Review and Improvement of Consumer Rights Protection under the WeChat Business Model

-- Taking the Seven-day No-reason Return System as an Example

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Abstract

Wechat business is a model in the development of network economy. It has the characteristics of fast information dissemination and simple business model. As an emerging group of online sellers, it has almost no application to the rule of Seven-day unreasonable return and exchange. With the expansion of the influence of wechat merchants, the lack of application of this rule has greatly infringed on the rights and interests of consumers. To promote the standardized development of Seven-day unreasonable return of wechat merchants, it is necessary to improve the law on the definition of wechat subject behavior, improve the supervision system of wechat registration, and build a wechat credit evaluation and dispute resolution mechanism. Starting from the phenomenon of system establishment, from the perspective of law and system, improve the means and methods of standardizing the business behavior of wechat merchants, in order to solve the infringement of consumers' rights and interests caused by the Seven-day unreasonable return system of wechat merchants at this stage, and promote the prosperity and development of wechat merchants and other network economic behaviors in China.

Keywords

Wechat Uotient Model; Seven Day No Reason Return System; Consumerism; Supervisory System.

1. Introduction

The wide use of wechat platform has promoted the emergence and development of wechat business model. According to statistics, by the first half of 2022, the number of Internet users who have opened wechat in China has reached more than 600 million, and this number is still increasing gradually. At the same time, due to the strong social attribute of wechat platform, the continuous expansion of user groups, and the development of practical and convenient functions such as official account applet, wechat's user dependence has been continuously improved. The rapid dissemination of information and the lack of time and space have attracted a large number of individuals and businesses, trying to dig out a new micro business business model and entrepreneurial model under the advantages of this platform. For individuals, individuals add wechat friends or form wechat groups through their wechat accounts, and then link commodity information and publish commodity information to unspecified friends, coupled with experiential introduction and promotion, so as to attract wechat friends to buy. For enterprises, by opening public accounts and attracting wechat users to add their accounts by means of promotions and gifts, they can send commodity publicity information for commodity sales[1]. The wechat platform has strong privacy and relatively low degree of information disclosure. The characteristics of this platform determine that consumers’ rights
and interests are more likely to be infringed when shopping through WeChat. In the analysis of complaints received by the National Consumer Association in 2021, the China Consumer Association specially pointed out that it is difficult for consumers to protect their rights in WeChat transactions. In WeChat transactions, the vast majority of sellers do not support the return and exchange of goods without reason for seven days, and the after-sales service is not in place[2]. This paper will study the application of return and exchange of goods without reason for seven days to WeChat merchants.

2. Definition of WeChat Quotient Model

To explore the improvement of consumer protection system under WeChat business model, we must first clarify what WeChat business model is and its impact on society. In terms of the positioning concept of WeChat, there are broad and narrow senses. In a broad sense, WeChat refers to the mobile small individual sales behavior, that is, taking the individual as the unit, using the multi-dimensional carrier channels derived from the Internet era to apply the traditional marketing model to the new Internet channels, so as to break through the limitations of regional sales. In a narrow sense, it is the WeChat business in the circle of friends in the traditional sense, that is, the online sales behavior of attracting customers by publishing commodity information through the social attributes of the circle of friends through the use of WeChat platform[3]. The research object of this paper is the micro quotient model from a narrow perspective.

Compared with the traditional e-commerce model, WeChat business model is essentially different. Compared with the traditional e-commerce model with commodities as the core, WeChat business model is people-centered, which is no longer limited to obtaining the recognition of consumers through the display and publicity of traditional commodities, but obtains sales benefits with the help of the value relationship between people, supplemented by product introduction and publicity. The development of WeChat business model began in 12 years and has been developed for 10 years. It has expanded from WeChat products, WeChat stores and WeChat business teams to WeChat business model and entrepreneurship model, and gradually formed a WeChat business ecosystem[4]. At the same time, it has also experienced five stages of start, development, prosperity, decline and stable development, which has played an important role in the development of China’s network economy and employment.

