

The DMA from the perspective of an e-commerce provider

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A high-level view at the DMA from a practitioner viewpoint

Scope: Meaningful

Mostly fine

Rule set: Some improvement potential

Examples:

§6 (1) d should include preferential treatment of third parties to cover for cases like “Project Jedi Blue”

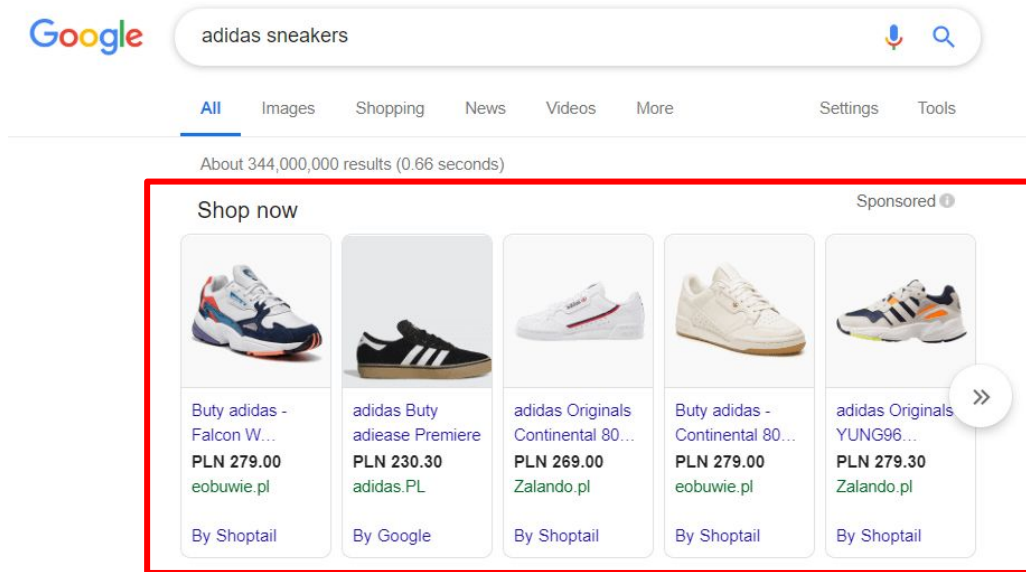
Enforcement: Requires investment into enforcing authorities

Enforcement solely by EU Commission problematic

→ Google Shopping case now running for 13 years without effective remedy

Details follow

It is about this box: Google's Shopping Unit ("GSU")



- Fulfills all requirements of a comparison shopping service ("CSS")
- On top of the search result page ("SERP"), where no other CSS is displayed
- Significantly more prominent design than any other search result

Shop The Farfetch® Sale | Get Extra 30% Off Sale Items | [farfetch.com](https://www.farfetch.com)

www.farfetch.com/Adidas/Sale

Limited Time Promo. Brand Restrictions Apply. Let The Sale Treasure Hunt Begin.

[Women's New Arrivals](#) · [Women's Best Sellers](#) · [Women's Luxury Activewear](#) · [Exclusives to Farfetch](#)

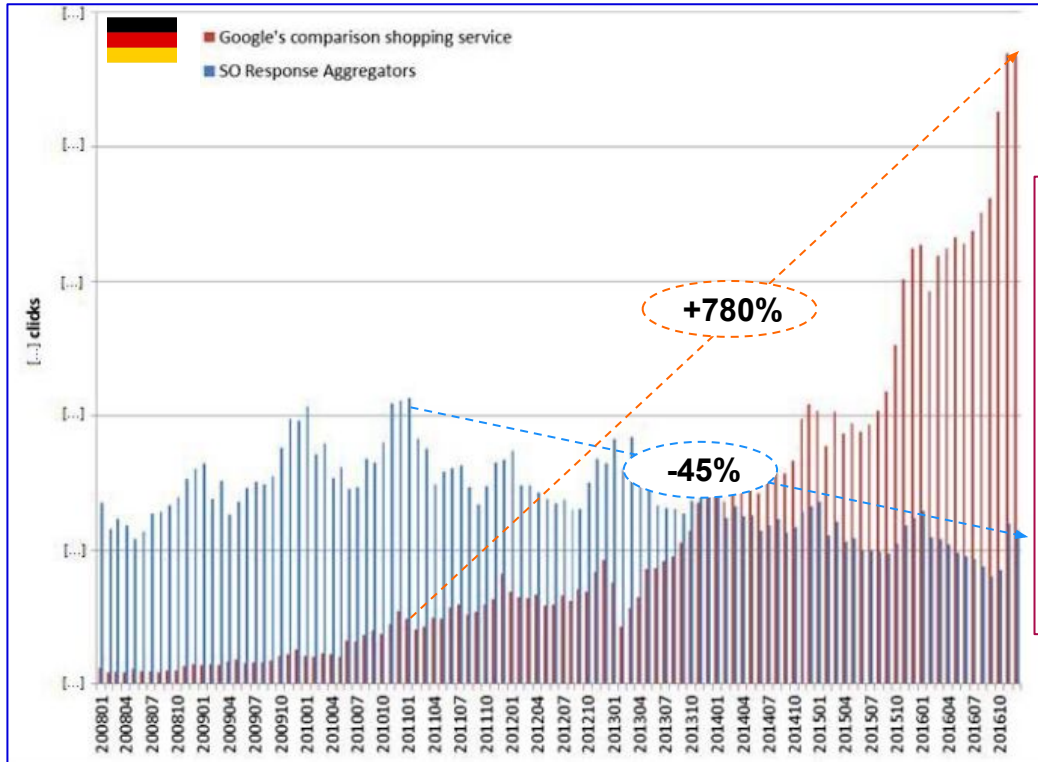
Sneakersy adidas® | Zamów online, odbierz za darmo | [adidas.pl](https://www.adidas.pl)

