

**Submission to: [ACCC Digital platform services inquiry 2020-2025](#)**

Via email to: [digitalmonitoring@acc.gov.au](mailto:digitalmonitoring@acc.gov.au)

Thank you for the opportunity to respond to the digital inquiry above. I am one of many consumers who trade and buy items on eBay as a hobby and am lucky I do not have to rely on these platforms for a living. To provide some context, I use multiple platforms to buy, trade and sell items of interest of varying value for my kids and myself such as children's clothes, toys, bags, shoes, that sort of thing. As you may appreciate there is a large community of people like myself who utilise these platforms, all with varying levels of understanding of our rights and obligations as consumers.

**Complaints review process**

I had a pretty traumatic experience with eBay recently where I was scammed of some high value luxury goods I was attempting to sell online. My complaints and requests were dismissed by what I believe is an automated system that responded that a "review" had been undertaken after two minutes. Only after doing a "karen"<sup>1</sup> and emailing about 10 senior people including the ACCC and Australia Post, and with some very kind assistance from the escalations area of Australia Post, did someone at eBay respond and resolve the issue. Bizarrely, after providing me a refund they banned all my accounts and removed all my listings. No stress as I was pretty put off from using eBay after that experience, and more importantly, didn't have to rely on this for a living.

Unfortunately, I know many small business owners and traders who are not in the same privileged position who utilise these platforms, who do not have the time to deal with this or have the real threat of reprisal (such as getting their accounts banned, like what happened to me), or have access to resources to be able to come up with the Karen antics I did to get someone to listen.

The internal "complaints process" without external scrutiny was treated simply as a tick in the box (quite literally - it appeared they were automatically closed). Ombudsman schemes are common in Australia so there is no reason a similar framework should not be adopted given the prevalence and size of these platforms. The cost of the Ombudsman schemes is likely to be spare change to these tech giants.

**Seller reviews - information asymmetry**

It is widely understood that with the ability of anybody on the internet to have an opinion, seller reviews are easily manipulated. Ultimately it is the digital platform's responsibility to, within their reasonable means, ensure and enforce compliance with the conduct of their sellers by having a robust complaint handling process unlike the one I experienced, and not to wash their hands off issues. It is also part of the value that a platform should offer – genuine and high-quality buyers and sellers are likely to be attracted to a platform known for its high quality/integrity of seller reviews.

However, users of the platform are unable to verify the accuracy and credibility of the review system, or individual reviews. Unfortunately, there is also an incentive for the platform to overstate the credibility of their reviews. To give users faith and solve what is essentially an information asymmetry problem, a binding audit or best practice (e.g. ISO) framework could be required of platforms to ensure they are systematically and continually reviewing their seller/buyer review systems, maintaining best practice (e.g. requiring buyers and sellers to use their real names or ABNs) and reviewing individual reviews through a sampling process.

**Access to bank accounts**

Given these practices, eBay's recent moves to access bank accounts directly<sup>2</sup> are extremely concerning. The relationship between eBay and payment providers like PayPal are opaque to the day-to-day user like me, and while PayPal was very quick to put a hold on my account and funds within when the above-mentioned incident

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<sup>1</sup> <https://www.bbc.com/news/world-53588201>

<sup>2</sup> <https://www.bbc.com/news/technology-57318294>

occurred, they were just as quick to disclaim responsibility (“it’s eBay’s problem, not ours”) when I made a complaint to AFCA.

While the banks have strict rules on complaints and fund transfers and the like now after the recent inquiries, Royal Commissions etc., it doesn’t appear the same level of scrutiny or accountability is being applied at this level, effectively creating a loophole for which these companies can operate. I would suggest that these transactions are heavily scrutinised and subject to an Ombudsman or oversight scheme where thorough investigation of any issues can be conducted.

### **Concluding remarks**

It is well known and accepted that digital services are already a significant part of everyday life, and therefore inevitable that regulation will have to catch-up to these new technologies. I acknowledge that I am a direct beneficiary of these innovations and am certainly not asking the ACCC to clamp down on innovation, but for balanced protections which are reflective of other mass market consumer sectors where individual consumer power is limited.

Rather, given the previous experiences, regulation should act to enforce accountability and balance the bargaining power of small, individual consumers like myself (or even small businesses) with these platforms. One of the desired outcomes should also be to require payment providers and their affiliates (e.g. payment providers) to take greater responsibility in their dealings, with a fair and easily understandable framework for consequences.

Thank you once again for the opportunity to make this submission.

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