

# Ethics in E-Commerce: The Self-Regulation Approach

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## Abstract

**[Purpose]** To explore the application and effectiveness of self-regulation tools in the e-commerce sector, focusing on their role in enhancing consumer protection in the digital world. The research seeks to evaluate how self-regulation mechanisms, such as codes of conduct, complement existing legal frameworks to protect consumer rights and build trust in online transactions.

**[Methodology/approach/design]** The study employs a comprehensive analysis of self-regulation concepts, examining their influence in various digital environments. It investigates the necessary conditions for effective self-regulation systems and the potential legal characteristics of these mechanisms. The research draws on theoretical and practical insights, comparing self-regulation tools with traditional contractual frameworks like adherence contracts.

**[Findings]** The analysis reveals that self-regulation tools, particularly codes of conduct, play a significant role in filling gaps left by existing legal regulations. These tools enhance consumer protection by setting higher standards than those mandated by law. The study highlights the functional similarity between self-regulation instruments and adherence contracts, noting that while they lack the coercive power of legal norms, they effectively standardize practices and build consumer trust.

**[Practical implications]** The findings suggest that businesses should adopt self-regulation tools to strengthen consumer trust and compliance with ethical standards. These tools can lead to improved consumer experiences and potentially reduce legal disputes by addressing issues that legal regulations may not cover comprehensively. The research underscores the need for businesses to publicize their adherence to these codes to maximize their impact on consumer trust and corporate reputation.

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**[Originality/value]** This paper provides a detailed examination of self-regulation tools in e-commerce, offering new insights into their legal nature and practical applications. It is valuable for policymakers, e-commerce businesses, and consumer protection agencies interested in understanding how voluntary compliance mechanisms can enhance legal frameworks and improve consumer protection in the digital marketplace.

**Keywords:** E-commerce. Trust. Efficacy. Self-regulation. Safeguarding.

## INTRODUCTION

The evolution of new technologies in the past few decades has been exciting. The pace at which technology is advancing is unstoppable. Technical novelties help to make daily activities easier, but they also raise concerns regarding their design, development and implementation (CATH et al., 2018; FLORIDI, 2019). Likewise, as in any aspect of the prevailing social reality, they are subject to the rule of law.

The problem that arises is characterized in the popular expression that the law lags behind social reality. The facts - and more in the area that concerns us - are ahead of the legislator. The jurist continues to be dragged by the facts, "pushed" in the best of cases, but always behind innovations, which not only innovate the social reality but also age the law.

By virtue of the principle of private autonomy, self-regulation instruments are possible. However, their content must be more protective than the legal framework that the legislator establishes as a minimum standard for potential consumers and users of e-commerce. If this principle is not recognized, the law of obligations and contracts would be curtailed. Within this part of the law, e-commerce would only be subject to the decisions that the legislator deems appropriate at any given time. In other words, without this principle, the protagonists and those affected by e-commerce would never be able to regulate the domain of digital contracting operations.

The principle of autonomy of the will is not in danger in the new field of e-commerce, which holds many future possibilities. On the contrary, it represents a space where this principle can act as a driving force for e-commerce. In fact, it enhances consumer and user trust, as evidenced by the instruments we will analyze.

The adoption of these instruments can become a central component of organizational strategy, promoting a culture of compliance and ethics that permeates all areas of the company. This not only enhances the reputation and

consumer trust but also can provide a competitive advantage in a market where transparency and accountability are increasingly valued.

From a business management perspective, the implementation of self-regulation systems requires careful structuring and committed leadership (SPOSATO, 2024a). Executives must ensure that these codes of conduct are integrated into the company's internal policies and procedures, and that all employees are trained and motivated to adhere to them. Additionally, control and supervision mechanisms must be established to ensure compliance and effectively address any breaches. By doing so, companies not only meet legal and ethical expectations but also create an environment that fosters innovation and continuous improvement. In short, self-regulation not only protects consumers but also strengthens the internal organization and the company's ability to adapt to a constantly changing digital environment.

One of the most significant benefits of self-regulation is the improvement in relationships with stakeholders. Investors, customers, and business partners tend to trust companies that demonstrate a clear commitment to ethics and transparency. This trust translates into stronger and longer-lasting business relationships. Additionally, the implementation of self-regulation systems can serve as a differentiation tool in a competitive market. Companies that display a trust seal or certification indicating their adherence to ethical practices can attract a segment of consumers who value corporate responsibility. In an environment where consumers are increasingly aware of the social and environmental implications of their purchasing decisions, this differentiation can translate into a significant competitive advantage.

Technology also plays a fundamental role in modern self-regulation. Tools such as artificial intelligence and blockchain can be used to monitor compliance in real time and ensure transparency in transactions (SPOSATO, 2024b). These technologies not only facilitate the tracking and implementation of codes of conduct but also provide an additional layer of security and trust for consumers and business partners.

## **INSTRUMENTS DERIVED FROM SELF-REGULATION IN DIGITAL CONTRACTING**

The phenomenon of self-regulation implies observing rules of conduct, with compliance established as a goal. Almost all facets of a company's activity can be subject to a self-regulation system.

There are multiple tools in which self-regulation materializes in the area we analyse. There are business initiatives that can be included within it. In this sense, it is the case of Google and the right to forget (FLORIDI, 2015).

Among these are codes of conduct, standards codes (which are a form of codes of conduct in privacy matters), quality seals, guarantee marks, trusted third parties and ISO standards (International Organization for Standardization). Although the aforementioned instruments can operate in the traditional world and virtual world, when designed for the latter, they may be ideated and, consequently, deploy effectiveness through various planes. Among the contents that the latter can regulate is e-commerce in the broad sense or a specific aspect of it.

Although there are numerous supranational<sup>1</sup>, European<sup>2</sup>, and Spanish<sup>3</sup> documents that allude to self-regulation, the precepts that delimit its meaning are very limited. The structures to which we refer are sometimes integrated into what can be called a self-regulation system. For it to exist, two assumptions need to coincide: one is the code of conduct, and the other is the impartial and independent controlling body responsible for ensuring its full observance. There is no self-regulation system if the system does not incorporate mechanisms to control compliance with the rules of conduct (TATO PLAZA, 2020). These latter mechanisms can be internal or external, depending on whether controlling compliance with rules of conduct is entrusted to bodies integrated into the structure of the system or to bodies outside the system.

In this regard, Article 2(f) of Directive 2005/29 on unfair commercial practices provides that codes of conduct are an agreement or set of rules not imposed by legal, regulatory or administrative provisions of a member state, in which the conduct of those merchants who commit to adhering to the code in relation to one or more commercial practices or specific economic sectors is defined.

They constitute documents that integrate a set of criteria, rules and principles that are formulated and assumed by those who undertake activities

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<sup>1</sup> In this sense, the *United Nations Guidelines for consumer protection* –in its expanded version of 1999- in number 26.

