



Athens University of
Economics and Business

MSc in Data Science (PT)

Legal, Ethical and Policy Issues of Open Data

Big Tech Competition Regulation

An Amazon Case Study

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Abstract:

In the digital economy era, market dominance measured traditionally does not always capture the extent of the so-called BigTech control. Even though more “traditional” expressions of BigTech antitrust behaviour, such as tying and predatory pricing seem to have been effectively regulated in the past, a new threat arises with the dawn of the Big Data Digital Era.

Companies like Amazon, Apple and Google use their advertisement services, marketplaces and data acquisition mechanisms unfairly towards other businesses and platforms, with lack of opacity towards their practices. These factors pose serious challenges to antitrust and competition authorities, threatening not only the health of the small-to-medium size market economy, but also the digital sovereignty of Europe.

Can we eventually take steps towards regulating effectively Big Tech Giants, and limit their data-gatekeeper roles? In order to answer this first, we will try to pose what constitutes an antitrust action by viewing some recent attempts to apply competition regulations on those companies. Furthermore, after a more specific analysis towards the four modalities of regulation, we will break down the value production model of such actions, alongside with the legal or ethical issues associated with them.

Introduction:

Even before the dawn of industrial revolution, and the sense of multinational companies that dispute the power of nations in their pursuits, the need for competition regulation was of vital importance.

But what is competition regulation, or anti-trust law? Competition law is a set of laws and regulations that promote or seek to maintain market competition by regulating anti-competitive conduct by companies.

It consists of three main elements:

1. Prohibiting agreements or practices that restrict free trading and competition between business. This includes in particular the repression of free trade caused by cartels.
2. Banning abusive behavior by a firm dominating a market, or anti-competitive practices that tend to lead to such a dominant position. Practices controlled in this way may include predatory pricing, tying, price gouging, and refusal to deal.
3. Supervising the mergers and acquisitions of large corporations, including some joint ventures. Transactions that are considered to threaten the competitive process can be prohibited altogether, or approved subject to "remedies" such as an obligation to divest part of the merged business or to offer licenses or access to facilities to enable other businesses to continue competing.

In Europe, the European Commission promotes the maintenance of competition within the European Single Market by regulating anti-competitive conduct by companies to ensure that they do not create cartels and monopolies that would damage the interests of society¹.

¹ “European Union Competition Law: https://en.wikipedia.org/wiki/European_Union_competition_law”

In the US, the federal government, via both the Antitrust Division of the United States Department of Justice and the Federal Trade Commission, can bring civil lawsuits enforcing such regulations².

The first two decades of the century saw the emergence of a sort of de facto digital corporate sovereignty. It is that form of controlling power that is supported by those who argue that corporate self-regulation is sufficient, that legislative intervention is unwelcome and unnecessary, and that any required checks and balances of corporate digital power will come from a competitive, laissez-faire³ approach, and market-based equilibria. Digital corporate sovereignty is built on hegemonic positions or de facto monopolies, shifting the individual as a voter-consumer to the individual as a follower-user.

Contemporary capitalism, especially in the digital industry and network economies, is dominated by the monopolistic regime. That leaves no real competition, so no real consumer's choice, and therefore no real accountability of the companies that dominate specific markets.

This raises the serious question of, to what extent current Big Tech players resort to antitrust behaviours. What are some examples, and the steps taken against them? Can indirect asymmetries in favour of Big Tech Companies be identified and condemned, so that their relentless growth be restrained? Finally, the disruption effect of such players in national economies and markets is negligible? It seems not, and recently the EU became more than aware of the issue.

Theme:

Aiming to derive some answers to the above questions, this work focuses on presenting the case of Amazon's antitrust behaviour in the past, as well as in the present. We will opt to approach the subject of competition law on European jurisdiction, scaling up our standpoint from Companies, towards the eventual Nationwide sovereignty.

After understanding the services and technologies that this big tech player offers, we will analyze their impact on the EU grounds, both from a digital and an economic perspective. .

We will present the delicate decisions that should be made by EU countries alone as well as by the EU as a whole, in order to not to harm both their digital economies, as well as their populace. Since the services of Big Tech companies are inextricably entwined with everyday life, from business to entertainment, the inability to bargain effectively would lead to a massive economic and social backlash.

