Public-Private Dialogue on Best Practices to Prevent Misleading Pricing and Discounts and Similar Practices at Online Shopping Platforms and Other Types of Online Sales of Goods and Services

Summary Report

APEC Committee on Trade and Investment

June 2025

Asia-Pacific
Economic Cooperation

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Executive Summary

This Summary Report presents the outcomes of the Public-Private Dialogue (PPD) on “Best practices to prevent misleading pricing and discounts and similar practices on online shopping platforms and other types of online sales of goods and services”, held on 21 August 2024 in Lima, Peru, under APEC Project CTI 202 2023T. Sponsored by eight APEC economies and organized by the National Institute for the Defense of Competition and the Protection of Intellectual Property (INDECOPI) of Peru, the PPD brought together public and private stakeholders from across the Asia-Pacific region.

The dialogue focused on the challenges and risks posed by misleading pricing and discount practices in digital commerce, including deceptive reference pricing, drip pricing, dark patterns, and artificially inflated discounts. Through panel discussions, case studies, and international experiences, the PPD offered a comprehensive view of enforcement strategies, private sector responses, and consumer perspectives.

Participants emphasized the need to strengthen oversight, promote ethical business practices, enhance transparency in digital transactions, and improve regulatory cooperation. Key outcomes include a shared understanding of the risks associated with deceptive pricing, a call for increased digital literacy among consumers, and the recognition of technology’s role in empowering fairer markets. Based on the dialogue, a set of voluntary recommendations are proposed to APEC competition and consumer protection authorities, the private sector, and APEC as a regional forum.

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I. Introduction

This Public-Private Dialogue was held as part of the APEC project “Best practices to prevent misleading pricing and discounts and similar practices on online shopping platforms and other types of online sales of goods and services” (CTI 202 2023T). The event was organized by INDECOPI of Peru with the sponsorship of the APEC economies: Australia; Canada; Chile; China; Indonesia; Korea; Malaysia; and The Philippines.

In alignment with the APEC Putrajaya Vision 2040, the PPD aimed to improve transparency and fairness in digital marketplaces by facilitating the exchange of experiences on unfair commercial practices, particularly deceptive pricing in e-commerce. The dialogue also contributed to the development of a voluntary best practices document to enhance regional regulatory approaches and support fair competition and consumer confidence.

II. Background

Misleading pricing and discount practices have become a growing concern across APEC economies due to the rapid expansion of e-commerce and digital platforms. As consumer interactions increasingly shift online, so do the risks of price manipulation, deceptive advertising, and unfair competition.

These practices include reference prices not grounded in genuine historical prices, drip pricing schemes that reveal costs incrementally, and urgency-based psychological tactics. Such practices can erode consumer trust, distort competition, and create an uneven playing field for ethical businesses.

Given the cross-border nature of digital commerce, addressing misleading pricing requires not only domestic regulatory action but also cooperation among APEC economies. The PPD provided a space for economies to share their experiences and regulatory frameworks, discuss enforcement challenges, and explore joint solutions to strengthen institutional capacities and consumer protection standards in the Asia-Pacific region.

III. Public-Private Dialogue Summary

1. Session 1: Strengthening regulatory frameworks and enforcement to prevent misleading pricing and protect consumers in the digital age

1.1. Opening remarks

Mr. Alberto VILLANUEVA, President of INDECOPI of Peru, welcomed delegates and speakers to the PPD. He emphasized the importance of protecting consumers from deceptive pricing tactics in e-commerce, highlighting the need to foster trust and fair competition in the digital marketplace.

Mr. Villanueva underscored that this dialogue aimed to address the growing challenges faced by APEC economies in supervising online advertising and sanctioning unfair commercial practices. He noted that the event would contribute to developing a best practices document to support regulatory efforts and improve e-commerce facilitation, in line with the APEC Putrajaya Vision 2040. He concluded by thanking all participants and formally opening the event.

1.2. Keynote speaker: Consumer protection and e-commerce

Ms. Valentina RIVAS, Programme Management Officer Competition and Consumer Policies Branch United Nations Conference on Trade and Development (UNCTAD), delivered the keynote address focused on consumer protection challenges in the digital age. She emphasized how the rapid growth of e-commerce and digital platforms is reshaping consumer behavior and market dynamics, making it essential to strengthen oversight and regulatory responses globally.

Ms. Rivas outlined UNCTAD's role as the focal point within the United Nations system for competition and consumer protection policies. In that context, she highlighted the significance of the United Nations Guidelines for Consumer Protection (UNGCP), adopted in 1985 and progressively updated to address emerging digital challenges.

She noted the scale of digital transformation: by 2023, there were 5.4 billion internet users and e-commerce sales had reached USD27 trillion globally, with developed economies showing the highest levels of digital commerce integration. However, she also underlined how such progress presents regulatory challenges related to transparency, trust, digital literacy, and cross-border enforcement.

Her intervention also addressed the growing risks associated with unsafe products sold online, the lack of enforceable agreements between some jurisdictions and digital platforms, and the gaps in consumer dispute resolution mechanisms. Ms. Rivas stressed that platforms must assume greater accountability in ensuring safe, transparent, and fair digital transactions.

She concluded by emphasizing the importance of digital literacy and the active role of governments and private actors in strengthening consumer education. International cooperation, especially regarding enforcement, product safety, and dispute resolution, was presented as a cornerstone for future progress.

Key Points:

- UNCTAD leads global efforts on consumer protection through the UNGCP.
- Trust, transparency, and digital literacy are pillars for effective e-commerce regulation.
- Platforms must be held accountable for consumer safety and honest advertising.
- Gaps in online product safety and dispute resolution demand stronger international cooperation.