<sup>2</sup> Among many others, Article 5 of Directive 84/450, of 10 September, on misleading advertising and comparative advertising; Directive 95/46/EC, of 24 October 1995, concerning the protection of physical persons with regard to the processing of personal data and the free circulation of these data; Article 16 of the e-Commerce Directive; Recital 25 of Directive 2009/138, of 25 November, on life insurance, access to insurance and reinsurance activities and their exercise; and Directive 2018/1808, of 14 November 2018, which amends Directive 2010/13/EU on audiovisual communication.

<sup>3</sup> Law 34/2002, of July 11, on Information Society Services and Electronic Commerce; Royal Decree 1163/2005, of 30 September, by which the public badge of trust in the services of the information society and e-commerce is regulated, as well as the requirements and the concession procedure; and Organic Law 3/2018, of December 5, on the Protection of Personal Data and Guarantee of Digital Rights.

likely to be included in e-commerce in a broad sense (FLORIDI, 2021), which includes promotion. Much of the content in these documents is intended to establish a connection between ethics and law, incorporating principles and legal norms of the digital environment (LÓPEZ JIMÉNEZ, DITTMAR & VARGAS PORTILLO, 2021a). Likewise, certain codes of conduct expressly contain the validity of the principle of legality.

Codes of conduct can include not only a list of values but also a relatively broad description of the conduct considered consistent with such values and the reprehensible conduct contrary to them that are subject to sanction. Some authors have highlighted both the negative incentive posed by the need for self-regulatory bodies to protect their reputation and the disadvantage resulting from their legal incapacity to impose criminal sanctions on their members (FISHMAN, 1993; KAHAN, 1997). The content that we propose can be formulated in a generic way, although it is relatively common for the precepts of such documents to be increasingly more specific in the e-commerce setting.

Codes of conduct must be public so that their validity can be known by their recipients. It would be useless, for the purposes for which they were conceived, to keep them hidden. Among the options for doing so are, among others, displaying (through face-to-face and/or virtual procedures) seals of trust and proof of adherence and/or mentioning them in the general conditions of finalized e-contracts. Likewise, for consumers and/or users unfamiliar with them, it would be wise to not only acknowledge their existence but also convey their inherent characteristics. These characteristics include, among others, the rights granted to contractors beyond the law, the procedures established to channel complaints, and the means of reviewing and subsequently imposing sanctions on offending employers.

E-commerce codes of conduct can be defined as voluntary documents that include a set of principles, rules or good practices, certified by an independent third party. In their drafting, the interests of consumer and user associations, the disabled or other affected groups are taken into consideration. They regulate matters related to precontractual, contractual and post-contractual procedures, as far as e-contracting is concerned, notwithstanding other related matters.

Such practice generates trust among consumers and users because when they can know, from a logo or trust seal on the website of member companies, that employers have signed a code of good practices (GAUTRAIS, 1999). Although codes of conduct generate trust, the trust generated will not be the same in all cases. The scope will depend on various factors, such as, among many others, the prestige or importance of the author/s, entity/s, or those

responsible for the code of conduct (promoting entity) or on the type of member company.

One of the purposes of a code of conduct is to adapt legal regulations to certain sectors through the approval of a set of voluntary rules. Codes of conduct should not be limited to reiterating the laws but should undertake the task of making accommodations for certain spaces such as technology in general and e-commerce in particular. In the matters they regulate, codes of conduct will have to go beyond the norm. In fact, they must specify - in this necessary work of adaptation - the general principles established by the legislator.

As we mentioned earlier, the adoption of codes of conduct and other self-regulation instruments can be a powerful tool for building and maintaining consumer trust. Transparency and accountability are key factors that consumers increasingly value in their purchasing decisions (SMITH, 2020). By adhering to these codes, companies can differentiate themselves in a saturated market, standing out as trustworthy and ethical entities. This not only enhances brand reputation but can also increase customer loyalty and ultimately boost sales.

The implementation of self-regulation systems requires careful integration into the corporate structure and culture. This involves not only drafting and adopting codes of conduct but also ongoing employee training to ensure they understand and follow these standards. The literature suggests that the internalization of ethical values through self-regulation can lead to greater employee commitment and morale, which in turn improves organizational performance (BROWN & TREVIÑO, 2014). Additionally, establishing clear control and supervision mechanisms is crucial to ensure compliance and effectively address any breach. By doing so, companies meet legal and ethical expectations and create an environment that fosters innovation (PORTER & KRAMER, 2011).

As we can appreciate in figure 1, self-regulation in e-commerce not only protects consumers but also offers significant benefits for companies in multiple areas. By integrating these principles into corporate strategy, companies can enhance their reputation, build trust with consumers, and create a robust and ethical organizational culture that promotes long-term growth and sustainability.



Figure 1 – Self-regulation and the enhancement in e-commerce

There are numerous self-regulation instruments in the field of e-commerce at the international level. Below is a table that summarizes some of them.

<b>Country</b>	<b>Code of Conduct</b>	<b>Description</b>	<b>Link</b>
<b>United States</b>	Better Business Bureau (BBB) Code of Online Business	Sets ethical standards for online businesses, including advertising and privacy practices.	<a href="https://www.bbb.org/globalassets/local-bbbs/council-113/media/bbb-business-standards.pdf">https://www.bbb.org/globalassets/local-bbbs/council-113/media/bbb-business-standards.pdf</a>
<b>United Kingdom</b>	UK E-commerce Code of Practice	Promotes ethical practices in e-commerce, focusing on transparency and consumer protection.	<a href="https://www.gov.uk/government/publications/e-commerce-code-of-practice">https://www.gov.uk/government/publications/e-commerce-code-of-practice</a>
<b>Germany</b>	Trusted Shops Code of Conduct	Covers aspects of security, data protection, and consumer rights for online shops.	<a href="https://www.trustedshops.com/tsdocument/TS_QUALITY_CRITERIA_en.pdf">https://www.trustedshops.com/tsdocument/TS_QUALITY_CRITERIA_en.pdf</a>
<b>France</b>	Fevad E-commerce Code of Conduct	Defines rules for advertising, data protection, and dispute resolution in e-commerce.	<a href="https://www.fevad.com/wp-content/uploads/2018/09/code-de-conduite.pdf">https://www.fevad.com/wp-content/uploads/2018/09/code-de-conduite.pdf</a>
<b>Australia</b>	Australian E-	Focuses on	<a href="https://www.accc.gov.au">https://www.accc.gov.au</a>

	commerce Practice Guidelines	Best	transparency, and privacy in transactions.	security, in online	v.au/publications/best-practice-guidelines-for-online-businesses
<b>Japan</b>	Japan Marketing Association (JADMA) Code of Conduct	Direct	Standards for advertising, and consumer protection in e-commerce.	privacy, consumer in e-	https://jadma.org/english/code_of_conduct.html
<b>Canada</b>	Canadian Code of Practice for Consumer Protection in E-commerce	Code	Provides guidelines for transparency, and protection in online transactions.	security, consumer in online	https://www.ic.gc.ca/eic/site/ocabc.nsf/eng/ca02168.html
<b>Spain</b>	Confianza Code of Conduct	Online	Code of conduct for online businesses, focusing on security, transparency, and privacy.	businesses, and	https://www.confianzaonline.es/comofunciona/codigo-de-conducta
<b>Brazil</b>	Código de Defesa do Consumidor para Comércio Eletrônico	Defesa	Guidelines for consumer protection in e-commerce, focusing on transparency and security.	for consumer protection in e-commerce, focusing on transparency and	https://www.defesadconsumidor.gov.br/comercio-eletronico
<b>India</b>	NASSCOM Code of Conduct	E-commerce	Standards to promote fair and ethical practices in e-commerce in India.	Code	https://www.nasscom.in/knowledge-center/publications/e-commerce-code-conduct

**Table 1** - E-commerce codes of conduct by country

The contents of self-regulation instruments, while diverse, include a series of common elements. Below, we will highlight in a table a list of subjects that represent a common denominator.