In this manner, three cases of antitrust behaviour will be presented, with the case of Amazon as the main focus. It will be analyzed in depth and will serve as a basis for the upcoming sections of Regulation and Sectoral Legal Analysis.

This work will stand on the grounds of Articles 101 & 102 and the regulations deriving from their exercise. The economic value and unfair advantage that production models based on antitrust practices will be analyzed, alongside some effective recent movements done towards the suppression of Big Tech players.

² "United States Antitrust Law: https://en.wikipedia.org/wiki/United_States_antitrust_law"

³ [kanopi admin, "Physiocracy and Free Trade in 18th-Century France."](#)

Technology/Service:

What can EU nations do in order to keep Data Gatekeepers as a useful ally, instead of a digital oppressor? How is this relationship expressed through the services and technologies provided? Let's present some of the services and technologies offered by Big Tech players that were accused of antitrust behavior in the past and more recently, in the present.

1. Amazon Marketplace.

Amazon Marketplace, is a home to sellers of all kinds, from Fortune 500 organizations to artisan vendors who make handcrafted goods.

There are multiple stories, accusing Amazon of stealing small business ideas, especially those that are not able or willing to purchase all of its services but make huge success due to their product innovation. Amazon has a program called AmazonBasics - which grew to over 60 Amazon manufactured brands in just 6 years, in which they use merchants as guinea pigs to see if a product is profitable. The success was measured by collecting data and performance metrics with the sellers agreement, portrayed as a service to them as part of the Amazon Basics plan. However, that seemed to be a false dilemma since, in case of a successful product, Amazon rushed to create a private-label version of that at under market prices and with preferential rankings in their A9 search engine algorithm, essentially obliterating the competition.

Amazon also claims to be proud of a special technology which can detect fake reviews and scams, using data-driven machine learning processes. Not only the origin of those data remains undisclosed, but it has been reported to detect inauthentic customer insights including the manipulation of helpful votes. In many cases, this has been exercised at the expense of small vendors, accusing them of misconduct and banning them from their platform overnight.

In Europe alone, Amazon Marketplace claims an astounding 150,000 of small scale companies that use its marketplace for conducting business. Small businesses that would be unable to set-up their own logistics pipeline, delivery service as well as maintain their own webstore, take advantage of such services Amazon provides. Recently the EU, based on multiple cases of antitrust practices like the ones mentioned above, has hit Amazon with formal charges⁴. Those charges refer to: "the mistreatment of the selling goods through its website, and specifically accusations of using non-public data it gathers on third-party sales on its website to boost its own-label products and services".

Given its size and market dominance, Amazon can easily wipe-out competition and suppress small-scale businesses of EU-nations, especially in the case of countries that their GDP derives from non-manufacturing areas, e.g Greece, thus establishing digital market dominance over a nation's e-commerce.

⁴ Espinoza, "EU Accuses Amazon of Breaching Antitrust Rules."

2. Google Marketplace and Product Search.

Google maintains a series of services oriented around its search engine tool. Two of those include the target advertising tool AdSense, as well as the paid promotion of search results appearing along-side the original ones in case of a search for a product or service. Companies would spend a great deal of their funds just to rank higher than their competitors in similar search results. Similarly, they would invest to have their services advertised on larger banners, at the most visited websites, thus increasing their income. In the digital era of e-commerce, marketing has evolved digitally, thus making advertising through Google services a “must” for companies. What happens, however, when Google has an intrinsic benefit against a search result or a service? Three years ago, an antitrust move was made against Google⁵. The company was fined €2.42bn after the European Commission claimed it had “abused its market dominance” by giving an advantage to its own comparison shopping platform on its search engine. A letter addressed to the European Commissioner for Competition, Margrethe Vestager, signed by 34 companies and six tourism company unions alongside Expedia and TripAdvisor, claimed an attempt by Google to expand its dominance in the online search for holiday rentals. However, the claim was left unanswered.

