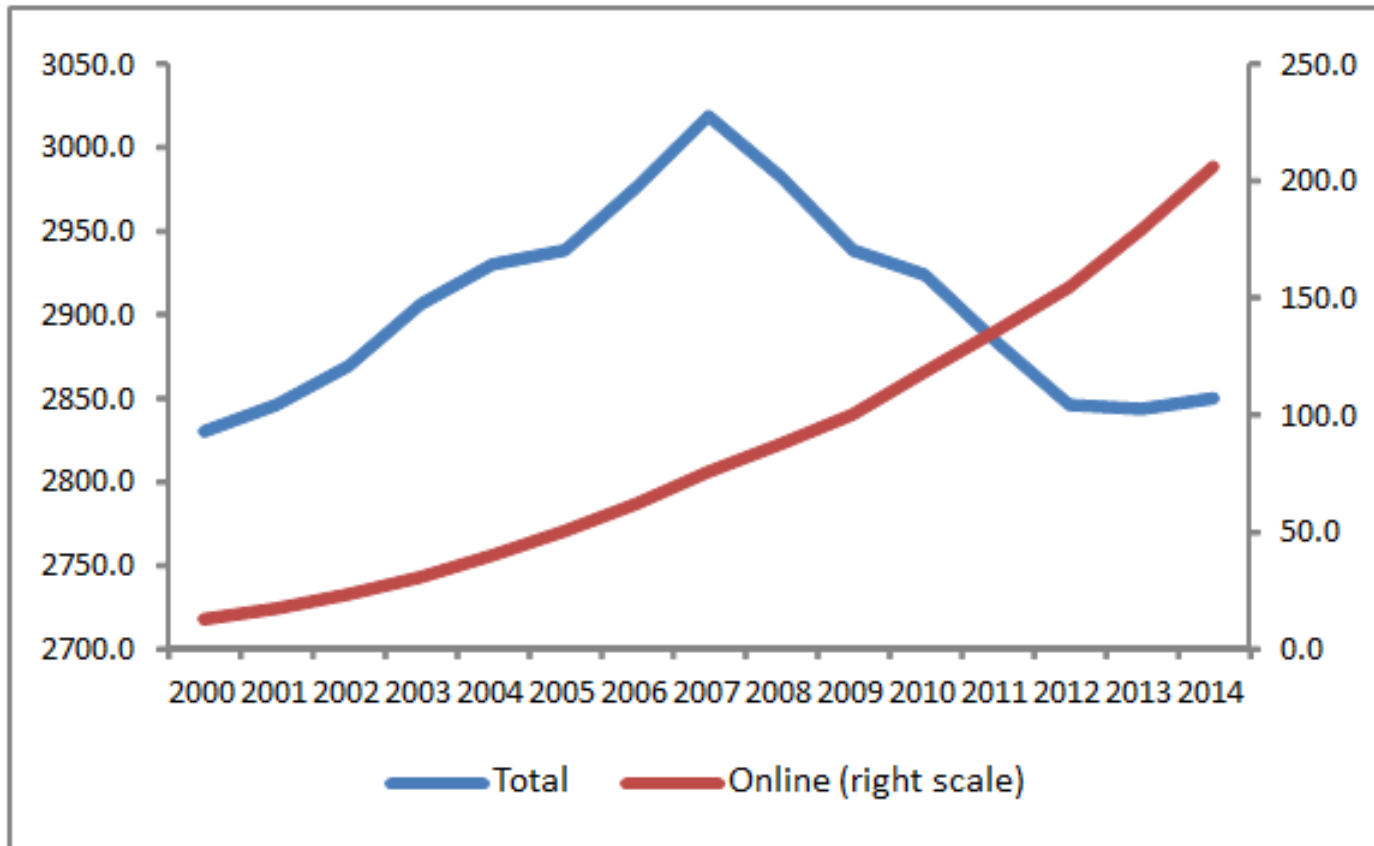




# **The e-commerce Sector Inquiry**

## **Key Findings of the Preliminary Report**

# Total and Online Sales



A. 2: Estimated evolution of the total and online retail sales in goods, 2000-2014 (in billion EUR, from Duch-Brown and Martens, JRC, 2015)

# Context: Digital Single Market Strategy

- Political priority of the Commission, adopted on 6 May 2015
- Aim: Better access for consumers and businesses to online goods and services across Europe - Remove unjustified barriers
- Actions:
  - Legislative actions → regulatory barriers
  - **Complemented by Sector Inquiry → company erected barriers**



# Timeline

- Launched May 2015
- Questionnaires sent until Q2 2016
  - About 1 800 respondents
  - More than 8 000 distribution agreements
- SWD on geo-blocking published March 2016
- Preliminary Report published September 2016
- Final Report due Q1 2017

# Respondents-Consumer Goods

	Retailers		Retailers
Belgium	29	Lithuania	16
Bulgaria	13	Luxembourg	5
Czech Republic	13	Hungary	19
Denmark	32	Malta	12
Germany	338	Netherlands	46
Estonia	11	Austria	24
Ireland	9	Poland	30
Greece	13	Portugal	18
Spain	38	Romania	14
France	48	Slovenia	18
Croatia	6	Slovakia	9
Italy	82	Finland	14
Cyprus	15	Sweden	36
Latvia	11	United Kingdom	132
<b>Retailers</b>			<b>1051</b>
<b>Marketplaces</b>			<b>37</b>
<b>Price comparison tools</b>			<b>89</b>
<b>Payment system providers</b>			<b>17</b>
<b>Manufacturers/Suppliers</b>			<b>259</b>
<b>Total</b>			<b>1453</b>

# Respondents

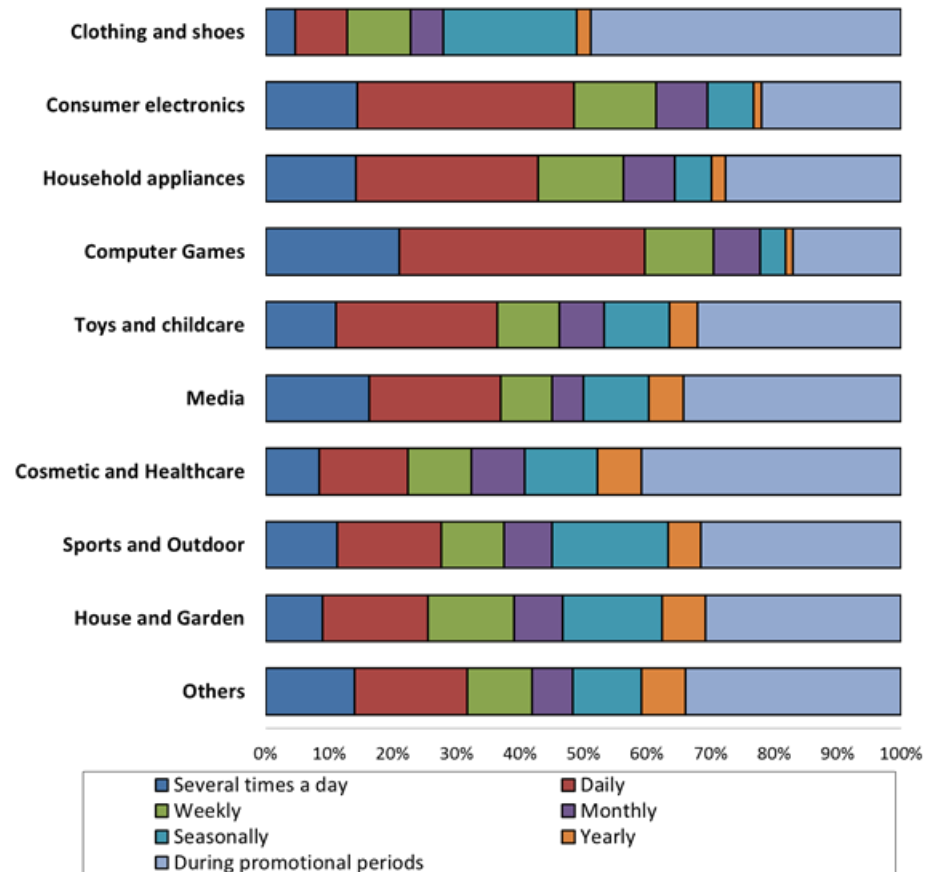
	<u>Content Providers</u>		<u>Content Providers</u>
Belgium	13	Lithuania	2
Bulgaria	5	Luxembourg	1
Czech Republic	8	Hungary	4
Denmark	7	Malta	1
Germany	35	Netherlands	9
Estonia	3	Austria	20
Ireland	2	Poland	9
Greece	5	Portugal	7
Spain	17	Romania	6
France	27	Slovenia	2
Croatia	2	Slovakia	5
Italy	12	Finland	5
Cyprus	1	Sweden	14
Latvia	2	United Kingdom	24
<b>Content Providers - Total</b>			<b>248</b>
<b>Right Holders - Total</b>			<b>53</b>
<b>VPN and IP Routing</b>			<b>9</b>
<b>Large Groups and Hosting Operators</b>			<b>30</b>
<b>Total</b>			<b>340</b>



