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1. Introduction

A. Context

- 1.1. Digital markets have redefined how marketplaces function across the globe by facilitating the exchange of goods, services and information through electronic means. Consumers, businesses and the economy at large benefit from digitalisation. For instance, consumers can shop from the comfort of their homes and gain access to a wider range of products and services, including innovative payment solutions. Businesses can tap into the opportunities created by online platforms, both in terms of easier access to the marketplace, and a wider consumer base. Increased business activities with digital markets contribute to employment and economic growth. These benefits are of special importance for a small economy like Mauritius as they help to broaden the scope for competition beyond national borders.
- 1.2. While digitalisation can bring significant benefits to the society, there are often challenges in promoting the development and adoption of online platforms. These include having in place adequate ICT infrastructure and ensuring access to reliable and affordable internet connectivity. Regulation of competition in digital markets is also a major challenge, given their distinguishing features - including multi-sidedness; direct and indirect network effects; heavy reliance on data; and market tipping. Often, these characteristics can give rise to the emergence of dominant platforms or gatekeepers; thus, the need to have safeguards and timely interventions against potential anti-competitive practices.
- 1.3. Competition agencies across the various jurisdictions have been paying special attention to digital markets and adapting their enforcement strategies to better regulate competition in this field. Several anti-competitive practices have been investigated by those authorities. These include exclusionary and exploitative conduct by dominant platforms such as tying, self-preferencing and personal data exploitation; harmful mergers in the form of killer acquisition; and algorithmic collusion.
- 1.4. It is therefore important for the Competition Commission to better understand the local digital market landscape and identify potential areas that may require specific attention with regard to the existence of anti-competitive practices or other broader competitive concerns.

B. Scope of the study

- 1.5. In this regard, the Executive Director of the Competition Commission initiated the digital market landscaping study ('the Study'), pursuant to the Section 30(h) of the Competition Act 2007 ('the Act'), with the aim to:
 - i. better understand the functioning of the various digital markets;
 - ii. assess competition dynamics in terms of the market structure and the level of consumer adoption;
 - iii. identify any potential competition issues in those markets; and
 - iv. outline the potential way forward to incentivise competition in those markets.

- 1.6. This Study focus on the key digital markets regrouped under the following categories: (1) Transactional: E-commerce, Hotel booking, Ticketing platforms, Taxi hailing, Food delivery, and Fintech; and (2) Non-transactional: Search engines and search advertising, Online classifieds, Software applications, social media and Communications, and Online Streaming.
- 1.7. For the purpose of the Study, the Office of the Executive Director met with various stakeholders to better understand the functioning of the concerned digital markets and identify potential competition issues. We also reviewed the competition cases and market studies conducted by competition authorities in other jurisdictions.
- 1.8. The study neither seeks to identify any wrongdoing by individual companies nor reaches any conclusion as to whether certain practices infringe the Competition Act. It may, however, provide the Competition Commission with a factual basis to decide on potential enforcement or advocacy if warranted.
- 1.9. The assessment and findings in this report are based on information gathered during 2024 and 2025 and reflect market dynamics at the time the report was drafted around September 2025.

C. Structure of the Report

- 1.10. The rest of the Report is structured as follows:
 - Section 2 provides an overview of the policy and regulatory environment, and the level of ICT infrastructural development in Mauritius. It also provides a benchmarking of internet connectivity in terms of access, reliability, and consumer readiness amongst others.
 - Section 3 highlights the key characteristics of digital markets and potential competition issues that may arise therefrom. It also assesses policy implications for Mauritius.
 - Section 4 examines the functioning of the main categories of transactional digital markets, namely e-commerce; hotel booking, ticketing platforms, taxi hailing, food delivery and fintech. It discusses competition concerns that may arise in those markets, having regard to the experience of competition authorities in other jurisdictions. It also assesses the state of play in the local markets and identifies potential competition issues and/or impediments to the development of those markets.
 - Section 5 covers other non-transactional digital markets: search engines and search advertising, online classifieds, software applications, social media and communications, and online streaming platforms.
 - Section 6 provides a summary of key observations from the study.

2. Digital markets and the environment

- 2.1. Conducive policy and regulatory developments together with reliable and affordable internet connectivity are imperative for successful digitalisation of the economy. In this section, we assess the ICT environment in terms of policy, regulations and ICT infrastructural development in Mauritius. It also provides a benchmarking on access, reliability, affordability, and consumer readiness for internet connectivity.

A. Policy and regulatory framework

- 2.2. The digital sector is fast becoming an important pillar in many economies. Mauritius can also leverage on digital technologies to achieve greater connectivity, inclusivity, and economic growth. Development of the digital sector is high on the national priority list. In this regard, several policy initiatives have been put forward. Recent ones include the Digital Mauritius 2030 Strategic Plan¹ and the Digital Transformation 2025-2029: Blueprint for Mauritius- A bridge to the future² (Digital Transformation Plan 2025-2029). The latter centers around four key pillars, namely modernising public service delivery, empowering citizens with digital skills, fostering innovation and private sector growth, and building a sustainable digital future. This national digital strategy sets out the roadmap for developing key enablers such as a unified digital public infrastructure, updating legal and regulatory frameworks, strengthening institutional governance, enhancing cyber resilience, and establishing robust data governance.
- 2.3. The regulatory environment is also evolving to support the digitalisation process in Mauritius. Below we provide some overarching laws, regulations and guidelines that support the digitisation process in Mauritius.

a. Promoting ICT infrastructure and services

- 2.4. The *Information and Communication Technologies Act 2001*³ (the ICT Act) is a significant piece of legislation that governs various aspects of information and communication technologies in the country. It aims to regulate and promote the ICT sector, ensuring accessible, affordable, and efficient communication services, while also fostering technological advancement and international competitiveness.
- 2.5. The ICTA Act establishes the Information and Communication Technologies Authority (ICTA) as the sector regulator with the mandate of promoting the development, regulation, and use of ICT. To this effect, the ICTA is responsible for licensing, numbering, spectrum management, standardisation, interconnection, pricing (through its Tariff Regulatory Framework), universal service/access, structural separation, and type approval amongst others.
- 2.6. The ICTA also has purview on regulating competition in the sector to create a level playing field for all operators in the interest of consumers in general. It is empowered to impose conditions as it may consider appropriate where a telecom operator has significant market power. It is to be highlighted that the ICTA is yet to issue guidelines on enforcing this provision.

¹ Digital Mauritius 2030 <https://mdpa.govmu.org/mdpa/wp-content/uploads/2024/04/DigitalMauritius2030.pdf>

² <https://mitci.govmu.org/Communique/Blueprint%20for%20Mauritius%202025.pdf>

³ The ICT Act 2001; https://www.icta.mu/documents/2022/04/ict_act.pdf

b. Building digital readiness

- 2.7. To promote the development and adoption of digital technologies, the Mauritius Digital Promotion Agency Act 2023 and the Mauritius Emerging Technologies Council Act 2021 have been adopted.
- 2.8. The *Mauritius Digital Promotion Agency Act 2023*⁴ aims to accelerate Mauritius's digital transformation by fostering ICT skills development, promoting digital entrepreneurship, and facilitating the adoption of digital technologies across various sectors. The act establishes the Mauritius Digital Promotion Agency (MDPA) to drive these initiatives and support the national digital strategy.
- 2.9. The *Mauritius Emerging Technologies Council Act 2021*,⁵ aims to promote the application of emerging technologies in line with national economic and social objectives, fostering innovation and technological advancement in Mauritius. The act establishes the Mauritius Emerging Technologies Council (METC), which advises the government on technology policies, promotes technology integration, and drives research related to emerging technologies.

c. Protection of data and privacy

- 2.10. The *Data Protection Act (DPA) 2017*⁶ strengthens the control and autonomy of individuals over their personal data, aligning with international standards such as the European Union's General Data Protection Regulation (GDPR)⁷. The act aims at safeguarding individuals' privacy rights and promoting transparent data processing practices by organisations. It provides a legal framework for protecting personal data and ensuring that data controllers and processors comply with data protection principles and obligations in addition to looking into the cross-border data transfers.

d. Safeguards against cyber offences

- 2.11. The *Cybersecurity and Cybercrime Act 2021*⁸ has been introduced to better combat cybercrime and enhance cybersecurity measures. It repeals the previous Computer Misuse and Cybercrime Act 2003 and introduces new offences related to cybercrime, updated investigative techniques, and provisions for international cooperation.
- 2.12. The act also establishes the Computer Emergency Response Team of Mauritius (CERT-MU)⁹ to coordinate national cybersecurity efforts and implements a Critical Information Infrastructure Protection policy.