3. Apple Store and Payment System.

However, antitrust patterns seem to exist between large companies themselves. That is the recent case of Spotify against Apple⁶. Apple imposed a 30% tax to every payment made by its own Apple Pay System to any other Streaming platform, thus artificially inflating the price of its competitors. Furthermore, Apple appeared to cut off its rivals from data on their customers and was able to obtain valuable data about the activities and offers of its competitors, when their apps were installed on Apple devices. In this case, Apple takes advantage of the fact that phones manufactured by it must use specific applications authorized in the Apple Store. In this case Apple can impose its own rules especially in the case of third-party applications like Spotify, where its subscription plan for the music streaming service was far more cheap than Apple's. This has been stressed repeatedly by the CEO of Spotify, accusing Apple with refusal to deal. In this scenario the services provided by Apple, is the mere ability to exist in its store. In this way, an app will target a huge part of the smartphone user market. In this false dilemma, the application should blindly comply with Apple's rules and restrictions to the point of reducing its competitive edge (e.g Spotify's Price plan).

In the latter 2 cases, we observe the suppression of innovative entrepreneurship. Where is the payoff of national education and training of people able to create startups and companies that break-in the market, if such endeavours are silenced? That is painful even in the case of training personnel that will eventually work for a tech giant, when a nation does not impose taxation or any sort of income generation back to that country. Big Tech giants operate globally, on international markets without giving account to anyone. If Google's Marketplace targets a country's market, should not specific regulation be imposed on its services?

⁵ “Antitrust: https://ec.europa.eu/commission/presscorner/detail/en/IP_17_1784.”

⁶ Espinoza, “Apple Faces Twin Antitrust Probes in Brussels.”

Key Questions:

In the digital age, the infosphere is not a territory, data is not a finite, non-renewable resource like oil and digital assets are largely private and subject to market forces. Our profiles are created, owned, and exploited not just by states but also by multinationals, which, as the word indicates, are globalised. For all these reasons, the digital age is forcing us to rethink the nature of sovereignty.

In this aspect are Nations able to sustain their economic and digital sovereignty? How does the indirect effect of Big Tech movements against small scale companies affect national economies and e-commerce? What are the steps that should be taken, and the regulations being enforced beforehand in order for the phenomenon not to get out of control?

While trying to tackle these questions one should take into account the oxymoron nature of the modern API-based era: Most of the digital utilities provided to accelerate both national economies as well as act as technology assistance to the exercise of law, derive from the same giants antitrust regulations try to confront.

Note: For the next of the analysis the example of Amazon will be used, although another 2 cases were presented for a complete image of the Big Tech situation.

Regulation Analysis:

In order to understand the ways of regulation that are imposed towards restricting Antitrust Behaviors and actions, we should break them down to four different modalities, each representing a different variant and standpoint of control.

Regulator: EU Commission

Subject of Regulation: Amazon

Law:

- 1) Compliance with Article 101 of the Treaty on the Functioning of the European Union (TFEU)⁷, that states:

“The following shall be prohibited as incompatible with the internal market: all agreements between undertakings, decisions by associations of undertakings and concerted practices which may affect trade between Member States and which have as their object or effect the prevention, restriction or distortion of competition within the internal market, and in particular those which”:

- (a) directly or indirectly fix purchase or selling prices or any other trading conditions;
- (b) limit or control production, markets, technical development, or investment;

⁷ “EUR-Lex - 12008E101 - EN.”

- (c) share markets or sources of supply;
- (d) apply dissimilar conditions to equivalent transactions with other trading parties, thereby placing them at a competitive disadvantage;
- (e) make the conclusion of contracts subject to acceptance by the other parties of supplementary obligations which, by their nature or according to commercial usage, have no connection with the subject of such contracts.

2) Compliance with Article 102⁸ of the Treaty on the Functioning of the European Union (TFEU), that states:

“Any abuse by one or more undertakings of a dominant position within the internal market or in a substantial part of it shall be prohibited as incompatible with the internal market in so far as it may affect trade between Member States”.

Such abuse may, in particular, consist in:

- (a) directly or indirectly imposing unfair purchase or selling prices or other unfair trading conditions;
- (b) limiting production, markets or technical development to the prejudice of consumers;
- (c) applying dissimilar conditions to equivalent transactions with other trading parties, thereby placing them at a competitive disadvantage;
- (d) making the conclusion of contracts subject to acceptance by the other parties of supplementary obligations which, by their nature or according to commercial usage, have no connection with the subject of such contracts.