3. Derivative Phenomena and Problems of WeChat Quotient Model

From the perspective of sales mode, WeChat business mode belongs to the typical C2C mode in e-commerce. It is carried out by placing orders through direct WeChat transfer of consumers. It is divided into enterprise WeChat business relying on brand development and individual WeChat business. In practice, the first WeChat business relying on brand development generally stipulates that it is applicable to after-sales for seven days (some are shorter, such as 72 hours), but this kind of after-sales only refers to the return and replacement of quality problems within a certain period of time. For those goods that consumers think are not in line with expectations but have no quality problems after receiving them, they cannot return them. The second kind of personal WeChat business, most of which do not support return and exchange. This means that once consumers choose to buy their goods, they can return them only if they can prove that the goods have quality problems, and the reason for this quality problem lies with the seller rather than the buyer[5,6]. If consumers cannot prove the above two points, they can only bear all the risks after the transaction. It is obvious that in this trading environment, it is difficult to protect the legitimate rights and interests of consumers. Among them, the current problems of WeChat business behavior are summarized from the perspectives of legal status, transaction supervision and Seven-day unreasonable return mechanism as follows:
3.1. The Legal Status of Wechat Business Behavior is not Clearly Defined

The discussion on the specific legal status of wechat merchants is still controversial. At present, the theoretical circles and legal norms have not explained and defined the specific status of wechat merchants’ behavior. Does it belong to business behavior or civil behavior? If it is classified as business behavior, wechat merchants must be strictly bound by the law of the people’s Republic of China on the protection of consumers’ rights and interests (hereinafter referred to as the consumer law) when engaging in commodity business activities, and submit relevant information for registration through the trading platform according to law[7]. Only after obtaining the corresponding business qualification can they carry out business sales. If it is classified as a civil act, the act is regulated by the civil code of the people’s Republic of China (hereinafter referred to as the civil code), and the transaction act is bound by the contract.

For the problem of defining the legal status, the author believes that the key to the problem is whether wechat merchants can become operators in e-commerce. The operators mentioned in the consumer law generally refer to natural persons, legal persons and other organizations engaged in commodity production, operation or provision of services. From this definition, we can see that the scope of subjects that can become operators is very wide, and the key point of judgment is whether the business they are engaged in is profitable. There is no doubt that the purpose of wechat trading activities is to obtain profits. Secondly, from the perspective of the development status of wechat merchants, transaction methods and the proportion of transaction quota in the network economy, if wechat merchants’ behavior is not clarified and standardized according to law, it will be detrimental to the development of e-commerce and the stability of China’s economic order. Therefore, it is not inappropriate to define wechat as an operator in the legal sense.

3.2. Wechat Business Transaction Behavior Supervision System is Not Perfect

Wechat is a typical dating platform, which takes communication as its main function. Some subjects use the characteristics of this communication to engage in wechat business behavior. This behavior is not included in the supervision of the third-party e-commerce platform, resulting in the inability of the supervisor to obtain accurate information on wechat business transactions, and then unable to effectively supervise and regulate wechat business behavior.

At the same time, China’s law clearly stipulates that in online shopping, businesses should support the application of the vast majority of goods to return and exchange goods without reason within seven days. However, in the process of the development of online shopping, the application of this rule did not achieve the expected effect of the law. It is not clear how to supervise such non-compliance[8]. On the one hand, as the working department of market supervision and administrative law enforcement in charge of the government, the Administration for Industry and commerce undertakes the responsibility of supervising and managing market transactions, online commodity transactions and related service behaviors. According to the division of China’s administrative functions, the industrial and commercial bureaus at all levels shall manage all kinds of illegal acts in online shopping. However, in terms of the current technological development, it is undoubtedly difficult for the Administration for Industry and commerce to supervise the violations in wechat shopping. On the other hand, Taobao and Jingdong Mall, as third-party platforms for online shopping, consumers can complain on the platform when their rights and interests are infringed, and the website will punish illegal sellers. However, there is a lack of regulation of the third-party platform in wechat shopping. Whether wechat platform should be responsible for the sales behavior of wechat merchants is still a problem to be discussed. In addition, the establishment of wechat behavior system and mechanism is not perfect. Relying on wechat publicity and operation, wechat did not study and formulate an independent wechat operation and management system in terms of registration, after-sales service and management, public opinion supervision, credit rating...
and evaluation, resulting in non-standard wechat transactions and affecting the long-term development of wechat.