1.3. Panel discussion: Oversight of misleading pricing and discounts and similar practices at online shopping and enforcement

Mr. Andrés HERRERA, National Director National Consumer Service (SERNAC) of Chile, addressed the challenges related to misleading prices and discounts in the context of e-commerce, drawing on Chile's experience and regulatory approach. He began by emphasizing that misleading pricing strategies, such as artificially inflating prices before offering apparent discounts, are not new; however, these tactics have taken on new complexity with the rise of digital platforms and mass promotional events like Cyber Day.

He explained that the high competitiveness of digital markets and the volume of online transactions during major sales events create favorable conditions for unfair pricing practices to thrive. In response, Consumer law of Chile provides a regulatory foundation to address these concerns. It mandates suppliers to deliver clear, verifiable, and truthful information regarding prices, including the total cost of goods or services, taxes, delivery fees, and other charges. Mr. Herrera noted that the law also defines misleading pricing as any practice that leads consumers into error regarding price conditions or payment methods.

Despite this legal framework, Mr. Herrera acknowledged the growing enforcement challenges posed by the use of dynamic pricing models and algorithms, which allow businesses to adjust prices in real time. These tools, while commercially strategic, complicate regulatory oversight and hinder efforts to determine whether discounts are genuine, especially when historical price data is not publicly accessible or verifiable.

In this context, SERNAC has taken proactive steps, including the development of interpretive guidelines. These require, for instance, that the "usual price" used as a reference in promotions be recently, clearly identified, and have been applied for a comparable period. He noted that advertisers must also avoid designs and formats that may confuse or mislead consumers about the nature or extent of discounts.

Mr. Herrera used Chile's annual CyberDay event as a case study to illustrate SERNAC's oversight mechanisms. He shared findings from market monitoring exercises conducted during CyberDay campaigns in recent years, which revealed mixed pricing behaviors. For instance, in 2021, 49% of the monitored products had a price reduction, while others showed no change or even price increases. In 2022, 71.3% of products presented a price drop, although nearly 10% experienced increases despite being advertised as discounted. These findings underscore the importance of active supervision during mass promotional periods.

In addition, he highlighted SERNAC's commitment to consumer education, encouraging consumers to report deceptive pricing practices and promoting the use of tools for price tracking

and comparison. He stressed that empowering consumers with knowledge and digital resources is essential for curbing unfair practices.

Finally, Mr. Herrera underlined the importance of international collaboration, noting that cross-border e-commerce complicates enforcement when misleading promotions target consumers in multiple jurisdictions. He called for greater cooperation among regulatory authorities to share intelligence and best practices, with the goal of strengthening global oversight and improving protection standards in the digital marketplace.

Mr. Michael OSTHEIMER, Senior Attorney Division of Advertising Practices Federal Trade Commission (FTC) of the United States delivered a presentation focused on the FTC's oversight and enforcement approach regarding misleading pricing practices and discounts, particularly in online commerce. He detailed the legal underpinnings, enforcement mechanisms, and evolving challenges associated with deceptive pricing in the digital economy.

Mr. Ostheimer opened by explaining that deceptive pricing practices, such as inflated discounts, "buy one get one free" offers that mislead on actual value, and the strategic use of hidden or delayed fees, generate significant harm to consumers. These tactics can raise search costs, reduce price transparency, and ultimately erode market efficiency and trust.

He described how the FTC addresses these issues through a combination of enforcement actions, interpretive guidance, and proposed rulemaking. In particular, he emphasized the Commission's longstanding guidelines on the use of terms like "free," which require clear, conspicuous, and upfront disclosure of all conditions attached to such offers. Similarly, he underlined the importance of disclosing the total cost of a product or service in a way that is more prominent than any partial or conditional pricing information.

Mr. Ostheimer also discussed the FTC's proposed rule on "junk fees," which would require businesses to present the total price, including all unavoidable fees except shipping and taxes, at the outset of the consumer transaction. This initiative aims to address so-called "drip pricing" and other techniques that obscure the true cost of goods or services until the final stages of checkout.

Turning to emerging digital challenges, Mr. Ostheimer noted the increasing use of dark patterns, interface designs intended to manipulate or pressure consumers into unintended decisions, such as purchasing add-ons or failing to cancel subscriptions. He referenced the FTC's 2022 report "Bringing Dark Patterns to Light", which built on insights from its 2021 workshop and has helped shape the agency's policy and enforcement direction in this area.

Throughout his remarks, Mr. Ostheimer emphasized that preventing misleading pricing requires not only legal clarity but also robust enforcement and public education. He reiterated that

consumer deception, whether through complex pricing schemes or unclear disclosures, can result in market distortions and unfair competition. To that end, he concluded by stressing the need for continued regulatory vigilance, enhanced consumer literacy, and greater international collaboration to address deceptive practices across borders and platforms in today's digital marketplace.

Mr. Andrés CALDERON, Member of the Specialized Chamber for the Defense of Competition of INDECOPI of Peru, presented an overview of Peru's regulatory and jurisprudential approach to misleading pricing and discount practices. His presentation emphasized the evolution of legal responses to promotional strategies that create the illusion of savings, particularly those that manipulate reference prices to mislead consumers.

Mr. Calderón began by contextualizing sales promotions as a common marketing tool intended to boost consumption through price reductions or exclusive offers. However, he warned that when not based on real price benchmarks, these promotions risk distorting consumer perceptions and undermining trust in the marketplace. In the Peruvian context, the integrity of such promotions has become a growing focus of legal and regulatory scrutiny, as agencies seek to ensure that sales reflect genuine economic benefits.

