchase process
- Favouring and supporting smooth and clear relationships between consumer and merchant
- Safe to use for payments and protection of personal data

They are designed to increase consumers' trust in (cross-border) eCommerce. To date, a wide variety of online Trustmarks related to eCommerce exist. They vary on scope, business model, quality and enforcement.

They are normally represented by a "mark" which is shown on the on-line shop's website.

The purpose of this questionnaire is to assess to what extent **Trustmarks Organisations** perceive Trustmarks as services that can increase confidence in online shops and thereby stimulate eCommerce and in particular cross-border eCommerce.

Thank you for taking time to answer the questionnaire.

Each question is accompanied by an icon:

the email button: by clicking this button you can send a question to a colleague. The questions touch upon a variety of issues and areas and in some organisations the expertise on these issues is divided over different departments or people. This email function allows you to send a link to the specific question to a colleague with the request to answer that question.

Please note that the questionnaire is fully compliant with **Internet Explorer (6.0+)**, **Firefox** and **Opera**, and only these browsers are supported. Other browsers (such as Safari) may encounter problems.

The questionnaire can be filled in in several steps, meaning you can save your answers and continue later by logging in again.

As indicated in the invitation letter, we adhere to very strict privacy and confidentiality rules. The information collected through the survey will only be used in the context of our research for the current study and no identifiable or individual data will be disclosed to any third party.

Thank you very much for your cooperation and kind regards.

The EU online Trustmarks building digital confidence in Europe study team (trustmarks@intrasoft-intl.com).

Q0.1 When do you think consumers look for a trustmark on the online shop's website? (only one option)	
	Yes/no
- Before they decide a purchase from a particular merchant - When they study the general terms and conditions applicable to their purchase - When something went wrong with the transaction and they look for a way to solve it	

Q0.2 Please indicate what is important for consumers when they make their online purchase decision

(please rate from 1=not important; 2=small importance; 3=important; 4=very important)	
	scale
- The reputation of the brand - The reputation of the shop - A secure communication link with a SSL certificate - A clear and exhaustive declaration of terms and conditions for the purchase - A trustmark	

Q0.3 What is the online trust value of a trustmark on a website (please rate from 1=no trust value; 2=low trust value; 3=medium trust value; 4=high trust value)	
	scale
- Verification of the web-shop reputation - Verification of the quality of the sales process - Verification and quality of the dispute resolution process - Verification and assurance of the technical security of the connection	

Q0.4 Please indicate what is important for online traders when they decide to subscribe to a trustmark (please rate from 1=not important; 2=small importance; 3=important; 4=very important)	
	scale
- The reputation of the trustmark - The procedure of the trustmark - The easiness of the certification procedure - The cost of the certification procedure or the subscription fee - The support to the improvement of the online sales process	

Q28.	According to your experience, which of the following trust-building features do customers value in their online purchase decision? (*Please rank the items according to importance, with 1 being most important and 10 being least important*)	
		Most important = 1; least important = 10
1	Communication link security (SSL encryption)	
2	Transparent sales and payment conditions	
3	Payment security	
4	Presence of a Trustmark	
5	Product availability and choice	
6	Product price	
7	Sales conditions transparency, price and extra charges	
8	Warranty and after sales service transparency	
9	eShop reputation	
10	Language	

Q29.	According to your experience, which of the following trust-building features do merchants consider important in order to ensure that their customers find them trustworthy when they set-up an online business? (*Please rank the items according to importance, with 1 being most important and 10 being least important*)	
		Most important = 1; least important = 10
1	Communication link security (SSL encryption)	
2	Transparent sales and payment conditions	
3	Payment security	
4	External sales process certification (by a Trustmark)	
5	Competitive product availability and choice	
6	Competitive product price	
7	Sales conditions transparency, price and extra charges	
8	Warranty and after sales service transparency	
9	eShop reputation	
10	Language	