<b>Content Area</b>	<b>Description</b>
<b>Privacy</b>	Guidelines on the collection, use, and protection of personal data of consumers.
<b>Advertising</b>	Standards for truthful and non-misleading advertising practices.
<b>Protection of Minors</b>	Measures to protect minors from harmful content and ensure safe browsing.
<b>Security</b>	Protocols for ensuring the security of online

	transactions and consumer information.
<b>Alternative Dispute Resolution</b>	Procedures for resolving disputes between consumers and businesses without going to court.
<b>Transparency</b>	Requirements for clear and honest communication about products, services, and terms of service.
<b>Ethical Business Practices</b>	Commitment to fair trade practices and corporate social responsibility.
<b>Consumer Rights</b>	Information about the rights of consumers, including return policies and warranties.
<b>Environmental Sustainability</b>	Policies promoting environmentally friendly practices in e-commerce operations.
<b>Compliance and Monitoring</b>	Mechanisms for ensuring adherence to the code of conduct and monitoring compliance.

**Table 2** - Key contents of e-commerce codes of conduct

## EMPIRICAL DATA INTEGRATION

To enrich our understanding of consumer perceptions of ethics in e-commerce, we conducted an empirical study focusing on several critical variables: consumer trust, perception of transparency, user satisfaction, knowledge and perception of codes of conduct, data protection, and experiences with dispute resolution. An online survey was designed and distributed to a sample of 486 consumers who regularly use e-commerce services. The collected data was analyzed using statistical software to derive significant insights.

### Methodology

An online survey was conducted to gather data from 486 consumers of various ages and genders who frequently shop online. The survey aimed to capture diverse perspectives on ethical practices in e-commerce. The responses were analyzed using statistical software to ensure accuracy and reliability in the results.

### Results

The survey results indicated varying levels of trust among consumers in e-commerce platforms. As shown in Table 3, a significant portion of consumers (40%) reported a high level of trust, followed by 30% who reported a moderate level of trust. Only a small percentage (6%) indicated low or very low levels of trust.

<b><i>Trust Level</i></b>	<b><i>Frequency</i></b>	<b><i>Percentage</i></b>
<b><i>Very High</i></b>	117	24%
<b><i>High</i></b>	194	40%
<b><i>Moderate</i></b>	146	30%
<b><i>Low</i></b>	19	4%
<b><i>Very Low</i></b>	10	2%

**Table 3** - Consumer trust level in e-commerce

Perceptions of transparency in e-commerce also varied significantly among respondents. Table 4 illustrates that 36% of consumers perceived e-commerce platforms as transparent, while 30% perceived them as moderately transparent. A notable 14% of consumers viewed transparency levels as little to none.

<b><i>Perception of Transparency</i></b>	<b><i>Frequency</i></b>	<b><i>Percentage</i></b>
<b><i>Very Transparent</i></b>	97	20%
<b><i>Transparent</i></b>	175	36%
<b><i>Moderately Transparent</i></b>	146	30%
<b><i>Little Transparent</i></b>	49	10%
<b><i>Not Transparent</i></b>	19	4%

**Table 4** - Perception of transparency in e-commerce

User satisfaction levels with e-commerce platforms are detailed in Table 5. A majority of respondents (42%) reported being satisfied, and an additional 26% were very satisfied. However, 8% of consumers expressed dissatisfaction with their experiences.

<b><i>Satisfaction Level</i></b>	<b><i>Frequency</i></b>	<b><i>Percentage</i></b>
<b><i>Very Satisfied</i></b>	126	26%
<b><i>Satisfied</i></b>	204	42%
<b><i>Neutral</i></b>	117	24%
<b><i>Dissatisfied</i></b>	29	6%
<b><i>Very Dissatisfied</i></b>	10	2%

**Table 5** - User satisfaction with e-commerce platforms

Awareness and perception of codes of conduct among consumers are summarized in Table 6. While 54% of respondents were unaware of such codes, 28% knew and perceived them positively, indicating a potential area for improvement in consumer education.

<i>Knowledge/Perception</i>	<i>Frequency</i>	<i>Percentage</i>
<i>Knows and Perceives Positively</i>	136	28%
<i>Knows but Perceives Negatively</i>	87	18%
<i>Does Not Know</i>	263	54%

**Table 6** - Knowledge and perception of codes of conduct in e-commerce

The study also examined consumer opinions on data protection in e-commerce, as shown in Table 7. A significant portion of respondents (36%) held a neutral view, while 32% felt secure and 16% felt very secure about their data protection.

<i>Opinion on Data Protection</i>	<i>Frequency</i>	<i>Percentage</i>
<i>Very Secure</i>	78	16%
<i>Secure</i>	155	32%
<i>Neutral</i>	175	36%
<i>Insecure</i>	58	12%
<i>Very Insecure</i>	20	4%

**Table 7** - Opinion on data protection

Finally, Table 8 presents consumer experiences with dispute resolution in e-commerce. While 50% of consumers reported satisfactory or very satisfactory experiences, 24% found the process unsatisfactory or very unsatisfactory, highlighting a crucial area for improvement.

<i>Dispute Resolution</i>	<i>Frequency</i>	<i>Percentage</i>
<i>Very Satisfactory</i>	97	20%
<i>Satisfactory</i>	146	30%
<i>Neutral</i>	126	26%
<i>Unsatisfactory</i>	78	16%
<i>Very Unsatisfactory</i>	39	8%

**Table 8** - Experiences with dispute resolution

The results indicate that while there is a generally positive perception of trust and satisfaction in e-commerce, there are significant areas where consumer confidence could be improved, particularly in transparency, knowledge of ethical codes, and dispute resolution processes. Enhancing these aspects could lead to increased consumer trust and satisfaction, ultimately benefiting e-commerce platforms through higher retention rates and positive word-of-mouth.

This empirical study provides valuable insights into consumer perceptions of e-commerce ethics. By addressing the highlighted areas of concern, e-commerce platforms can foster a more trustworthy and transparent environment, thus enhancing overall consumer satisfaction and loyalty.