He then discussed two significant case studies that have shaped Peru's enforcement stance. The first was the Cineplanet case, in which the company advertised a "Cine Day" promotion offering half-price tickets for premium screenings. An investigation revealed that the reference price used to calculate the 50% discount (PEN36) had not been regularly applied and was higher than the typical ticket price in the days leading up to the promotion. This misled consumers, who expected to pay significantly less than they ultimately did. The case led to Decision No. 92-2018/CCD--INDECOPI, which clarified that price reductions must be calculated using genuine and consistent reference prices, not artificially inflated figures.

The second case involved Tiendas Efe, which advertised a discount on televisions by reducing the price from PEN899 to 699. However, the initial price had been raised shortly before the promotion, distorting the perception of a meaningful discount. This led to Decision No. 186-2021/CCD-INDECOPI, a binding precedent that set a stricter standard for promotional pricing. The decision introduced several key criteria: promotions must be exceptional and temporary, based on ordinary (non-inflated) prices, and supported by historical pricing data. Moreover, it established that businesses must justify any pre-promotion price (reference price) increase with economic evidence, or risk facing sanctions.

Mr. Calderón stressed that misleading promotions harm not only consumers but also distort fair competition by placing ethical competitors at a disadvantage. From a regulatory perspective, such conduct disrupts the public economic order and damages market transparency. The binding

precedent established by Decision No. 186-2021/CCD-INDECOPI was highlighted as a turning point in Peru's enforcement efforts, providing clear legal and economic standards for evaluating discounts and enhancing predictability for businesses.

He concluded by emphasizing the importance of these rulings in shaping a fairer commercial environment, where both consumers and businesses operate with greater clarity and trust. The Peruvian experience illustrates how detailed jurisprudence can serve as a deterrent to unfair promotional tactics and a safeguard for market integrity.

Mr. Rafael REGLA, Head of the International Affairs Department Federal Consumer Attorney (PROFECO) of Mexico, delivered a comprehensive presentation on Mexico's regulatory response to misleading pricing and discount practices in e-commerce. He outlined how PROFECO enforces transparency and fair trade principles in digital transactions, drawing from the legal framework established under the Federal Consumer Protection Law (LFPC) and Official Mexican Standards.

Mr. Regla emphasized that PROFECO plays a central role in defending consumer rights in both traditional and digital markets. Under the LFPC, suppliers are obligated to honor advertised prices, express them in Mexican currency, and ensure that promotional practices align with fairness and transparency. Key provisions (such as Articles 1, 7, 34, and 47 of the LFPC) guide enforcement in areas like price clarity, payment methods, and the legitimacy of discounts.

To monitor online market practices, PROFECO operates the Virtual Store Monitoring (MTV) program, which verifies whether e-commerce platforms provide essential consumer information prior to transactions. This includes total price disclosures, product specifications, privacy notices, and payment options. He noted that Official Mexican Standards and voluntary guidelines based on the Organisation for Economic Co-operation and Development (OECD) recommendations also help standardize e-commerce behavior in Mexico.

Mr. Regla also presented PROFECO's "Who's Who in Prices" (QQP) program, which collects and disseminates price data on essential household goods and fuels to support consumer decision-making. These tools, published weekly and highlighted in public briefings, contribute to price transparency and foster market competition by pressuring businesses to maintain competitive pricing.

A significant portion of the presentation addressed the growing concern over "dark commercial patterns", manipulative online design strategies that deceive consumers or coerce unintended actions. These include tactics such as forced action, hidden charges (sneaking), urgency-based pressure, and interface interference. Mr. Regla explained how these practices threaten consumer autonomy and are actively monitored by PROFECO.

To encourage ethical practices in e-commerce, PROFECO launched the Digital Trustmark initiative. Businesses that voluntarily adopt the agency's Code of Ethics for E-commerce receive this designation, signaling their commitment to responsible advertising, consumer data protection, and transparency. Participating companies must register with PROFECO, commit to compliance monitoring, and offer clear, accessible information to consumers.

Mr. Regla concluded by describing the evolution of Enforcement Technology (Enf Tech) used by PROFECO. This technology spans five levels, from descriptive analytics to real-time proactive monitoring, allowing authorities to better detect, explain, and prevent violations in digital commerce. Finally, he highlighted PROFECO's communication strategies, including weekly presentations of QQP data during the Presidential Press Conference and the publication of bi-monthly consumer studies on specific products, reinforcing transparency and public engagement.

1.4. Case studies: Unfair competition cases related to misleading pricing and discounts

Ms. Ching-Yi CHUANG, Specialist at the Department of Fair Competition of the Fair Trade Commission of Chinese Taipei, presented an overview of unfair competition cases related to misleading pricing and discounts, focusing on the legal framework and real-world enforcement experiences under the jurisdiction of the CTFTC. Her presentation centered around Article 21 of the Fair Trade Act, which prohibits any enterprise from making false or misleading representations concerning goods or services, particularly when such claims can influence consumers' transactional decisions.

She began by explaining how the law applies broadly to both goods and services, prohibiting exaggerated or deceptive representations concerning price, quality, content, or related product features. These provisions also apply to situations where businesses advertise discounts without supporting evidence of the original price, or when price comparisons are made using inflated figures. The speaker noted that such practices not only mislead consumers but distort competition, providing unfair advantages to those who misrepresent their pricing strategies.