3.3. **Seven Days without Reason Return Mechanism is Not Sound**

Wechat merchants cannot legally supervise the authenticity of goods in the process of operation. The goods and services operated by wechat merchants have not passed the certification of the third-party platform. The publicity of products and services is based on the pictures of goods or the feedback information of some consumers after consumption. Consumers cannot distinguish the authenticity of goods and consumption publicity. Some wechat merchants may sell fake and shoddy goods and infringe on the legitimate rights and interests of consumers. At the same time, due to the lack of supervision and dispute resolution mechanism, it is not easy for consumers to complain after purchasing fake goods or low-quality goods, and their legitimate rights and interests cannot be protected, thus affecting the normal economic order.

Under the condition of market economy, businessmen’s psychology of pursuing maximum interests urges them to give up their moral bottom line and take improper means in the process of trading with consumers in order to obtain greater interests. Whether in the consumer law or the measures for the administration of online transactions, the applicable rules for the return and exchange of goods without reason within seven days are stipulated. However, in the process of practice, there are always businesses that exclude the application of this rule for a variety of reasons [9,10]. For example, Taobao Mall clearly stipulates in its rules that the goods sold on the website should be returned and exchanged without reason for seven days and not for seven days. However, there are always some businesses that exclude the application of this rule for various reasons for their own interests, or unilaterally declare that "our goods are allowed to be returned and exchanged within 48 / 72 hours from the date of receipt", which not only violates the provisions of the law, but also infringes on the legitimate rights and interests of consumers. The spontaneity of the market and the profit orientation of market subjects determine that every market subject tries every means to maximize personal interests. The drive of interests leads to market subjects’ unscrupulous behavior, which infringes on the legitimate rights and interests of consumers to varying degrees.

4. **The Realistic Dilemma of the Seven Day Unreasonable Return System**

The newly revised consumer law clearly stipulates the "right of regret" of consumers in long-distance shopping in Article 25. For the first time, it establishes the right of regret system at the legal level, which further protects the legitimate rights and interests of consumers, promotes the legalization of online shopping, creates a good online shopping atmosphere, and is more conducive to the establishment of integrity system [11,12]. However, the provisions of the system are too broad, various concepts lack detailed provisions, and various problems have emerged in the process of protecting consumers' rights. The implementation effect of the new consumer law is not as good as expected, and the realization of the Seven-day unreasonable return system is also facing practical difficulties.

4.1. **Standards for Intact Goods in Unreasonable Return**

According to Article 25 of the new consumer law, the goods returned by consumers shall be kept intact. The business operator shall return the consumption amount to the consumer within seven days from the date of receiving the commodity. Unless otherwise agreed, the return freight shall be borne by the consumer. In specific practice, consumers and businesses have different understandings of the definition of "intact" of goods. Consumers think that the goods are not worn, and only try on or open the goods for inspection is intact, while some businesses think that for specific products, the components of the goods cannot be returned in time, and
the resulting disputes are common. Jiang Tianbo, Secretary General of China Consumer Association, said: "as long as the goods can continue to be sold without damage, the goods are in good condition." However, some unscrupulous shops exploit the loopholes of the law and forcibly interpret the integrity as not using or unpacking, which increases the difficulty of safeguarding consumers’ rights.

4.2. Scope of Application and Procedural Issues of Unreasonable Return
The new consumer law stipulates that, in addition to the four categories of goods listed by it that are legally excluded, other goods that are not suitable for return and goods that are not returned with the consent of consumers at the time of purchase are also not applicable to unreasonable return. In addition, the disclosure clause stipulates that businesses and consumers can agree not to apply the right of regret. However, in practice, there may be situations where businesses think it is applicable but consumers think it is not applicable. Some unscrupulous businesses expand the scope of goods that are not applicable and returned without reason. Moreover, because the provision gives the parties too much room for autonomy, it may be used by businesses, resulting in the difficulty of implementing the right of regret.

