

Italy fines Amazon over 'recurring' purchase option

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Italy's competition authority said an option to set up regular purchases was 'pre-selected by default' on a wide selection of products listed on Amazon's Italian website.

Italy's competition authority said Wednesday it had fined two Amazon companies 10 million euros (\$10.6 million) for unfair commercial

practices that push customers into agreeing to "recurring" rather than "one-time" purchases online.

The AGCM said the option to set up regular purchases was "pre-selected by default" on a wide selection of products listed on Amazon's Italian website.

"The graphic layout of the pre-selected recurring purchase option may lead consumers to buy products periodically—even when there is no actual need—thereby limiting their ability to choose freely," the AGCM said in a statement.

"Moreover, the conduct implemented by the company was deemed contrary to the standards of professional diligence.

"As a major operator, Amazon is expected to design its online interfaces, particularly those related to purchasing processes, in a manner that allows consumers to make free and informed commercial decisions."

Amazon said it "strongly disagrees" with the ruling, leveled against the Luxembourg-based Amazon Services Europe and Amazon EU, and said it would appeal.

"Every day customers benefit from the Subscribe and Save program by saving money and time on regular deliveries of items they routinely use," the company said in a statement.

It said customers in Italy have saved more than 40 million euros under the subscription program.

The watchdog said it had also raised concerns about the pre-selection of the "paid fast delivery" option on the Amazon website.

But it said it proposed no further action after Amazon agreed to pre-select only the free delivery option in future, and also to compensate consumers who complained last year about this conduct.

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