Ms. Chuang illustrated the scope and enforcement of this legal framework through a series of case studies. In one case, a company promoted an air purifier as having the "lowest market price" at NTD3,360, although the same product was available on a competitor's website for NTD2,970. The CTFTC ruled that the company had misled consumers, resulting in a fine for violating Article 21. Another example involved a router advertised with a 67% discount, based on an inflated original price that was never actually used in sales, also leading to a sanction.

Additional cases highlighted further deceptive strategies. A company advertised a scooter at a "market price" of NTD73,000 but failed to disclose that it was publicly available from the manufacturer for significantly less (NTD47,600) leading to enforcement action and a larger fine.

In another example, a promotion involved a hotel voucher claimed to be worth NTD19,000, when the actual value was only NTD10,300 for weekday stays, with additional surcharges for weekends or holidays. This too was found to be misleading and subject to penalty.

Throughout her presentation, Ms. Chuang emphasized the importance of accurate pricing information in supporting consumer choice and maintaining a level playing field. She noted that the CTFTC's enforcement efforts are crucial for ensuring companies provide truthful advertising and do not manipulate price perceptions. By imposing fines and publicizing these decisions, the CTFTC aims to deter similar practices, encourage corporate compliance, and build consumer trust.

She concluded by reaffirming the CTFTC's commitment to fair competition and transparent advertising in the digital economy, underscoring that Article 21 serves not only as a legal prohibition but as a critical safeguard for consumer rights and the integrity of the marketplace.

Mr. Jesus COQUIS, Director of User Regulation at the Federal Telecommunications Institute (IFT) of Mexico, focused on the increasing complexity of user interaction with online services, particularly regarding the transparency of pricing mechanisms and the treatment of personal data.

Mr. Coquis introduced a digital initiative developed by the IFT: an interactive tool designed to help users better understand and compare the terms and conditions, including privacy policies, of major digital platforms operating in Mexico. This platform responds to concerns over how digital service providers communicate key contractual and commercial information to users, especially when it involves potentially deceptive practices or opaque pricing.

The speaker noted that misleading practices can be exacerbated when users are unaware of how their personal data is collected, stored, shared with third parties, or even retained beyond necessary periods. He pointed out that sensitive data, such as that collected by dating apps or video conferencing services, is often insufficiently protected, and users are rarely informed about GPS or IP-based location tracking mechanisms. Moreover, many platforms lack clear guidelines on data deletion policies, leaving users without recourse.

Through the IFT tool, users can select and compare up to four digital platforms at a time, evaluating aspects such as transparency in data handling, the clarity of terms and conditions, and mechanisms for consent and cancellation. By promoting informed decision-making, this initiative seeks to mitigate risks associated with unfair commercial practices in digital environments, particularly those tied to misleading offers or ambiguous terms related to pricing.

Mr. Abelardo ARAMAYO, Technical Secretary of the Commission on Unfair Competition of INDECOPI of Peru, presented a legal-economic analysis of how deceptive discount practices are

assessed and sanctioned under the Peruvian framework. Building on the regulatory context outlined in previous interventions, Mr. Aramayo focused on the methodological criteria used by INDECOPI to distinguish genuine promotional pricing from misleading practices that distort consumer decisions.

He explained that Legislative Decree 1044 prohibits acts capable of deceiving market participants regarding the price, conditions, or benefits of products or services. Deceptive discounts are typically characterized by the use of inflated or unverified reference prices, which create a false impression of savings.

A key contribution of his presentation was the description of the three-stage methodology used by INDECOPI to evaluate potentially misleading pricing: (i) a content analysis of the advertising message; (ii) a verification of the actual pricing practices in the relevant period; and (iii) an assessment of any discordance between the advertised and real commercial conditions. If the discount is based on a reference price that was never consistently applied, it is deemed deceptive.

To illustrate this, Mr. Aramayo discussed the recent case involving a television advertised at a "promotional price" which, upon investigation, was found to be the regular price. It led to sanctions, reinforcing the obligation that any advertised discount must represent a real and exceptional reduction from the ordinary price.

He also reflected on the broader market impact of such rulings, emphasizing that regulatory enforcement helps restore consumer trust and ensures predictability for businesses. INDECOPI's criteria require that promotions be both exceptional and temporary, and that discounts be calculated based on verifiable pre-promotion prices.

He highlighted that by holding companies accountable for transparent advertising, the Commission safeguards not only individual consumers but also the integrity of the competitive process.

2. Session 2: Best practices and market tools to prevent misleading discounts in the digital economy

2.1. Private sector Perspectives: Insights from agencies, associations and industries

Mr. Gianfranco IPARRAGUIRRE, representative of the Association of International Air Transport Companies (AETAI) of Peru, presented a private sector perspective on misleading pricing and discounts in online shopping. He underscored how these unfair practices undermine transparency, distort competition, erode consumer trust, and ultimately harm both business reputations and the legitimacy of the broader economic system.

The speaker emphasized the need for closer collaboration between regulatory authorities and private actors to prevent deceptive pricing strategies. He highlighted the role of INDECOPI in Peru, pointing to its educational efforts, enforcement activities, and the development of advertising guidelines aimed at promoting transparency and responsible business conduct in promotional campaigns.

He proposed a set of proactive actions for the private sector, including the adoption of internal compliance programs, creation of consumer rights codes of conduct, training for marketing and sales departments, and regular internal reviews of advertising practices. The speaker also encouraged businesses to prioritize voluntary corrective measures and mediation with consumers, to resolve disputes in a constructive and confidence-building manner.