Q30.	Which trust barriers can be overcome by Trustmarks services? (*please rate from* 1) very low effectiveness 2) low *effectiveness* 3) neither low nor high *effectiveness*, 4) high *effectiveness* 5) very high *effectiveness)*	
		1 to 5
1	Assurance of cross-border payments	
2	Assurance of the payment process (payment security)	
3	Cross-border regulatory issues, VAT regulations, cross-border consumer protection, cross-border eCommerce rules, regulations on copyright	
4	Cross-border delivery and logistics	
5	Enable the merchant to increase the market presence and scope	
6	Trust in the eShop	
7	Language barriers	
8	Risk of fraud and non-payment	
9	Support the cross-border e-commerce dispute resolution	
10	Support of the Member State level e-commerce dispute resolution	

Q31.	How important are the factors Trustmarks verify in respect to trust building? (*please rank the trust factors according to effectiveness of Trustmarks, 1 most important and 10 being the least important*)	
		Most important = 1; least important = 10
1	Administrative check of a shop (e.g. company or VAT register,	

	administrative permits, merchant location and identification, etc)	
2	Complaints resolution and redress (facilitating the agreement between customer and merchant in case of a dispute)	
3	Compliance with consumer or e-commerce regulations at EU or Member State level.	
4	Delivery security (also ensuring availability and appropriate selection of shipping methods, as well as appropriate agreements in cause of loss in the shipping process)	
5	Legal protection of consumers (clarification of the rights and duties and assistance of the consumer)	
6	Payment security	
7	Product availability (stock management verification)	
8	Sales process fairness and transparency, prices and extra charges	
9	Technical security of communication link (SSL)	
10	eShop reputation	

Q32.	Please rank the trust-building features that Trustmarks should necessarily provide (*please rank according to priority, 1 being the most important and 9 being least important*)	
		Most important = 1; least important = 9
1	SSL certification (technical security of the link)	
2	Regulatory basis for the online shop (reference to national or EU legislation, code of conduct)	
3	Checking the transparency of information (sales process, rules, price, extra costs, after sales, terms and conditions, warranty)	
4	Privacy assurance (protection of personal data)	
5	Dispute resolution system (mediation between customer and merchant in case of problems regarding a transaction, in the delivery or the delivered product)	
6	Money back guarantee	
7	Consumer rating (opinions and ratings of consumers regarding a merchant, made available by the Trustmark)	
8	Publishing revocation (publishing the merchants which have breached the terms of subscription of the Trustmark and are no longer allowed to use the sign on their website)	
9	Third party certification (independent third parties involved by the Trustmarks in assessing the trustworthiness of the merchant: two-step certification)	

Q33.	How important is it that Trustmarks make a clear reference to the different possible types of regulations to build trust? (*please rank according to importance, with 1 being the most important and 4 being the least important*)	
		Most important = 1; least important = 4
1	Certification according to a code of conduct formulated by the Trustmark organization	
2	Certification of compliance with national regulations	
3	Certification of compliance with EU regulations	
4	Self-certification of the merchant	

Q34.	Please rank the different types of European Commission interventions which could facilitate the establishment of cross-border Trustmark operations, raise awareness of consumers on the effectiveness of Trustmarks in securing cross-border eCommerce and promote cross-border eCommerce (*please rank according to importance, with 1 being the most important and 9 being the least important*)	
		Most important = 1; least important = 9
1	Promote awareness-raising actions of stakeholders (consumers and merchants) by elaborating a set of best practices, promoting their awareness, or “certifying” the Trustmarks which adhere to it)	
2	Define a minimum set of harmonised Trustmarks trust-building features to be guaranteed by the Trustmark certification. In other terms, should the EC make a proposal on the minimum set of features a European cross-border Trustmark should provide?	
3	Identify the general, operational, legal, and trust barriers which are within the scope of Trustmarks (e.g., Fear of fraud; Lack of information; Uncertainty about their rights as consumers; Resolutions, Complaints handling, and redress)	
4	Setting up a practical cross-border **certification scheme** which Trustmarks can use to set-up their trust service	
5	Setting up a cross-border (EU-level) certification and supervisory body who will certify cross-border Trustmarks and supervise the cross-border activity.	
6	Identify and disseminate best practices for the set-up and operation of Trustmarks	
7	Integrate Online Dispute Resolution Systems and Alternative Dispute Resolution Systems and Trustmarks schemes	
8	Promote the networking of cross-border Trustmarks for the Dispute Resolution between different Member States.	
9	Continue regulatory harmonisation of eCommerce regulation across the EU	