European  
Commission

# Consumer Goods

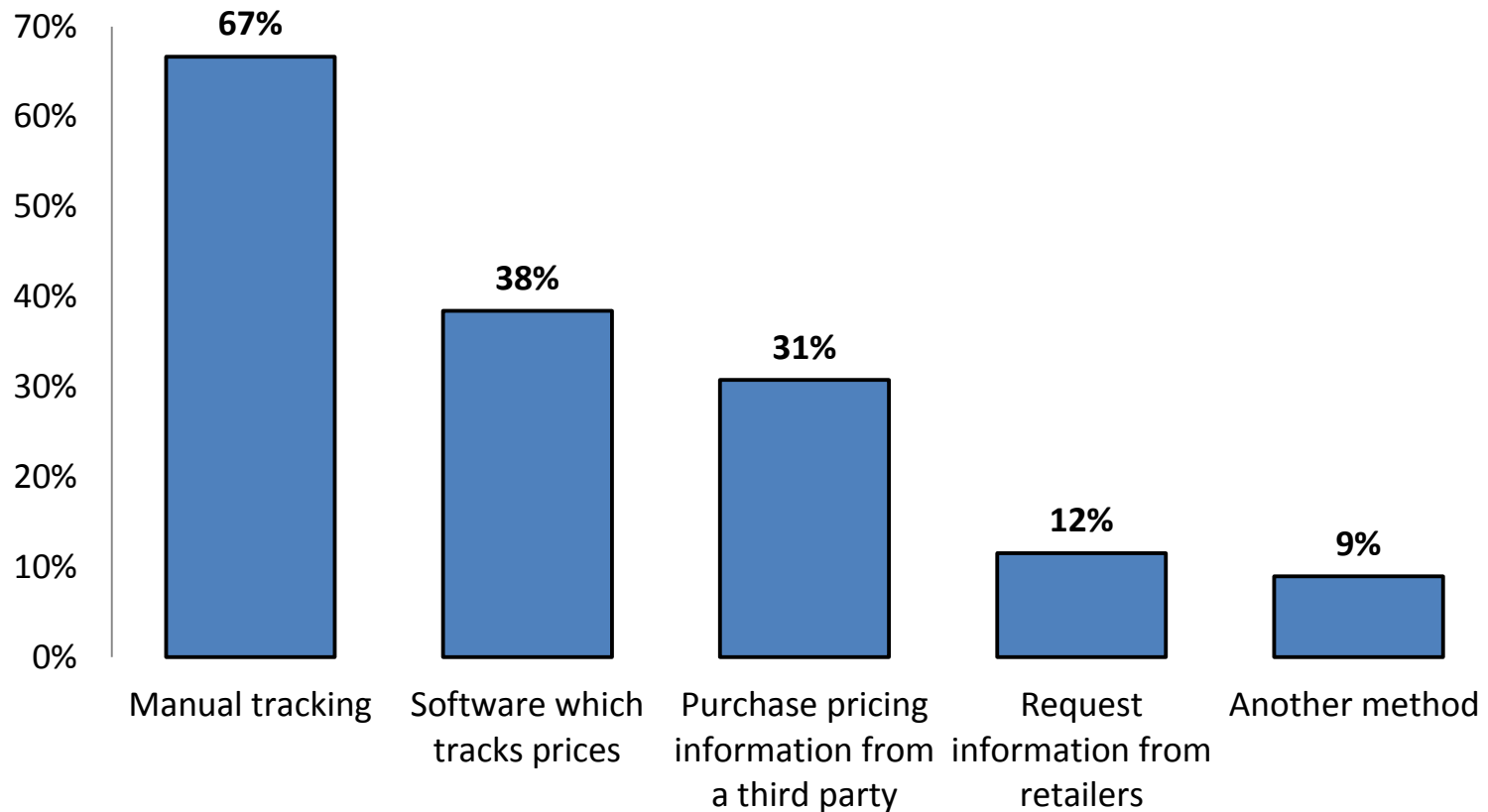
# Price Transparency



**B. 19: Frequency of modifying online prices based on the responses of retailers**

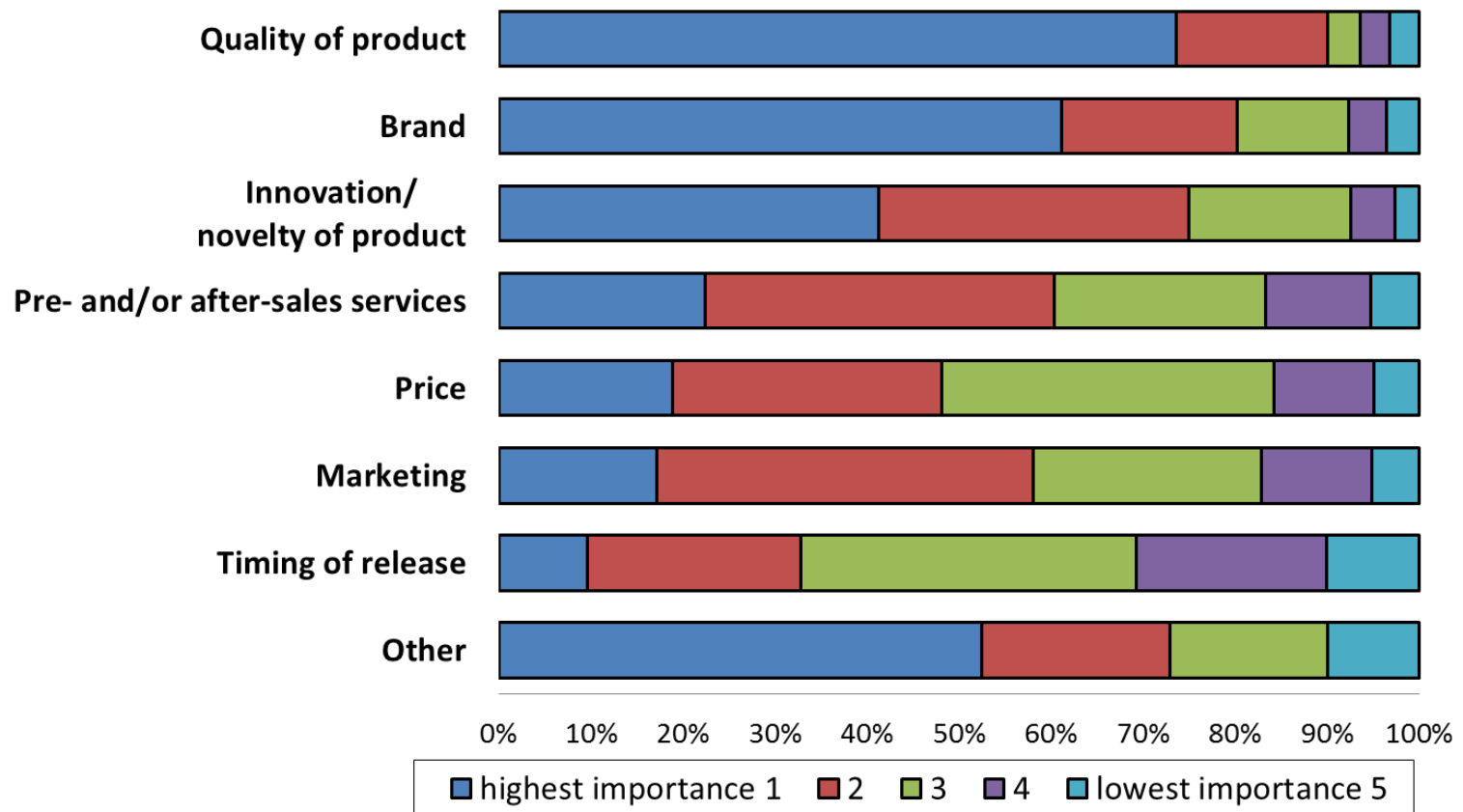


# Price Monitoring



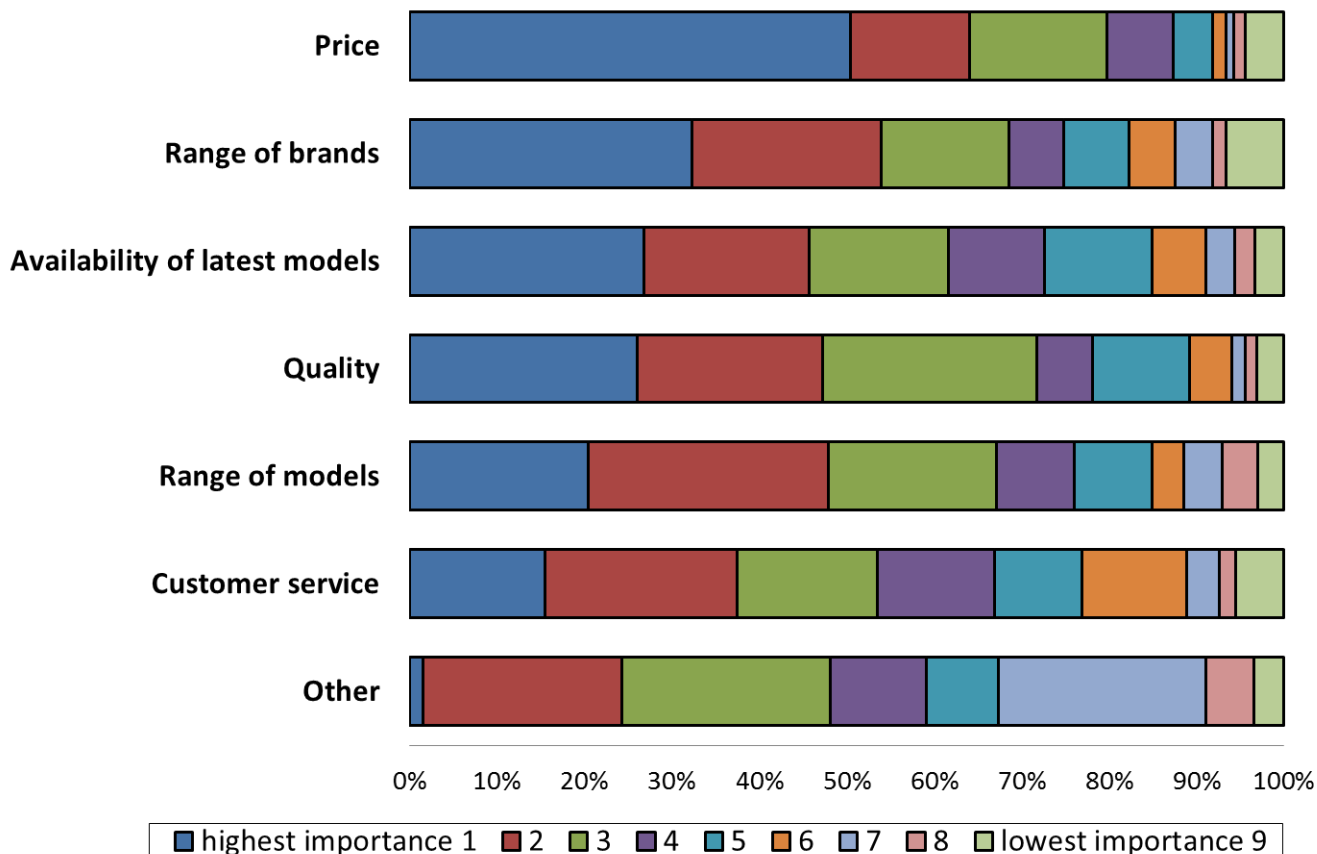
**B. 76: Most commonly reported methods of monitoring retail prices by manufacturers**

