

Amazon and Facebook owner Meta agree to protect consumers, CMA says

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The UK's competition watchdog has said it has secured commitments from Amazon and the Facebook owner Meta to protect consumers on their marketplaces. The agreements come after the Competition and Markets Authority (CMA) launched separate investigations into Amazon, which sells its own products and allows sellers to retail via its online marketplace function, and Meta, which owns Facebook Marketplace. The watchdog began an investigation last summer into whether Amazon had been giving its own brands and those using its logistics services unfair advantage over third-party rivals on its marketplace. The UK investigation, and a similar investigation by the EU Commission, came after a string of reports alleging that Amazon used third-party sellers' data to copy products. The regulator said the practices on Amazon's UK marketplace may be anti-competitive and could result in a worse deal for customers. Amazon has now agreed to give independent sellers a fair chance of their offers being featured in the site's "buy box", where most sales on the platform take place. Amazon will also be prevented from using marketplace data it obtains from third-party sellers to give itself an unfair competitive advantage. It must also allow sellers to negotiate their delivery rates directly with independent providers. Amazon had already made similar commitments in December last year in response to the EU investigation. At Meta, the CMA said the tech firm had signed commitments which will prevent it from exploiting advertising customers' data via its Facebook Marketplace. In future, competitors of Facebook Marketplace that advertise on Meta platforms will have the ability to opt out of their data being used to improve the retail platform. Meta has also pledged to limit how it uses advertising data when developing its products, the CMA said. Ann Pope, the competition watchdog's senior director for antitrust enforcement, said: "We have accepted Amazon's commitments as they help thousands of independent UK sellers to compete on a level playing field against Amazon's own retail arm. This should also mean customers get access to the best product offers. "The commitments secured from Meta mean the firm cannot exploit advertising customers' data to give itself an unfair advantage – and as such distort competition." An Amazon spokesperson said: "We have engaged constructively with the CMA and we welcome this resolution which will preserve our ability to serve both our customers and the over 100,000 small and medium-sized businesses selling through our UK store." A Meta spokesperson said: "We welcome the CMA's decision to close its investigation into Marketplace on the basis of the commitments offered by Meta to put in place systems and controls designed to confirm and validate that advertiser data from competitors is not used in Marketplace." The agreements come before new legislation – the digital markets, competition and consumers bill – under which big tech firms face the threat of multibillion-pound fines for breaching consumer protection rules. The bill, which is still passing through parliament, is intended to tackle problems including fake online reviews and subscriptions that are difficult to cancel.