Mr. Iparraguirre concluded by stressing that fostering a competitive and trustworthy digital marketplace benefits both businesses and consumers and is essential for the long-term sustainability of the digital economy.

Ms. Alexandra ESPINOZA, representative of Exporters Association (ADEX) of Peru shared a business sector perspective on the challenges and responsibilities associated with misleading pricing and discount practices in e-commerce. She contextualized her presentation within the exponential growth of digital commerce globally and in Peru, highlighting how the number of online consumers in the economy had surged from 6 million to 20 million by 2023. She noted that large-scale sales events such as Cyber Wow reflect the increasing relevance of online commercial activity, raising new concerns about transparency and fair market practices.

Ms. Espinoza emphasized that deceptive pricing strategies, such as presenting inflated reference prices or failing to disclose key purchase conditions, significantly erode consumer trust and violate legal standards. She highlighted that businesses have a duty to provide clear, accessible, and accurate product information, particularly regarding total price, product availability, and promotional terms.

She referenced real-life enforcement cases in which companies were sanctioned by INDECOPI for presenting misleading promotions—such as suggesting all products in a campaign were discounted when only a few actually were. She noted that INDECOPI oversees compliance with pricing regulations and ensures that promotions reflect genuine economic benefits to consumers.

Ms. Espinoza then outlined a series of practical recommendations for businesses to avoid engaging in misleading pricing. These included clearly stating the total price with all taxes and additional charges, avoiding false “free” offers, ensuring that discount periods and product availability are accurately represented, and refraining from using deceptive reference prices in

promotions. She also addressed the need for companies to uphold due diligence in the communication of pricing and to conduct regular reviews of their advertising strategies.

In conclusion, Ms. Espinoza stressed that fostering accountability, transparency, and compliance with consumer protection standards not only strengthens consumer confidence but also supports a fair and sustainable digital economy.

Ms. Daniela GARCÍA, Legal Solutions Coordinator at Niubox Legal of Peru, presented on ethical pricing strategies and trust-building practices in e-commerce, emphasizing the importance of transparency and the avoidance of manipulative techniques such as dark patterns. She began by outlining the core advantages of e-commerce, including broader accessibility for consumers, lower operational costs for businesses compared to physical stores, and the potential for competitive pricing. She also noted that many online businesses operate directly through social media platforms, facilitating entry into the market.

The speaker stressed that despite these advantages, trust remains a critical barrier for many consumers. Referencing resources like CAPECE (the Peruvian Chamber of E-commerce, which promotes best practices and studies on transparency in digital commerce across the economy) and other studies, she pointed out that consumers often perceive high risks in online transactions, such as misinformation or fraud. In this context, she underscored that building trust through clear and honest communication is fundamental to fostering long-term customer relationships.

Ms. García then addressed best practices in pricing strategies, offering practical do's and don'ts. Among the recommended actions were clearly indicating total and unit prices, displaying both the original and discounted prices when applicable, and itemizing all charges to ensure clarity for consumers. She cautioned against using ambiguous or misleading terms such as "all" or "everything" in promotions that do not apply universally, as well as against using pre-checked boxes that could lead consumers to accept additional services or fees unknowingly. She also highlighted the risks of false urgency, such as promotions claiming limited time offers that are not genuine.

Finally, she explained the concept of dark patterns, design strategies that manipulate users into unintended actions, such as making a purchase or providing consent. Examples included hidden fees, confusing interfaces, or misleading layouts that exploit consumer behavior. Ms. García advocated for a consumer-centric approach in e-commerce, highlighting that businesses should prioritize transparency and ethical conduct to strengthen consumer confidence and ensure sustainable market relationships.

Ms. Alessia LERCARI, representative of Chamber of Commerce of Lima (CCL), participated in the session as a member of the Commission of Digital Transformation and Artificial Intelligence

of CCL. Her presentation addressed the evolving challenges and opportunities within e-commerce, emphasizing the importance of fostering ethical digital transformation and responsible pricing practices.

She stressed that digital platforms, while accelerating access and innovation, must also ensure that transparency and fairness remain guiding principles. Misleading pricing practices—such as inflated reference prices or fictitious discounts—undermine consumer confidence and distort competition. Ms. Lercari highlighted that promoting integrity in pricing is essential to protect both consumers and businesses.

The speaker also reflected on the need to strike a balance between freedom in pricing and legal certainty. While businesses should retain flexibility in setting their prices, this must be done without resorting to practices that deceive or confuse consumers. In this regard, she underscored the importance of a strong regulatory framework that offers both legal clarity and space for innovation.

Furthermore, Ms. Lercari emphasized the proactive role of trade associations such as the Chamber of Commerce of Lima in promoting compliance with domestic e-commerce regulations. Through educational efforts and the dissemination of good practices, these organizations help businesses, especially small and medium enterprises (SMEs), navigate the digital marketplace responsibly. She noted that fostering SME participation in e-commerce requires not only innovation but also legal certainty and institutional support.

In closing, she advocated for regulatory environments that do not impose unnecessary barriers to innovation but instead encourage responsible digital transformation. This, she noted, is key to enabling inclusive, competitive, and trustworthy digital economies in the region.

2.2. Consumers Perspective on misleading pricing and discounts

Ms. Hollie HAMBLETT, Policy Specialist at Consumers International, addressed the consumer association's perspective on the risks and harms of misleading pricing and discount strategies, particularly within digital markets. Representing a global network of over 200 consumer organizations across more than 100 economies, she emphasized the critical need to protect consumers, especially vulnerable ones, from pricing practices that distort informed decision-making and erode market trust.