# Manufacturers – Drivers



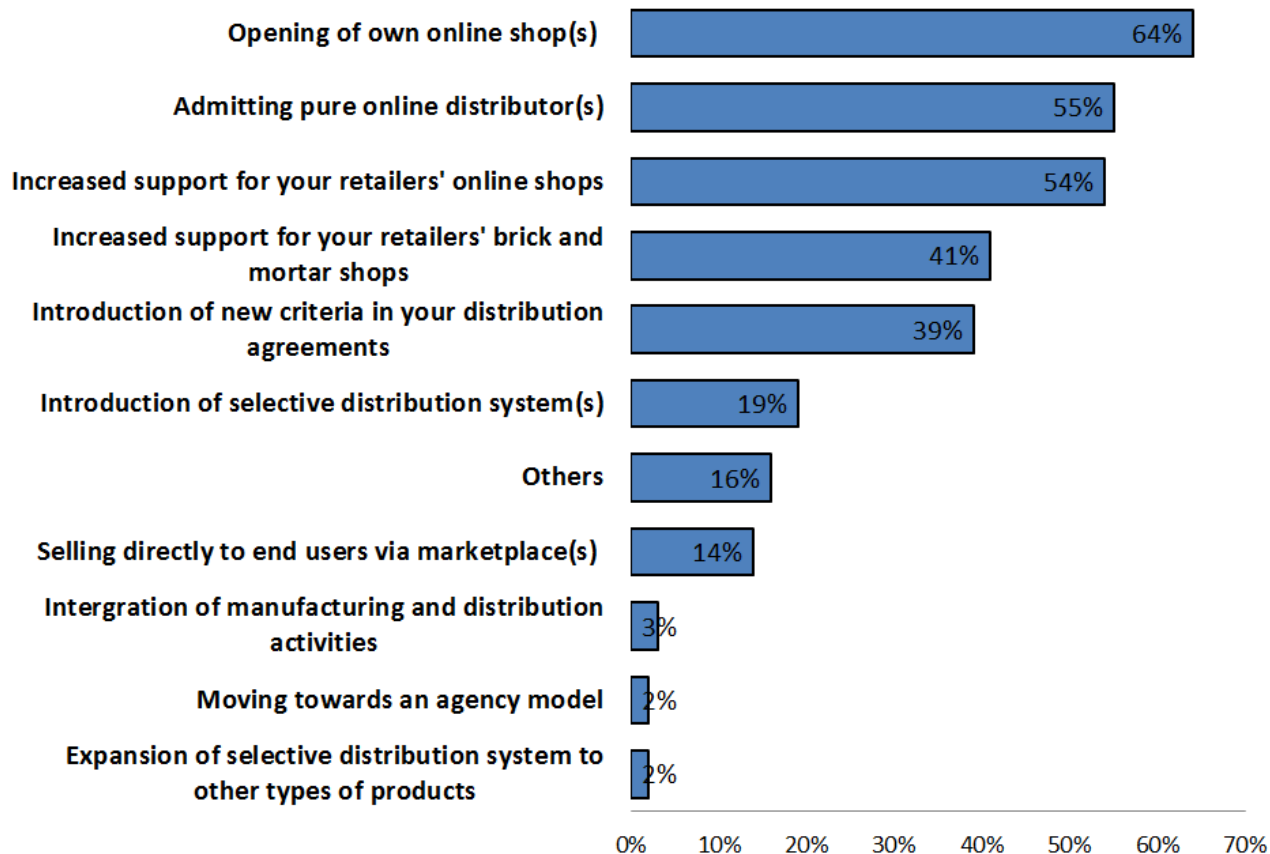
B. 13: Rating the parameters of competition by manufacturers

# Pure Online Players – Drivers



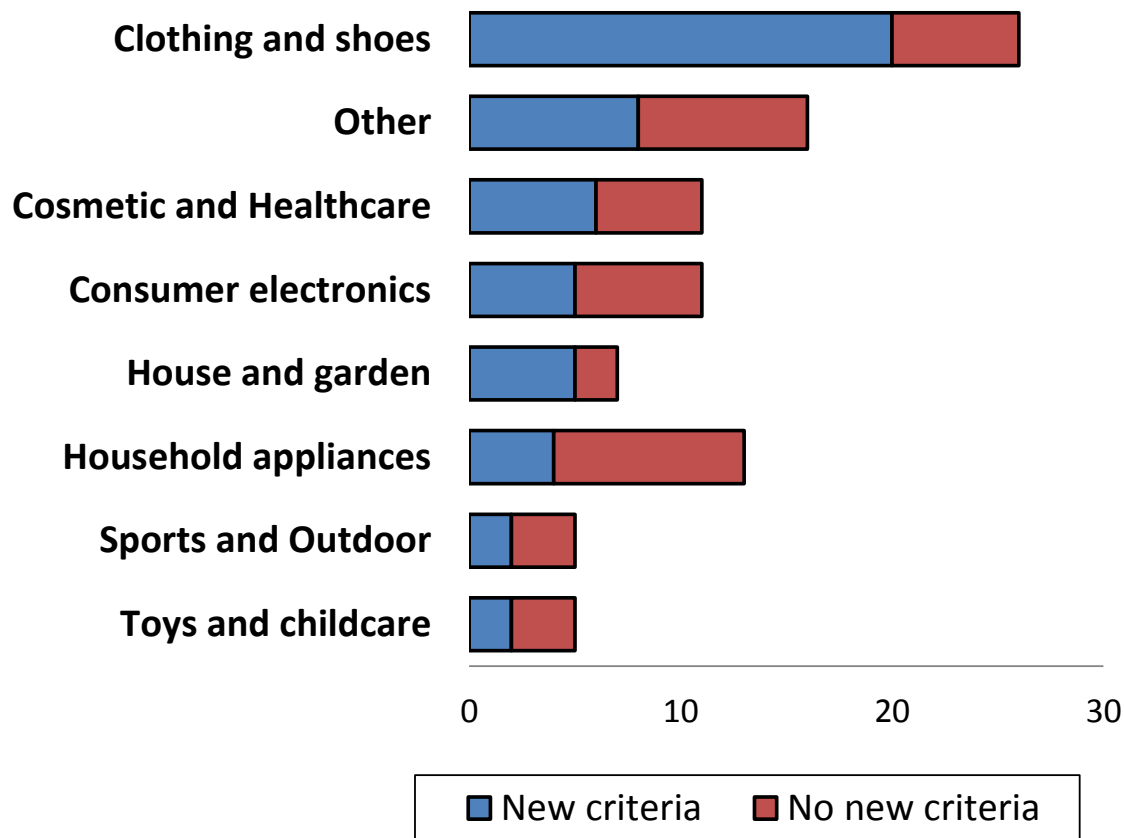
B. 15: Rating the parameters of competition by pure online players

# Manufacturers' Strategies



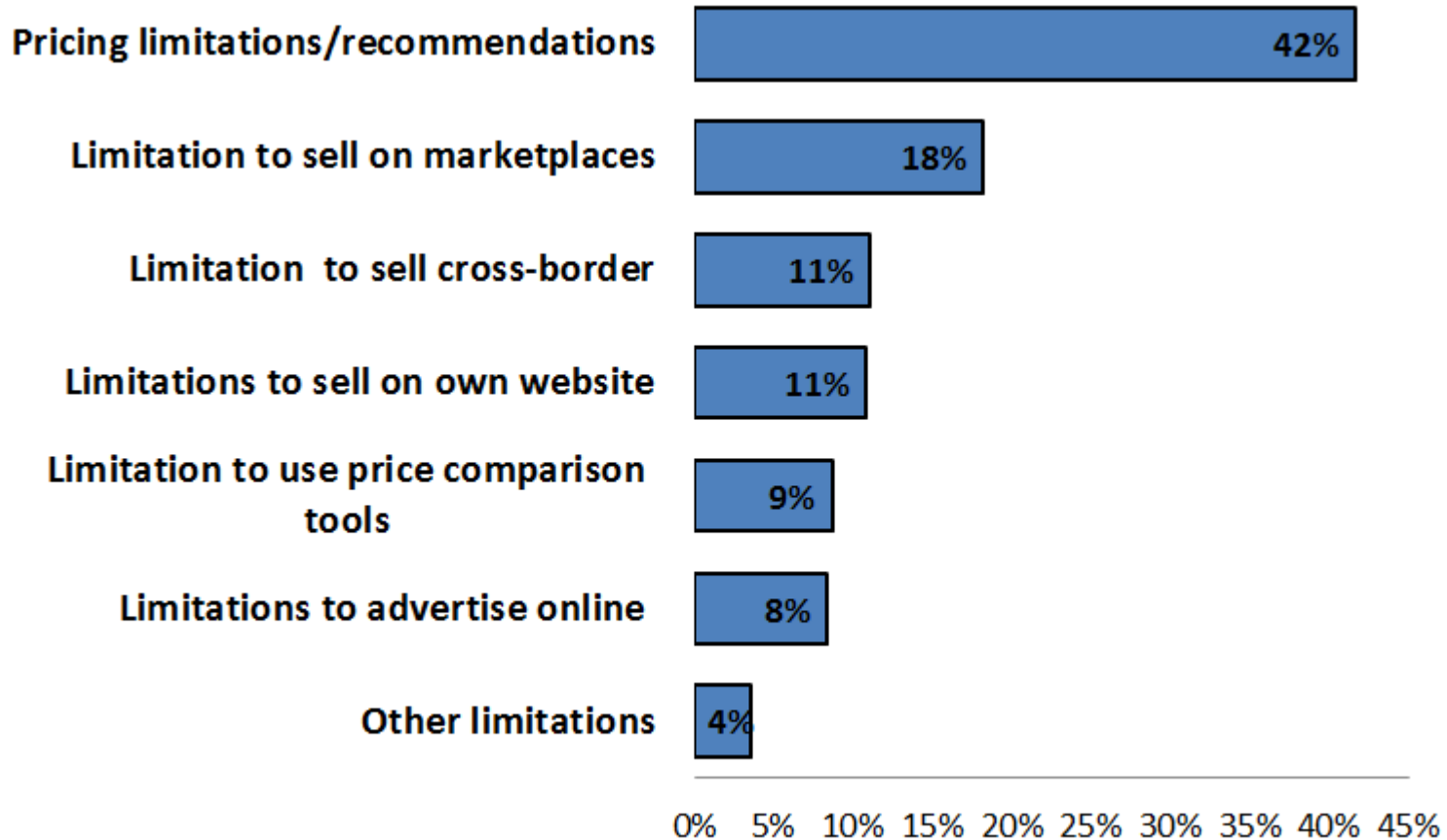
**B. 20: Measures taken by manufacturers in the last 10 years to react to the growth of e-commerce**