⁴ The Mauritius Digital Promotion Agency Act 2023

https://www.icta.mu/documents/2023/06/The_Mauritius_Digital_Promotion_Agency_Act_2023.pdf

⁵ The Mauritius Emerging Technologies Council Act 2021

<https://mitci.govmu.org/Documents/Legislations/Mauritius%20Emerging%20Technologies%20Council%20Act%202021.pdf>

⁶ The Data Protection Act 2017 <https://dataprotection.govmu.org/Pages/The%20Law/Data-Protection-Act-2017.aspx>

⁷ GDPR <https://gdpr.eu/>

⁸ The Cybersecurity and Cybercrime Act 2021;

<https://ncb.govmu.org/ncb/legislations/THE%20CYBERSECURITY%20AND%20CYBERCRIME%20ACT%202021.pdf>

⁹ <https://cert-mu.govmu.org/cert-mu/> accessed on 22 Sep 25.

e. Regulatory set up supporting ecommerce, digital trade and payments

- 2.13. The *Electronic Transactions Act 2000*¹⁰ (ETA) provides legal recognition for electronic records and signatures, facilitating electronic commerce and other transactions. It aims to ensure the validity and enforceability of contracts formed using electronic means and regulates the use of electronic signatures, including digital signatures. The ETA also addresses the legal framework for electronic filing of documents with government agencies and promotes secure electronic commerce.
- 2.14. With the increasing prevalence of online platforms for the sale of goods and services, there has also been a noticeable rise in risks such as fraud, misleading advertising, opaque pricing, unclear return policies, and limited avenues for consumer redress. To address these issues and ensure that digital commerce evolves within a safe and trustworthy environment, the Government is in the process of elaborating the *Fair Trading (E-Commerce) Regulations 2025*¹¹. This upcoming legislation is designed to create a structured and enforceable regulatory framework specifically for digital commerce, with the objective of enhancing consumer protection and ensuring that e-commerce operators adhere to fair business practices.
- 2.15. The banking sector in Mauritius is governed primarily by the *Bank of Mauritius Act 2004*¹², the *Banking Act 2004*¹³, and relevant regulations and guidelines. The Bank of Mauritius is strategically building an ecosystem that supports interoperable, instant, and secure digital payments, encourages innovation, and aims for wide adoption among both consumers and businesses. The Bank of Mauritius (BoM) is actively promoting digital payments in Mauritius through several comprehensive initiatives:

i. *Mauritius Central Automated Switch (MauCAS)*

- 2.16. BoM launched this 24/7 digital payment system to ensure interoperability between banks, promote e-commerce, and enable instant, round-the-clock payments. *MauCAS*¹⁴ also provides a unified platform for banking, e-commerce, and mobile payments, allowing customers to make and receive payments instantly across different banks. This is done through a dedicated national QR Code standard aimed at facilitating digital payments by promoting standardised, secure, and interoperable QR code usage across financial service providers. It enables customers to easily pay merchants, cashless, using their smartphones. The introduction of the MauCAS QR Code has further catalysed digital payments by enabling seamless, contactless transactions.

ii. *National Digital Payment Framework*

- 2.17. Through the *National Payment Systems Act (2018)*¹⁵ and its subsequent regulations, BoM has established a regulatory environment that not only oversees but provides a regulatory infrastructure for payment systems while also encouraging innovation in digital payment services such as mobile payment. The act also looks into the digital payments for both banking and non-bank operators and

¹⁰ The Electronic Transactions Act 2000 <https://www.icta.mu/documents/2021/08/eta.pdf>

¹¹ [Highlights of Cabinet Meeting Friday 23 May 2025.pdf](#)

¹² The Bank of Mauritius Act 2004; <https://www.bom.mu/about-bank/legislations/bank-mauritius-act-2004>

¹³ The Banking Act 2004; <https://www.bom.mu/about-bank/legislations/banking-act-2004>

¹⁴ MauCAS <https://www.bom.mu/MauCAS/english/MauCAS%20English%20.html>

¹⁵ National payment system; <https://www.bom.mu/about-bank/legislations/national-payment-systems-act-2018>

provide for the recognition of the non-bank providers and the procedure for licensing of payment service providers (PSP).

iii. Clear Guidelines for Payment Intermediaries

2.18. By creating frameworks for payment intermediaries and instituting a licensing system for non-bank payment providers, BoM is ensuring that the payment ecosystem is both innovative and secure, while promoting broad digital payment adoption across users and businesses. Recent guidelines by the BoM, such as the Guideline on Mobile Banking and Mobile Payment System¹⁶ set out the framework for digital payments and guide the operators, accordingly, expanding access and competition in digital financial services.

iv. Central Bank Digital Currency (CBDC)

2.19. BoM is actively exploring the rollout of a retail-focused CBDC. The aim is to provide a digital form of currency, offering individuals and businesses a safe, legal digital payments option. This is part of BoM's strategy to increase resilience, support further digitalisation, and provide an alternative to cash. A pilot project has been launched in January 2024 to look into the implementation of this central bank digital currency, the Digital Rupee.¹⁷

v. Innovation & Collaboration

2.20. BoM has launched its Innovation Hub (Innov8)¹⁸ to foster regulatory innovation, support collaboration with FinTech firms, and facilitate the development of new digital payment and banking solutions. This includes support for digital customer onboarding and digital identity initiatives, which streamline digital access to banking services.

2.21. In addition to the initiatives of the BoM, innovative platforms have also been noted in the delivery of government services such as MauPass and MoKloud. These initiatives are supported by the Ministry of Technology, Communication and Innovation. MauPass is the national authentication framework/single sign-on (SSO) system for Mauritius.¹⁹ It allows citizens and businesses to authenticate their identity once and access multiple online government services without the need to remember numerous credentials. MoKloud²⁰ is designed to provide citizens with convenient and secure access (through MauPass) to their official documents, such as birth and marriage certificates, driving licenses, academic certificates, and utility bills. The platform aims to facilitate a paperless environment and enhance the efficiency of public administration.

2.22. Another instrumental institution in the digital markets is the Financial Services Commission (FSC). The FSC regulates several facets of the digital financial ecosystem to ensure a secure and innovative

¹⁶ Guideline on Mobile Banking and Mobile Payment System <https://www.bom.mu/financial-stability/supervision/guidelines/guideline-mobile-banking-and-mobile-payment-systems>

¹⁷ Digital Rupee ; <https://www.bom.mu/media/media-releases/public-notice-digital-rupee-pilot>

¹⁸ Innovation Hub <https://www.bom.mu/media/media-releases/media-release-bank-mauritius-launches-its-innovation-hub-innov8>

¹⁹ MauPass; <https://maupass.govmu.org/LandingPage>

²⁰ MoKloud; <https://mokloud.govmu.org/>

market. This includes licensing Payment Gateway Operators under the Payment Intermediary Services (PIS) Licence²¹, established under the *Financial Services Act 2007*.²² This licence is designed for entities facilitating electronic payment transactions, such as e-wallets, mobile payment providers, and escrow services.

