

## The Application and Adoption of Online Advertisements under the Fair Trade Act

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### Abstract

With the popularization of the telecommunication network and smartphones, the Internet has become a part of our daily life. Most people can connect with others via the Internet. Due to the rapid development of advanced and innovative internet technology, the content of and methods used to promote online advertisements are continually being updated. It is now considered that online advertisements have gradually become one of the primary marketing methods. Furthermore, due to the prevalence of various online socializing platforms, internet communities, and ecommerce platforms, consumers' online and purchasing behaviors have gradually become one of the main targets of big data analysis and application, which in turn has driven the development of precision marketing. However, some online advertising is on the edge of the Fair Trade Act, and has adopted information-related technologies and techniques that result in improper competition. Unfair competition and the intention to confuse consumers' perceptions of products advertised has resulted in consumers being subjected to more risk when faced with online advertising. The number and ratio of unfair online advertisements dealt with by the Fair Trade Commission have also gradually increased, which shows that unfair trading problems arising from online advertising are becoming increasingly prominent. Based on

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Date submitted: January 31, 2020

Date accepted: June 30, 2020

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the legislative purposes revealed in the Fair Trade Act of maintaining trading order and protecting consumers' interests, as well as ensuring free and fair competition, this study sorts current common online advertisements and their characteristics, and explores the issues of secret marketing advertisements, keyword advertisements, and other types of online advertisements. The resulting unfair competition issues based on the comparative law perspective are analyzed. The legal systems of the United States, Japan and Taiwan are reviewed in regard to how they deal with disputes related to inappropriate online advertising, as well as the current status of industry self-regulation. Besides reaching relevant conclusions, this study also puts forward relevant considerations and suggestions for the clarification of the norms and responsibilities of advertising platforms.

**Keywords:** New Types of Advertisements, Unfair Competition, Deceptively Formatted Advertisements, Online Platforms, Secret Marketing, Comparative Advertisements.