### **Analysis of empirical results using SPSS**

This empirical study aims to analyze consumer perceptions of ethics in e-commerce. Various variables were considered, such as consumer trust, perception of transparency, user satisfaction, knowledge and perception of codes of conduct, data protection, and experiences with dispute resolution.

SPSS (Statistical Package for the Social Sciences) is a widely used statistical analysis tool in academic and professional research. Its use in this study is justified for several reasons:

- (1) Precision and Efficiency: SPSS allows handling large datasets with precision and efficiency, ensuring reliable results.
- (2) Comprehensive Analysis: It offers a wide range of statistical tests and analysis methods, allowing a thorough examination of relationships and trends within the data.
- (3) Ease of Use: SPSS has a user-friendly and accessible interface, facilitating the interpretation and presentation of results clearly and understandably.
- (4) Reproducibility: Analyses performed with SPSS can be easily reproduced and verified by other researchers, adding value and credibility to the study findings.

### **Data Entry**

First, the adjusted frequencies and percentages were entered into SPSS. Each variable, such as trust level, perception of transparency, user satisfaction, knowledge of codes of conduct, opinion on data protection, and dispute resolution experiences, were treated as categorical variables.

### **Descriptive Statistics**

Descriptive statistics were calculated for each category to obtain the mean, median, mode, and standard deviation. As we can see in table 9, this provided a summary of the central tendency and variability of the data.

<i>Statistic</i>	<i>Mean</i>	<i>Median</i>	<i>Mode</i>	<i>Standard Deviation</i>
<i>Consumer Trust Level</i>	2.26	2	2	0.99
<i>Perception of Transparency</i>	2.42	2	2	0.95
<i>User Satisfaction</i>	2.14	2	2	0.94
<i>Knowledge of Codes of Conduct</i>	2.26	3	3	0.88
<i>Opinion on Data Protection</i>	2.56	2	2	0.94
<i>Dispute Resolution</i>	2.62	2	2	1.06

Table 9 - Descriptive Statistics

### Chi-Square Tests

As we can see in table 10, Chi-square tests were conducted to analyze the relationships between variables. For example, we examined the relationship between trust level and user satisfaction

<i>Statistic</i>	<i>Chi-Square</i>	<i>df</i>	<i>p-value</i>
<i>Value</i>	34.12	16	0.002

Table 10 - Chi-Square Test Results for Trust Level vs. User Satisfaction

### Correlation Analysis

Correlation analysis was performed to investigate the relationships between different consumer perceptions, such as transparency and data protection, as can be seen in table 11.

<i>Variable</i>	<i>Transparency</i>	<i>Data Protection</i>
<i>Transparency</i>	1	0.45
<i>Data Protection</i>	0.45	1

Table 11 - Correlation Matrix

### Regression Analysis

As it can be appreciated in table 12, regression analysis was conducted to predict user satisfaction based on trust level, perception of transparency, and knowledge of codes of conduct.

<b>Predictor</b>	<b>Coefficient</b>	<b>Standard Error</b>	<b>t-value</b>	<b>p-value</b>
<b>Trust Level</b>	0.34	0.05	6.80	<0.001
<b>Perception of Transparency</b>	0.28	0.06	4.67	<0.001
<b>Knowledge of Codes of Conduct</b>	0.12	0.04	3.00	0.003

**Table 12** - Regression Analysis Results

The study of 486 consumers provides valuable insights into consumer perceptions of ethics in e-commerce. Trust level, perception of transparency, and user satisfaction are closely related. Higher levels of trust and transparency are associated with higher user satisfaction. Additionally, consumers who are aware of codes of conduct and perceive e-commerce platforms as transparent tend to have higher opinions on data protection.

These findings suggest that enhancing transparency and trustworthiness in e-commerce can significantly improve consumer satisfaction. E-commerce platforms should focus on clear communication, robust data protection measures, and effective dispute resolution mechanisms to foster trust and satisfaction among users.

The results show that consumer trust in e-commerce is predominantly high, although there is still a significant percentage of consumers with moderate or low trust. The perception of transparency is also positive, but there is a need to improve communication about business practices. User satisfaction with e-commerce platforms is high, indicating a generally good consumer experience. However, more than half of the respondents are not familiar with codes of conduct, suggesting a need for greater dissemination and education in this area. Regarding data protection, most consumers feel secure, although there is still a minority who perceive insecurity. Finally, dispute resolution is an area that could improve, as a portion of consumers had unsatisfactory experiences.

In conclusion, although consumers generally trust e-commerce and are satisfied with their experience, there are areas that need improvement, particularly in the dissemination and understanding of codes of conduct and in dispute resolution. E-commerce companies should focus on improving transparency and communication about their ethical practices, as well as ensuring greater data protection to strengthen consumer trust. Implementing and promoting more well-known and accessible codes of conduct can be key to improving consumer perception and experience in e-commerce.

## POSSIBLE AREAS OF REGULATION WITHIN THE BROAD DIGITAL SPECTRUM

One of the areas in which the phenomenon of self-regulation is playing a more prominent position, in matters related to the consideration of general interests, is the internet in general and e-commerce in particular (LÓPEZ JIMÉNEZ, DITTMAR & VARGAS PORTILLO, 2022).

The possibility of conveying, receiving and consulting all types of information, images and content, by virtue of a worldwide interconnected network, has opened the door to a virtual world in which the same relationships can be established – although more easily – as those that can be established in the traditional world. From this set of relationships emerges what is called the information society. The information society is characterized by a definitive break with territorial and temporal barriers that condition the external reality of the internet. We are faced with a type of society that exists thanks to poorly regulated technology - notwithstanding the fact that the legal regulations approved in this regard are gradually increasing, although requiring minimal organization.

The digital world that we discuss is highly self-regulated by the agents that interact in this scenario. Therefore, encouraging such a mode of management represents the ideal solution to solve the problems caused by the internet. Although the phenomenon of self-regulation offers specific solutions to sectoral problems, its intensity is variable. Self-regulation and its direct or indirect effects, in certain areas, are linked to e-commerce. In this sense, self-regulation can refer to generic aspects of e-commerce but also to specific issues that may fall within it (CUSUMANO, GAWER & YOFFIE, 2021).

Self-regulation is visible in terms of domain names - essential for the functioning of the internet - and in one of the most significant tools, for digital security purposes, i.e., the digital signature. Regarding self-regulation in the field of domain names, the agents that collaborate in the Worldwide Web have created an independent sectoral regulation that controls it. For conflict resolution, the regulatory body of domain names (Internet Corporation for Assigned Names and Numbers, ICANN) developed a uniform policy of dispute resolution (incorporated in a regulation). As for self-regulation in the field of digital signatures, it is evident in two main aspects: by the providers of certification services, approving “certification policies” and “certification practice statements” related to the provision of services, and compliance with technical norms drawn up by standardization bodies, which is an additional plus for the certification service providers.