- 2.23. The FSC has also implemented a licensing framework for Digital Asset Custodian Services, recognising digital assets as an investment class for investors²³. The *Virtual Assets and Initial Token Offering Act 2021*²⁴, promulgated in February 2022, is another legislative framework supporting trade. This legal framework caters for virtual assets²⁵ including cryptocurrencies. By providing legal clarity and regulatory oversight in this emerging sector, the act supports trade and commerce by fostering trust, transparency, and investor protection in digital financial transactions. It enables the development of a secure virtual asset ecosystem, thereby attracting fintech innovation, facilitating cross-border digital trade, and positioning Mauritius as a credible jurisdiction for blockchain-based businesses. In 2021, the FSC also introduced the *Financial Services (Crowdfunding) Rules*²⁶, facilitating access to finance for Small and Medium Enterprises (SMEs) through regulated crowdfunding platforms. These measures collectively aim to foster a transparent and efficient digital financial environment in Mauritius.

B. ICT infrastructure and developments

- 2.24. The ICT sector is central to the performance and future development of the digital sector. This section covers indicators of the quality of ICT infrastructures in Mauritius underlying the digital economy as well as the rate of engagement of the local population with digital technology. We look at both mobile and fixed technology.
- 2.25. The contribution of the ICT sector²⁷ to the economy, as measured by Gross Value Added ('GVA'), has increased over the last 5 years in nominal terms from approximately Rs 26.4 billion in 2020 to around Rs 34 billion in 2024, increasing by nearly 30%. In terms of share of to the economy (as measured by % distribution to GVA), the ICT sector accounted for around 5-7% for the period 2020-24, as illustrated in Figure 1 below.

²¹ <https://iqeq.com/mu/insights/mauritius-payment-intermediary-system-licence-harnessing-e-commerce-as-a-gateway-to-new-opportunities/>

²² Financial Services Act 2007 <https://www.fscmauritius.org/media/194566/the-financial-services-act-2.pdf>

²³ <https://www.dtos-mu.com/mauritius-regulatory-framework-for-the-custody-of-digital-assets/>

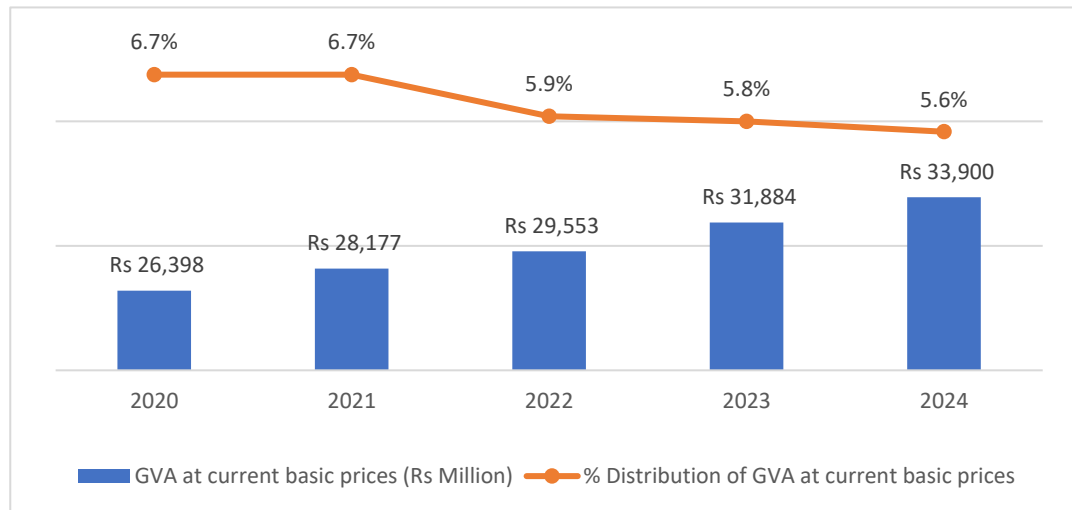
²⁴ Virtual Asset and Initial Token Offering Services Act 2001; <https://www.fscmauritius.org/media/119928/the-virtual-asset-and-initial-token-offering-services-act.pdf>

²⁵ Virtual assets are digital representations of value that can be traded, transferred, or used for payment through electronic means. They include cryptocurrencies, security and payment tokens.

²⁶ Crowdfunding; <https://www.fscmauritius.org/media/110061/financial-services-crowdfunding-rules-2021.pdf>

²⁷ The ICT sector comprises telecommunications services, online wholesale and retail trade, and other activities such as call centres, software development, website development and hosting, multimedia, IT consulting among others; Source: Economic and Social Indicators for ICT Statistics by Statistics Mauritius

Figure 1: GVA and % Distribution of GVA - ICT



Source: [Economic and Social Indicators](#) - National Accounts, Statistics Mauritius, Issue [1867](#) & [1763](#)

2.26. However, there is no real increase as such when considering the cumulative inflation rate over the period 2020-2024. Also, the share of ICT sector at around 6% indicates a rather muted performance. This is not promising for a sector which is supposed to play a transformative role in the economy.

i. ICT infrastructure and connectivity

2.27. Despite not having gained much momentum over the years in terms of the general economic contribution to the country, the ICT sector has nevertheless seen much investment and development with a view to improving access, connectivity, and offerings in line with the government objectives.

2.28. The internet connectivity infrastructure in Mauritius has been ameliorated through investment in both inland and international connections. Mauritius has moved from previous ADSL connectivity to 100 % fibre to home connectivity with island-wide fiber optics network coverage, achieved in 2017 itself. This development in the infrastructural network has been made possible with numerous collaborations with the two main operators in the sector, Mauritius Telecom (through its different subsidiaries, Cellplus Mobile Communications Ltd and Telecom Plus Ltd) and Emtel Ltd. These operators have also invested in undersea cables such as the South Africa Far East (SAFE), Lower Indian Ocean Network (LION), the T3 cable and MEIntingpoT Indianoceanic Submarine System.

2.29. These networks support the rising use of internet in Mauritius, which can be reflected in the rising internet subscriptions for both fixed²⁸ and mobile²⁹ access. Table 1 illustrates same.

Table 1: Internet subscriptions

	2020	2021	2022	2023	2024
Total Internet Subscriptions:	1,648,000	1,811,700	1,896,100	2,063,000	2,216,400
Total internet subscription based on Access Network:					
Fixed Access	323,200	329,000	332,900	342,100	355,600
Mobile Access	1,324,800	1,482,700	1,563,200	1,720,900	1,860,800
Total internet subscription based on Bandwidth:					
Broadband	1,568,800	1,740,600	1,883,300	2,052,800	2,207,900
Narrowband	79,200	71,100	12,800	10,200	8,500
Penetration Rate (%)					
Internet Population Penetration rate	130	143	150	164	178
Broadband Internet Population Penetration Rate	124	138	149	163	177

Source: [ICTA Observatory statistics](#); 19 August 2025

2.30. As can be observed from Table 1, total internet subscriptions increased by around 35% from 2020, reaching approximately 2.2 million in 2024. For a population of about 1.3 million, this translates into an internet population penetration rate of 178%. This indicates that the country is very well connected with high level of internet adoption and usage. Such a high internet population penetration rate indicates that most of the population can potentially access online resources, communicate through digital channels, and utilise internet-based services such as email, social media, online shopping and undertake digital transactions etc.

2.31. The growth in internet subscriptions was primarily through mobile access networks, which increased from 1.32 million to 1.86 million subscriptions. Mobile access network accounts for nearly 84% of total subscriptions. This reflects the growing preference for mobile access to internet, as it offers more flexibility enabling users to access digital services at their convenience and on the go. The fixed access remains mainly for households.