- 3) Compliance with the EU Commission notices and guidelines. They promote transparency and explain in more detail the policy of the Commission on a number of issues, relating to the interpretation of substantive antitrust rules.
- 4) Finally on national level, the EU commission uses National Competition Authorities (NCAs) that are empowered to apply Articles 101 and 102 of the Treaty fully, to ensure that competition is not distorted or restricted.
- 5) The EU also released the draft of its Digital Services Act, which is designed to force tech companies to take more responsibility for the illegal behaviour on their platforms. It warned companies that do not police themselves will face fines of up to 6% of global revenues.

⁸ “EUR-Lex - 12008E102 - EN.”

Market:

Marketwise, Big Tech companies are currently regulated:

- 1) By incorporating Value Added Tax (VAT) and Withholding tax (WHT) in their products and services, thus complying to the regulations of the respective EU nation they operate on.
- 2) All of them are still companies and are required to pay taxes to the country of their origin, although many of them seem to use taxation-paradises as their officially declared origin, thus evading taxation.

Market-based regulations seem to be rather loose for big tech players, but serious attempts have been made, including the recent move by France, demanding digital tax payments from US tech groups. Several governments have either already introduced or plan to introduce their own digital services tax. They argue that tech companies pay too little tax on the profits they make in many countries, partly because they record them in low-tax jurisdictions such as Ireland.

Alas such movements have met sheer resistance, in a turn of events known as anti-regulations. In the case of France, the US trade representative's office is now expected to put tariffs of 25 per cent on \$1.3bn worth of French handbags and make-up, having at first threatened to hit champagne and cheeses with import tariffs of 100 per cent, thus openly threatening the digital tax use⁹. Same backlashes faced the decision to impose fines on taxation evasion on Apple, that failed due to Irish incompliance to EU standards alongside legal maneuvering of the US company.

Technologies

In order for Competition Regulations to be imposed effectively, the EU Commission has been equipped with the following technological tools:

- a) Anonymous Whistleblower Tool: A tool with the anonymous and the eponymous choice of enabling individuals aware of cartel business practices to voluntarily provide information. This information can be facts concerning anti-competitive conduct, its circumstances and the individuals involved, for example, that are not publicly known but are known to them. An intermediary's state-of-the-art tool is designed to protect the anonymity of whistleblowers. There is also the choice of a two-way communication for continuous communication. In this case, the intermediary will provide a passcode that the user can use to log into the intermediary's tool. The tool only delivers the message, it does not provide any additional information such as IP-address or geolocation.
- b) Surveillance : The European Commission has enabled itself the right to perform surveillance on suspicious or accused companies based on the results of a former investigation, leniency or anonymous tip. This involves the use of video surveillance,

⁹ Mallet, Murphy, and Williams, "France Demands Digital Tax Payments from US Tech Groups."

photographic imaging, bugging, audio surveillance and geo-tracking of key people that involve the company.

- c) Interception of communication: The European Commission has enabled itself the right to perform interception of communication. This involves wiretapping directly listening in to communications, authorizing the transmission of data such as location and duration of the calls as well as the numbers that were called. Also, the more efficient remote searching (i.e. hacking) is also used, hijacking corporate emails and inter-company communications.
- d) Digital Market Surveillance Teams / Digital Watchdogs: One of the major changes in the upcoming Digital Markets/Services Act will be the creation of dedicated teams and algorithmic tools to detect and investigate the digital behaviour and market impact of big tech players. The constitution of a similar unit was also announced in the UK under the name Digital Watchdog, performing the same monitoring activities on national level.

A more detailed report where these data derived from is here:

https://ec.europa.eu/home-affairs/sites/homeaffairs/files/e-library/docs/20150312_1_amoc_report_020315_0_220_part_2_en.pdf

Regulator: Client Companies / Partners

Subject of Regulation: Amazon

Social norms

Here lies the most controversial aspect of Amazon's regulation. The social norm, or how the users perceive and rumor about its services. Due to its business model, where every single market capability or tool is packed as a service to be purchased, large companies accelerate their logistics, and profit from the large scale subscription plans. In that manner, a variety of articles, declarations of good partnership and partner programs are advertised and promoted in social media, thus boosting the market image of Amazon.