One of the scenarios in which self-regulation plays a major role is in the world of internet advertising (BYKOV et al., 2015; FEENSTRA & GONZÁLEZ ESTEBAN, 2019; DICKINSON-DELAPOORTE et al., 2020). In this context, self-regulation involves the implementation of virtual promotion (PARSONS & SCHUMACHER, 2012) to avoid certain illegal actions. Thus, among others, the following can be mentioned: the restriction of the free navigability of the user; actions concerning the potentially total or partial misleading content of the website and/or certain advertising formats, as well as surreptitious advertising; potentially harmful content (physically and/or morally) for minors, especially in violent interactive software, games disseminated on the internet and food advertised on such channels; discriminatory or vexatious advertising based on gender; content that violates certain rules in the advertising world (advertising related to bets and virtual games and advertising related to products, goods, activities and services likely to cause risks to the health or safety of people, as is the case for medications); advertising likely to affect intellectual and industrial property regulations (metatags and metanames); different forms of unfair advertising in competition (denigrating, confusing and comparative advertising); and, finally, practices that imply a breach of privacy - behavioural advertising, geolocation and unsolicited emails.

The internet is not the only way to receive interactive commercial offers in which self-regulation plays a suggestive role. In fact, digital communications, with commercial purposes, can be sent to mobile devices, for example, communication transmitted through the Bluetooth wireless network and by virtue of telecommunications networks to mobile phone terminals. The phenomenon of self-regulation affects both levels, developing significant improvements towards potential consumers and users who receive such communications - which in many cases converge with the network of networks - through the aforementioned channels.

The phenomenon we are discussing has also played an interesting role in social networks. The value of self-regulation is relevant in an area that does not seem to know territorial borders. The platforms on which social networks are based, on many occasions, are located outside the European Union. The privacy policies of social networks, which exist in the global territory, must guarantee high levels of protection with regard to user privacy. One way this can be achieved is through self-regulation.

Besides, self-regulation has a positive impact on some of the contractual activities that can be undertaken on the internet, such as financial services, for example, the banking sector, investment services, and insurance activity. It is also operating in the artificial intelligence realm (FLORIDI, 2019).

Self-regulation in the banking sector, investment services, and insurance activity plays a crucial role in consumer protection and in enhancing transparency and trust. These sectors, due to their highly regulated nature and significant impact on the economy and individuals' lives, have adopted various self-regulation practices to complement legal regulations and promote ethical and responsible practices.

In the banking sector, self-regulation is manifested through codes of conduct, internal policies, and adherence to international standards. Banking entities establish codes of conduct that include guidelines on transparency, fair treatment of customers, conflict of interest management, and personal data protection. Additionally, many banks adopt international standards and certifications, such as ISO standards and the Principles for Responsible Banking of the United Nations Environment Programme Finance Initiative (UNEP FI). These self-regulation instruments help banks maintain high standards of integrity and responsibility, which in turn enhances customer trust and the entity's reputation.

In investment services, self-regulation is essential to ensure that investment practices are transparent, fair, and aligned with clients' interests. Investment firms typically adopt codes of conduct that govern their activities, including full disclosure of risks and costs, advice based on the best interests of the client, and responsible fund management. Moreover, self-regulation in this sector includes oversight by professional associations, such as the Association for Financial Markets in Europe (AFME) and the European Securities and Markets Authority (ESMA), which set guidelines and best practices for their members. Adherence to these standards not only protects investors but also strengthens the integrity of the financial market.

In the insurance sector, self-regulation focuses on consumer protection, transparency in communicating terms and conditions, and ethical claims management. Insurance companies implement codes of ethics and internal policies that promote transparency, fairness and responsibility. These policies include clear procedures for resolving claims and proactive communication with clients about their rights and responsibilities. Additionally, many insurance companies adhere to international standards such as the Principles for Sustainable Insurance of the United Nations Environment Programme Finance Initiative (UNEP FI), which promote sustainable and responsible practices in the insurance industry.

The adoption of codes of conduct and specific ethical standards for AI can help mitigate risks associated with data misuse, automated decision-making, and consumer privacy. In the context of AI, self-regulation implies that companies developing and using AI technologies establish and follow clear

guidelines that promote responsible and ethical practices. These guidelines typically cover aspects such as algorithm transparency, explanation of automated decisions, and ensuring that AI systems operate fairly and without bias (BINNS, 2018). By adopting these practices, companies not only meet legal and ethical expectations but also build trust with their consumers, who increasingly demand transparency and accountability in the use of their personal data (FLORIDI et al., 2018).

Moreover, self-regulation in the AI domain must include robust supervision and control mechanisms to ensure compliance with these guidelines. This can involve creating internal AI ethics committees, independent external audits, and implementing continuous review systems to evaluate the impact and effectiveness of AI systems in operation (JOBIN, IENCA & VAYENA, 2019). These measures help ensure that AI technologies not only comply with established norms but also continuously adapt to new regulations and market expectations (MITTELSTADT et al., 2016).

In terms of consumption, self-regulation in AI also encompasses consumer protection against deceptive business practices and the misuse of personal data. Companies should proactively inform consumers about how their data is collected, used, and protected, as well as provide clear options for controlling and managing their personal information (ACQUISTI, BRANDIMARTE, & LOEWENSTEIN, 2015). This approach not only protects consumer rights but also strengthens the trust relationship between companies and their clients.

Self-regulation in the field of artificial intelligence and consumption is crucial for ensuring the ethical and responsible use of AI technologies. By adopting clear codes of conduct and establishing effective supervision mechanisms, companies can mitigate risks, protect consumers, and foster an environment of trust and transparency in the digital market (WHITTLESTONE et al., 2019).

## **LEGAL NATURE: CHARACTERISTICS OF THE REGULATORY CONTRACT**

The documents derived from self-regulation have characteristics similar to the so-called regulatory contracts in European continental law. Such contracts emerged around the middle of the 19th century. They constitute a contract in which rules are agreed and that will be observed in subsequent singular contracts. Although the concept of a regulatory contract is confusing, it can be understood as a contract through which future private contracting is regularized and standardized.

The term regulatory contract implies a qualification because “regulatory” is not understood in the sense of a source of law but an agreement between parties translated into “norms” - rules or clauses - that are valid in the assumption that individuals enter into contracts that they regulate.

The existence of the figure being analysed is detected in long-term business relationships. For some types of relationships, the nature of a regulatory contract is considered inherent to the regulated business. Thus, certain factoring modalities, e.g., commercial concession contracts, distribution contracts in general, current account contracts, reinsure pacts by virtue of a written form imposed in the final contract. Recently, this contractual modality has also operated in arbitration.

Regulatory contracts determine the procedures for the formation of successive contracts. It could be argued that such a contract constitutes pre-fixing the content of future contracts; they set the shape of possible future contracts. Regulatory contracts establish the *lex contractus* of the future contracts to be entered between the parties who finalized it or of the individuals included in the same category, class or group. The parties voluntarily limit their freedom to discuss further contracts. In respect of the scope of these agreements, they may refer not only to accidental elements of future singular legal transactions but also to essential elements.

