

# A Research on the Cashback of Positive Reviews

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**Abstract:** In recent years, China's e-commerce market has developed rapidly, but some businesses have engaged in unfair competition by using the method of cashing back positive reviews. This competitive approach not only seriously infringes on the legitimate rights and interests of other operators and consumer groups, but also hinders the healthy development of China's e-commerce market economy. The article outlines the reasons for the repeated prohibition of "positive feedback cashback", including weak legal regulations, inadequate supervision of merchant platforms, and increased concealment of "positive feedback cashback". At the same time, it proposes to improve and expand existing laws, establish a "cooling off period for evaluations", and use big data to strengthen platform supervision to crack down on "positive feedback cashback" behavior.

**Keywords:** Positive feedback cashback, Unfair competition, Regulation, Statute.

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## 1. Introduction

With the emergence of various new types of enterprises, the goods and services provided on the internet are extremely rich, and more and more people have become internet users and online consumers, making e-commerce gradually emerge and emerge.[1] Numerous third-party e-commerce transaction platforms have established a credit evaluation system. Some e-commerce operators, in order to improve the credibility of their stores, attract more potential consumers, increase product sales, maliciously exploit consumer profit seeking psychology, and lure consumers to give positive feedback. This kind of unfair competition behavior is essentially seizing the opportunity for fair competition from other businesses, while also adding hypocrisy to China's e-commerce industry and disrupting the good order of fair competition within the industry.

According to the "Consumer Awareness Survey Report on E-commerce Law" released by the China Consumers Association in December 2018, 76.4%[2] of respondents believed that activities such as "positive feedback cashback" violated the E-commerce Law. In 2021, the US online shopping website Amazon banned over 50000 Chinese seller accounts, with important reasons for account suspension being "improper use of comment function", "soliciting false comments from consumers", "manipulating comments through gift cards" and other violations. In March 2022, the China Consumers Association released the "2021 Consumer Satisfaction Evaluation Report for 100 Cities", which pointed out that the main reason for infrequent use of online shopping and other online consumption is that "unreliable review information" accounts for 31.6%.[3] It can be seen that "positive feedback cashback" has always been a pain point in the minds of consumers and a key focus of legal regulation.

## 2. The Reason for The Repeated Prohibition of "Positive Feedback Cashback"

### 2.1. Insufficient legal norms and regulations. There are multiple legal provisions in China's current laws that involve regulating "positive feedback cashback"

However, due to the lag of the law, it cannot fully adapt to the new situation and iteration of new business formats. Therefore, when citing existing legal regulations on "positive feedback cashback", there is always a strong sense of inadequacy. Article 8 of the Anti Unfair Competition Law does not regulate the sources of evaluation, nor does it specify whether "positive feedback cashback" based on real transactions can be applied. Article 8 of the Consumer Rights and Interests Protection Law of the People's Republic of China (hereinafter referred to as the "Consumer Rights and Interests Protection Law") clarifies that consumers have the right to know, and Article 20 specifies that operators should provide true and comprehensive information related to goods or services, which lists quality, performance, use, validity period, and other contents. From the perspective of textual interpretation, it does not include "user reviews", which also makes it impossible for consumers to cite this clause and assert their legitimate rights and interests. It can be seen that due to the lag of the law, there is a lack of legal provisions that can directly reference and regulate "positive feedback cashback" in the current law, which increases the difficulty, time, and energy costs of consumer rights protection. The existing laws and regulations have a relatively small punishment for "positive feedback cashback", which also makes merchants tempted by interests and constantly wander on the moral edge.

### 2.2. Poor supervision of shopping platforms

For the chaos of "positive feedback cashback", e-commerce platforms have also been dealing with it. Taobao established the "Taobao Evaluation Specification" in 2015, which has played a certain role since its first official implementation in 2015. In December 2021, the Taobao

Evaluation Standards emphasized in the seller behavior requirements that merchants shall not, on their own or through third parties, require buyers to only write positive reviews, modify reviews, add reviews, etc; Not encouraging or guiding buyers to give positive reviews based on material or monetary commitments; It is not allowed to obtain untrue evaluations through improper means, such as inducing buyers, false transactions, etc.[4]

### **2.3. The concealment of "positive feedback cashback" is gradually increasing with the development of new media**

The "credit rebate" has gradually shifted from the initial form of cash rebate and transfer through the online shopping platform customer service chat interface to inviting buyers to add merchant customer service through WeChat. After confirming the buyer's credit screenshots through the WeChat chat interface, the credit rebate will be sent to buyers in the form of WeChat red envelope or requesting buyers to provide WeChat and Alipay collection codes. Relatively involuntary and absolutely involuntary positive reviews are mostly conducted through this method. Cross platform "positive review cashback" increases the concealment of "positive review cashback" behavior and greatly increases regulatory difficulty.

## **3. The Regulation of "Positive Feedback Cashback"**

### **3.1. Improve and expand existing laws**

It is recommended to improve Article 17 of the E-commerce Law on the obligation of information disclosure for e-commerce operators. The evaluation provided by the buyer of the product is not included in the existing information disclosure obligation, and the information disclosure obligation of e-commerce operators should be extended. Through false or misleading propaganda, it fully conforms to the harmful consequences of "positive feedback cashback".

### **3.2. Set a "cooling off period for evaluation"**

By analyzing the existing false positive reviews that have been cashed back, it can be concluded that a significant number of false positive reviews are made on the day the product is received. The description of the actual content such as the quality of the product itself is insufficient, and the relevance and reference are not strong. Setting a "cooling off period for evaluation" and delaying the evaluation time can reduce the temptation of small cashbacks to consumers and encourage them to make more authentic and rational judgments and evaluations.

### **3.3. Intensify platform supervision to regulate illegal and irregular behaviors of operators, and platforms should bear corresponding regulatory responsibilities**

Strengthen the platform's stance, clarify the platform's responsibilities, abandon the "muddled" attitude of mediation, and seriously deal with the "positive feedback cashback" behavior of operators.

## **4. Conclusion**

The development of law always lags behind the development of the Internet, and the emergence of new business models inevitably leads to changes in relevant legal relationships. In the field of the Internet, we cannot adopt a "one size fits all" attitude towards the emerging marketing methods of positive feedback cashback, and we must also prevent unscrupulous merchants from engaging in unfair competition under the guise of positive feedback cashback and infringing on relevant legal interests. The behavior of returning positive reviews should be judged and analyzed from multiple perspectives, clarifying the boundary between legality and illegality, as well as the standards for illegality. Legislators and law enforcement agencies should intervene appropriately in the cashback of positive reviews, while leveraging the self-regulation role of the market to promote the continuous improvement of the e-commerce competition system.

## **Acknowledgment**

Funded project: National college students' innovation and entrepreneurship plan project, (No.202310378130); Project of enhancing ideological and political work ability in colleges and universities in Anhui Province, (No.sztsjh-2022-6-8); Key teaching and research project of Bengbu Medical College, (No.2022jyxm11).

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