CSCI 215
Social and Ethical Issues in Computer Science

monoply

What is a Monopoly?

- The exclusive possession or control of the supply of or trade in a commodity or service. from dictionary.com
- A monopoly refers to when a company and its product offerings dominate a sector or industry. Monopolies can be considered an extreme result of free-market [capitalism](#) in that absent any restriction or restraints, a single company or group becomes large enough to own all or nearly all of the market (goods, supplies, commodities, infrastructure, and assets) for a particular type of product or service. The term monopoly is often used to describe an entity that has total or near-total control of a market. from Investopedia

Facebook

- 2012 – Facebook held 95% of all social media
  - marketing presentation to Vodafone BoD
- July, 2020 – antitrust hearing with House Judiciary's antitrust subcommittee
  - CEOs for Amazon, Apple, Facebook, Google and YouTube
    - Facebook says these other companies provide lots of competition
  - To determine whether the tech companies used their control of the market to unfairly edge out competitors

Facebook Monopoly

- https://www.fool.com/investing/2018/04/17/is-facebook-a-monopoly.aspx
- Top points
- **Three reasons Facebook is a monopoly**
  - its dominant user base – 2.13B users facebook and 1.5B users whatsapp and 1.5B users messenger
  - its pricing power – selling targeted ads
  - its lack of direct competition
- **Three reasons Facebook is not a monopoly**
  - its market share – 2017 – google ads - $95.4B, facebook ads - #39.9B
  - the effectiveness of its ads - A recent Cowen & Company survey of senior ad buyers found that 48% of respondents stated that Google's ads had the highest ROI, while Facebook ranked second at 30%.
  - its shifting demographics - The number of 12- to 17-year-old Facebook users in the U.S. fell 10% in 2016 and another 11% in 2017

What do you think?