

## Apps to Help You Shop in Stores

A *good* shopping buddy has a sharp eye, knows the lay of the land, and can find the best deals on the products you want. A *great* shopping buddy might even share coupons with you. Millions of people have found new shopping buddies – their smartphones. “Shopping apps” for use in brick-and-mortar stores have been downloaded millions of times.

- [What Can Shopping Apps Do?](#)
- [What if I Discover a Billing Error?](#)
- [What Personal Information Do Shopping Apps Collect?](#)

### What Can Shopping Apps Do?

Apps to help you shop in physical stores may have several types of features:

#### **In-store purchases**

These apps allow you to pay on-site, using your phone for checkout. Many use a bar code or quick response (QR) code scanner. When it's time to pay, instead of swiping a card or using cash, you open the app so the store clerk can scan the bar or QR code on your phone. Some apps let you pay by tapping your phone against an electronic reader.

To fund in-store purchases, you link the app to your credit card, debit card, gift card or prepaid card. Some apps are called “pass through” – they charge your card or bank account each time you buy something.

Others let you store value with the app and spend from the stored value every time you buy something.

#### **Price comparison**

These apps help you check for the best available price in real time. Many of these apps use your phone's camera to scan a product code.

Then they search online databases to show you prices and information about similar products sold online or in stores.

## Deals

These apps help you find, earn or redeem coupons or loyalty points when you shop in-store. Some apps offer specific discounts based on information they collect from your phone, like your location or purchase history.

Many shopping apps combine these features. For example, some retailers have in-store purchase apps for use only in their stores; the same apps also offer coupons for their products.

## What if I Discover a Billing Error or Unauthorized Charge When I Use an In-store Purchase App?

If you have a billing problem after using a shopping app in a store, turn to the store, the app or the credit or debit card linked to the app for help.

### The store

You can solve many payment issues by talking to a store employee. Do this as soon as possible because some retailers have time limits on returns and refunds. If you used an app developed by the retailer, it's likely their employees would help you work out any problems.

If the first employee doesn't have the authority to help you, ask for a supervisor or manager. With each person, explain the problem and ask what they will do to fix it. Keep a record of your conversations — who you spoke to and when, and what they promised to do.

### The app

According to an FTC staff study, user agreements for shopping apps generally offer few promises that the app company will help if you have a problem. In fact, some user agreements claim the company doesn't have to take responsibility for any problems. The company may behave better than that, but there are no guarantees.

Before you use a shopping app, look for:

- contact information
- how quickly you have to report unauthorized charges
- any limits on your responsibility for unauthorized charges
- if the company will investigate your claim, and how quickly the company will share the results of its investigation.

The app's help section, frequently asked questions or terms of use may have this information.

## The credit or debit card

If the in-store purchase app is a “pass through,” charging your credit or debit card each time you buy something, the [legal protections](#) for your credit or debit card apply:

### Liability for Unauthorized Charges Varies by Payment Method

Payment Method	By law, your responsibility for unauthorized charges is limited to:
Credit Card	\$50
Debit Card	\$50 if you report within 2 business days after discovery  \$500 if you report after 2 business days, but within 60 days after your statement is sent to you that first shows the problem  All charges if you don't report it within 60 days after your statement is sent to you that first shows the problem
Gift Cards, Virtual Currency, or Money Stored in an App	Generally, there is no legal limit on your liability. You're responsible for all charges, unless otherwise stated under the terms of service of your gift card.

If you use an app that requires you to store value with an up-front payment, you may not have the same protections as if you used a credit or debit card to make the same purchase directly. If you're considering a stored value app, see if it explains, upfront in the app description or user agreement, how the payment system works, and what to do if there's a

problem. If you can't find that information, use a different app, or keep the stored value to an amount you can afford to lose.

## What Personal Information Do Shopping Apps Collect?

Shopping apps can collect a lot of information, like your name, mailing address, phone number and email. Many of these apps rely on location data to function. For example, some “deal” apps collect information about your location so they can send discounts automatically using text messages or push notifications when you’re near a relevant business.

Some shopping apps say they might collect additional personal information, like your Social Security number, driver’s license number, date of birth and gender. If you’re asked for information like that, consider whether the convenience of the app is worth the risks that sensitive information is stored or shared by the app developer.

Shopping apps also may collect information about the things you buy, including how much you paid, when, where and how you paid. This information, combined with other personal data companies collect, may allow them to develop a detailed profile of you. Many of the privacy policies for mobile apps studied by the FTC allowed the app company to share users’ data with other companies, like advertisers, data brokers or credit reporting companies.

Look for apps that tell you what they do with your data, and how they keep it secure. Many shopping apps offer strong promises about how they protect your personal information, and their privacy and security practices have to live up to their promises. If you think an app doesn’t live up to its privacy or security promises, [report it to the FTC](#).