

# User Interaction with Digital Platforms

## A Consumer Protection Perspective

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The views expressed are those of the authors and do not necessarily represent those of the Federal Trade Commission or any of its Commissioners.

# Navigating the Digital Marketplace



## Fake Reviews

Manufactured stars.  
Real consequences.



## Hidden Fees

The price you see  
isn't the price you pay.



## Subscription Traps

Easy to join.  
Nearly impossible to  
leave.

*Research and casework go hand in hand — each strengthening the other.*

# How the Bureau of Economics Does Both

## Prospective

*Testing remedies before implementation*

Surveys and experiments

Inform rulemaking and  
business guidance

Example: ad disclosure  
experiment

## Retrospective

*Evaluating actions after the fact*

Causal inference

Measure whether  
interventions achieved goals

Example: complaint website  
redesign

# Can You Spot the Ad?



*“Blurred Lines: An Exploration of Consumers’ Advertising Recognition in the Contexts of Search Engines and Native Advertising”*

**FTC Staff Report • December 2017**

## The Problem

Ads and organic content look the same online  
Platforms profit when consumers can’t tell the difference

FTC guidance existed, but compliance was slipping

# Experimental Design

## Participants & Setup

48 participants, within-subject design

Eye-tracking laboratory

Viewed original and modified versions

8 real websites: Google, Bing, Yahoo, news sites

# The Original

The image shows a screenshot of a Google search results page. At the top left is the Google logo. To its right is a search bar with a magnifying glass icon. Below the search bar are navigation tabs: Web (highlighted with a red underline), Shopping, News, Images, Videos, More (with a dropdown arrow), and Search tools. Below the navigation is the text "About 286,000,000 results (0.31 seconds)".

The main content area features a "Shop for tablet on Google" section. It contains five product listings, each with an image of a tablet, its name, price, and retailer:

- Samsung Galaxy Tab 3...**: \$49.99, Sprint
- Apple iPad mini with Wifi...**: \$279.00, Staples (In store)
- Dell Venue 8 Tablet**: \$179.99, Dell
- Microsoft Surface Pro 3...**: \$999.00, MicrosoftStore
- Ematic 7" Tablet 8GB M...**: \$54.99, Walmart (22% price drop)

To the right of the product listings is a "Sponsored" section with a yellow "Ads" label. It contains three advertisements:

- Nexus 7 from \$229**: [www.google.com/nexus](http://www.google.com/nexus). The 7" tablet from Google. Free shipping for limited time. Buy now
- High Quality Dell Tablets**: [www.dell.com/Tablets](http://www.dell.com/Tablets). 4.0 ★★★★★ rating for dell.com. Perfect for Work, Perfect for Play. With Intel Inside®. Buy One Today!
- Android Tablet PC \$39.99**: [www.tmart.com/](http://www.tmart.com/)

At the bottom left, there is an advertisement for the iPad mini: "iPad mini" with a yellow "Ad" label, [www.apple.com/](http://www.apple.com/), and the text "with Retina display. Small wonder. Learn more. Back to School - iPad Air - iPad mini - Buy now 7101 Democracy Blvd, Bethesda, MD - (301) 634-9930".






# The Modified Version

Google

Web Shopping News Images Videos More Search tools

About 286,000,000 results (0.31 seconds)

**Ads** Shop for tablet on Google

 Samsung Galaxy Tab 3... <b>\$49.99</b> Sprint	 Apple iPad mini with Wifi... <b>\$279.00</b> Staples In store	 Dell Venue 8 Tablet <b>\$179.99</b> Dell	 Microsoft Surface Pro 3... <b>\$999.00</b> MicrosoftStore	 Ematic 7" Tablet 8GB M... <b>\$54.99</b> Walmart 22% price drop
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**Ads**

Nexus 7 from \$229  
[www.google.com/nexus](http://www.google.com/nexus)  
The 7" tablet from Google. Free shipping for limited time. Buy now

High Quality Dell Tablets  
[www.dell.com/Tablets](http://www.dell.com/Tablets)  
4.0 ★★★★★ rating for dell.com  
Perfect for Work, Perfect for Play. With Intel Inside®. Buy One Today!

Android Tablet PC \$39.99  
[www.tmart.com/](http://www.tmart.com/)

**iPad mini**  
**Ad** [www.apple.com/](http://www.apple.com/)  
with Retina display. Small wonder. Learn more.  
Back to School - iPad Air - iPad mini - Buy now  
7101 Democracy Blvd, Bethesda, MD - (301) 634-9930

# Small Changes, Big Effects

**+21 pp**

Ad recognition  
(47% → 68%)

**-21%**

Time spent viewing ads  
(once people knew they were ads)

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## Why This Matters Now

Directly informed FTC's native advertising policy and business guide

Reuters recently reported \$1.8B in social media fraud losses in 2024

Scam ads reportedly account for ~10% of a major platform's ad revenue

# The Underreporting Problem

*Grosz & Raval, "Amplifying Consumers' Voice: The Federal Trade Commission's Report Fraud Website Redesign," Marketing Science (2024)*