# Selective Distribution



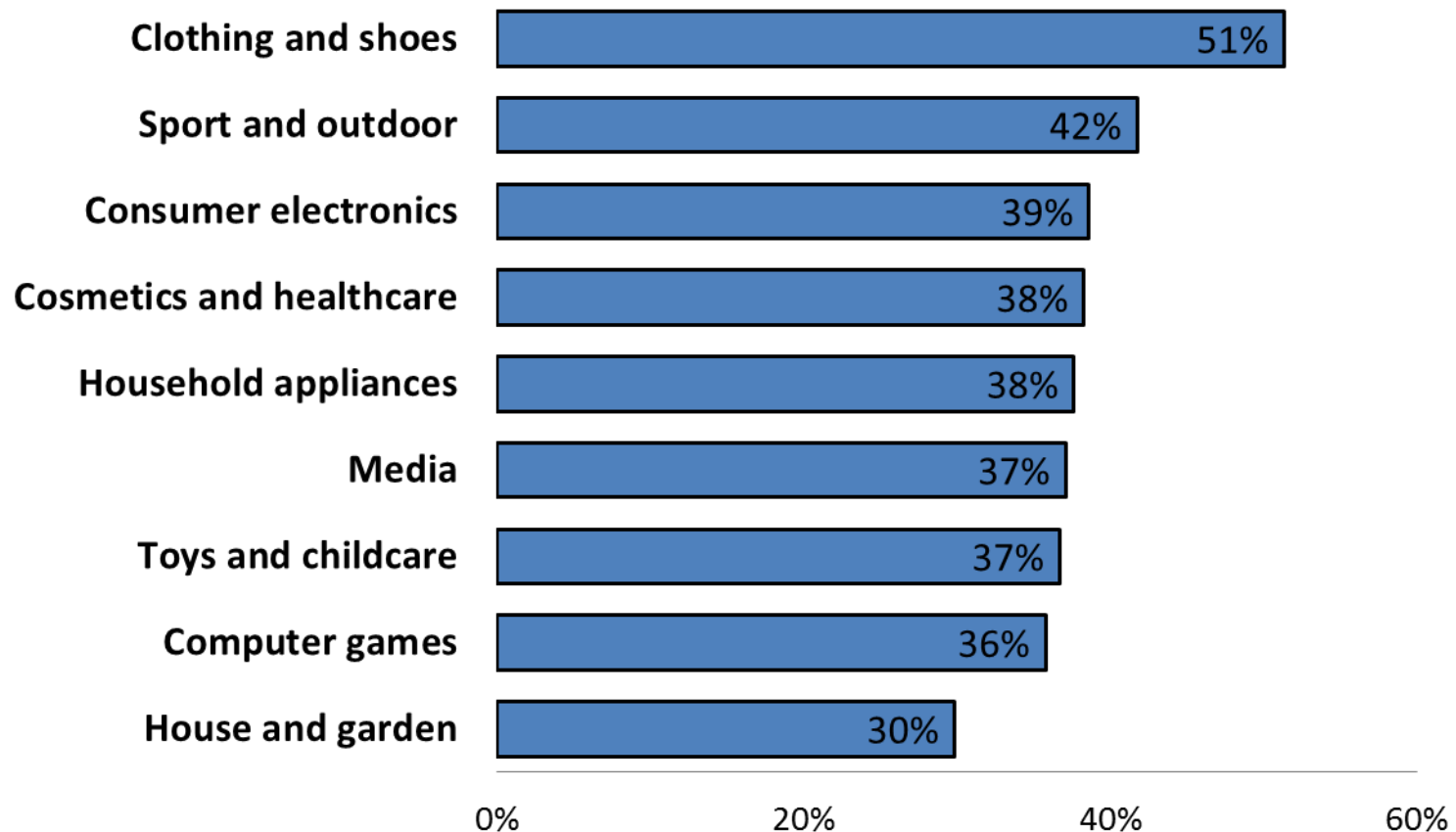
**B. 32: Number of respondent manufacturers that sell via selective distribution and introduced new selection criteria in the last 10 years**

# Contractual Restrictions



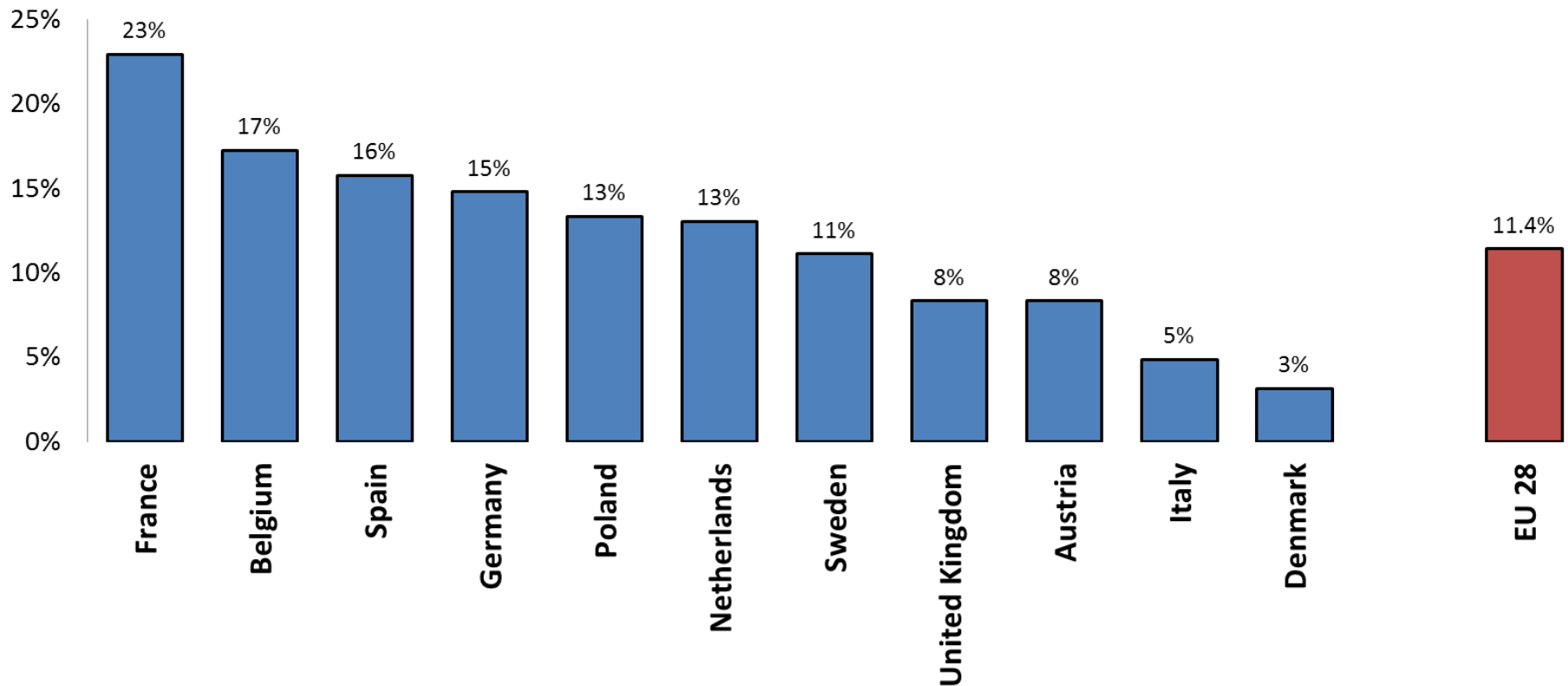
**B. 36: Proportion of retailers having contractual restrictions, per type of restriction**