That is not the case, however, for the average startup or small scale company that wants to "break-in" into the market. Faced with the choice of building a full logistics pipeline itself, or even resorting to multiple different third-party companies for each part of its distribution process, cooperating with Amazon is a false dilemma. Such sellers are those who complain and expose the dark side of Amazon, "damaging" its good name and status quo. Amazon has to satisfy its partners both in small or large scale or is to be faced with a bad reputation, and a notorious social image that will reflect as a drop in its stock's value.

Interaction of Modalities:

Since the EU Commission can not intervene and act directly towards the regulation of Big Tech companies, and in this case Amazon, there exists a degree of indirection and substitution in order for this regulation to be effective.

To begin with, one should easily identify the use of Technologies as an enforcer of Law. In order to suppress the antitrust behavior the Law is imposed indirectly by the usage of technological means and utilities that expose illegal behaviours. Furthermore, the National competition Authorities alongside their local investigations act as a substitution of the EU commission, regulating Big Tech companies under their own jurisdiction. The same will be soon true for the teams proposed by the Digital Markets Act, since their operation will be an extension of the law regulations through technology.

Additionally, the soon-to-be proposed Digital Tax, not only regulates any undisclosed or grey-zone areas of profit through avoidance of taxes and fees, but is also an expression of the social norm, that demands equal treatment to small and big companies. In that way both Markets and Social Norm cooperate towards that goal.

Another interesting view would be that of the whistleblower effect. Here a direct member/associate of Amazon can theoretically use the technologies offered by the law in order to regulate Amazon's behaviour. That can derive from intrinsic good will, or in case of a high-ranking official that is directly involved, immunity to personalized charges.

Connection of Social Norm with Value Production Model

Amazon, theoretically can not act outside customer feedback and hence social norms. Its Marketplace produces value from two sources: Sales and indirectly from Analytics. Sales themselves can be broken down into two different categories: Amazon produces value both from products and services created in-house, thus needing good feedback for the quality of its products. Similarly, Amazon needs to maintain a good profile and an attractive marketplace for its retailers and business partners. Amazon Services like targeted advertising and custom tailored analytics derive from collection and analysis of members' data. Hence, the value production is bigger the more registered members Amazon has.. Thus collecting, processing and sharing members' data need to be legal and transparent to foster users' trust in Amazon.

Finally, Amazon recently entered the state of shared economy model, with Amazon Flex. That raises even more questions related to data privacy and monitoring of its workers, that is however outside of the scope of this analysis.

To sum up, many people have found jobs through Amazon, collaborated with it and its marketplace has dominated the market. Recent EU charges and the use of more strict competition policies as the recently proposed Digital Markets Act, and Market Monitoring Tool, could disinfect the obscurity and illegal theft of Amazon's partner's data.

Sectoral Legal Analysis:

1. The cloudy case of Amazon

Amazon has a dual role: It can be categorized as a Digital Platform due to the fact that independent sellers can sell products directly to consumers, but also as a Digital Market, since it acts as a retailer on the same marketplace, in competition with those sellers.

As a marketplace service provider, Amazon has access to non-public business data of third party sellers, while at the same time as a business itself, Amazon claims a huge share of the European Marketplace. Under that scope, in the recent case against Amazon, the EU Commission intervened on the grounds that Amazon's digital infrastructure acts as a self-willing technological regulator to national markets, overriding the European Competition Law directives.

2. Current EU Sector Regulations

Currently, the EU Commission, combats antitrust behaviour mostly based on the Articles 101 and 102 of the Treaty on the Functioning of the European Union (TFEU). Those act as general guidelines for all kinds of scenarios revolving around Cartels, Predatory Pricing, Abuse of Dominant Position, Refusal to Deal and other practices.

Let's consider the Sector of Consumer Goods, where the role of Amazon as a Market lies in. Because these goods are typically products that are sold through a long, vertical supply chain with many actors (manufacturer – importer – distributor – retailer), the Commission is often called upon to ensure that the ways in which these goods finally find their way to the consumer, adhere to the principles of free competition*. As a market, Amazon was charged primarily with trespassing Article 102 due to its market dominance abuse, due to its size EU Commission referred to Amazon as a “quasi-public spaces for communication and trading”, stressing the need for stronger regulations.