²⁸ Fixed Internet subscriptions refer to all Internet access services offered over wired line/fixed /semi-fixed wireless technology e.g. analogue dial-up, fibre etc. (source: [ICTA, ISP Quarterly Information form](#))

²⁹ Mobile access comprise standard mobile subscriptions used for internet data communication via IP and dedicated mobile data subscriptions purchased separately from voice services, requiring an additional subscription. (source: [ICTA, ISP Quarterly Information form](#))

- 2.32. It is to be highlighted that almost 100% of total internet subscriptions was broadband³⁰, which enables faster (speed greater than 256 kbps)³¹ and more efficient access to the internet as well as the transmission of larger amounts of data at high speeds.
- 2.33. The rise in subscriptions is reflected in an increase in internet usage. From 2020 to 2024, the volume of internet downloads and uploads grew by nearly 55% and 42% respectively, as shown in the table below. This trend illustrates the growing use of digital services.

Table 2: Volume of internet usage (TB)

	2020	2021	2022	2023	2024
Volume of Internet downloads (Terabytes)	711,287	674,098	786,584	818,639	1,106,047
Volume of Internet Uploads (Terabytes)	74,232	74,559	82,742	77,613	104,509

Source: [ICTA Observatory statistics](#); 19 August 2025

- 2.34. Download volumes rose by approximately 55%, from 711,287 TB in 2020 to 1,106,047 TB in 2024. While there was a slight fall in 2021, the overall trend shows a strong upward trajectory, driven likely by increased streaming, online entertainment etc.
- 2.35. Upload volumes also experienced notable growth, increasing by about 42% over the same period- from 74,232 TB to 104,509 TB. Though the year-on-year changes were less consistent, the upward movement potentially reflects greater use of cloud storage, content creation, and video conferencing tools.

ii. International benchmarking of key attributes of fixed and mobile internet connectivity

- 2.36. We provide below a benchmarking of the key attributes of both fixed and mobile internet connectivity to assess the extent which Mauritius is at par with its peers.

Fixed internet connectivity

- 2.37. In the Table 3 below, comparative statistics on key attributes such as speed, latency, and pricing for fixed broadband internet. The data offers an insight on where Mauritius stands compared to other countries in the different categories: high, upper middle, lower middle- and low-income group countries

³⁰Broadband Internet refers to connection to the internet at a speed equal to or greater than 256 kbps, as the sum of capacity in both directions.

³¹ As per international benchmarks, kbps is slower than mbps. Internet speeds are often in megabits per second (Mbps) or gigabits per second (Gbps), and 256 kbps is considered very slow.

Table 3: Fixed Broadband Benchmarks - Speed, Latency & Price

Rank	Country	Mbps ³²	Latency ³³	Price (USD) ³⁴	Income Group	Continent
Global						
	Global	104.43	8	24.6		
Leading Performers – Overall						
1	Singapore	394.3	4	41.3	High	Asia
2	Chile	347.4	5	24.6	High	America
Leading Performer Among Upper-Middle-Income State per Continent						
9	Thailand	262.42	6	14.6	Upper middle	Asia
20	Peru	220.93	5	16	Upper middle	America
39	Moldova	158.05	4	7.09	Upper middle	Europe
Leading Performers in Africa						
70	Egypt	89.84	9	3.84	Lower middle	Africa
97	Côte d’Ivoire	59.73	6	24.6	Lower middle	Africa
99	Mauritius	57.08	4	10.7	Upper-middle	Africa
Lowest Performers – Overall						
153	Cuba	3.48	103	14.6	Upper middle	America
154	Syria	3.35	36	0.59	Low	Asia

Source: Speedtest Global Index, 2025 and ITU Datahub

- 2.38. As per the Ookla’s speedtest, Mauritius ranks 99th globally for fixed broadband with a speed of 57.08 Mbps and a latency of 4ms. While the low latency indicates excellent standards, at par with top global performers such as Singapore, the speed remains below global average.
- 2.39. According to Ookla, speeds between 40 - 100 Mbps range are classified as adequate, therefore Mauritius speed of 57.08 Mbps is satisfactory. Nonetheless, when benchmarked to global standards, Mauritius shows significant room for improvement. For instance, the global average stands at 104.43 Mbps while for the leading performer Singapore’s has a speed of 394.3 Mbps. Top upper middle-income countries such as Thailand and Peru’s speeds exceed 200 Mbps. In Africa, Egypt and Côte d’Ivoire surpasses Mauritius’s fixed broadband speed despite being lower income economies.
- 2.40. With regard to price of fixed broadband, Mauritius shows a favourable monthly rate at around USD 11 relative to best performers and is well below global average of approximately USD 25.

³² Download Mbps - [Speedtest Global Index](#), Updated August 2025

³³ Download Mbps - [Speedtest Global Index](#), Updated August 2025

³⁴ Cheapest plan providing at least 5GB of monthly high-speed data (256Kbit/s or higher) from the operator with the largest market share in each economy. Source: [ITU](#), latest data; accessed 19 September 2025

2.41. More recently, the authorisation of fixed broadband internet services via NGSO satellite constellations by ICTA³⁵ signify an advancement in the country’s internet connectivity landscape, by opening doors to alternative broadband delivery methods. This could further lower costs and enhanced speeds. Its eventual success will, though, depend on its implementation, adoption, and integration with existing networks.

Mobile internet connectivity

2.42. As noted, Mauritians connect to the internet mostly through mobile access, thus assessing mobile network performance is central to understanding digital readiness. The availability and quality of mobile internet depend heavily on the underlying mobile telephony infrastructure³⁶. In 2024, 99% of the population in Mauritius had access to mobile telephony³⁷. The table below shows the evolution in the total mobile subscription rate and the mobile penetration rate over the years 2020 to 2024.

Table 4: Mobile Subscriptions and penetration rate

	2020	2021	2022	2023	2024
Total mobile Subscriptions	1,912,900	1,971,300	2,096,800	2,104,700	2,195,100
Mobile Penetration rate (%)	151	156	166	167	176

Source: [ICTA Observatory statistics](#); 19 August 2025

2.43. Between 2020 and 2024, total mobile subscriptions increased to 2.2 million while mobile penetration rate rose to 176%. This is reflective of a widespread mobile adoption in the country. The high penetration rate in terms of mobile subscriptions also suggests that users may own multiple SIM cards possibly to benefit from lower tariffs when communicating off network (between different networks). Though, the use of mobile internet relies primarily on smartphone adoption as basic phones typically lack the required features. In 2024, smartphone access³⁸ reached 88% of households, underscoring a favourable rate to encourage adoption of digital services. Mobile coverage for 3G and 4G stands at 99%³⁹, while 5G is also picking up, reaching 80% for Emtel⁴⁰ and 84% for MyT⁴¹.

2.44. To get a clearer picture of the country’s ability to adopt digital development, it is useful to look at the mobile connectivity index. The GSMA Mobile Connectivity Index provides a more comprehensive understanding of the state of mobile telephony and mobile internet development across 170 countries, combining four main measures of performance (enablers): infrastructure, affordability,

³⁵Decision of ICTA on authorising fixed broadband internet services through NGSO networks, May 2025 https://www.icta.mu/documents/2025/05/decision_authorising_internet_through_non_geostationary_satellite_orbit.pdf

³⁶ Which includes the appropriate network of towers, antennas, and equipment that enable wireless communication.