Her presentation underscored that deceptive pricing tactics, such as inflated discounts, drip pricing, or urgency-based psychological manipulation, not only mislead consumers but also result in financial harm, undermining consumer confidence, and disrupting fair competition. She drew

attention to how such practices disproportionately affect disadvantaged or less digitally literate consumers, thereby exacerbating existing inequalities.

Ms. Hamblett advocated for stronger transparency, greater accountability from businesses, and enhanced regulatory oversight to promote trust in e-commerce. She also highlighted the role of digital innovation in fostering accountability, such as through price verification tools or AI-driven monitoring. Furthermore, she called for collective action between businesses, governments, consumer associations, and platforms to uphold integrity in pricing and build fairer digital marketplaces.

Key Points:

- Protecting Vulnerable Consumers: Deceptive practices, such as false urgency or hidden charges, often exploit the most vulnerable consumers. Ensuring fairness requires both ethical standards and targeted safeguards.
- Consumer Trust and Market Integrity: Clear and transparent pricing builds long-term trust, while misleading promotions damage reputations and consumer confidence.
- Collective Responsibility: Businesses, regulators, and consumer groups must collaborate to ensure fairness, especially in cross-border e-commerce.
- Technology as a Tool for Transparency: Digital solutions, such as price-tracking apps and verification systems, can empower consumers and support compliance efforts.
- Call for Ethical E-Commerce: Ethical standards should be embedded in business practices, regulatory frameworks, and innovation strategies to ensure digital transformation benefits all.

2.3. Public sector Perspectives: Regulatory approaches to misleading pricing and discounts

Ms. Paola ARAGON, Head of the regional office of INDECOPI in Cusco, Peru shared the public sector perspective on best practices and preventive actions to address misleading pricing and discount practices in online shopping platforms. Representing INDECOPI, she emphasized the institution's role not only in sanctioning misleading advertising, but more importantly, in promoting compliance through education, guidance, and supervision.

Her presentation described INDECOPI's multi-pronged approach, which includes preventive actions, monitoring and inspection activities, and, when necessary, administrative procedures. Ms. Aragón explained that at the regional and domestic level, preventive tools are prioritized, such as the dissemination of informative letters and public guidance documents, educational campaigns, and digital publications. She highlighted the use of a dedicated guide developed by INDECOPI to support the supervision of discounts and promotional claims, aiming to prevent practices that may mislead consumers.

In terms of enforcement, Ms. Aragón noted that INDECOPI has the authority to issue corrective measures, impose sanctions of up to 700 tax units (UIT, for is Spanish acronym), and convene conciliation hearings. These tools enable the agency to act efficiently and fairly in protecting consumer rights. She also stressed the importance of legal certainty and timely resolution of cases to prevent businesses from maintaining potentially misleading practices during lengthy proceedings.

Finally, the speaker reaffirmed INDECOPI's commitment to fostering a culture of responsible advertising through ongoing training for both businesses and sector professionals. By promoting voluntary compliance and offering clear procedures for dispute resolution, INDECOPI works to maintain a fair and trustworthy marketplace for all actors involved in ecommerce.

Ms. Cecilia PARKER, International Consumer Protection and Enforcement Network (ICPEN) Misleading Environmental Claims Group leader and Director Consumer Protection of the United Kingdom Competition and Markets Authority (CMA), delivered a detailed presentation on the regulatory challenges surrounding misleading pricing and discount practices, particularly within the context of digital markets.

Ms. Parker focused on two major pricing strategies that often mislead consumers: reference pricing and drip pricing. She explained that reference pricing, commonly seen in "before and after" discount schemes, can create a false sense of savings when the original price has not been consistently applied for a meaningful period. The CMA's guidance recommends that businesses only use a previous price as a reference if the product was genuinely sold at that price for a substantial duration, typically at least three weeks, thus ensuring consumer expectations align with market reality.

The speaker also addressed drip pricing, a practice in which mandatory fees are gradually disclosed throughout the transaction process, particularly common in sectors like travel and airline services. This incremental pricing structure exploits behavioral biases, leading consumers to commit to purchases without full knowledge of the total cost. To combat this, the CMA has issued clear directives requiring that all unavoidable charges be included upfront in the advertised price.

Further, Ms. Parker highlighted the challenges posed by dynamic pricing, particularly in industries such as travel, where prices fluctuate frequently in response to demand or user behavior. This volatility makes it difficult for consumers to compare prices effectively or to judge the legitimacy of discounts and complicates enforcement of reference pricing rules.

She also mentioned the importance of addressing pricing issues in areas where consumers are especially vulnerable, such as funeral services or veterinary care, where decisions are often made under emotional or time pressure. Complex loyalty schemes and misleading unit pricing were

also flagged as problematic, with ongoing work to improve transparency and simplify consumer comparisons.

Ms. Parker concluded by referencing the UK's recent legislative updates through the Digital Markets, Competition and Consumers Act, which strengthen requirements for total price disclosure and consumer protection in online transactions. She emphasized the importance of regulatory adaptability, cross-sectoral initiatives, and behaviorally informed enforcement to better align market practices with consumer expectations.

2.4. Expert experience related to pricing practices and ecommerce

Mr. Daniel CAVERO, representative of the Commission for the Promotion of Peru for Exports and Tourism (PROMPERU), presented the final intervention of the session, focusing on how digital platforms can support transparency and visibility in pricing and services across both international trade and domestic tourism.