# Price Recommendations



**B. 75: Proportion of retailers that reported pricing recommendations per product category**

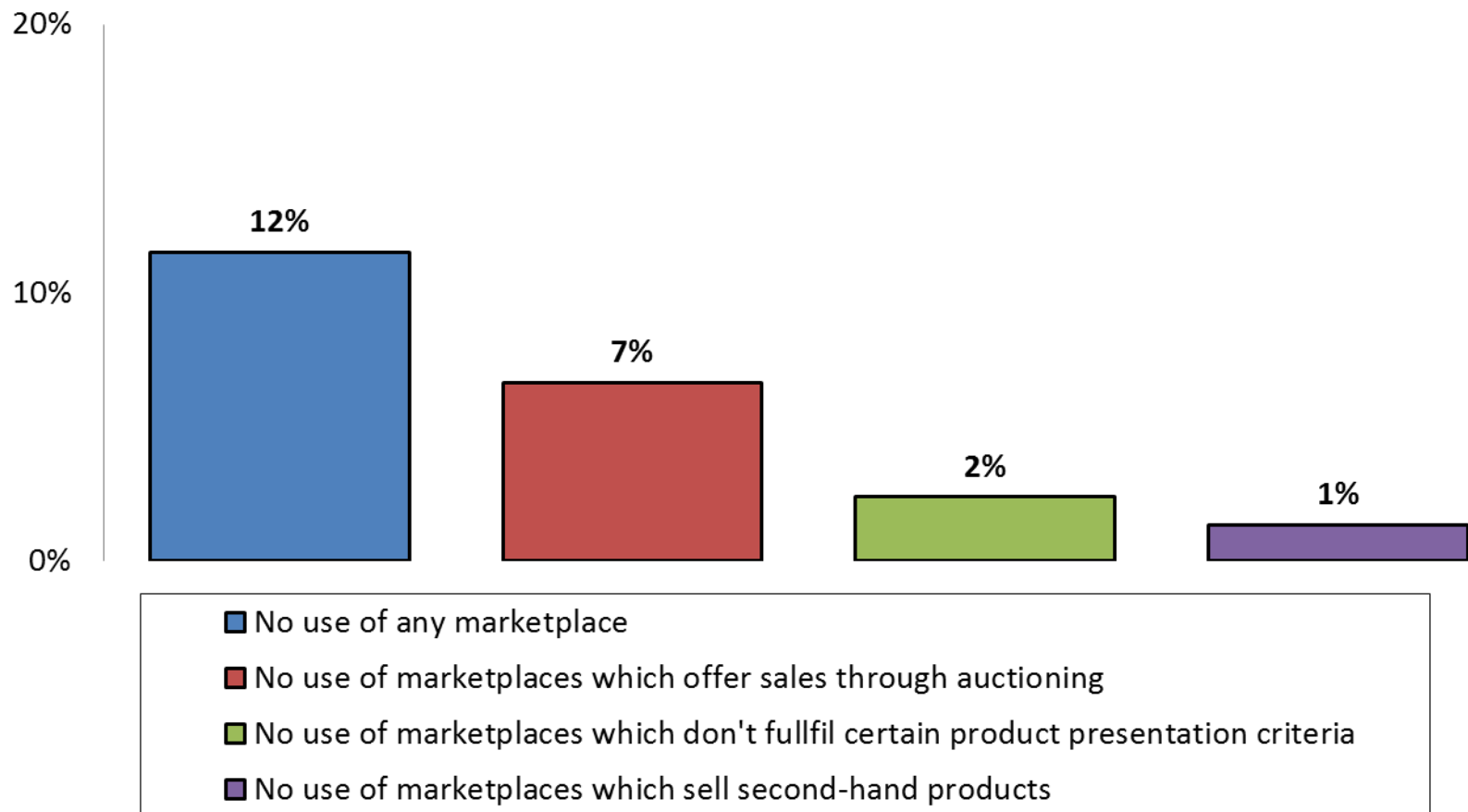
# Cross-Border Sales Restrictions



**B. 53: Retailers that have contractual restrictions to sell cross-border in at least one product category, by Member State**

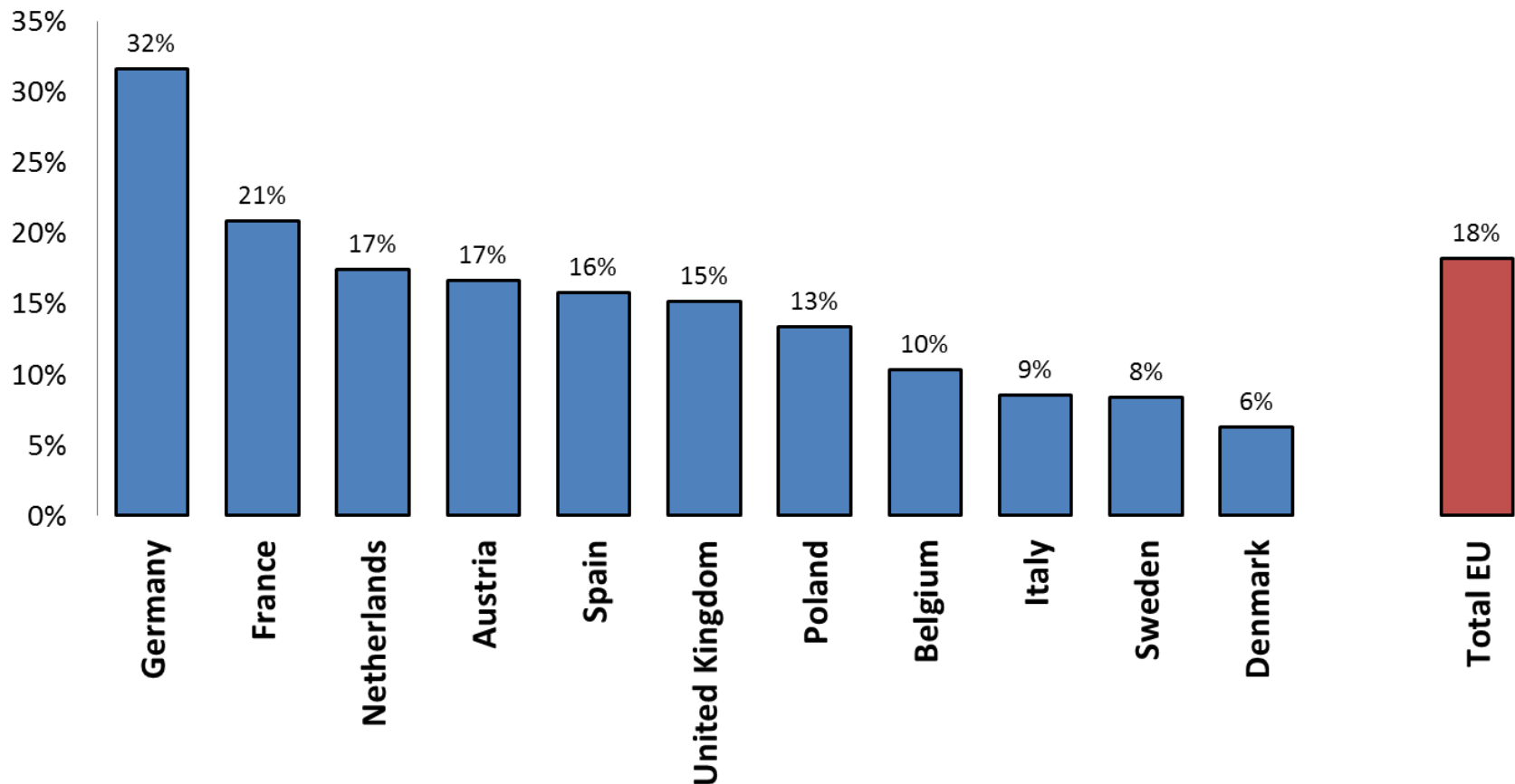


# Marketplace Sales Restrictions



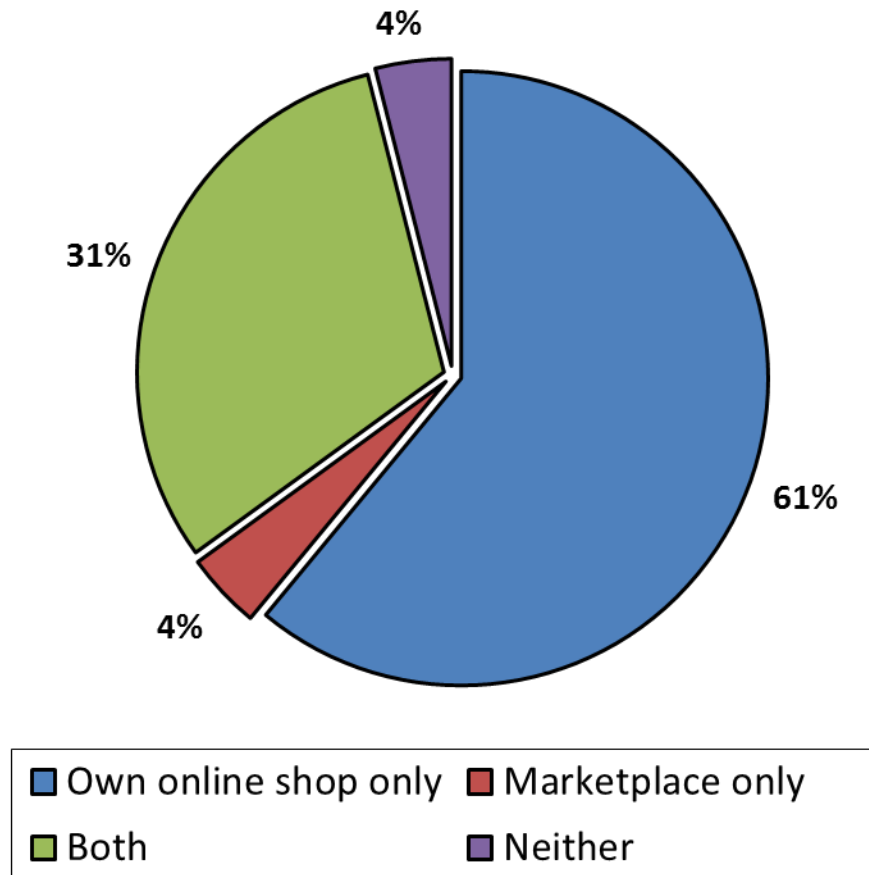
**B. 65: Proportion of retailers that have agreements containing different types of marketplace restrictions**

