Consumer Reports

Digital Marketplace Accountability and Safety

The Problem for Consumers

Online shopping has expanded rapidly over the past decade.[1] Unfortunately, product liability and consumer product safety laws in the U.S. have not kept pace, leaving consumers vulnerable when shopping online. With millions of products just a click away, people are more likely than before to encounter hazardous consumer products that may put them at unreasonable risk of injury and death. **In 2025, the federal Consumer Product Safety Commission (CPSC) issued nearly 90,000 takedown notices to online platforms about hazardous products listed for sale**.[2]

The Policy Opportunity

Consumers should be able to trust that the products they buy online do not pose unreasonable risks to their health and safety. When a safety issue does arise, consumers should be able to seek recourse, from not just the manufacturer or retailer, but also the digital marketplace, as warranted. State policymakers have an opportunity to update their product liability laws to ensure that digital platforms can be held accountable for unsafe products sold on their marketplaces.

Consumer Reports' Positions

- CR supports state efforts to update product liability laws as needed to clarify how digital platforms are held accountable for unsafe consumer products sold by third-party sellers on their platforms.[3]
- Digital marketplaces should bear liability that is proportional to their involvement in the transaction and distribution of a product. In determining responsibility,

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[1] "Quarterly Retail E-Commerce Sales 1st Quarter 2026" (U.S. Census Bureau News Release), U.S. Department of Commerce (May 18, 2026) www.census.gov/retail/mrts/www/data/pdf/ec_current.pdf.

[2] CPSC, "Acting Chairman Peter A. Feldman of the U.S. Consumer Product Safety Commission Delivers Keynote Remarks at Toy Fair" (Feb. 16, 2026) www.cpsc.gov/About-CPSC/Chairman/Peter-A-Feldman/Speech/Acting-Chairman-Peter-A-Feldman-of-the-US-Consumer-Product-Safety-Commission-Delivers-Keynote-Remarks-at-Toy-Fair.

[3] Colin Lecher, "How Amazon Escapes Liability for the Riskiest Products on Its Site," The Verge (Jan. 28, 2020) www.theverge.com/2020/1/28/21080720/amazon-product-liability-lawsuits-marketplace-damage-third-party.

policymakers should consider whether a marketplace: (1) ships goods or facilitates a purchase; (2) controls how products are marketed or priced to consumers; (3) requires or incentivizes third-party sellers to use the company's own distribution services or programs, such as Fulfilled by Amazon and Walmart Pro Sellers; or (4) otherwise actively chooses to exert greater control over the chain of commerce and sale to the consumer.

- CR supports enforcement of federal and state consumer protection laws to take action against companies that make deceptive safety claims, fail to provide essential safety information in a clear and conspicuous manner, conceal known defects, or fail to take reasonable steps to forestall harm caused by others.

What's Next:

- Continue engaging with digital marketplaces to improve their product safety practices, policies, and accountability. Learn more at cr.org/safebydesign.
- Publish guidance for state policymakers outlining principles for updating product liability laws to address the realities of e-commerce and digital marketplaces.

For more information on our Digital Marketplace Accountability work, please contact Oriene Shin at oriene.shin@consumer.org.

About Consumer Reports

Founded in 1936, CR is on a mission to create a fair and just marketplace for all. Widely known for our rigorous research and testing of products and services, we also survey millions of consumers each year, report extensively on marketplace issues, and advocate for consumer rights and protections around safety, digital rights, financial fairness, and sustainability. CR is independent and nonprofit.