

Google 'anti-competitive' over online ad tech: UK

September 6 2024, by Ben PERRY



Google-parent Alphabet recently reported that revenue from online ad searches climbed to \$48.5 billion in the second quarter of this year.

US tech titan Google employs "anti-competitive practices" with regards to online advertising, Britain's competition watchdog concluded Friday in provisional findings of a two-year long investigation.

The probe has focused on so-called ad tech—the system that decides which online adverts people see and how much they cost.

The US Department of Justice and European Commission are carrying out similar investigations into Google.

In Britain, the Competition and Markets Authority "provisionally found that Google is using anti-competitive practices in open-display ad tech, which it believes could be harming thousands of UK publishers and advertisers", the CMA said in a statement Friday.

The regulator, which launched its probe in May 2022, said it would "carefully consider representations from Google before reaching its final decision".

'Flawed interpretation'

In a statement to media on Friday, Google VP of Global Ads, Dan Taylor, said the CMA's "case rests on flawed interpretations of the ad tech sector.

"We disagree with the CMA's view and we will respond accordingly".

He added that Google's "advertising technology tools help websites and apps fund their content, and enable businesses of all sizes to effectively reach new customers.

"Google remains committed to creating value for our [publisher](#) and advertiser partners in this highly competitive sector", Taylor said.

The CMA said it had "provisionally found that, when placing digital ads on websites, the vast majority of publishers and advertisers use Google's ad tech services in order to bid for and sell advertising space".

The watchdog "is concerned that Google is actively using its dominance in this sector to preference its own services.

"Google disadvantages competitors and prevents them competing on a level playing field to provide publishers and advertisers with a better, more competitive service that supports growth in their business".

The UK's Competition Appeal Tribunal recently ruled that a multibillion-pound claim against Google for alleged anti-competitiveness in digital advertising can proceed to trial.

The £13.6 billion (\$17.9 billion) claim, brought by the Ad Tech Collective Action LLP, accuses the company of abusing its [dominant position](#) and causing [significant losses](#) to UK online publishers.

Juliette Enser, interim executive director of enforcement at the CMA, noted on Friday that "many businesses are able to keep their [digital content](#) free or cheaper by using online advertising to generate revenue.

"Adverts on these websites and apps reach millions of people across the UK—assisting the buying and selling of goods and services", she said in the CMA statement.

"That's why it's so important that publishers and advertisers—who enable this free content—can benefit from effective competition and get a [fair deal](#) when buying or selling digital advertising space".

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