3. The Digital Markets Act Proposal

In that light, a proposal called Digital Markets Act emerged. According to it, for the first time, Gatekeepers (e.g Amazon) will be identified based on clearly defined conditions. If designated as a “gatekeeper” under the Digital Markets Act, companies will have to comply with a clearly defined set of prohibitions and obligations to avoid a number of unfair practices.

The regulations will include:

1. Prohibitions to discriminate in favour of own services
2. Obligations to ensure interoperability with its platform, and obligations to share, in compliance with privacy rules, data that is provided or generated through business users' and their customers' interactions on the gatekeepers' platform.

3. Outside those practices, gatekeepers will continue to offer new and innovative services as they have done until now, but without taking advantage of unfair behaviour.

Inobedience to comply, will have the Commission impose fines of up to 10% of the company's total worldwide annual turnover, as well as periodic penalty payments of up to 5% of the average daily turnover.

As a result:

1. Amazon partners will have access to more information on how their products or services are performing the platform.
2. Amazon will be prohibited from unfair ranking of their own services and products compared to those offered by other businesses on the same platform.
3. Businesses will be able to more easily attract consumers who can no longer be locked in by amazon marketplace, or logistic pipeline.

4. *Current and proposed tools towards regulating Big Tech Markets/Services*

Alongside the Digital Markets Act, work towards a new Competition Tool that can operate on ex-ante rules is in the making. The EU Commission will mobilize analytic and reporting tools, in order to shift its role from simply an executive force of law towards a hybrid model of overseer and regulator.

In the UK, there exists a similar pattern where a newly proposed Digital Markets Unit is proposed in order to regulate Bit Tech players.¹⁰ The UK government stressed the need to equip itself with the technological power to suspend, block and reverse decisions taken by tech giants, order them to comply with the code, and fine those which do not.

**Note: Restrictions on actors in the supply chain at any level (such as exclusive dealing obligations or the imposition of resale prices) may limit competition in an unjustifiable way and may therefore infringe Article 101 TFEU. In this aspect the so-called vertical agreements take place. Vertical agreements can affect specific product pricing and marketing practices (such as mergers and subcontracting), if they are found to promote healthy competition instead of prohibiting it.*

¹⁰ Beioley, "UK Digital Watchdog Planned to Check Big Tech."

Value Production Models:



The Amazon Marketplace, or rather the Amazon.com website is Amazon's primary revenue generator with millions of people seeking to buy products on its site. Amazon Marketplace (amazon.com) is a world class e-commerce platform where products from Amazon and third parties are sold to the buyers.

Third party sellers whose function is to sell Amazon items are either Fulfilled by Amazon (FBA) or Fulfilled By Merchant (FBM). FBA goods are held in Amazon's fulfillment centers where Amazon handles the delivery services.

On the other hand, FBM goods are stored in a third-party seller's inventory and delivered by a third-party merchant. Amazon also makes a substantial amount by charging its sellers to promote and advertise their products.

In terms of economic behavior, Amazon falls widely into the extractive modular category. Its Marketplace and consecutive the Services associated with it, rise in value with the number of registered users. The value production returns to the owner of the platform, who will be able to provide better services and higher quality to its customers, while strengthening its trust with them. Amazon also values from its services, that are a modular product instead of a single product. Sellers of the marketplace can benefit from mixing and matching like lego, different parts of Amazon's products services and analytics. Amazon can thus provide extra incentives, packages and analytics usually in the form of bundles to its customers. Value is also produced from sharing members' data with clients through charged services provision (ex. ads, recommender systems). A registered seller grants Amazon a royalty-free, non-exclusive, right and license for the duration of their original and derivative intellectual property rights, and the option to sublicense the foregoing rights to Amazon's Affiliates and operators of Amazon Associated Properties.¹¹

¹¹ "Amazon Services Business Solutions Agreement - Amazon Seller Central."

Conclusions:

The present work states the dire need as well as presents the recent endeavours of the EU towards Big Tech regulation, under the scope of antitrust behaviour. Towards this goal, the example of Amazon is used, where its large market share alongside the lack of effective ways of antitrust enforcement, have enabled the mistreatment of its business partners.