Q35.	Please indicate the main regulatory areas related to cross-border eCommerce and Trustmarks, where the European Commission should take action in the near future (*please rank*	

	according to importance, with 1 being the most important and 7 being the least important)	
		Most important = 1; least important = 7
1	Harmonisation of Consumer law	
2	Harmonisation of online sales regulation	
3	Regulation of cross-border goods delivery	
4	Online dispute resolution	
5	Alternate dispute resolution	
6	Cross-border warranties	
7	Cross-border after sales	

Q36.	One of the possibilities for the EU to play a role in creating trust in eCommerce is to set up a minimum set of trust-building features that any Trustmark scheme should have. Which do you think are most important to be part of this? Please rank the different Trustmarks verification and certification services which should be provided by a prospective certified EU-level Trustmark. (*please rank according to importance, with 1 being the most important and 13 being the least important*)	
		Most important = 1; 13 = least important
1	SSL certification	
2	Administrative validity of eShop	
3	Administrative check	
4	Legal check of sales regulation	
5	Check of sales procedures	
6	Transparency of the sales process and of the price	
7	Privacy	
8	Redress procedures	
9	Test order/Mystery shopping, simulated purchase	
10	Auditing	
11	Periodical review of characteristics	
12	Physical on-site visit	
13	Third party certification	

Q37.	The Digital Agenda for Europe envisages a detailed analysis of options for EU online Trustmarks and requires the elaboration of different policy options for EU-wide Trustmark schemes and the effectiveness of cooperation platforms in the governance of such Trustmark systems. Please rank the different possible activities and functions of the stakeholder platform (*please rank according to importance, 1 being the most important and 14 being the least important*)	
		Most important = 1;

		least important = 14
1	Promote the interaction between the stakeholders of Trustmarks for eCommerce: Trustmarks providers, online merchants and consumers: sharing objectives and solutions	
2	Develop minimum criteria and trust-building features for Trustmarks	
3	Develop a methodology to identify Trustmarks best practices in operational, technical, procedural and regulatory terms	
4	Promote awareness on the potentialities of the trust-building effects of Trustmarks among consumers	
5	Promote awareness on the potentialities of the trust-building effects of Trustmarks among online merchants	
6	Define the minimum criteria for "mature" Trustmarks, i.e.: for Trustmarks well established and with a consolidated market position	
7	Promote the harmonisation of quality and certification procedures among Member States and TMOs	
8	Promote Supportive measures: inclusion of standardisation/certification mechanisms (CEN/ETSI)	
9	Promote the integration of Alternate Dispute Resolution and Online Dispute Resolution	
10	Promote a cooperative network of Trustmarks to solve, inter alia, the issue of cross-border dispute resolution in different languages and in respect to different legal frameworks	
11	Identify the needs for regulatory harmonisation	
12	Assess the effectiveness of dispute resolution systems and elaborate plans for improvement and best practices	
13	Promote innovative approaches to the diffusion of knowledge on Trustmarks (annual Trustmark prize for most innovative approach towards improving trust in cross-border eCommerce)	
14	Address the general language issues of dispute resolution	

Q38.	The Digital Agenda for Europe envisages a detailed analysis of options for EU online Trustmarks and requires the elaboration of different policy options for EU-wide Trustmark schemes and the effectiveness of cooperation platforms in the governance of such Trustmark systems.	
1	Please provide your opinion on possible activities and functions of the stakeholder platform	textbox
2	Please provide your opinion on any other issue of relevance to Trustmarks that was not addressed in the questionnaire	textbox

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