www.adidas.pl

Kupuj sneakersy z szerokiej gamy dostępnej na oficjalnej stronie **adidas**. **adidas** Piłka nożna.

Google diverts most of the SERP traffic (hence profits) to its own CSS (1)

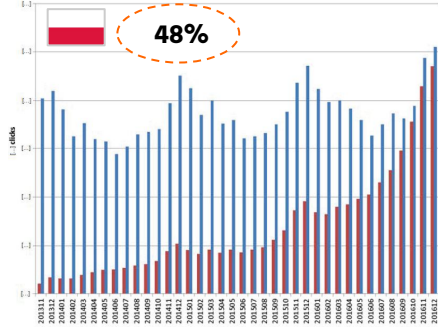
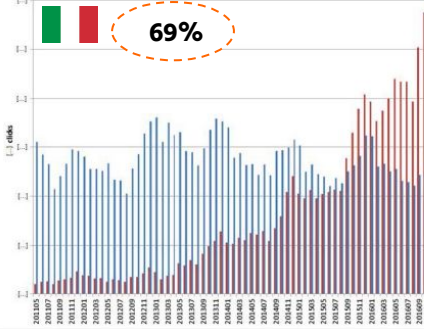
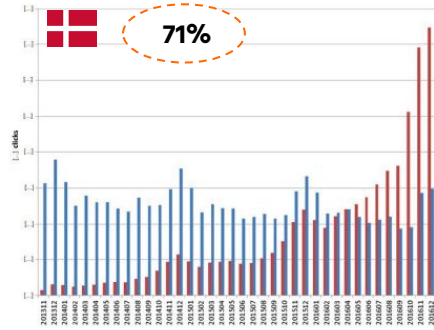
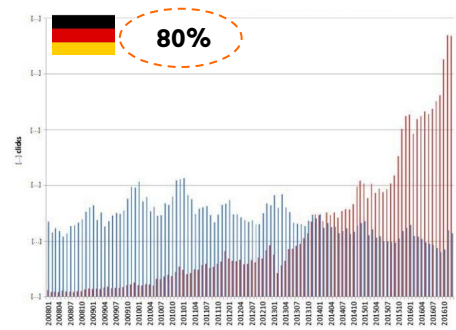
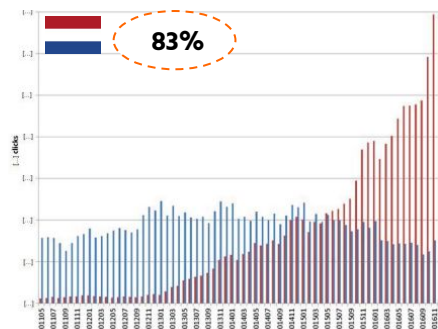
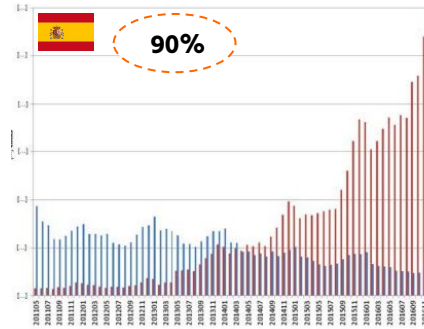
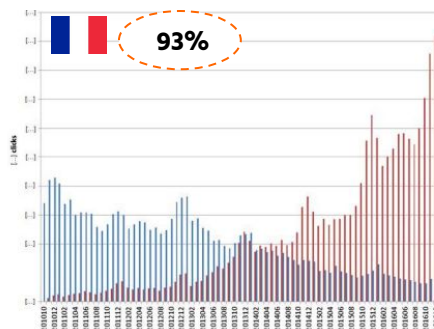
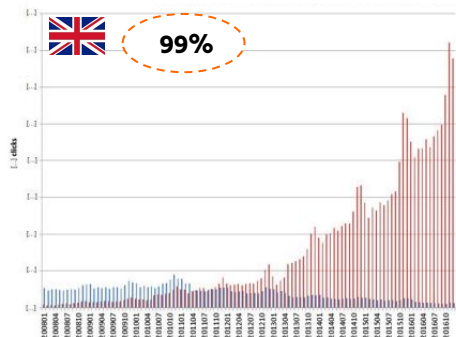
SERP traffic share development 2011-16 in **Germany**, according to EC data