At the same time, according to the provisions of the "consumer law", consumers have the right to ask operators for return, repair and replacement of goods and services that do not meet the quality requirements according to relevant regulations and the agreement between the parties. In the absence of relevant regulations and agreements between the two parties, consumers can return goods for seven days without reason; If the consumer fails to deal with it in time within seven days, if it meets the conditions for legal termination of the contract, it can still return the goods. If it does not meet the conditions for legal termination of the contract, it can require the operator to perform the obligations of replacing and repairing the goods or services it has purchased. However, although the provisions give consumers a variety of rights, and then do not explain the specific procedures for safeguarding their rights, resulting in consumers not knowing who to defend their rights and how to defend their rights in the process of safeguarding their rights, which virtually increases the cost and difficulty of safeguarding their rights.

5. Suggestions for Improvement

5.1. Strengthen the Supervision of Wechat Businesses According to Law
The business behavior of wechat merchants is to engage in commodity publicity and sales with the help of the dating platform. This inclusive mode of commodity trading relying on the dating group does not need to be registered. It is a trading mode separated from the e-commerce trading platform and separated from legal supervision. Therefore, while encouraging the innovation of Internet trading mode, China should also standardize the management of this behavior.

Firstly, standardize the development and research of wechat system trading platform. In order to improve various infringement phenomena in wechat and regulate the behavior of wechat merchants, wechat platform should assume the responsibility of providing the real identity information of all kinds of infringers. Accordingly, wechat needs to change its registration mechanism. The current personal wechat account does not have a real name in the front desk and background. In order to strengthen supervision and protect personal information, wechat can change its registration mechanism to a non-real name in the front desk and a real name in the background, that is, users are required to provide their real personal identity information when registering wechat account. In the past, when the rights and interests of buyers were infringed and there was no way to protect their rights, wechat platform was also difficult to provide any help. In the new registration mechanism, the wechat platform will master the real
identity information of all WeChat users, to facilitate consumers' rights protection. Secondly, starting from the root causes, we can consider setting up a special trading platform in the WeChat platform interface, covering registration, registration, trading, supervision and other systems, and setting certain functions. If WeChat friends want to engage in commodity publicity and marketing, they must first enter the relevant systems for registration and improve the information registration system. On the one hand, it can ensure the authenticity and transparency of WeChat information and behavior, and the platform can be effectively supervised. On the other hand, it can also effectively prevent the occurrence of disturbing residents due to too many advertisements.

At the same time, strengthen the regulatory responsibility of mobile internet dating platform providers. Internet dating platform is essentially a social means. Some registered users use this platform to engage in commodity trading. Due to the unclear relevant provisions, the responsibilities of the supervision and management subjects in the process of commodity trading are not clear. WeChat merchants' publicity and business activities rely on the dating platform, which is provided by Tencent. It can be seen from the relevant provisions of the civil code that Tencent has the obligation to supervise the transaction subjects and behaviors. At the same time, according to the relevant provisions of the measures for the administration of online transactions, WeChat basically has the main characteristics of a third-party trading platform. Therefore, Tencent should supervise and manage the behavior of WeChat merchants.

5.2. Improve the Dispute Resolution Mechanism of WeChat Business Behavior

First, enhance consumers' awareness of self-protection. Micro business consumers buy goods according to the advertising and friendly recommendation of the circle of friends. In order to prevent disputes, the author suggests that consumers carefully screen the goods advertised and recommended by friendship in the process of purchasing goods, so as to prevent buying fake and shoddy goods and infringing their own legitimate rights and interests. At the same time, evidence such as shopping vouchers, chat records, remittance and transfer and the seller's name and ID number shall be retained to prevent evidence loss after disputes.