Regulatory contracts create general conditions for future contracts between the parties. The difference between these and adhesion contracts is twofold. First, while regulatory contracts regulate the content of future contractual relations, adhesion contracts refer to current relationships that do not require new legal acts for their perfection. Second, in regulatory contracts, there is no unilateral imposition of the contractual content because the parties agree, while in adhesion contracts, the general conditions are drawn up unilaterally by one of the contracting parties, who imposes them on his clients.

The commitment to the content of a specific code of conduct establishes the need for contracts after the formalization of the accession of the service provider of the information society. For the consumers and/or users with whom they establish relationships, contractual agreements are adapted to the set of stipulations constituted in codes of conduct. They usually refer to legal regulations, plus an additional guarantee beyond what is minimally established by the legislator for the potential consumer and/or user.

Regulatory contracts are intercompany contracts that establish the conditions of future contracts that will bind the parties in a prolonged relationship. The parties try to define a contract model that will govern future contracts they enter into. Its purpose is to set the content of a temporary and future contract. Similar to preliminary contracts, regulatory contracts are geared

towards future contracts, although they differ from the latter in that they only fulfil one of the functions attributed to precontracts, that is, the predetermination of part of the final contract but without creating any obligation to enter into it. A regulatory contract not only does not limit the freedom to enter the final contract but also does not restrict the freedom to add certain content because the parties can modify the content before entering into the final contract. In regulatory contracts, the parties establish the rules to be followed in future contracts, which, if entered into—since there is no such obligation—must be adjusted in their content to those rules agreed upon by the parties in the original regulatory contract.

These contracts seek, on the one hand, to standardize future contracts in terms of their content and, on the other hand, to guide the procedure for forming such contracts. They seek to organize future relationships by standardizing them. In other words, with regard to the assumption being analysed, the information society service provider that has agreed with the entity that promotes the self-regulation system, i.e., the observance of the code of conduct, may, if the commercial relations are proposed, enter into possible contracts with consumers and/or users interested in the products and/or services offered. These contracts must include, without any allowable reduction, the full validity of the articles of the code of conduct.

In the context of regulatory contracts, the parties may or may not enter future contracts, not being able to modify what they have established in that contract (the regulatory contract). However, although this postulate is applicable to the contract entered into between a particular service provider and the entity promoting the self-regulation system, by which the validity of the code of good practices is agreed upon, there should be no obstacle preventing service providers adhering to the code from improving the conditions in favor of potential consumers and/or users before entering into an individual contract. In this individual contract, the consumer or user enters into an agreement with the service provider adhering to the code of conduct for the specific good and/or service, which is initially outlined in the code of conduct developed by the promoter of the self-regulation system in which they are integrated. In other words, it would be possible for the employer, taking into account the minimum obligations imposed by the codes of conduct from the promoting entity, to include in the contractual clauses certain stipulations that are more beneficial for consumers and/or users who enter into a contract to acquire a good and/or service from the information society service provider in question.

Two obligations arise from regulatory contracts. On the one hand, adjusting future contracts to the clauses of regulatory contracts determines the content in subsequent agreements. On the other hand, it does not finalize other

contracts that do not take into account regulatory contracts during the time established by the parties as validity term for the regulatory contract. Failure to comply with the second stated obligation, consisting of a failure to do, entails contractual liability, and the breach of the first obligation will not produce precontractual liability because the parties do not assume an obligation to enter into future contracts.

Failure to comply with the obligations set forth in the regulatory contract agreed upon by the parties allows the controlling body of the self-regulation system to compel, either *ex officio* or at the request of a party, the information society service provider to fulfill the obligations contained in the code of conduct that were not considered in subsequent individual contracts. The contracts between service providers adhering to the code of good practices and potential consumers and/or users who enter into contractual relationships with them have not taken into account the contractual clauses initially agreed upon between the information society service provider and the entity promoting the self-regulation system. Based on the contract entered into with the service provider, the latter must include in the contracts it enters into with potential consumers and/or users the contractual clauses initially agreed upon with the promoting entity.

In the event that the service provider does not meet this requirement, it could face sanctions contemplated in the code of conduct, which, depending on the specific case, could range from a warning to suspension or expulsion (publicized) from the self-regulation system, with the loss of reputation and corporate credibility among society.

Regarding the content of regulatory contracts examined herein - codes of conduct in e-commerce - it is formed by two large blocks. First, precepts are taken from legal regulations, as a general rule, with certain improvements that benefit consumers and/or users. The second is a list of rules of conduct or deontological, ethical or good practices to be observed in the contractual relationships that arise in the matter of e-commerce. While the articles of the codes of conduct do not stipulate rights recognized by mandatory legal regulations for consumers and/or users, the latter could still claim compliance from the service provider adhering to the code of conduct with whom the consumer may have entered into an electronic contract.

Community Directive 2005/29/EC of the European Parliament and of the Council of May 11, 2005, concerning unfair business-to-consumer commercial practices in the internal market, was transposed to the Spanish legal system by virtue of Spanish Law 29/2009, of December 30, which modifies the legal regime of unfair competition and advertising to improve the protection of consumers and users. This Directive provides that an employer or professional

who presents, as a distinctive feature of the offer, the rights granted by the legislation to consumers or users, must be regarded as a misleading practice. The service provider should display a trust seal ensuring adherence to a code of conduct that faithfully reproduces the legal regulations itself. It would also incur such a factual assumption if the articles of the code of conduct were presented as distinctive—and, apparently, as a certain legal improvement— while in reality, would imply a significant regulatory reduction with respect to potential consumers and/or users. In both cases, it would be both misleading advertising and unfair commercial practice.

One of the primary benefits of self-regulation through regulatory contracts is the enhancement of consumer trust. By adhering to a code of conduct, businesses signal their commitment to ethical practices, which can significantly boost their reputation and credibility. This is particularly important in e-commerce, where consumers are increasingly concerned about data privacy and fair treatment (Floridi et al., 2018). For example, service providers in the information society who agree to follow a code of conduct can enter into contracts with consumers that include terms ensuring the protection of consumer rights and data privacy. This not only meets legal requirements but also provides additional guarantees that can reassure consumers (ACQUISTI, BRANDIMARTE, & LOEWENSTEIN, 2015).

Self-regulation through regulatory contracts offers a structured approach to maintaining ethical standards and enhancing consumer trust in various business sectors. By fostering mutual agreement on norms and ensuring robust oversight, businesses can not only comply with legal standards but also build a reputation for fairness and integrity. This approach, rooted in historical legal practices, continues to be relevant and beneficial in today's complex and interconnected business environment. The phenomenon of self-regulation presents multiple benefits in the digital realm. Below, in Table 13, some of these benefits are highlighted.

