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Self-preferencing: Leveraging of market power in the digital age

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Competition authorities globally are paying increasing attention to attempts by dominant companies, particularly digital platforms, to leverage their positions into adjacent markets. One form of leveraging that has gained particular attention in recent years is self-preferencing, as evidenced by the Commission's fines against Google in the Shopping and Adtech cases, commitments decision against Amazon on Buy Box and, most recently, the Commission's Digital Markets Act (DMA) decision to fine Google for certain aspects of the design of its Google search results page. Taking stock of recent case practice, why is this conduct so prevalent in digital markets, how do we distinguish between benign and harmful self-preferencing, and what economic evidence is key for future assessments?

Leveraging occurs when a dominant undertaking in one market uses this position to restrict competition or expand its market power to adjacent markets. Leveraging can take different forms (such as tying, refusals to supply or margin squeeze), and different types of leveraging have been sanctioned by competition authorities globally.[1]

In digital markets, particularly over the last decade, one form of leveraging has attracted increasing attention: **self-preferencing**.

Self-preferencing as a separate abuse was first introduced in the Commission's Google Search decision in 2016. The Commission has since fined Google for self-preferencing in its AdTech business under Article 102, and for self-preferencing in its Search results under the Digital Markets Act (DMA).[2] Self-preferencing has also been a concern in other closed and ongoing investigations by the Commission and other competition authorities globally.[3]

Digital platforms give rise to self-preferencing opportunities

Companies offering digital platforms often operate in ecosystems of closely related products that consumers use together. In some instances, these digital platforms hold a dominant position, and are an important gateway for consumers to access offers in adjacent markets.[4] This gives the digital platform control of the way consumers access their rivals, and creates a conflict of interest, giving an incentive for the platform to use its dominant product to favour its own products in those adjacent markets.

Self-preferencing is a form of leveraging where the dominant firm gives preferential treatment to its own products within its dominant product (or platform), thereby nudging consumers to choose theirs ahead of their rivals'. This nudging can create potential competition concerns where it distorts consumer choices to such an extent that it would significantly limit their rivals' ability to access customers.

The concern may be particularly acute in nascent digital markets where the risk of market tipping is often high. Once a platform has successfully shifted enough users towards its own product, the resulting advantage may be difficult or impossible to reverse.

Self-preferencing can take different forms and may be difficult to identify without a careful in-depth analysis of the digital platforms' products and systems.

For example, in the original Google Shopping case, consumers relied on Google's dominant general Search product to start a product search journey. Consumers could then use vertical search products from Google and other competitors to complete the journey. For example, a consumer could search for 'sneakers' on Google's general search engine and then use a vertical product search website, such as Google Shopping, to compare prices and features across different brands and retailers. The Commission argued that the way Google's search engine showed Google Shopping results relative to those of rivals resulted in self-preferencing.[5] In order to identify the existence of self-preferencing, the Commission undertook a series of analyses: **first**, it showed that a new demotion algorithm introduced by Google applied to rival product search sites; **second**, that this resulted in significant drops in the visibility of these websites (as measured by third-party websites) and their probability of appearing on the first page of product search results.[6] **Third**, the Commission found that Google's own shopping service was displayed at or near the top of search results in the vast majority of circumstances at the same time, and was triggered more frequently than rivals' websites.[7]

The recent DMA decision against Google considered similar concerns with respect to its vertical search offerings for shopping, hotels, and transport as well as its sports results product.[8]