# Marketplace Sales Restrictions



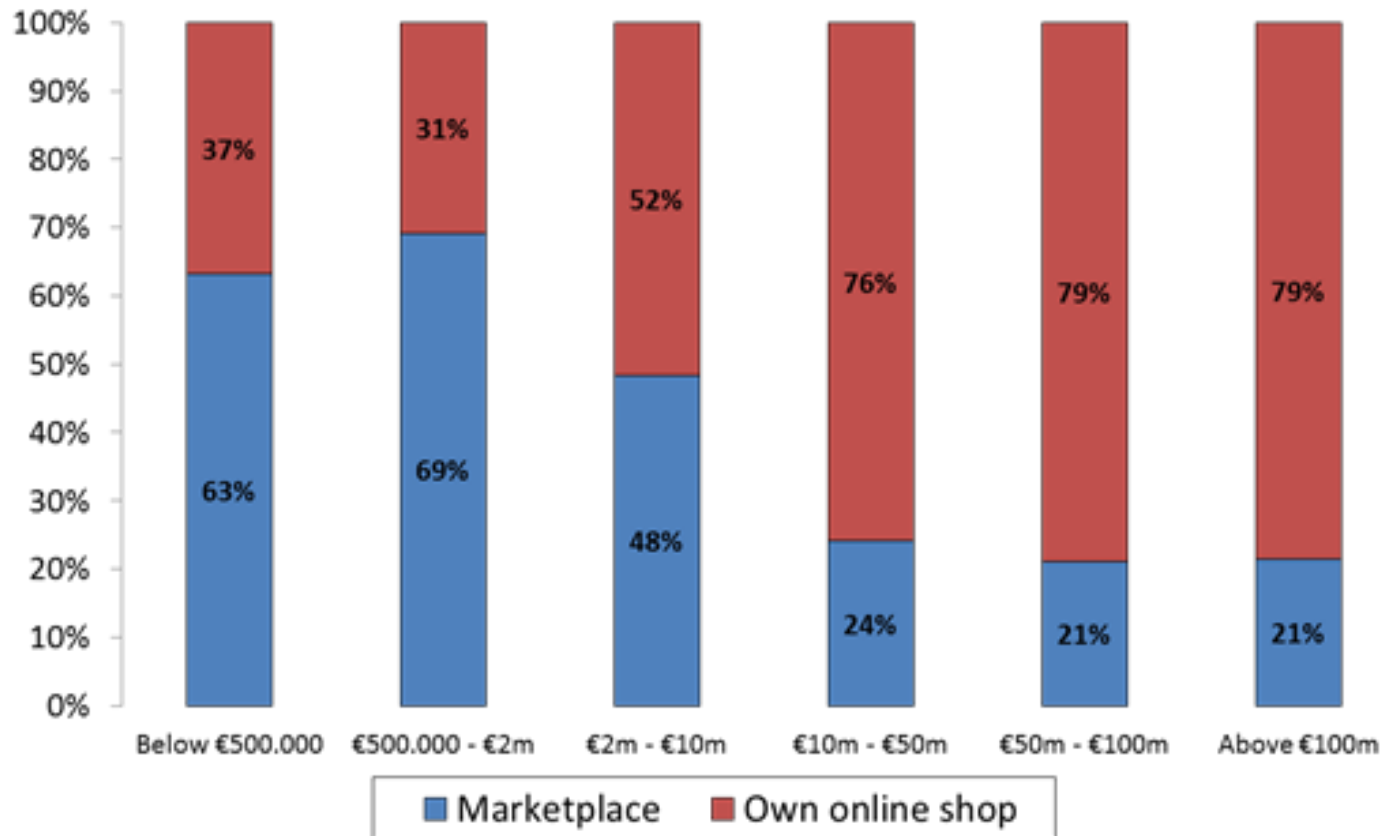
**B. 64: Proportion of retailers in each Member State that have agreements containing marketplace restrictions**