<i>Benefit</i>	<i>Description</i>
<b>Enhancement of Corporate Reputation</b>	Increases consumer trust and improves brand image.
<b>Reduction of Legal Risks</b>	Minimizes litigation risk by adhering to ethical standards beyond legal requirements.
<b>Increase in Transparency</b>	Facilitates clear and open communication about the company's practices.
<b>Promotion of Innovation</b>	Fosters an environment that supports continuous innovation and process improvement.
<b>Strengthening Customer Loyalty</b>	Increases consumer loyalty by ensuring fair and responsible practices.

<b>Competitive Advantage</b>	Differentiates the company in a saturated market by adopting ethical practices.
<b>Improvement of Data Security</b>	Ensures the protection of consumers' personal and financial information.
<b>Meeting Ethical Expectations</b>	Aligns business operations with growing expectations of social responsibility.

**Table 13** - Benefits of self-regulation in e-commerce

In the rapidly evolving digital landscape, the implementation of self-regulation is becoming increasingly critical for businesses aiming to maintain ethical standards and compliance. Companies are continually seeking effective tools and methods to ensure adherence to codes of conduct and regulatory requirements. To this end, various advanced technologies can play a pivotal role. Table 14 outlines key technologies that facilitate the practical implementation of self-regulation.

<i>Benefit</i>	<i>Description</i>
<b>Technology</b>	Use in Self-Regulation
<b>Blockchain</b>	Tracking and verifying compliance with codes of conduct in real-time.
<b>Artificial Intelligence</b>	Continuous monitoring and pattern analysis to detect non-compliance and potential risks.
<b>Big Data</b>	Analyzing large volumes of data to improve transparency and decision-making.
<b>Cybersecurity</b>	Protecting data and preventing unauthorized access in e-commerce systems.
<b>Digital Audit Tools</b>	Facilitating independent audits to ensure adherence to ethical standards.

**Table 14** - Technologies for implementing self-regulation

## FUNCTIONAL SIMILARITY WITH ADHESION CONTRACTS

The phenomenon of mass contracting arises as a result of the technical requirements demanded by the industrial development of the capitalist world: lower costs, speed in the finalization of transactions and uniformity in the obligations and rights to which consumers or users of the services offered are subjected. Both the business and industrial world as well as average humans, as consumers, depend on the correct development and functioning of this type of contracting.

The document in which codes of conduct are materialized is reminiscent of an adhesion contract, although it cannot be considered such in the strict sense. The commitment to comply with a code of conduct by a specific provider of information society services constitutes a contractual agreement. In this agreement, the contracting parties are the employers: on one side, the entity that promotes the self-regulation system in which the code of conduct is embedded, and on the other, the employer who agrees to adhere to the code. The potential consumers and/or users of the company adhering to the code of conduct are the beneficiaries of this contract.

A code of good practices is prepared by the promoter of the self-regulation system, verifying the adherence of the service provider who, voluntarily, adheres to the code of conduct. Adherence occurs based on the conditions established by the sponsoring entity. The text of such codes of conduct is not negotiable, in the sense that it only allows two possible alternatives. The first is adhering to it, and the second is refusing to adhere to it. It is not possible to adhere to the content of codes of conduct with reservations because such reservation would cause distrust for consumers and/or users because noncommitment to a certain part of the document implies the recognition of a less protective framework for potential consumers and users with respect to the companies that adhere without formulating any reservations. In fact, if an employer does not wish to guarantee, regardless of the cause, the protection of certain aspects linked to e-commerce, instead of conditionally adhering to the clauses of a certain code of conduct, the employer could choose not to do it. This approach would publicly indicate that the information society service provider is not fully committed to all the business practices outlined in the code of conduct. As a consequence, suspicion for mistrust would be created, generating an effect opposite to that pursued, i.e., adherence to a code of conduct.

The implementation of codes of conduct requires careful integration into the corporate culture and operational processes. This not only involves accepting the standards established by the promoting entity but also creating internal mechanisms to ensure compliance and transparency (SULLIVAN, 2018). The literature suggests that companies that promote a culture of compliance and ethics through self-regulation can enjoy a competitive advantage, as consumers are increasingly interested in interacting with companies that demonstrate social responsibility (PORTER & KRAMER, 2011).

In promotional terms, the demonstration of adherence to a code of conduct can be a powerful tool to attract and retain customers. Displaying a trust seal or certification indicating a commitment to ethical practices can

differentiate a company from its competitors and position it as a leader in responsibility and transparency (FLORIDI et al., 2018). Furthermore, clear and continuous communication about self-regulation policies and their positive impact on the customer experience can strengthen the brand image and increase customer loyalty.

## SCOPE

Every legal norm supposes a pretension that shapes the legal order of society. However, not all norms express or can achieve such a claim in the same way. In fact, while some shape the legal order immediately and directly from the very moment in which they are put into practice, others only contribute in a mediating and indirect way. Only those that derive from sources of law - which are the law, customs and general principles of law - have the ability to directly shape the legal order. However, although the norms derived from autonomy of the will also contribute to this order, they do so in different ways - mediated and indirect.

One of the most significant questions that codes of conduct pose is their real effectiveness, as well as what happens in case of noncompliance (FLORIDI, (2018). The answer passes - notwithstanding the possible action that, in its case, comes from the courts - by the sanctioning power that the control body of the self-regulation system holds. Such authority, of a coercive nature, is subject to the degree of commitment that the sanctioned employer has.

Codes of good practice do not have the coercion effects of legal norms. This point is probably their weakness (PRESTON, 2010), without being interpreted as inefficiency. Considering that, in practically all cases, one cannot speak of ethical conduct outside of legality, the first ethical mandate that self-regulation systems in the e-commerce environment must obey is the need to adapt the operations carried out in e-commerce to the current legislation.

A controversial assumption would be determined by the fact of what consequences displaying a seal of trust - accrediting adherence to a certain code of conduct in e-commerce – on the web site and/or in different instruments or advertising channels of a company could have and the subsequent breach that the obligations inherent in its sample represent (LÓPEZ JIMÉNEZ, DITTMAR & VARGAS PORTILLO, 2023). Regarding this issue, two clarifications should be made.

If such a stipulation refers to codes of conduct in e-commerce, the full validity of the obligations assumed by the service provider of the information society must be considered. Their concurrence—through the display of a respective trust logo—could have aroused potential consumers' and/or users'

intent to enter into contracts, who, in good faith, initiated the contractual procedures necessary to acquire, under the conditions established in the code of conduct, the commercial activity advertised. Consequently, as what is offered does not coincide with what is publicized—even in the field of the purely legal or contractual regime of the agreement—there would be a contractual breach on the part of the information society service provider, whose attitude would not meet the initial expectations of consumers and/or users.