He introduced Peru Marketplace, a digital platform developed under the coordination of the Ministry of Foreign Trade and Tourism of Peru (MINCETUR) and PROMPERÚ as part of Peru's internationalization strategy. Designed primarily for B2B interaction, the platform aims to boost the global visibility of Peruvian MSMEs by providing them with free virtual stores, technical support, and digital marketing tools. Mr. Cavero emphasized that the platform was created in response to evolving purchasing patterns—particularly the increasing reliance on digital interaction—and now includes SEO and promotional outreach through Peru's Commercial Offices in over 30 international markets.

The speaker highlighted the scope of Peru Marketplace, which hosts nearly 950 virtual stores representing 94% of MSMEs, featuring more than 6,700 exportable products. In 2023 alone, the platform attracted over 100,000 visits from 79 international markets and received 900 direct inquiries from buyers. He noted that planned promotional activities for 2024 include targeted digital campaigns, email marketing, and enhanced media planning via platforms such as Google and LinkedIn to further increase reach and engagement.

Additionally, Mr. Cavero introduced "Y tú qué planes", a platform launched in 2012 to promote domestic tourism across Peru. Aimed at encouraging Peruvian consumers to explore their economy, the platform provides detailed travel information and offers direct access to tourism service providers. In 2023, it recorded over 10 million website visits and maintains a strong social media presence.

He noted that the initiative allows free participation by travel agencies, lodging providers, and restaurants, offering visibility through digital tools such as WhatsApp contact buttons, search

filters, newsletters, and social media advertising. Through these strategies, PROMPERÚ seeks to inspire travel around key events and festivities, with outreach supported by a nationwide network of regional offices.

Mr. Cavero concluded by reaffirming PROMPERÚ's commitment to leveraging digital platforms to enhance the accessibility, visibility, and competitiveness of Peruvian products and services. Both Peru Marketplace and "Y tú qué planes" exemplify how coordinated public strategies and innovation can strengthen consumer engagement and support economic growth at both the domestic and international levels.

2.5. Closing remarks

Mr. Andrés ESCALANTE, Vice President of the Commission on Unfair Competition of INDECOPI, closed the event by expressing deep appreciation to all participants for their active engagement and valuable contributions. He underscored the relevance of misleading pricing practices in e-commerce, noting their impact on consumers, businesses, and the integrity of digital markets.

He highlighted the discussions held throughout the day, which addressed oversight, sanctions, and best practices from public, private, and consumer perspectives. Mr. Escalante emphasized that consumer protection requires collaboration among regulators, industry, and civil society. He reiterated that effective regulation should be forward-looking, minimal, clear, and enforceable, aimed not at overregulation but at safeguarding competitive markets.

Finally, he encouraged all stakeholders to remain committed to building a transparent, fair, and trustworthy digital economy, where consumers are empowered, businesses act with integrity, and regulatory frameworks support both innovation and compliance. With this call to action, he officially closed the event.

IV. Conclusions

Misleading pricing and discount practices in online commerce undermine consumer trust and distort market competition. These practices range from inflated reference prices and unclear discount terms to complex pricing strategies such as drip pricing and dark commercial patterns.

APEC economies are responding through updated legal frameworks, stronger enforcement mechanisms, and increased cooperation with digital platforms. Competition and Consumer Protection Authorities across the region have shared diverse approaches, including binding precedents, guidance documents, enforcement technologies, and consumer education campaigns.

The private sector plays a pivotal role in fostering transparency. Companies and business associations highlighted the need for internal compliance programs, ethical advertising codes, and greater accountability in digital sales practices to prevent deceptive pricing schemes.

Consumers, particularly in digital environments, require accessible information and tools to make informed choices. Consumer associations emphasized the importance of digital literacy, the recognition of psychological manipulation tactics, and institutional mechanisms to report and sanction unfair practices.

Cross-economy collaboration is essential. Several participants stressed the importance of exchanging information, aligning enforcement priorities, and promoting joint research and capacity-building initiatives within APEC to address common challenges in digital commerce.

V. Recommendations for next steps

Based on the experiences and insights shared during the PPD, the following voluntary recommendations are proposed to strengthen institutional capacity, improve oversight, and support better commercial practices:

For APEC Competition and Consumer Protection Authorities:

- Promote the development of clear, consistent guidelines on reference pricing, discount disclosure, and drip pricing in digital environments.
- Strengthen monitoring systems for misleading practices, using digital enforcement tools to detect and address online advertising irregularities.
- Encourage international cooperation to share investigative techniques, regulatory innovations, and enforcement results in cross-border cases.
- Integrate behavioral insights into the analysis of digital commercial practices to better identify manipulative pricing tactics.

For the private sector:

- Adopt voluntary codes of conduct on transparent pricing and ethical promotions, including commitments to disclose total prices and avoid inflated discounts.
- Train marketing and legal teams in identifying and avoiding misleading discount practices, particularly during major sales events.
- Develop or strengthen internal controls for pricing strategies and advertising content, ensuring alignment with applicable advertising regulatory frameworks.

For APEC as a regional forum:

- Facilitate the continuous exchange of case studies, regulatory experiences, and legal-economic assessments related to misleading pricing and discounts.

- Support research and dialogue on emerging challenges such as dark commercial patterns, AI-driven pricing manipulation, and cross-border enforcement gaps.
- Encourage regional initiatives to promote digital literacy and consumer empowerment in identifying misleading pricing practices.