Amazon acts both as a digital market, selling its own products, as well as a digital platform where other sellers can take advantage of its logistic pipelines in order to promote, advertise and deliver their goods. Data of its members that were collected to provide personalized services/analytics as well as targeted advertisement were misused in order for the company to boost its own products. Moreover, alongside other Big Tech Companies Amazon does not succumb to any taxation in the countries that its digital store operates in.

But alas, a huge amount of services and a big part of the current technological infrastructure is hosted and provided through its own cloud and api's. Amazon's warehouses provide a vast amount of products at very low prices compared to that of an average store. For both of those reasons, Amazon silently threatens the digital and market sovereignty of many nations, especially small ones not focused on industry, by eliminating their local physical based competition, whilst hosting a lot of the nations digital infrastructure.

In order to regulate that behaviour, the EU Commission has proposed the Digital Markets Act, as well as the Digital Services Act, as a way to promote transparency in big tech operations, provide monitoring tools and safeguards towards the stability of the markets and finally ensure a fair level of competition between companies.

That addition will assist the current Law regulations that rely on Technologies to ensure complying behaviour amidst big tech. Market and social norm together, regulate big tech by stressing the need of a digital tax, as well as by slandering Big Tech Companies, when small companies are mistreated.

New specialized teams alongside new tools and algorithms will be the weapon of the EU for the next years, enabling thorough law enforcement, increasing the options of monitoring and detection of antitrust actions.

The value production model of Amazon is directly related to the number of its registered members that is affected by the public trust. Amazon is an extractive modular platform. Its value rises with the number of registered users and the value production returns to the owner of the platform. Amazon produces value from multiple ways, but mostly from selling its users products, and by using user-created analytics for boosting its advertising services.

Finally, after a clearance on what is officially a "Big Tech" company, as it will be proposed in the DMA, Amazon alongside other companies will be even more scrutinized. Whereas older law enforcement tactics and regulations seemed ineffective, the EU will provide specialized tools and teams focused in that manner. Nations will be able to safeguard their national digital sovereignty through a fair level of competition, and make use of the digital tax in order to get back a portion of the unregulated flow of income towards such companies.

Appendix A (Regarding Data Provided By Sellers to Amazon Marketplace):

In Amazon Marketplace, sellers first need to register in one of two different subscription plans, Individual or Professional, for small or large businesses respectively. The minimal subscription as a seller demands access to bank account number, bank routing number, a chargeable credit card, government issued national

ID, tax information, and phone number.

Furthermore, in case of an original merchant or brand, there is the Brand Registry Option where Amazon collects specific information about the category, design, appearance and special features of a product, in order to identify it as a brand and create special product pages. Data is used in order to offer an in-store protection of trademarks and intellectual property, with automated tools of infringement reporting, along with unlocking additional advertising options and recommendations on improving traffic and conversion.

In order to be eligible for sale, a product must have a Global Trade Item Number (GTIN), such as a UPC, an ISBN, or an EAN. Amazon uses these product IDs to identify the item. In case of a product new to Amazon, a seller needs to purchase a UPC code or request an exemption.

A Seller can access his/her store via the Seller Central application. It's a portal for managing the selling account, adding product information, making inventory updates, managing payments, and finding content regarding the marketplace. It's also where the seller lists all their products, and view analytics and reports about previous sales, market segmentation, as well as advertisement reachout.

Amazon offers multiple different advertisement plans and search engine boosters as a service. That can range from image/audio/video target ads, in its own marketplace to a product being viewed as "similar" or more preferable to other marketplace products. On purchase this service creates analytics and offers custom solutions to increase the product or brand impact.

Although advertised as such, there are multiple stories, accusing amazon of feeding under small business ideas, especially those that are not able or willing to purchase all the aforementioned services. One tactic Amazon uses is that if you don't own the rights of a brand or have a product patented then there is a good chance Amazon will steal your idea. Amazon has a program called AmazonBasics - which grew to over 60 Amazon manufactured brands in just 6 years, in which they use merchants as guinea pigs to see if a product is profitable. The success was measured by collecting data and performance metrics with the sellers agreement, portrayed as a service to them as part of the Amazon Basics plan. However, that seemed to be a false dilemma since, in case of a successful product, Amazon rushed to create a private-label version of that at under market prices and with preferential rankings in their A9 search engine algorithm, essentially obliterating the competition.

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at the expense of small vendors, accusing them of misconduct and banning them from their platform overnight.