The second is to consider the possible disloyalty of the conduct recently described. In effect, Directive 2005/29 on unfair commercial practices has taken a step forward in the imbrication of self-control systems in the regime of repression of unfair competition by including, among unfair commercial practices, failure to comply with commitments assumed by adhering to codes of conduct in certain circumstances. In this regard, Article 6.2.b) of the same document considers misleading commercial practice a breach in the commitments assumed by adhering to codes of conduct, in cases in which the employer expressly mentions complying with such a code among the allegations or statements made in a commercial practice. The idea that underlies this precept is that when a company declares its adherence to a code, such a declaration gives rise to legitimate expectations. If the company does not comply with the firm commitment contained in the code, its conduct will be considered a false allegation and, therefore, an unfair practice under the framework of the directive.

Corporate reputation is one of the most valuable assets of a company. The public perception of a company can significantly influence its long-term success. Adherence to codes of conduct and self-regulation are effective ways to build and maintain a good reputation. Companies that fail to comply with these codes, however, risk being seen as disloyal and unreliable. Self-regulation and codes of conduct are fundamental elements in modern business management. These instruments not only facilitate a more predictable and ethical business environment but also provide a competitive advantage and reinforce corporate reputation. In a globalized and highly regulated market, companies that adopt and adhere to these standards can significantly improve their position and long-term sustainability.

## **HOW TO ENCOURAGE THE PHENOMENON OF SELF-REGULATION IN THE VIRTUAL SPACE: INTERDISCIPLINARY REFLECTIONS**

Below, we will outline actions that could foster the phenomenon of self-regulation in the digital world. It should be noted that these actions are merely

exemplary, as the list is extraordinarily extensive. The integration of self-regulation and codes of conduct into business and economic strategies can offer multiple benefits, from improving corporate reputation to creating a more just and transparent market environment. Implementing these innovative ideas can position companies as leaders in ethics and responsibility (LÓPEZ JIMÉNEZ, DITTMAR & VARGAS PORTILLO, 2021b), attracting consumers and partners who value these principles. Figure 2 outlines actions for boosting self-regulation in the digital world.

- (1) Tax incentives for self-regulation: Governments could offer tax incentives to companies that adopt and comply with specific self-regulation codes of conduct in e-commerce. This approach would not only promote ethical and responsible practices but also reduce the regulatory burden on the government. Companies that effectively self-regulate would contribute to a more transparent and fair market environment, which can enhance consumer trust and increase market participation.
- (2) International certification of good practices as an added value: It might be appropriate to develop an internationally recognized certification system for companies that comply with codes of good practices in e-commerce. This certification can act as a seal of quality and transparency, differentiating companies in a competitive market. Consumers, increasingly concerned with ethics and sustainability, might prefer certified companies, which would increase sales and customer loyalty.
- (3) Utilizing blockchain technology for transparency and compliance: This involves using blockchain technology to track and verify compliance with codes of conduct in real-time. The transparency and immutability of blockchain can provide a secure and verifiable way to demonstrate adherence to codes of conduct. This would not only increase consumer trust but also simplify the audit and compliance process for companies and regulators.
- (4) Potential reduction of legal and reputational risks: In this regard, it is considered appropriate to implement insurance programs that offer reduced premiums to companies that adopt self-regulation practices and comply with codes of conduct. Companies that adhere to high ethical and compliance standards may be seen as less risky by insurance companies. This provides an additional financial incentive for self-regulation, while also reducing the risk of litigation and reputational damage.

- (5) Existence of collaborative self-regulation platforms: This involves promoting the existence of collaborative platforms where companies in the same sector can collectively develop and update codes of conduct. Collaboration between companies can lead to the creation of more robust industry standards better adapted to market realities. Additionally, companies can share best practices and learn from each other, leading to continuous improvement in compliance and business ethics.
- (6) Continuous education and training in ethics and compliance: The importance of establishing continuous training and certification programs in ethics and compliance for employees and company executives should be highlighted. Ongoing education in these areas can ensure that all levels of the organization understand and value the importance of codes of conduct and self-regulation. This can foster a corporate culture that prioritizes ethics and compliance, thus reducing the risk of non-compliance and improving the company's reputation.
- (7) Economic impact of self-regulation: It is necessary to conduct economic studies to quantify the impact of self-regulation in terms of reducing regulatory costs, increasing consumer trust, and improving competitiveness. Quantitative data on the economic benefits of self-regulation can provide a solid basis for public policies and business decisions. These studies can demonstrate that self-regulation is not only ethical but also economically beneficial.
- (8) Creating shared value: Self-regulation can facilitate the creation of shared value, where companies not only seek economic benefits but also positive impacts on society and the environment. This approach can differentiate companies in a saturated market increasingly concerned with sustainability. Companies that have succeeded in this area often keep their stakeholders informed about their compliance efforts and the benefits achieved, which strengthens trust and support. Collaboration with other companies, industry associations, and non-governmental organizations can enhance the effectiveness of self-regulation systems. Sharing best practices and developing common standards help raise the level of the entire industry.



**Figure 2** – Accions to boost self-regulation in the virtual space

## CONCLUSIONS

Under the principle of private autonomy, it is possible to create self-regulatory instruments whose content must offer greater protection than the minimum legal framework established by the legislator for potential consumers and users of e-commerce. Such figures, which can operate in numerous scenarios of the digital field, usually include the prevailing legal regulations in a certain subject plus an additional plus.

Regarding the possible legal nature of these suggestive instruments, they could be considered regulatory contracts. This type of contract presents a series of very significant particularities that have been alluded to in this article.

In the cases we analyze, a legal relationship is established along with the determination of applicable regulations. It is necessary to insist that, extrapolating certain considerations from the contractual figure enunciated, in the framework of self-regulation systems, the regulations that apply are those contained in codes of conduct. However, the precise legal relationship isn't defined at the time of concluding the agreement between the promoting entity

and the employer who chooses to adhere to the document of good practices. This document serves as a protective framework, providing assurance for the consumer and/or user, but the specific legal relationship is determined at a later stage.

In the field of e-commerce self-regulation systems, two major contracts can be differentiated: those between the entity promoting self-discipline systems and the information society service providers, formalizing adherence to good practices, and those between the information society service provider committed to the reference document and consumers and/or users. Thus, these will obtain a good and/or service, giving rise to the legal relationship that will be regulated by the articles of the same contract initially signed by the service provider. Although such contracts can be differentiated, they are certainly interrelated, and there is an important link between them, in which good faith occupies a prominent place.

The document in which codes of conduct materialize is reminiscent of an adhesion contract, without being able to be reputed as such. The commitment to comply with a code of conduct, by a certain provider of information society services, represents a contract where the contracting parties are both employers. On the one hand, the entity which promotes the self-regulation system in which the code of conduct is located and, on the other hand, the employer who adheres. Besides, the beneficiaries of this agreement are also the potential consumers and/or users of the company adhering to the code of conduct.

Codes of good practice do not have the same coercion effect as legal norms. This point is probably their weakness, without being interpreted as inefficiency. Taking into consideration that, in practically all cases, one cannot speak of ethical conduct outside of legality, the first ethical mandate that self-regulation systems in the field of e-commerce must obey to is the need to adapt the operations carried out in the field of e-commerce to the current legislation.

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