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[1] The Commission has sanctioned several forms of leveraging under Article 102. It found tying in Microsoft (Case COMP/37.792, 2004), which also concerned a refusal to supply interoperability information, and in Google Android (Case AT.40099, 2018). It found a margin squeeze in Deutsche Telekom (Case COMP/37.451, 2003), and both a refusal to supply and a margin squeeze in Slovak Telekom (Case AT.39523, 2014).
[2] Commission decision of 27 June 2017, Case AT.39740, Google Search (Shopping), imposing a fine of EUR 2.42 billion. Commission decision of 5 September 2025, Case AT.40670, Google Adtech, imposing a fine of EUR 2.95 billion for favouring Google's own ad exchange under Article 102. Commission non-compliance decision of 23 July 2026 under Article 6(5) of the DMA, imposing a fine of EUR 460 million for self-preferencing Google's own services in Google Search.
[3] Commission cases include the commitments accepted from Amazon on 20 December 2022 in Cases AT.40462, Amazon Marketplace (source), and AT.40703, Amazon Buy Box, on the favouring of Amazon's own retail offers and of sellers using its logistics services (source). Other authorities have pursued similar concerns. The UK Competition and Markets Authority accepted commitments from Amazon on the same practices in 2023 (source), and the Italian Competition Authority fined Amazon EUR 1.13 billion in December 2021 in Case A528 for making benefits for third-party sellers conditional on the use of its own logistics service (source). The Turkish Competition Board fined Trendyol TRY 61.3 million in July 2023 for favouring its own private-label products through interventions in its ranking algorithm and the use of third-party seller data (source).
[4] Throughout this note, we use 'product' to mean product or service.
[5] Commission decision of 27 June 2017, Case AT.39740, Google Search (Shopping), para. 2 (source).
[6] Ibid, para. 359 (source)
[7] Ibid, paras. 391-396 (source)
[8] Commission non-compliance decision of 23 July 2026, Press Release IP/26/1670 (source).

In the Google Adtech decision, the Commission identified several interrelated conducts across Google's buy-side platform that together favoured its sell-side platform, AdX.[9] Google operates a buy-side platform which acquires ad space on behalf of advertisers and a sell-side platform which sells ad space on behalf of publishers. The Commission found a list of different practices by Google which meant that its buy-side platform (i.e. where advertisers purchase ads which are then placed on publishers websites) favoured its ad exchange, namely by channelling demand preferentially to AdX, inflating the bids channelled through AdX by deliberately second-pricing itself (i.e. placing the second highest bid when the highest bid was also from its demand-side platform), and placing lower bids on rival sell-side platforms to deliberately hinder the growth of alternative market clearing mechanisms.[10]

Overall, the types of self-preferencing behaviour sanctioned by authorities include preferential ranking, preferential treatment when selecting featured offers,[11] strategic bidding to benefit the dominant undertaking's other products,[12] or giving the companies' own product access to information not available to competitors.[13] The DMA specifically prohibits self-preferencing in ranking and related indexing and crawling,[14] and we expect that authorities will continue to pursue other forms of self-preferencing behaviour by digital platforms.

Who self-preferences – and how – matters

Self-preferencing can in principle be pro-competitive. In particular, firms who sell different products or are present in different levels of the supply chain have an incentive to reduce double marginalisation or to pass on efficiencies from economies of scope. It may also allow firms to enter new markets and use their recognition in adjacent markets as a competitive advantage to compete with other, potentially more established, players. Consumers may also prefer to deal with a single supplier and naturally choose products from a brand that they are more familiar with. However, these benefits are more likely to occur when the digital platform is not dominant to begin with. We also note that these potential benefits are not recognised in the existing case practice or the Commission's Draft Guidelines on exclusionary practices under Article 102.

Self-preferencing is often seen as a concern in circumstances where it creates a significant risk of exclusion, by pushing competitors out of the adjacent market.

First, exclusion is more likely where the dominant product acts as an important gateway for companies in the adjacent market to reach consumers. For this reason, self-preferencing is outright prohibited for gatekeepers under the DMA.

Second, self-preferencing is also more likely to result in exclusion and harm where the preferential treatment given to the dominant undertaking is so strong as to be likely insurmountable.