The second is to introduce the consumption arbitration system. Consumer arbitration refers to the dispute and agreement reached between the buyer and the seller, which is submitted to the arbitration institution jointly recognized by both parties for adjustment, and the result of adjustment and award is intermediate and satisfactory to both parties. Compared with litigation procedure, arbitration procedure has the following advantages: first, fairness. The Arbitration Commission is established independently according to law. The exercise of its arbitration power is not interfered by any external force, and the result is not changed according to any external force. Second, voluntary. When the arbitration award is submitted, both parties are voluntary at that time. Third, confidentiality. The arbitration process is not open to the public, and the results are only known to the parties, which is of great significance for safeguarding the parties' rights of privacy, portrait and reputation. Fourth, timeliness. After accepting the request, the arbitration institution shall, in principle, make an award within four months from the date of the formation of the arbitration tribunal, and the award shall be final. If the parties are not satisfied with the arbitration award, they shall not bring a suit in the court. At present, due to the convenience, economy and legal effect of consumer arbitration, many consumers choose arbitration when their rights and interests are damaged. However, it should be noted that applying for arbitration requires conditions. If you want to safeguard your legitimate rights and interests and obtain reasonable economic compensation by arbitration, you should pay attention to these three points: first, there must be an arbitration clause or arbitration agreement between the two parties. Second, the parties shall apply to the arbitration institution with jurisdiction. Third, it should apply within the specified time limit and submit the application on time. When choosing the arbitration procedure, consumers often
do not know to sign the arbitration agreement in advance and are forced to give up the settlement of disputes through arbitration. Similarly, they also give up safeguarding their rights in the arbitration process due to lack of understanding of the arbitration method. Therefore, it is necessary to improve the arbitration mechanism of consumer dispute resolution and popularize arbitration to consumers.

5.3. **Improve the Infringement Complaint Mechanism and Improve Consumers’ Awareness of Safeguarding their Rights**

Under the environment of market economy, it is impossible to eliminate the illegal acts of businesses by means of prior legislation. Just as now, Taobao has clearly stipulated the application of goods return and exchange without reason for seven days, but some businesses still exclude the application of this rule for their own interests. In order to fully protect the rights and interests of consumers, it is necessary to establish an infringement complaint mechanism and broaden the channels for consumers to protect their rights. When businesses have no reason to exclude the application of the return and exchange rules, consumers can of course complain to the administrative department for Industry and commerce. This is not only the way for consumers to protect their rights, but also the way for the administrative department for Industry and commerce to carry out post supervision. Wechat software is a platform for wechat merchants to carry out sales activities. The communication between sellers and buyers cannot be carried out through wechat chat software. Considering that wechat platform does not benefit from the sales process of wechat merchants, it should not bear too much regulatory responsibility. In this process, wechat platform can be entrusted with two responsibilities. On the one hand, wechat platform can formulate relevant wechat trading rules according to the nature of the platform, and explain the application of goods return and exchange without reason for seven days in the rules; On the other hand, in order to facilitate consumers’ rights protection, complaint channels should be established on wechat platform. When consumers receive dissatisfied product baits and businesses refuse to return or exchange goods without reason during the shopping process, consumers can complain through wechat platform. The complaint channel on wechat platform should be associated with the background of the administrative department for Industry and commerce, and finally summarize the complaint information to the background of the administrative department for Industry and Commerce for processing.

At the same time, in order to improve consumers’ awareness of safeguarding their rights, necessary legal publicity should be carried out. Improving consumers’ awareness of rights protection is one of the important measures to curb wechat business violations. Although most consumers are aware of the Seven-day no reason to return or exchange goods, they do not know the scope of application of this provision. However, in the process of shopping, few consumers will take the initiative to ask about the application of the business. Most consumers will communicate with the seller only when they want to return the goods after receiving the dissatisfied goods. At this time, the business will find various excuses or frankly say that the goods they sell do not support the application of Seven-day unreasonable return and exchange, and the interests of consumers have been infringed. Wechat platform can push relevant rules to consumers through its official account, enhance consumers’ understanding of relevant regulations, and inform consumers of relevant rights protection channels, so that consumers can solve in time when their legitimate rights and interests are infringed.