# Relevance of Marketplaces



**B. 55: Proportion of retailers using different sales channels for selling online**

# Relevance of Marketplaces

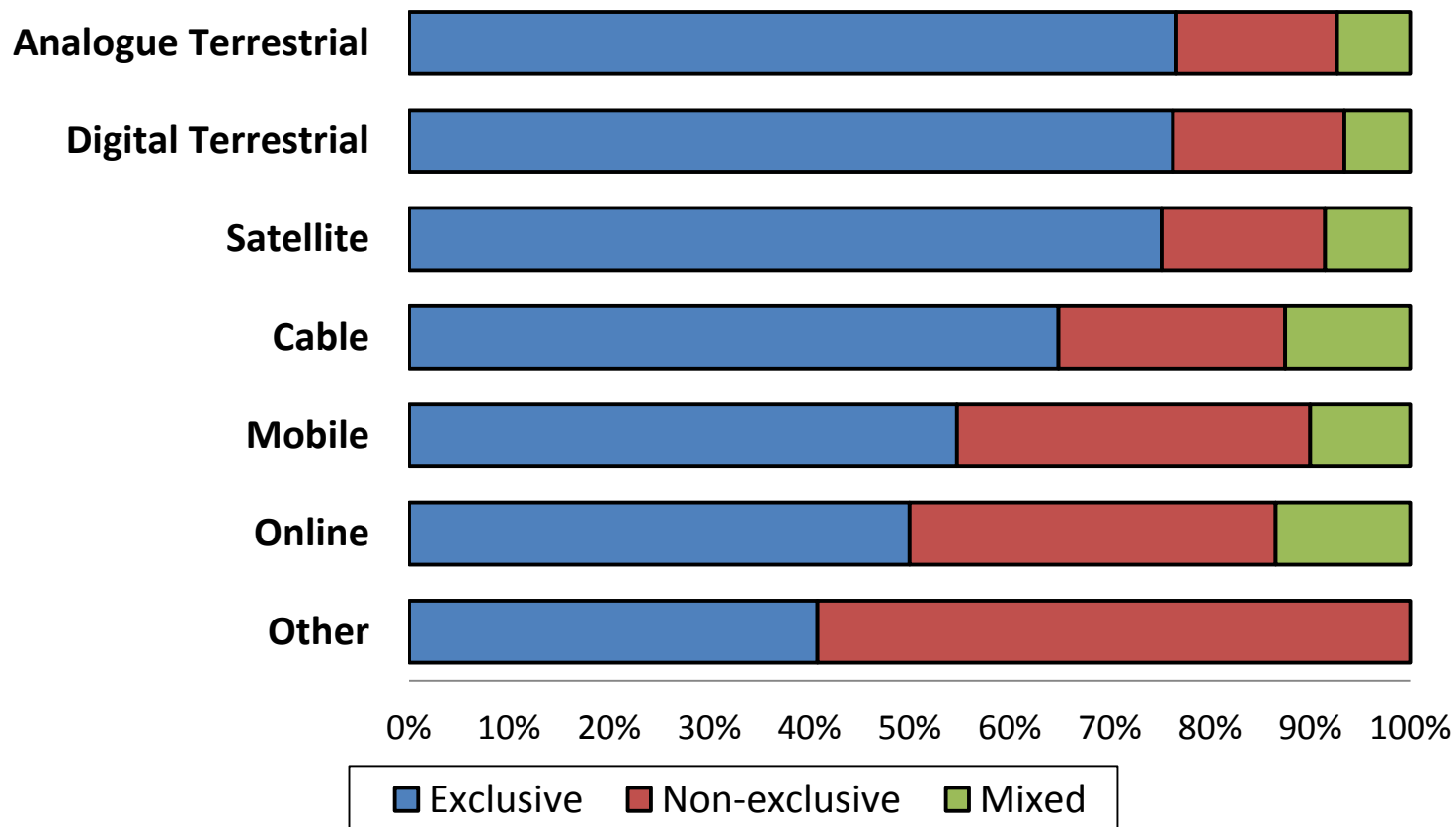


**B. 59: Proportion of retailers in each turnover category that sell on marketplaces**



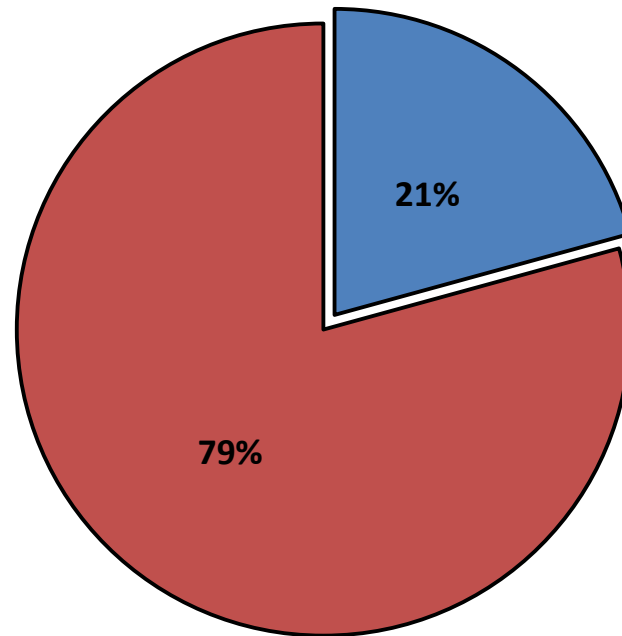
# Digital Content

# Exclusive Transmission Rights



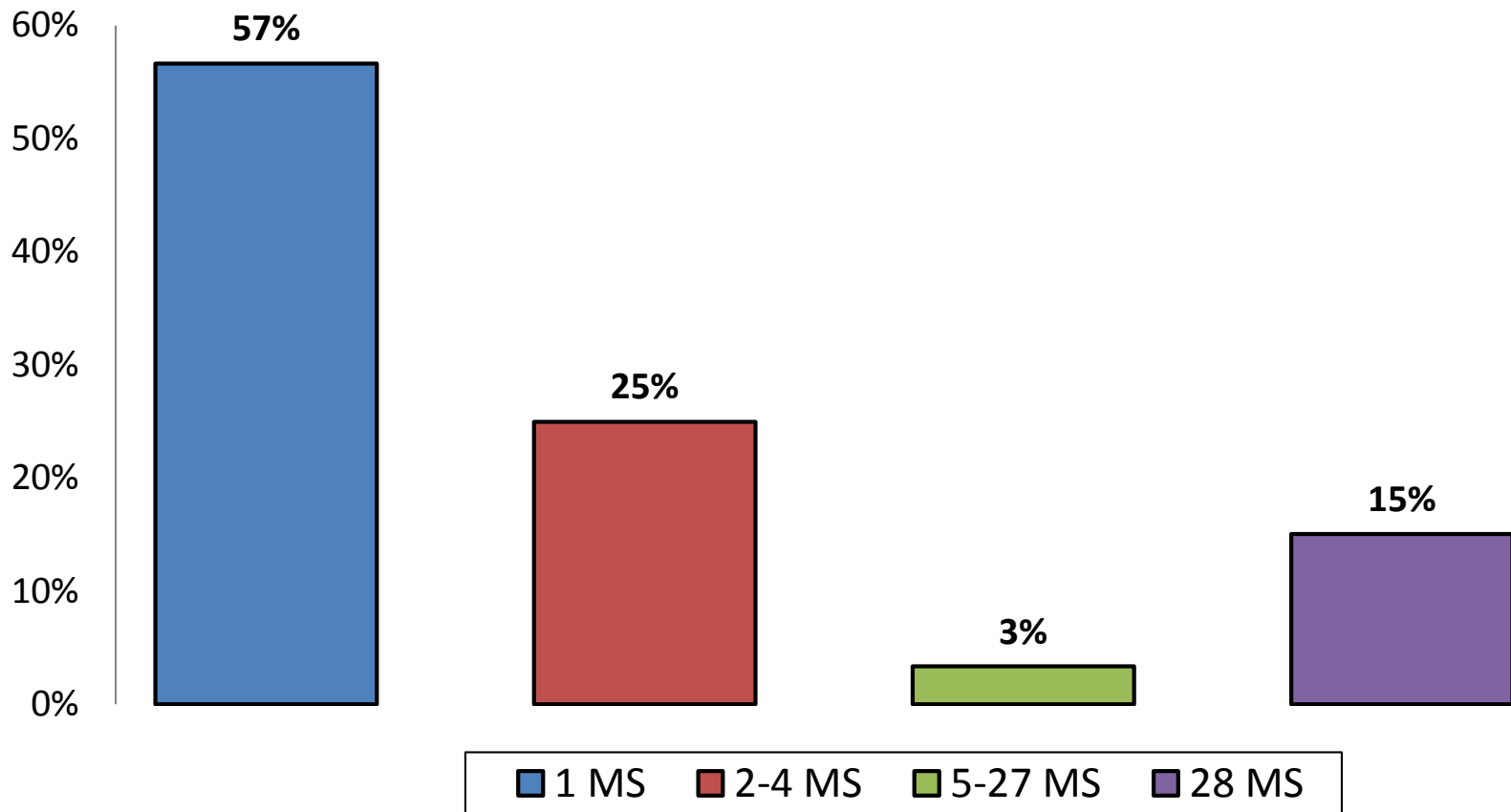
**C. 24: Proportion of agreements including exclusive transmission technology rights – All agreements submitted by right holders**

# Bundling Online Rights



**C. 27: Proportion of agreements that contain online rights together with other technologies – All agreements submitted by content providers**

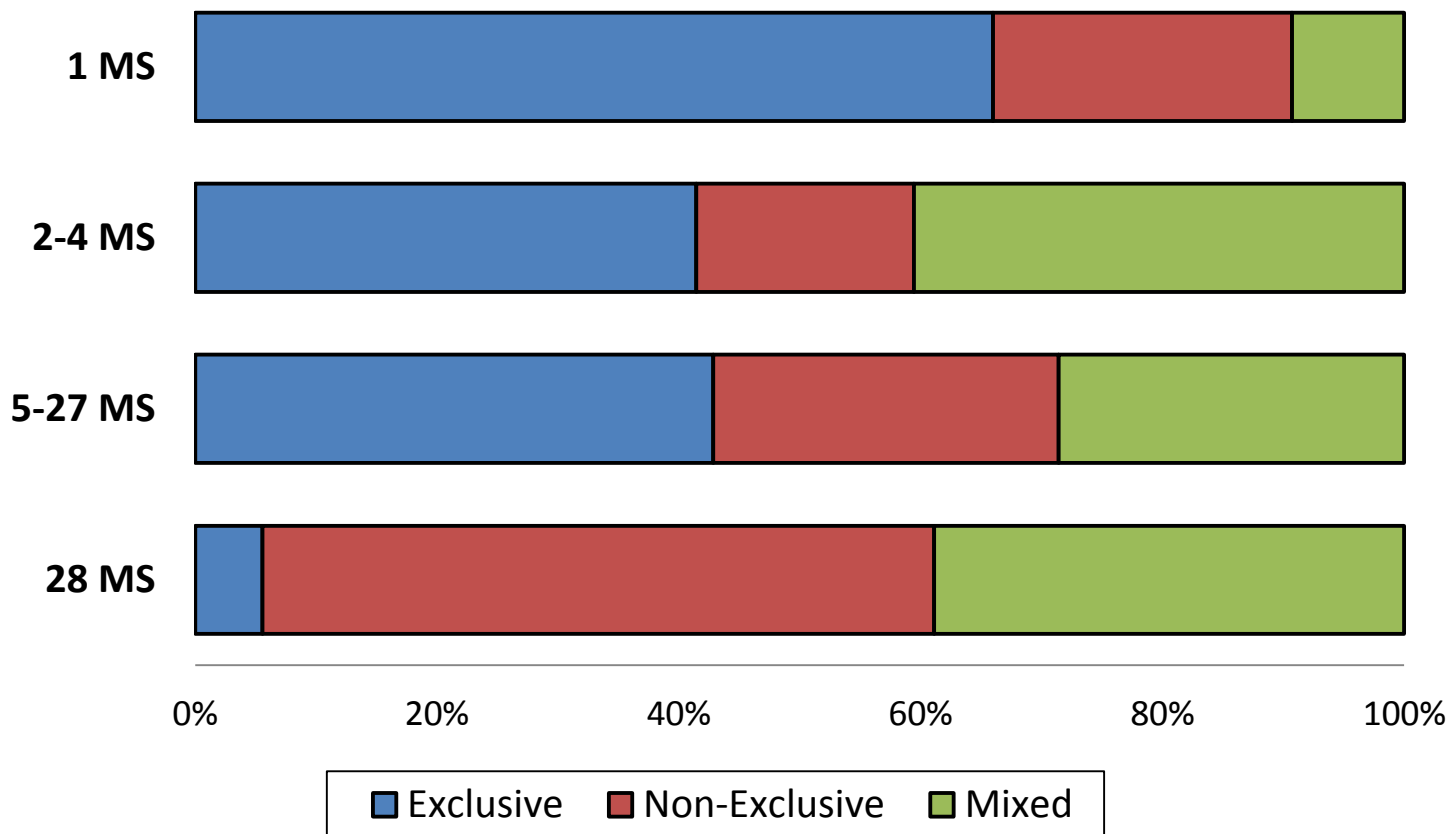
# Territorial Scope



**C. 29: Proportion of agreements including rights licensed for a certain territorial scope – All agreements submitted by content providers**

