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European Commission publishes results of e-commerce sector inquiry

The European Commission has wrapped-up its investigation into the EU's e-commerce sector. Today's findings identified business practices which may restrict the purchase and sale of goods and digital content within the Single Market – ultimately hampering consumer choice and inflating prices.

The inquiry looked into the online sales of consumer goods and the distribution of digital content. Its findings show that manufacturers often restrict the distribution of their products in certain online channels and limit their listing on comparison websites. They also often prevent their sale to another Member State (11%). It also shows that over 60% of respondents to the investigation restrict the cross-border access to their online digital content services.

Such practices can harm consumers because they limit choice and can have an upward effect on prices. A recent Commission study showed that consumers would gain €500 million if geo-blocking practices in e-commerce were lifted.¹

Monique Goyens, Director-General of The European Consumer Organisation (BEUC), commented:

"The digital single market cannot be a one-way street. Business practices which restrict consumers from choosing the product or service they want to purchase from providers across the EU are incompatible with a single market. Lifting such barriers will be good for consumers and the economy alike.

"The investigation's findings about the durations of licencing agreements are particularly striking. The longer a sport organiser or film producer licenses its content exclusively to a specific broadcaster the harder it gets for competitors to enter the market.

"Competition cases are a powerful weapon but they only enter the fray when the harm has already happened. The legislator must act to prevent this from being a problem in the first place. EU copyright law must be reformed as it prevents content providers such as broadcasters from granting European consumers access to movies, series or sport broadcasts."

ENDS

¹ The Economic Impact of Removing Geo-blocking Restrictions in the EU Digital Single Market.
<https://ec.europa.eu/jrc/sites/jrcsh/files/JRC101100.pdf>