5.4. **Actively Promote the Construction of Wechat Business Integrity Mechanism**

Micro business behavior is an important model of Internet economy, which plays an important role in mass entrepreneurship and promoting economic development. To ensure the legalization of micro business behavior, we should start with legal publicity, social supervision
and the construction of integrity system. First, strengthen the publicity of law popularization and enhance the awareness of legal operation of wechat merchants. Through television, newspapers, Internet and other media means, publicize China’s laws, regulations and policies on e-commerce business registration, standardized operation and responsibility undertaking, advocate wechat business operation according to law, and promote wechat business operation and behavior to embark on the track of legalization. Secondly, establish a wechat credit evaluation mechanism. The credit evaluation system is an important guarantee to ensure the standardized operation of wechat merchants and promote the healthy development of the network economy market. The wechat platform constructs a credit evaluation system and evaluation mechanism according to the characteristics of wechat merchants to assess the law-abiding and fairness of wechat merchants’ business behavior. At the same time, it can also be used as the basic basis for the qualification to engage in wechat merchants’ behavior. It can effectively promote the fairness and fairness of transactions, protect the legitimate rights and interests of consumers, improve the security of wechat transactions, and is conducive to the effective supervision of wechat behaviors by national administrative organs and platforms. Platform providers set up wechat business credit evaluation system, consumers can evaluate according to the goods and services provided by wechat businesses, and regulatory authorities and platform operators can give wechat businesses policy support in advertising, product promotion, store opening, taxation, loans and other aspects according to credit rating, so as to promote the large-scale, systematic and professional development of wechat businesses. The behavior of individuals engaged in wechat business should also be included in the credit evaluation. By connecting major credit rating systems, provide tax and loan policy support to individuals who abide by the law, put illegal operators on the blacklist and restrict them from engaging in online commodity trading. The credit stain formed after assuming criminal responsibility for illegal operation will be published through the e-commerce platform, it can be used as the basic basis for other institutions to determine their credit status.

Finally, improve the wechat credit insurance mechanism. Strengthen the cooperation among wechat merchants, trading platforms and insurance companies. Wechat merchants provide credit guarantee by purchasing commercial insurance for the goods sold. The trading platform provides credit guarantee for wechat merchants to purchase commercial insurance. In case of product disputes between wechat merchants and consumers, commercial insurance companies will pay first to protect the interests of consumers. If wechat merchants and product manufacturers jointly cheat consumers, the platform manager can come forward to negotiate with the insurance company, and the insurance company will first pay consumers’ infringement compensation, and the platform operator can investigate the relevant responsibilities of wechat merchants. The introduction of insurance guarantee mechanism into wechat merchants’ behavior can clarify responsibilities, quantify risks, protect the interests between commodity manufacturers and wechat merchants, eliminate the concerns of some big brand merchants about entering wechat merchants, and promote the multi-channel development of big brand commodities. In addition, the credit system construction of commercial insurance can effectively ensure commodity quality control and risk prevention and control, provide safe and reliable credit guarantee for product manufacturers, wechat merchants and consumers, and realize the win-win situation of wechat merchants, consumers and platform operators.

6. Conclusion
The popularization of the Internet has not only driven the development of informatization, but also promoted the reform of economic development model. E-commerce is an important model for the development of network economy, and wechat quotient is an important means for the development of network economy. From the perspectives of normative development and entity
evolution, it can be found that as a new thing, the contradiction between businessmen's pursuit of profit maximization and the protection of consumers' rights and interests occurs frequently. As an important part of online shopping behavior, consumer after-sales service has been ignored for a long time. If wechat merchants want to continue to develop, they must solve the non-compliance problems. At the same time, with the further development of the Internet, the network economic model will be constantly explored and innovated. A large number of wechat merchants ruled out the application of unreasonable return and exchange rules, which greatly infringed on the legitimate rights and interests of consumers. At present, by clarifying the nature of the wechat business model and the derivative phenomena and problems of the wechat business model, and clarifying the practical dilemma of the Seven-day unreasonable return system, we should constantly improve and improve the legal system according to the problems existing in the business process of wechat business, solve the problems with laws, systems and mechanisms, suit the remedy to the case, and take multiple measures to encourage continuous exploration and innovation of network economic means, so as to promote the prosperity and development of network economy, Guide the development of new network economic models such as wechat business to legalization and ecology.

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