- 2010-16, **traffic to Google's competitors** was **almost halved**
- In the same period, **traffic to Google Shopping** grew by **9x**
- In 12/2016, the **GSU traffic share was 80%**, i.e. 4.2x bigger than all other CSSs in the SO response *combined*

Google diverts most of the SERP traffic (hence profits) to its own CSS (2)

SERP traffic share development 2011-16 in **all available European markets**, according to EC data



This development is harmful for online shops and competing CSSs

Online shops *have to* supply from search monopolist at quasi-monopoly prices

- Google search market share typically 85-95% in the EU
- Google diverts up to 99% of traffic to the GSU

Competing CSSs have very limited access to search traffic

- Competitors systematically and constantly lose business despite growing ecommerce market
- Investing is more difficult due to uncertainty about industry outlook

The impact of the GSU on competitor businesses is significant - examples

Business development of competitors

Out of business



Become
Foundem
Pricerunner



Acheter-moins-cher



Ciao
Stylelounge



Encuentraprecios

Significant downturn in business

2-year change in web traffic ¹

Pricespy

0%

LeGuide

-81%

Twenga

-31%

Kelkoo

-56%

i-comprateur

-28%

Shopzilla

-75%

Guenstiger

-16%

Shopmania

-99%

Kelkoo

-30%

¹ Traffic development June 2019 - June 2021 (Similarweb)

For consumers, the GSU drives up consumer prices and displays inferior information

Grant Thornton study on differences between GSU and leading competitor in 13 EU countries