³⁷ ICT Statistics, Statistics Mauritius, Issue No [1869](#)

³⁸ ICT Statistics, Statistics Mauritius, Issue No [1869](#)

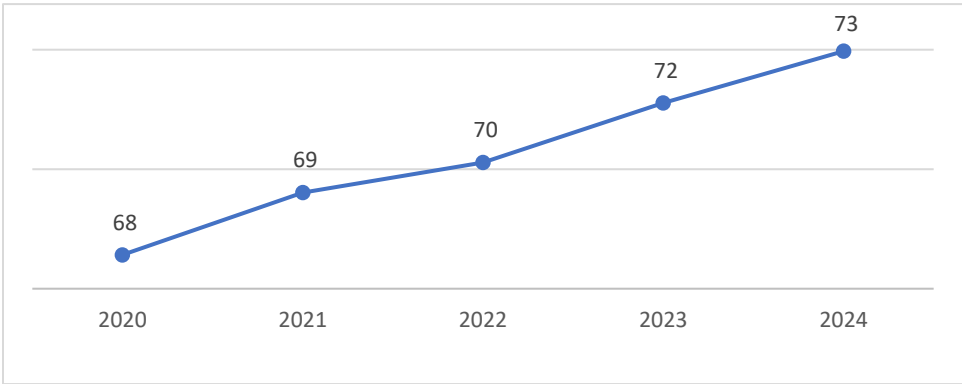
³⁹Datahub, 3G and 4G population coverage by mobile network technology <https://datahub.itu.int/data/?i=100095&e=MUS&v=chart>

⁴⁰ Emtel - [Integrated Report 2024](#)

⁴¹ Mauritius Telecom- [Annual Report 2024](#)

consumer readiness, and content and services. The overall index score⁴² for Mauritius is given in the chart below.

Figure 2: Mobile connectivity index - Mauritius



Source: [Mobile Connectivity Index](#), GSMA

2.45. Mauritius has reached the advanced cluster, the second-highest category defined by GSMA, and have shown constant improvements with its score moving from 68 in 2020 to 73 in 2024.

Figure 3: Breakdown of Mobile Connectivity Index 2024, Mauritius



Source: [GSMA](#), Mobile Connectivity Index - Country Score

⁴² GSMA Mobile Connectivity Index, 2024 <https://www.mobileconnectivityindex.com/index.html>

2.46. According to the GSMA Mobile Connectivity Index 2024⁴³, Mauritius scores 73 overall (10th rank), placing it at the mid-point of the upper middle-income group. However, the disaggregated analysis across each indicator reveals underlying challenges, as well as opportunities for improvement. A benchmarking reveals the following as per the table below:

⁴³ GSMA [Mobile Connectivity Index](#) 2024

Table 5: GSMA Mobile Connectivity 2024

Country ⁴⁴	Overall	Infrastructure	Affordability	Consumer Readiness	Content and Services
Gold Standard Countries⁴⁵					
Singapore	93	94	99	92	89
Denmark	93	99	87	94	93
“Reachable” high income countries⁴⁶					
Saudi Arabia	85	96	84	86	75
Greece	84	94	71	91	82
Romania	83	86	80	88	78
Bulgaria	81	94	76	84	74
Chile	80	80	72	88	79
Seychelles	74	71	73	84	69
Upper Middle-Income Countries					
China	83	92	77	89	78
Malaysia	80	93	71	84	75
Thailand	79	88	68	88	72
Turkey	78	80	61	90	83
Serbia	77	78	70	87	75
Brazil	77	89	57	84	84
Indonesia	76	72	84	79	70
Kazakhstan	76	70	80	81	75
Mexico	76	72	73	83	78
Mauritius	73	73	66	81	72
Argentina	72	69	61	89	73
South Africa	72	79	61	81	68
Dom. Rep.	70	77	55	80	71
Libya	67	60	72	82	57
Maldives	64	78	51	84	50
Fiji	62	67	55	77	51
St. Lucia	61	60	55	81	51
Jamaica	55	68	31	79	57
Gabon	55	58	53	71	43
Lower middle-income countries					
Vietnam	79	75	78	86	79
Philippines	72	80	61	83	65
India	69	81	69	61	67
Morocco	65	72	55	76	61
Sri Lanka	64	63	56	78	61
Ghana	57	63	47	69	52

⁴⁴ Countries' income classification based on [world bank](#) estimates; accessed 22 July 2025

⁴⁵ Countries with the highest mobile connectivity index

⁴⁶ Selected countries with an index between 74 and 85 (benchmarks as achievable targets)

Infrastructure

- 2.47. Mauritius' infrastructure score is 73, which is one of the lowest among its income peers. Mauritius ranks 12th amongst the 20 Upper middle-income countries and is outperformed by several lower-income countries such as India (81), Philippines (80) and Vietnam (75).
- 2.48. Mauritius' relatively low infrastructure score, despite its high income and small geographic size, suggests challenges, less on the coverage of mobile networks, which has seen significant investment and advancement with island-wide 4G LTE coverage and ongoing 5G rollout, and more about qualitative aspects of the network. This, in terms of connection reliability, mobile internet speeds, latency, and consistency of service across urban and rural areas. In addition, the Fair Usage Policy (FUP) that most of the MNOs impose may also impact quality.⁴⁷ The FUP is a set of restrictions applied by MNOs to prevent excessive usage of 'unlimited' data plans by a small number of users that could negatively affect network performance for others, especially in cases of limited network resources and bandwidth.
- 2.49. Although modern technologies like 4G and 5G are widely deployed, the user experience may be impacted by variations in network performance or capacity constraints during peak usage times.
- 2.50. Nevertheless, as shown by the scores, that Mauritius is well positioned in terms of infrastructure (including speed) as compared to the other African countries. The main mobile network operators in Mauritius, Emtel⁴⁸ and MyT⁴⁹ have been awarded as the fastest mobile networks in the African region.

Affordability

- 2.51. Despite Mauritius being one of the highest-income countries within the upper middle-income group, its affordability score stands at 66, ranking 9th within its category. This score is lower than those of Indonesia (84), Kazakhstan (80), and China (77), but at the same time better than countries like South African and smaller nations like Maldives and Fiji.
- 2.52. The cost of mobile data plans may be influenced by several factors, including the structure of the market in terms of size, and investment costs. The effectiveness of pricing competition in a concentrated market with two main players is also an important consideration.

Consumer Readiness

- 2.53. This is one area in which Mauritius attains its highest score of 81, ranking 5th amongst the other upper middle-income countries. The population demonstrates relatively high levels of digital literacy, mobile awareness, and smartphone ownership. For example, the proportion of households with smartphones increased from 71.3% in 2018 to 81.4% in 2020⁵⁰, reflecting strong consumer engagement with digital technologies.

⁴⁷Cellplus Mobile Communications Ltd (MyT), FUP <https://imgcdn.myt.mu/pdf/mobile/Fair-Usage-Policy-For-Mobile-Services.pdf>

⁴⁸Emtel ;<https://www.speedtest.net/awards/mauritius/2024>.

⁴⁹ MyT <https://www.speedtest.net/awards/mauritius/2025>

⁵⁰ Mauritius Digital Promotion Agency ; ICT Indicators https://indicators.govmu.org/ictindicators/?page_id=3218

Content and Services

- 2.54. Mauritius scores 72 and ranks 10th amongst the upper middle-income countries. The availability of local and relevant content-such as mobile banking, government apps or cloud services, e-learning, and locally developed apps-is improving but remains low. Notwithstanding, Mauritius has made progress in enabling digital content. For instance, by providing more local apps, thus making digital services better suited in terms of local requirements, and encouraging more people to use online tools in areas like education, banking, health, and public services.
- 2.55. On a concluding note, overall Mauritius has built a strong foundation in digital connectivity. Given Mauritius's small size, deploying infrastructure can reach most areas reasonably easily but recouping high investments remains a challenge. Mauritius is well-situated among its peers, particularly in the Indian Ocean/African region, but to fully unlock its digital potential it needs to focus on improvements in terms of speed (especially for fixed connectivity) and affordability.