VI. Annexes

Annex 1: Agenda

Best practices to prevent misleading pricing and discounts and similar practices at online shopping platforms and other types of online sales of goods and services

21 August 2024

OBJECTIVE

The Public-Private Dialogue (PPD) seeks to improve how APEC economies oversee online advertising and resolve cases of unfair competition related to deceptive practices. The goal is to develop better competition and consumer protection policies, leading to fairer pricing and discount practices on online shopping platforms. This, in turn, will enhance the facilitation of e-commerce and contribute to a fair digital ecosystem in the digital economy. Following the workshop, Peru will compile a summary report highlighting the key findings and insights from the discussions.

Sponsoring economies: Australia; Canada; Chile; China; Indonesia; Korea; Malaysia; and The Philippines.

OUTCOMES

1. **Enhanced Understanding:** Participants will gain a deeper understanding of misleading pricing, discounts, and similar practices on online shopping platforms and other online sales channels. They will learn how these practices affect trade flows, economic growth, and sustainability.
2. **Policy Design and Implementation:** Policymakers will strengthen their ability to design and implement effective competition policies specifically tailored for e-commerce. This will lead to better advertising practices and fairer online marketplaces.
3. **Skill Improvement:** Participants will develop improved skills for resolving competition cases related to misleading pricing, discounts, and similar practices in online sales. This includes identifying, analyzing, and addressing unfair competition issues.
4. **Enforcement Capability:** Participants will enhance their ability to enforce measures that prevent misleading pricing, discounts, and similar practices in online sales. This will ensure a fairer and more transparent online marketplace.
5. **Experience and Best Practices Sharing:** Participants will strengthen their capacity to supervise pricing, discounts, and similar practices on online shopping platforms and other types of online sales, benefiting from the collective knowledge of APEC member economies.
6. **Empowerment of Female Participants:** The PPD will increase the capacity of female participants to develop and implement best practices in competition and e-commerce policies, promoting better advertising practices and gender equality in policy development.

Session 1 – Morning (8:30 – 12:15)

TIME	AGENDA ITEM	POC
8:30 – 9:00	Registration	
9:00 – 9:10	Opening remarks: Alberto Villanueva Eslava, Executive President of the National Institute for the Defense of Competition and the Protection of Intellectual Property (INDECOPI) of Peru	Peru
09:10 – 9:30	Consumer protection and e-commerce: Valentina Rivas – Representative of the United Nations Conference on Trade and Development (UNCTAD) (online) **Q & A**	United Nations Conference on Trade and Development (UNCTAD)
09:30-10:40	Oversight of misleading pricing and discounts and similar practices at online shopping and enforcement: - Andrés Herrera Troncoso – National Director of the National Consumer Service (SERNAC) of Chile - Michael Ostheimer – Senior Attorney of the División of Advertising Practices of the Federal Trade Commission of the United States of America - Andrés Calderon – Member of the Specialized Chamber for the Defense of Competition of the National Institute for the Defense of Competition and the Protection of Intellectual Property (INDECOPI) of Peru - Rafael Regla – Head of the International Affairs Department at the Office of the Federal Consumer Attorney (PROFECO) of Mexico **Q & A**	Chile United States Peru Mexico
11:00 – 11:50	Unfair competition cases related to misleading pricing and discounts: - Ching-Yi Chuang – Specialist at the Department of Fair Competition of the Fair Trade Commission of Chinese Taipei - Jesus Coquis – Director of User Regulation at the Federal Telecommunications Institute (IFT) of Mexico - Abelardo Aramayo – Technical Secretariat of the Commission on Unfair Competition of the National Institute for the Defense of Competition and the Protection of Intellectual Property (INDECOPI) of Peru **Q & A**	Chinese Taipei Mexico Peru
11:50-12:10	Official Photo	All participants

Session 2 - Afternoon (14:30 – 17:30)

TIME	AGENDA ITEM	POC
14:30-14:35	Introduction to good practices to prevent misleading pricing and discount at online shopping practices Fiorella Chipana – Legal Officer at the National Institute for the Defense of Competition and the Protection of Intellectual Property (INDECOPI) of Peru	Peru
14:35-15:50	Private sector Perspective: Agencies and Associations - Gianfranco Iparraguirre – Representative of the Association of International Air Transport Companies (AETAI) - Josue Cardenas – Representative of the Interactive Advertising Bureau (IAB) Industries - Alexandra Espinoza – Representative of Exporters Association (ADEX) - Daniela García – Legal Solutions Coordinator at Niubox Legal - Alessia Lercari – Representative of Chamber of Commerce of Lima (CCL) **Q & A**	Association of International Air Transport Companies (AETAI) – Peru Interactive Advertising Bureau (IAB) – Peru Exporters Association (ADEX) – Peru Niubox Legal – Peru Chamber of Commerce of Lima (CCL) – Peru
15:50-16:10	Consumers Perspective: Hollie Hamblett – Policy Specialist at Consumers International **Q & A**	Consumers International
16:30-17:00	Public sector Perspective: - Paola Aragon – Head of the regional office of INDECOPI in Cusco. - Cecilia Parker Aranha - ICPEN Misleading Environmental Claims Group leader and Director Consumer Protection of the United Kingdom Competition and Markets Authority **Q & A**	Peru United Kingdom
17:00-17:15	International organization perspective and expert experience related to pricing practices and e-commerce: Daniel Cavero – Representative of the Commission for the Promotion of Peru for Exports and Tourism (PROMPERU) **Q & A**	Peru
17:15-17:30	Closing remarks:	Peru

	Andres Escalante – Vicepresident of the Commission on Unfair Competition of the National Institute for the Defense of Competition and the Protection of Intellectual Property (INDECOPI) of Peru	

Annex 2: Presentations

Public-Private Dialogue presentations available at:

https://goo.su/hrTVT