Consumers pay more

14%

average price surplus of GSU
compared to leading
competitor

Consumers get worse
information

10x

more incorrect offers in GSU
compared to leading
competitor

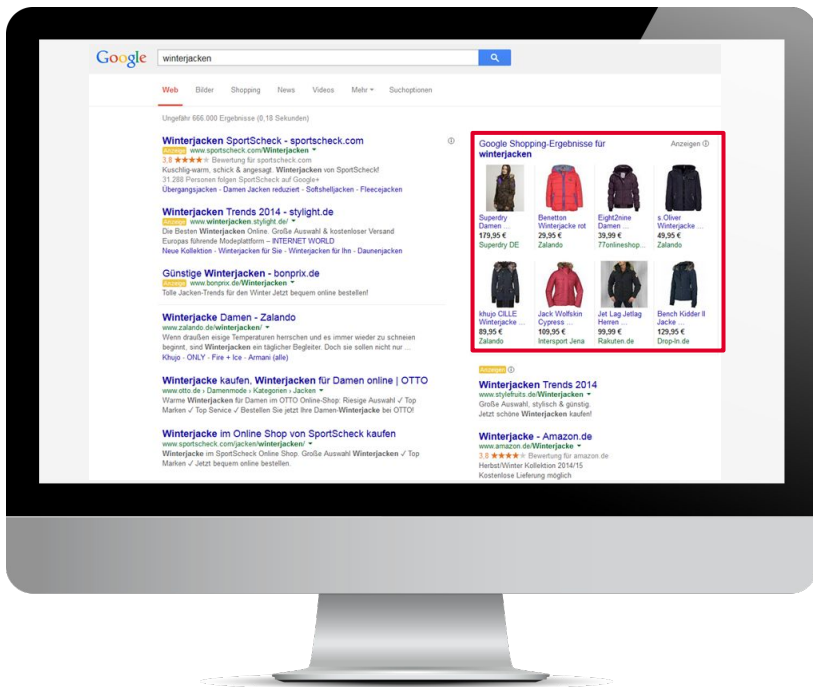
The information got
worse over time

x2

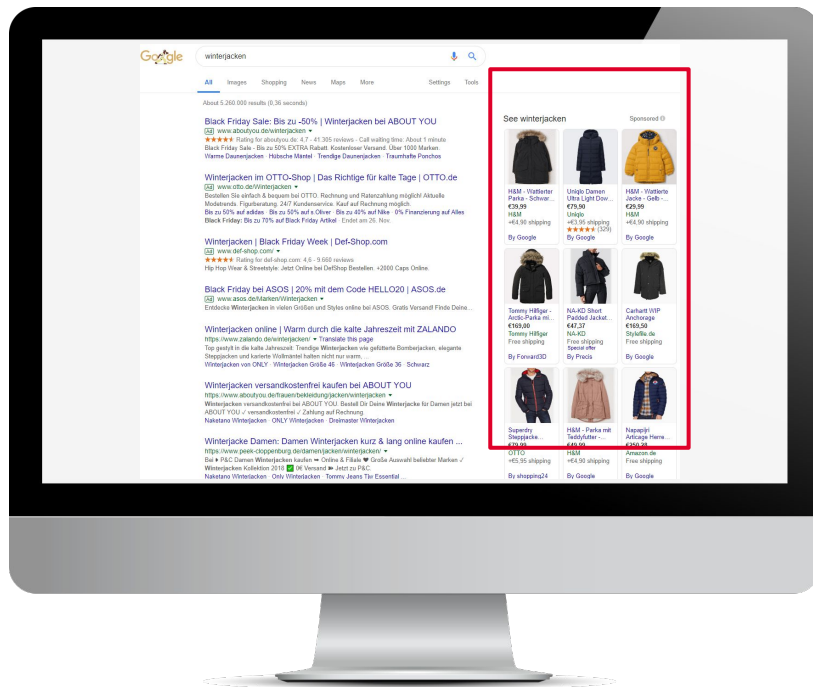
Share of incorrect offers in GSU
2019-2021

Things did not change notably after prohibition decision (1): User experience almost identical

September 2014

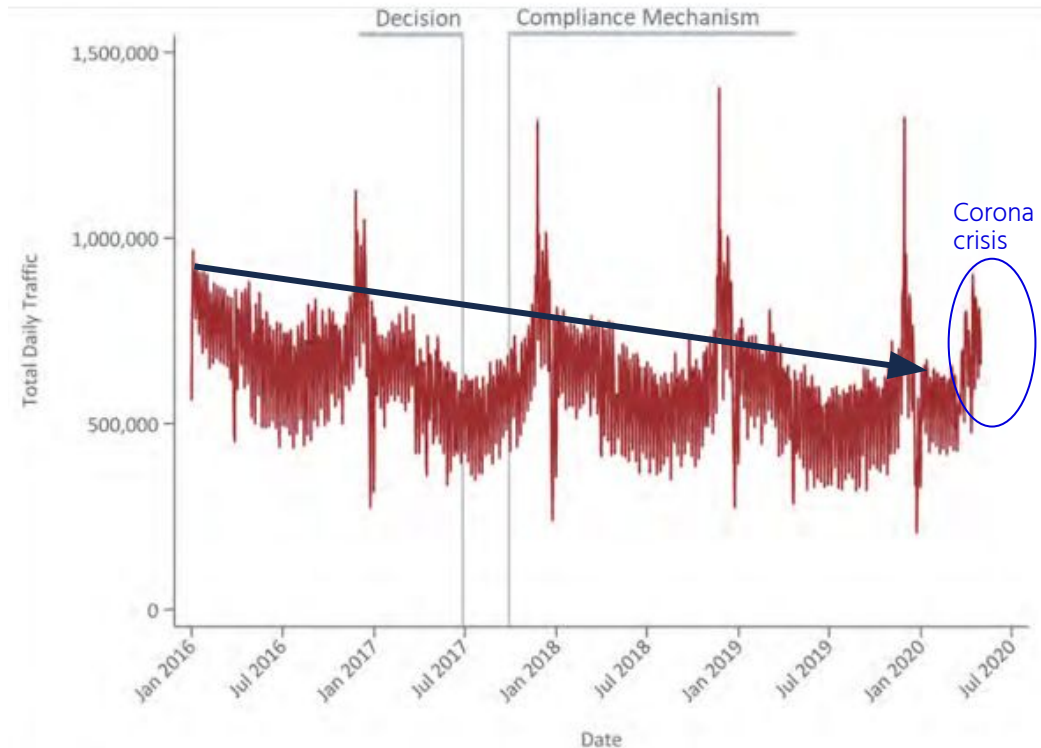


November 2018



Things did not change notably after prohibition decision (2): Traffic to CSSs kept decreasing

Development of total generic search traffic from Google's general results pages to rival CSSs



Conclusion: Law needs enforcement

The procedures lack speed

2

cases have been completely decided by the EC in over a decade (Android, AdSense)

Many cases remain untouched

10+

additional complaints have been filed without being picked up

Authorities need to enforce *effective* remedies

165

digital companies and associations signed an open letter to the EC calling for an *effective* remedy in the Google Shopping case