3. Main characteristics of the digital markets, competition concerns and policy implications.

3.1. In order to understand the policy challenges that arise from the growth of the digital economy, we need to identify what makes this sector special. These characteristics have significant implications for market dynamics, firm behaviour, consumer welfare, and regulatory responses. In this section, we review the main characteristics of digital markets⁵¹, identifying the potential competition concerns they raise and the policy implications. While we present most of the relevant concerns relating to digital sectors, we also discuss which of these are more likely to require attention in a small open economy like Mauritius.

A. Reduced relevance of physical distance

- 3.2. Digital technologies rely on the electronic encoding, storing, usage and diffusion of information. A striking characteristic of such information is that it can substantially reduce or even eliminate the economic costs of physical distance.⁵² In other words, digitalisation is redefining markets whereby distance is no longer a constraint or a barrier to competition. For a country like Mauritius, which is small and lies far away from the world's main economies, this can be a game changer.
- 3.3. In traditional markets, businesses often operate within a specific geographical area, restrained by infrastructure, logistics, and local demand. Digital markets, on the contrary operate across the globe, allowing businesses to offer products and services worldwide without being limited by a specific location. Businesses can now operate across borders with access to a greater market audience without much added costs. Consumers, in turn, are benefitting from wider choice and potentially better pricing, at a click.
- 3.4. Yet the extent to which digitalisation reduces distance as a constraint depends on the nature of the activity. For instance, concrete production and delivery; whereby a seller needs a production site in strategic places within the country to undertake its operations. In such an industry, digital technologies would be mainly used in streamlining the ordering and dispatching aspects of the business and would not meaningfully affect the geographic scope of the market.
- 3.5. For large marketplaces like Amazon, digitalisation facilitates order-taking from a single location.⁵³ However, delivery still relies on local distribution centres and networks, with distance remaining relevant. In such cases, efficient logistics and transportation, coordination and timely delivery become key in supporting online sales.
- 3.6. In Mauritius, digitalisation primarily impacts the service sector, inter alia financial services, insurance, platforms, and media. Given the island's road connectivity and access to businesses, distance is unlikely to be much of a constraint. Still, digitalisation is bringing convenience to the doorstep of

⁵¹ OECD Handbook on competition policy in the Digital Age 2022 https://www.oecd.org/content/dam/oecd/en/publications/reports/2022/02/oecd-handbook-on-competition-policy-in-the-digital-age_50b6e951/c8c1841b-en.pdf

⁵² UNCTAD Digital Economy Report, 2019 https://unctad.org/system/files/official-document/der2019_en.pdf

⁵³ The fact that they actually choose to have a number of regional sites is explained by the desire to avoid site congestion, ensure resilience and cater to different languages and local regulations (e.g. on data retention).

Mauritians with delivery services, online shopping etc, which are also helping in the development of new businesses with the entry of new operators. Mauritius is getting access to global platforms and services, which are enabling wider choices, networking and enhancing consumer experiences through be it social media, online streaming platforms or e-commerce.

- 3.7. While the removal of distance barriers opens new markets, it also exposes local businesses to the risk of international dominance and raises concerns over privacy and data regulation. This requires specific regulatory frameworks to tackle likely consumer and competition concerns.
- 3.8. Also given the cross-border operations, anti-competitive practices in one jurisdiction can have effect in another jurisdiction. For instance, a company's dominance, especially for tech giants such as Google, Meta (Facebook), Microsoft, Booking.com which are used worldwide and across countries, could spill-over multiple countries. As a result of which, regulatory jurisdictional limitations can make enforcement difficult when firms operate across borders without physical presence.
- 3.9. For Mauritius, enforcement against global tech giants may exceed institutional capacity. To tackle likely competition concerns arising from such companies, a coordinated regional approach might be preconised at the African continent level for cooperation with peers and other authorities such as the COMESA or AfCFTA. This concerted response and capacity building may ensure a more hands-on approach to digital market challenges (especially with tech giants exploiting national laws inconsistencies).

B. Dynamic and innovative markets

- 3.10. Digital markets are dynamic, marked by rapid changes and high levels of innovation. These markets frequently observe the emergence of new products and services with new operators as well as traditional firms innovating and evolving digitally⁵⁴.
- 3.11. Digital markets evolve rapidly supported by continuous technological developments and constant product and service innovations, disrupting markets. The emergence of apps like Uber, platforms like Netflix's subscription service, and online retail giants such as Amazon and AliExpress are examples of digital disruption in traditional industries. They have introduced new business models and new competition dynamics. This disruption can be seen notably in taxi hailing services, entertainment, retail, hotel booking and banking.
- 3.12. Companies like Uber disrupted the traditional taxi industry by offering ride-sharing platforms that are more convenient, cost-effective, and user-friendly than traditional taxi systems. This forced existing taxi operators to adapt to these new business models. In the entertainment segment, Netflix introduced a subscription-based streaming model that significantly disrupted traditional media and entertainment industries, shifting consumer behaviour from scheduled programming to on-demand, digital streaming services. In retail, e-commerce platforms like Amazon, AliExpress, Shein reshaped retail by providing consumers with a convenient online shopping experience, a wide product selection, and fast delivery options. This disrupted brick-and-mortar stores worldwide and altered consumer shopping habits. For hotel booking, the emergence of online booking platforms for local

⁵⁴ CMA, Online platforms and digital advertising, July 2020

https://assets.publishing.service.gov.uk/media/5fa557668fa8f5788db46efc/Final_report_Digital_ALT_TEXT.pdf

and international bookings such as Booking.com, Agoda streamlined the booking process, enhancing consumer experience with focus on consumer preferences. Once heavily reliant on processes, the banking sector has rapidly transformed into highly digital, customer-friendly and secure experiences through mobile banking and cashless payment methods.

- 3.13. Despite the dominance of these early digital disruptors, competitive constraints have emerged over time. New entrants have challenged established players. Careem and Bolt entered the ride-hailing market alongside Uber; Temu has become a fast-rising competitor to e-commerce giants like Amazon and Alibaba; and Amazon Prime Video now competes directly with Netflix in the streaming space. This evolving competitive landscape reflects the dynamic nature of digital markets, where innovation and consumer demand continuously shape business viability.
- 3.14. Digital businesses can usually start and scale with relatively low initial costs, particularly in cases where operators leverage on existing platforms and infrastructure. An example would be selling via Facebook Marketplace. In such models, basic investment may be sufficient for market entry, benefiting from reduced costs and access to ready-made digital ecosystems.
- 3.15. However, this depends on the type of business activity. In many digital market segments, especially those involving technology infrastructure, payment systems, app stores, or platform development, the entry barriers are considerably high. These include large capital requirements for servers, data centres, research and development, cybersecurity, and technical expertise. For example, global firms like Google and Meta (Facebook) have invested immensely in data infrastructure, global networks, Application Programming Interfaces (APIs)⁵⁵, consumer interfaces, and AI. These sunk costs are critical for building scalable, secure, and user-friendly platforms, but represent substantial barriers to new entrants.
- 3.16. In addition, regulatory compliance adds another layer of complexity. In Mauritius, for example, launching a payment application requires licensing from the Bank of Mauritius, which includes licensing fees, strict security protocols, and ongoing compliance obligations. Globally, digital firms must also navigate cross-border regulatory regimes related to data protection, taxation, and competition law. While large firms often have the resources to manage this complexity, small businesses and start-ups may struggle to comply, limiting their ability to scale internationally.
- 3.17. Furthermore, marketing and brand building in digital markets demand significant investment in advertising, search engine optimisation (SEO), and consumer retention strategies. Without visibility, even well-designed digital services can struggle due to dominance by established platforms like Google Play and Apple App Store.
- 3.18. Digital platforms also benefit from strong economies of scale: once a critical mass of users is achieved, the marginal cost of serving additional users is often minimal, giving early movers a significant cost advantage. Coupled with network effects, where the value of the platform increases with each additional user, this can lead to entrenched market power and create "winner-takes-all" dynamics (this will be further discussed in the following paragraphs).