For example, in its Google Search decision the Commission concluded that the preferential treatment given to Google's own shopping services (which was placed on top of the search results with attractive features such as images) resulted in significant lost traffic for rival comparison shopping companies that could not be overcome, while traffic to Google's own shopping service increased. The Commission relied on detailed data provided by Google on the evolution of the number of clicks from its search results pages to rivals and to Google's own product,[15] as well as data showing that Google's search results were important and alternative sources could not compensate and were less profitable.[16]

Equally, in its Amazon Buy Box investigation, the Commission preliminarily found that the preferential treatment of its own retail offerings and certain buyers using Amazon's delivery services in the Buy Box and Prime labelling nudged consumers towards sub-optimal choices, which ultimately reduced rival's ability to compete effectively. In particular, the Commission found that being excluded from Featured Offers included in the Buy Box reduced visibility (less than 10 per cent of customers saw those offers)[17] and sales (the Buy Box accounted for more than 90 per cent of sales).[18] Further, it found that Amazon's own offers or those using its logistics services were significantly more likely to appear in the Buy Box even when comparing offers with a similar ranking in terms of price and seller rating.[19] Finally, it found that this affected consumers'

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[9] Commission decision of 5 September 2025, Case AT.40670, Google – Adtech & Data-related practices, para. 3-4 (source).

[10] Ibid, para. 742 (source). The Commission also identified practices by Google's own sell-side platform that favoured its demand side platform including providing it with additional information that allowed it to outbid rivals' bid. In the interest of space, we focus here on the buy side practices.

[11] Commission decision of 20 December 2022, Case AT.40703, Amazon Buy Box, (source)

[12] Commission decision of 5 September 2025, Case AT.40670, Google – Adtech & Data-related practices (source).

[13] Commission decision of 5 September 2025, Case AT.40670, Google – Adtech & Data-related practices, para. 8.4.6 (source).

[14] DMA, Article 6(5).

[15] Commission decision of 27 June 2017, Case AT.39740, Google Search (Shopping), para. 496 (source)

[16] Ibid, paras. 540 et seq. (source)

[17] Commission decision of 20 December 2022, Case AT.40703, Amazon Buy Box, para. 201. (source)

[18] Ibid, para. 202. (source)

[19] Ibid, para. 204-207. (source)

choice,[20] and reduced the size of excluded third-party businesses inventories.[21]

Self-preferencing as an abuse is now well-established and brings interesting economic questions

Self-preferencing is now a well-established category of conduct as recognised by its inclusion in the DMA legislation and the Commission's Draft Guidelines on exclusionary practices under Article 102.[22] In the context of abuse of dominance investigations, there are no presumptions, and an abuse needs to be established on a case-by-case basis. For gatekeepers, self-preferencing is outright prohibited in the context of rankings or related crawling or indexing activities.

From an economic perspective, this type of conduct raises new questions that will need to be answered in each individual case. We highlight the following three.

First, whereas the most high-profile cases have focused on behaviour of the largest dominant platforms globally, that is digital gatekeepers, there have also been investigations into smaller, locally dominant digital platforms. In these cases, establishing platform dominance will require a more in-depth analysis of network effects (e.g. impact of number of sellers on attractiveness of the platform), the platform's centrality (e.g. share in third party market, importance of platform for its business users), and other factors such as extent of consumer multi-homing.

Second, the identification and assessment of the conduct is not always straightforward. It may be necessary to carefully analyse the dominant company's algorithms and its ranking results to identify self-preferencing. In particular, evidence is required to show that the ranking results have been systematically skewed to the dominant platforms own services, thus not reflective of unbiased ranking criteria.

Lastly, particularly in circumstances where the dominant firm is not a digital gatekeeper, potential pro-competitive effects of the alleged conduct will need to be carefully assessed to understand whether it may promote rather than hamper competition.

[20] Ibid, para. 208. (source)
[21] Ibid, para. 209. (source)
[22] European Commission, Draft Guidelines on the application of Article 102 TFEU, section 4.3.3 (Self-Preferencing) (source).

Hard facts. Clear stories.

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