**1.5M**

complaints received  
in 2024

**<5%**

of victims ever  
report

**1,400**

complaints vs.  
2 million victims

**The FTC redesigned its complaint website.**

# The Original Website

The screenshot shows the top navigation bar of the FTC Complaint Assistant website. On the left is the FTC logo, followed by the text "FEDERAL TRADE COMMISSION PROTECTING AMERICA'S CONSUMERS" and "FTC COMPLAINT ASSISTANT". On the right is a chat button that says "CLICK HERE TO CHAT WITH OUR SUPPORT TEAM (Monday - Friday, 9am - 5pm ET)" and a link "Back to ftc.gov | Español". Below the navigation bar is a red alert box with an information icon and the text "Alert To report a scam or other consumer problem related to the Coronavirus (COVID-19), please click here." The main content area has a blue header with "WELCOME TO THE FTC COMPLAINT ASSISTANT" and a sub-header "Choose a category and then click a sub-category". A list of categories is on the left, and a list of instructions is on the right. At the bottom, there is a link for "privacy concerns".

**FEDERAL TRADE COMMISSION**  
PROTECTING AMERICA'S CONSUMERS  
**FTC COMPLAINT ASSISTANT**

CLICK HERE TO CHAT WITH OUR SUPPORT TEAM  
(Monday - Friday, 9am - 5pm ET)

Back to ftc.gov | Español

**Alert** To report a scam or other consumer problem related to the Coronavirus (COVID-19), please click here.

**WELCOME TO THE FTC COMPLAINT ASSISTANT**

← Choose a category and then click a sub-category

- If you can't find the right sub-category, click "Something Else"
- Follow a few easy steps to submit your report
- Download/Print a copy of your report for your records
- Review our tips on the submission page

If you have a complaint about how a company is handling your personal information, click [privacy concerns](#).

▶ Rip-offs and Imposter Scams

▶ Mobile Devices or Telephones

▶ Internet Services, Online Shopping, or Computers

▶ Education, Jobs, and Making Money

▶ Credit and Debt

▶ Robocalls, Unwanted Telemarketing, Text, or SPAM

▶ Other

# The Redesigned Website

The screenshot shows the redesigned website for ReportFraud.ftc.gov. At the top left is the Federal Trade Commission logo and the text "FEDERAL TRADE COMMISSION ReportFraud.ftc.gov". To the right is a search bar with the placeholder text "Search FAQs on ReportFraud.ftc.gov" and a magnifying glass icon. Below the search bar are navigation links: "FAQs", "Update Report", a "Languages" dropdown menu, "Español", and a "Report Now" button with a right-pointing arrow. A dark blue banner below the navigation contains a warning icon and the text "Servicemembers, veterans, and military families: [Report here.](#)". The main content area features a large blue shield icon in the background. On the left, there is a colorful illustration of a town with houses and buildings. On the right, the text "Report to help fight fraud!" is displayed in a large, bold font, with a "Report Now" button below it. At the bottom of the main content area, the text "Protect your community by reporting fraud, scams, and bad business practices." is written. A small "Site Feedback" button is visible on the right edge of the main content area.

FEDERAL TRADE COMMISSION  
ReportFraud.ftc.gov

Search FAQs on ReportFraud.ftc.gov

FAQs Update Report Languages Español Report Now →

⚠ Servicemembers, veterans, and military families: [Report here.](#)

Report to help fight fraud!  
Report Now →

Protect your community by reporting fraud, scams, and bad business practices.

Site Feedback

# Measuring the Impact

Before • FTC Complaint Assistant

Oct 22  
2020

After • [ReportFraud.ftc.gov](https://www.ftc.gov/report-fraud)

## Identification Strategy

Old site retired the same day new site launched

Regression discontinuity (RD) design

Daily data, narrow bandwidth around cutoff

# Design Drives Participation

## Website Redesign

**+26%**

Mobile

**+31%**

Desktop

## Controls

**No  $\Delta$**

FTC Call Center

**No  $\Delta$**

CFPB / BBB

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## Better Information

**+9%**

Zip Code

**+13%**

Age

**+6%**

Perpetrator ID

# Better Information

## **New Voices**

Richer data for enforcement cases

Reached people who would not have reported otherwise

Simpler writing, different scam types

# Enhancing Capabilities

## Strengthening Our Research Infrastructure

GPU servers for NLP and AI

Cloud analytics platform (TMF grant)

Text mining of documents, emails, complaints, reviews

# Navigating Barriers

## Institutional Challenges and Solutions

PRA requires approval to survey >9 people

Proposed generic clearance for experiments

Internal subject pools to avoid triggering PRA

# Key Takeaways

1

Interface design can matter — small changes in presentation produce large changes in behavior.

2

Both prospective and retrospective research are important tools for informing consumer protection policy.

3

The FTC is investing in infrastructure — text analysis, experiments, and modern analytics.