⁵⁵ API is a set of rules and protocols that allows different software applications to communicate with each other enabling them to exchange data.

- 3.19. In digital markets, consumer adoption of new technologies or products often takes time, particularly for emerging or unfamiliar innovations. Businesses, especially small or new entrants, must overcome visibility challenges on dominant platforms such as Google, Facebook, and app stores like Google Play and Apple's App Store. The presence of strong network effects means that once a platform gains traction, its value increases exponentially with each additional user, creating a significant competitive advantage.
- 3.20. For Mauritius, there is a growing level of adoption for these global platforms such as Amazon or Temu in retail, Facebook for social media, Netflix etc. This is also found in the rapid development and adoption of new local apps and platforms. Examples would include the online advertising platform of Mediatiz Ltd, L'Express Property which was amongst the first local platforms to be developed for property listing connecting different users, or apps such as MCB Juice in the fintech, facilitating payments.
- 3.21. Initially, technological incompatibility or lack of interoperability created barriers to competition. However, these barriers have largely diminished over time. While these new business models can enhance market efficiency and improve consumer experience and welfare, they also present new challenges for competition policy.
- 3.22. These dynamics contribute to broader competition concerns in digital markets. These concerns would include high market power leading to dominance, high entry barriers from investment costs or consumer lock-in, self-preferencing by dominant platforms, and the risk of killer acquisitions suppressing emerging innovation (innovation foreclosure).
- 3.23. One of the considerations for such rapidly evolving markets, is the difficulty in assessing effects of anti-competitive behaviours, or harm to competition, over the long-term. This is the case as the products and services changes rapidly along with the market dynamics. Market definition becomes an issue as the traditional/conventional tests such as the Small but Significant and Non-transitory Increase in Price ('SSNIP') test cannot be used. Instead, other non-price factors, such as a significant and non-transitory decrease in quality of product or service ('SSNDQ') need to be assessed to evaluate the impact of likely anti-competitive conducts.
- 3.24. Furthermore, a lack of adjustment in existing laws may hinder both innovation and competition, by creating uncertainty for consumers and new operators. This can potentially leave legal loopholes which dominant players may exploit.
- 3.25. An adaptive, forward looking and balanced regulatory approach will provide certainty and encourage innovation, reducing regulatory gaps. This will also provide the adequate tools for competition authorities to capture potential harm to competition (using the deals value to evaluate potential merger situations).⁵⁶ Example of such an adaptive approach is the ex-ante regulation of the EU Digital Markets Act⁵⁷ or the deal value threshold introduced by India in its Competition Act⁵⁸ as compared to previous threshold assessments based on asset or turnover thresholds.

⁵⁶ Deal value is a crucial screening tool for detecting killer acquisitions, especially in markets where innovation and potential matter more than current revenues.

⁵⁷ EU, DMA https://digital-markets-act.ec.europa.eu/index_en

⁵⁸ CCI, Deal Value Threshold, https://www.cci.gov.in/pdfs/FAQ_Book_English.pdf

C. Multi-sided Platforms and Ecosystems

- 3.26. The other predominant characteristic of digital market is the existence of multi-sided platforms. Platforms are digital intermediaries that facilitate interactions between two or more distinct but interdependent groups of users.⁵⁹ The platforms connect multiple groups of users simultaneously, such as buyers and sellers (e.g., online marketplaces), service providers and consumers (e.g., ride-hailing apps), or users and advertisers (e.g., social media and search engines).
- 3.27. Unlike traditional intermediaries, multi-sided platforms serve multiple user groups simultaneously, with each group's participation enhancing the platform's overall value. The platform owner typically sets the terms and conditions under which each group gains access and plays a central role in governing interactions. Examples include marketplaces like Amazon, which connect consumers, sellers, and advertisers, social media platforms like Facebook, which link users, content creators, and advertisers or property listing platforms, which connect property seekers, agents, and advertisers.
- 3.28. Each user group benefits from the presence of the others, creating what is known as network effect⁶⁰. This is a situation where the value a user derives from participating on the platform depends on the number or activity of users on another side. Each user group benefits from the active presence of the others, reinforcing the platform's overall attractiveness.
- 3.29. Platforms typically control the terms of access and interaction among user groups, often leveraging digital technology to manage these multi-agent interactions. It is to be noted that platforms rarely operate in isolation. Instead, they often form part of broader digital ecosystems.
- 3.30. A digital ecosystem is a dynamic, interconnected network of digital technologies, platforms, services, and diverse participants such as multi-sided platforms, apps, and payment systems, that collaboratively work together.⁶¹ Unlike a single platform, a digital ecosystem consists of multiple interrelated elements functioning together to support complex interactions, data exchange etc. Digital ecosystems are interconnected such that participants and services are often linked through open standards, APIs, and shared infrastructure. The ecosystem enables complementarity between platforms. Examples would include the Apple ecosystem, encompassing hardware (iPhones), software (apps) and services offerings such as Apple Pay or iCloud. Like network effects in multi-sided platforms, for digital ecosystem, there are cross-platform externalities. In this case, user activity or growth on one platform influences the value or competitiveness of another, separate platform.
- 3.31. Defining the relevant market for multi-sided platforms is complex due to the interdependence of user groups and their varying characteristics, business models, and dynamic behaviours. Accurately

⁵⁹ An introduction to online platforms and their role in the digital transformation, OECD, 2019

⁶⁰ Describe a situation within a single multi-sided platform where the value to one group of users depends on the number or activity of users on another group (or side) of the same platform. Network effects will be further elaborated on as a characteristic in the following paragraphs.

⁶¹ OECD, Handbook on competition policy in the Digital Age

https://www.oecd.org/content/dam/oecd/en/publications/reports/2022/02/oecd-handbook-on-competition-policy-in-the-digital-age_50b6e951/c8c1841b-en.pdf

assessing market power requires understanding these interrelations and cross platform externalities in depth.⁶²

- 3.32. In some cases, platforms play a dual role - both as intermediary and as a competitor, either by way of their individual platform (e.g. Amazon ecommerce) or through their ecosystems (e.g. Google search and specialised search). This dual role provides them with the ability to engage in self-preferencing behaviour in which the platform prioritises its own products and services at the expense of rivals. Examples of self-preferencing may include manipulating ranking of search results to favour own's offering, providing more visibility to some products through features, e.g. Amazon's Buy Box or favouring certain users to maximise profit.
- 3.33. Self-preferencing is a form of discrimination that can distort competition by excluding rivals, reducing choice for consumers and creating barriers to entry. This conduct can be particularly concerning when platforms use their market power in one market to gain an unfair competitive edge in another market. This is aligned with traditional theories of harm where dominant operator in one market uses its market power to foreclose competitors in another market.
- 3.34. Digital markets also deal with free-riding issues, prompting platforms to impose anti-steering rules and most favoured nation (MFN) clauses to protect their investments. MFN clauses are parity agreements in which the platform prevent operators from offering better conditions on other platforms. There are generally two types of parity clauses. The first, narrow parity clauses forbid the operator to offer better deals on the operator's website. Wide parity clauses prohibit the operator from offering better conditions to any other platform, including the operator's own website.
- 3.35. MFN clauses can act as a price floor, where prices cannot fall below a certain level, or can also lead to a uniform price across competing platforms. Moreover, by restraining competition on price and conditions, they may have an exclusionary effect. Smaller players may be restricted by not being able to offer better prices or deals to compete and attract consumers. This eventually reduces overall market competition and consumer choice.
- 3.36. Another competition issue relates to anti-steering rules. Anti-steering rules relates to clauses that restrict operators from redirecting their consumers to alternative purchasing channels. One known example is Apple's anti-steering agreements imposed on app developers to prevent them from using alternative payment systems⁶³. Anti-steering policies limit the ability of the operators to offer consumer alternative and better deals. This also reduces the ability of other intermediary platforms to reach consumers and intensified user and operators' dependence on the dominant platforms.
- 3.37. Additionally, tying and bundling are common practices in digital markets due to their interconnected nature. It can benefit users by offering them more convenience or better features. However, this practice helps dominant companies to leverage their market power in one market to gain an