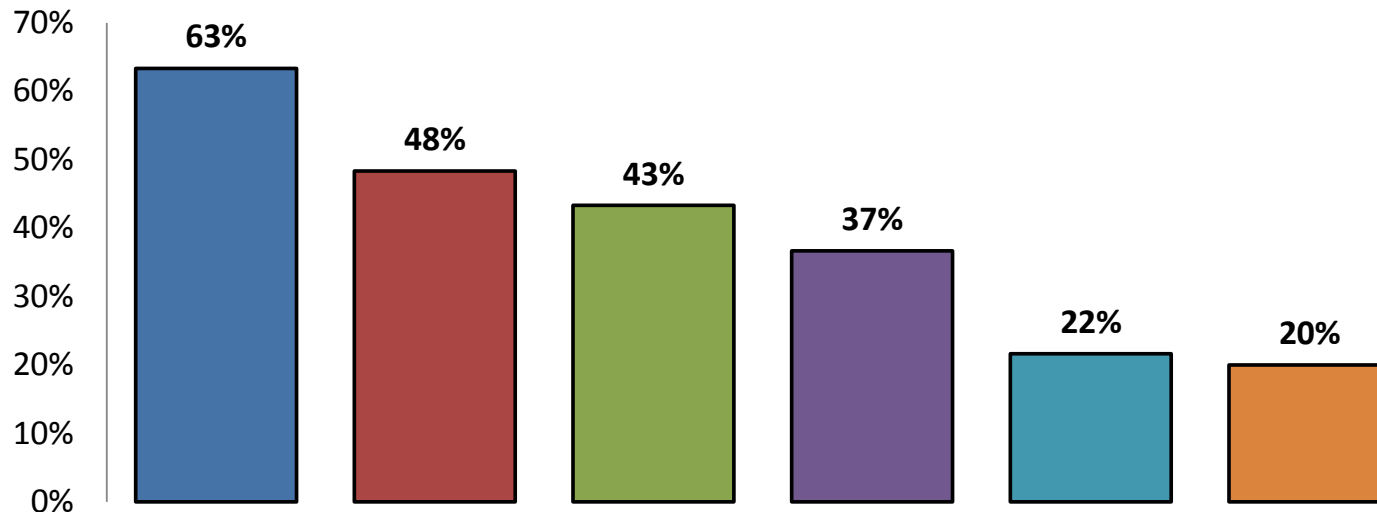


# Exclusive Territorial Rights



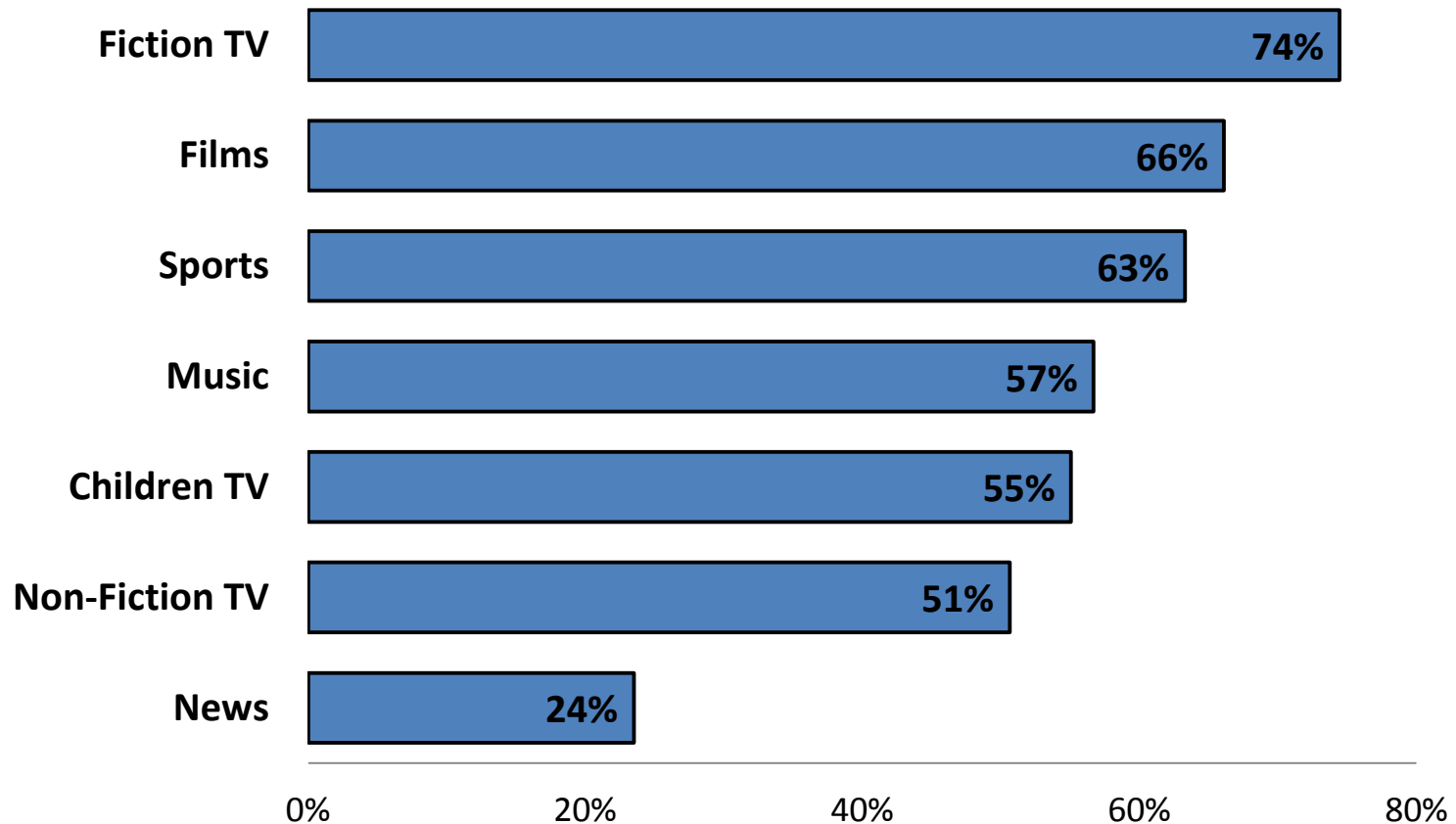
**C. 35: Proportion of agreements including exclusive rights licensed for a certain territorial scope – All agreements submitted by right holders**

# Reasons for Content Unavailability



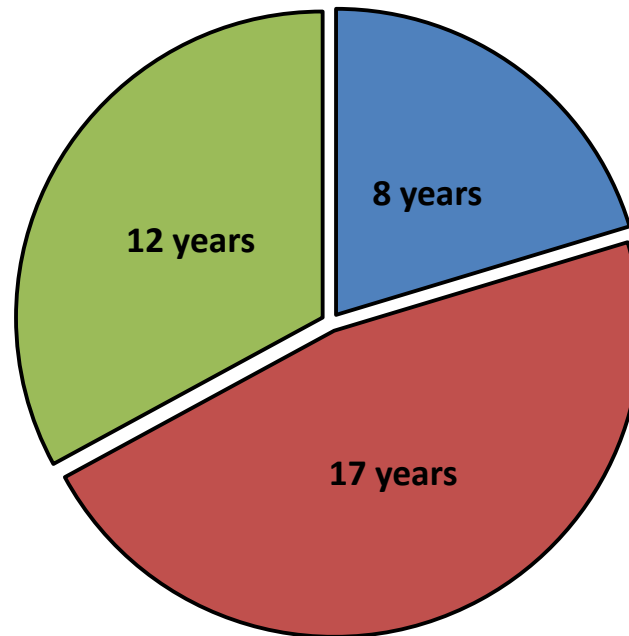
- Content is not available to purchase in certain territories
- Cost of purchasing content for certain territories
- Other
- Insufficient consumer demand in certain territories
- Appropriate language versions are not available for certain territories
- Cost of preparing appropriate language versions for certain territories

# Contractual Geo-Blocking



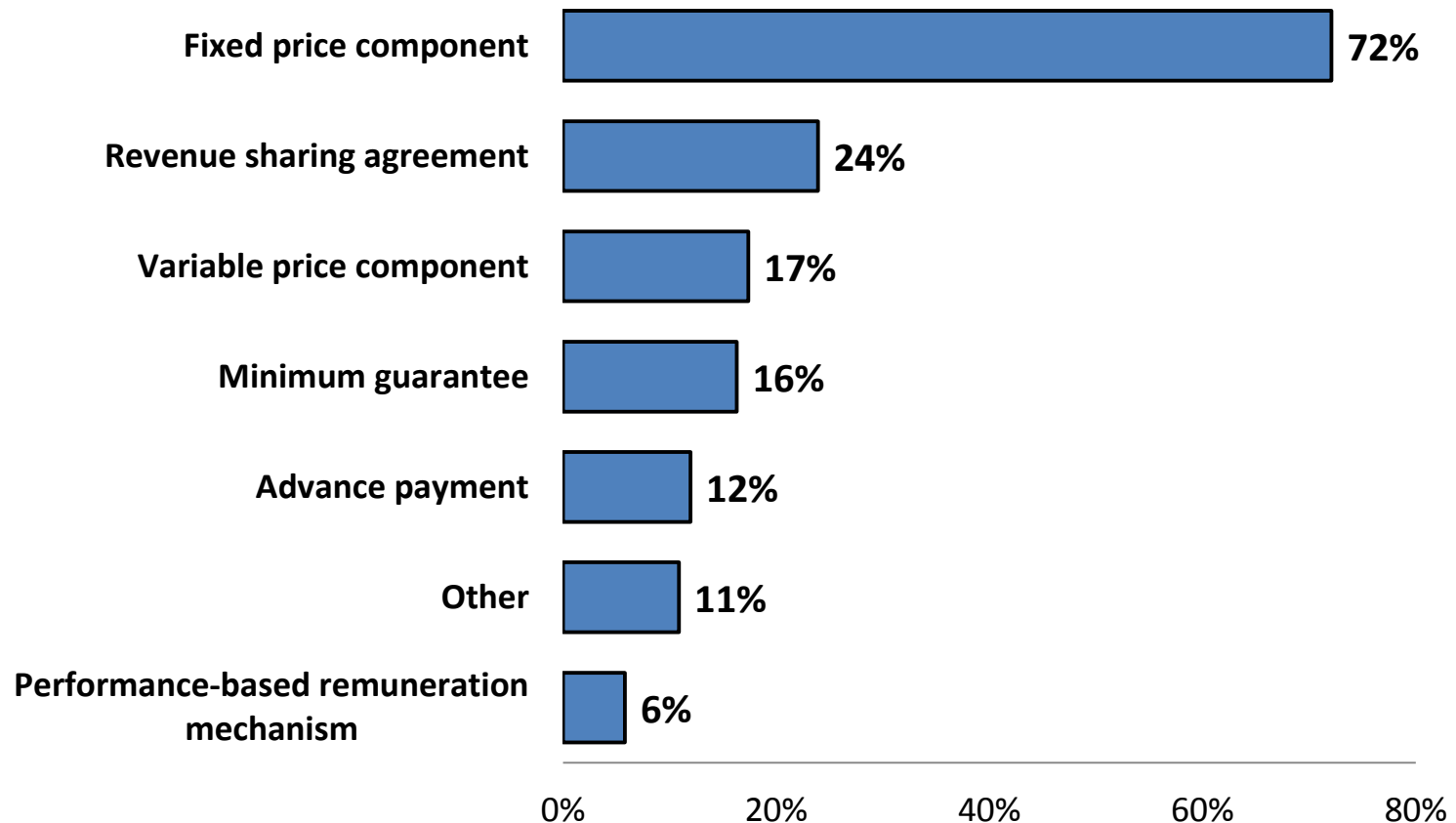
**C. 42: Proportion of agreements requiring providers to geo-block by category – Average for all respondents – EU 28**

# Duration of Contractual Relationships



**C. 65: Average length of the contractual relationship - All agreements submitted by right holders  
- Per genre**

# Payments



**C. 72: Proportion of agreements including each specific payment mechanism – All agreements submitted by right holders**

# Key Findings – Consumer Goods

- More price transparency and price competition
- More selective distribution and vertical integration of manufacturers
- Vertical Restraints
  - Pricing restrictions
  - Territorial restrictions
  - Online sales restrictions

# Key Findings – Digital Content

- Availability of licences for online distribution is key for competition
- Impact of current licensing practices on competition ?
- Potential issues to be assessed case by case
  - Scope of agreements (Bundling)
  - Duration of agreements
  - Geo-blocking



# Public Consultation

Comments by **18 November 2016**

All comments should be sent to the following e-mail address:

[COMP-E-COMMERCE@ec.europa.eu](mailto:COMP-E-COMMERCE@ec.europa.eu)