

## **COMPETITION COMMISSION OF INDIA**

### **Press Release**

#### **CCI Market Study in E-Commerce in India: Interim findings to be presented at a Workshop**

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The Competition Commission of India ('Commission') is conducting a Market Study on E-commerce in India ('Study'). In view of the rapid growth of electronic commerce ('e-commerce') and the rising importance of online trade in a large number of goods and services in India, the study will allow the Commission to develop a better understanding of the functioning of e-commerce in the country and its implications for markets and competition.

The preliminary findings of the study will be presented at a Workshop to be held in the end of August 2019. All relevant stakeholders will be invited to share their views and deliberate on identified issues at this workshop. The final study report is expected to be published in the third quarter of 2019-20.

The e-commerce study is 20<sup>th</sup> in the series of market studies that have been conducted by the Commission till date. Market studies contribute significantly to the capacity of competition authorities in appreciating competitive dynamics in markets and can also form a useful basis for competition advocacy. The e-commerce study initiated by the Commission is such a market study and it does not form part of any investigation and/or inquiry in any of the proceedings pending before the Commission. The study of e-commerce is necessary given the novel issues and challenges that digital markets bring forth for competition regulation.

The objectives of the study on e-commerce in India are:

- i. to study market trends with a particular focus on emerging distribution methods and strategies in response to ecommerce
- ii. to understand business practices and contractual provisions in ecommerce, their underlying rationale and implications for competition
- iii. to identify impediments to competition, if any, relating to ecommerce
- iv. to ascertain enforcement and advocacy priorities for the Commission in e-commerce

The study is a combination of desk research, market survey and stakeholder consultation. Qualitative and quantitative information is being collected from secondary and primary sources. Designed by a market study team at the Commission, it is being implemented by an external agency that has been engaged for the purpose. The study team is holding consultation meetings with enterprises and industry associations followed by a questionnaire survey amongst a range of stakeholders throughout the country.

The enterprises concerned include e-commerce platforms, manufacturers, wholesalers/retailers, hotels, restaurants and payment systems. The study intends to cover such products where the growth of online commerce has been the most significant, including both goods (such as electronics, mobiles, lifestyle *etc.*) and services (travel & hospitality, food delivery). The focus areas of the study include the emerging trends in business models and distribution mechanisms, market structure and business practices including contractual provisions and vertical restraints.