⁶²OECD, Rethinking antitrust tools for multisided platforms

https://www.oecd.org/content/dam/oecd/en/publications/reports/2018/04/rethinking-antitrust-tools-for-multi-sided-platforms_2a887a98/a013f740-en.pdf

⁶³Case DMA.100109 – Apple – Online Intermediation Services – App Store – Art. 5(4) DMA
https://ec.europa.eu/commission/presscorner/api/files/document/print/en/ip_25_1085/IP_25_1085_EN.pdf

- advantage in another. By presenting the products and services as one, users tend to associate value of products and services by the whole system rather than individually. This can lead to user lock-in.
- 3.38. Moreover, it can restrict competition by making it difficult for competitors to enter the market, thus hindering innovation. Such behaviours can lead to the entrenchment of dominant positions, where users are effectively locked into ecosystems controlled by one group of companies.
- 3.39. The rise of multi-sided platforms and digital ecosystems intensifies the associated competition and regulatory challenges. This calls for a more adaptive regulatory framework. These platforms simultaneously serve multiple user groups; consumers, service providers, advertisers, creating complex interdependencies. Therefore, regulation must be balanced ensuring that it promotes innovation and growth while maintaining competition and safeguarding consumer rights.
- 3.40. Moreover, technological superiority in key digital infrastructure, such as app stores, search engines, or payment systems can also cause issues. These can effectively become essential facilities, which are difficult for competitors to replicate or bypass. This raises concerns about market power, resulting into gatekeepers leveraging their dominance, enhancing market concentration, facilitating self-preferencing concerns and amplifying misuse of data.
- 3.41. A key policy objective should be safeguarding access within these ecosystems. Regulatory frameworks must promote non-discriminatory access to the platform for all user groups, particularly for local SMEs and startups. In such cases, ensuring interoperability, open standards⁶⁴, and data portability is vital to avoid consumer lock-in and foster a more open, competitive digital environment.
- 3.42. For a small economy like Mauritius, the challenges are amplified due to inter alia limited regulatory capacity, high dependence on foreign digital platforms which might not be easily replicated, limited bargaining power over global tech giants. A modernised competition framework, regulatory capacity building, and regional and international collaboration to address cross-border issues related to digital platforms might be helpful.

D. Network effects and Market tipping

- 3.43. Multi-sided platforms in digital markets are characterised by network effects⁶⁵, meaning the more popular a platform becomes, the more users it attracts. Direct network effects occur within the same user group; for example, consumers gravitate to the social network with the most engagement. Indirect network effects (cross-group effects) occur when the size or activity of one user group increases the value for another group within the same platform—for instance, advertisers find social media platforms more valuable as the consumer base grows.

⁶⁴ Publicly available specifications or protocols that define how technologies, systems, or processes should operate to ensure interoperability and compatibility. Unlike proprietary or closed standards, open standards are developed through a transparent, collaborative process involving multiple stakeholders, and they are accessible to anyone without restrictions or costs.

⁶⁵ The evolving concept of market power in the digital economy, OECD, https://www.oecd.org/content/dam/oecd/en/publications/reports/2022/05/the-evolving-concept-of-market-power-in-the-digital-economy_c384e80f/2cfcb4a8-en.pdf

- 3.44. Because of these network effects, users tend to gravitate toward the most popular platforms, reinforcing their dominance. This can lead to "market tipping", where one or a few platforms become dominant, making it difficult for new entrants to compete effectively.
- 3.45. Tipping refers to the process by which a competitive market reaches a critical point of user adoption and shifts from a market with many suppliers to a market with one or few suppliers. Tipping is commonly observed in markets with strong network effects. As far as market tipping is due to innovation, there might still be benefit. But once a market has tipped, there might be concerns that there is a "winner-take-all" phenomenon that will lead to inevitable market failure⁶⁶. It is therefore important to understand what makes markets likely to "tip" and what can be done about it.
- 3.46. If the example of property listing is taken, the more properties a portal lists, the more attractive it becomes to property seekers, and the more property seekers there are, the more attractive the portal is to real estate agents. The more pronounced the network effects in a market, the more likely is the possibility of market tipping. This is explained by a situation where all other platforms exit the market, which is ultimately operated solely by one platform. It can also be the case where new market entrants acquire a considerable market share over a short period of time.
- 3.47. A first observation is that, at the international level at least, very few markets, digital or not, have "tipped." A traditional example of tipping will be in the case of video systems (VHS vs Betamax⁶⁷), but, by contrast, the console-based video-games market, which has similar features, still supports three large competitors (Sony, Nintendo and Microsoft). General search services market appears to have tipped in most local markets,⁶⁸ with Google accounting for over 90% of queries in the vast majority of countries⁶⁹. Facebook was certainly dominant in social media for an extended period but is now being challenged by other companies like Tik Tok. On the side of online advertising, Google and Facebook jointly account for a large market share⁷⁰ but the market is not tipping to either of them.
- 3.48. Nevertheless, the fact that tipping has been scarce in global industries does not mean that it is unlikely to occur within a smaller economy such as Mauritius. In order to understand which sector might be prone to tipping within the Mauritian market, we need to review the various mechanisms that can enable a company to quickly become dominant and to retain this dominant position.
- 3.49. The most common mechanism relies on network externalities. Considering a situation where there is a single market, i.e. a telecommunication network, potential users will value the network more if they can use it to communicate with a larger set of users. The fact that a consumer's valuation of the product – and hence willingness to pay for it – increases with the number of other users of the product is called a direct network externality.
- 3.50. To understand why such network effects might lead to tipping, we consider the decision of a potential consumer who must choose between an established network with 100,000 users or a new entrant, which has only signed up 3,000 users to date. Suppose also that the new network is of somewhat

⁶⁶ [Tipping - Concurrences](#)

⁶⁷ Sony Corp. of America v. Universal City Studios, Inc., 464 U.S. 417 (1984)

⁶⁸ Russia is an exception.

⁶⁹ Statcounter Global stats for Search engine market share worldwide, Nov 2024 – Nov 2025
<https://gs.statcounter.com/search-engine-market-share>

⁷⁰ [Digital ad revenue share by company 2023 | Statista](#)

higher quality than the established one and that joining either network costs the same. If the consumer wants to be able to communicate with as many users as possible, then the difference between 100,000 and 3,000 will make the incumbent currently more attractive to the consumer. It is therefore likely that users will keep turning to the incumbent even though they would be better off if they could all commit to using the new service instead. It is in this way that network effects can allow a first mover to dominate the market even though more efficient suppliers exist.

- 3.51. The tipping effect depends on several assumptions. The first one is that the network externalities are sizeable and are not exhausted at low numbers of users. If the additional benefit of reaching 100,000 other users rather than just 3,000 was small, then the consumer would decide to use the entrant. It is therefore important to know what the marginal value of network effects is. The second implicit hypothesis is that externalities are network-specific, i.e. there is no interoperability between the two networks. If there was, then users could reach everybody regardless on the network they sign on and they would only care about the total number of users they can reach, on both networks. Network effects would then cease to be a source of competitive advantage. Interoperability is therefore a natural remedy to allow entry to challenge a long-standing incumbent.
- 3.52. While the magnitude of network effects can be very large, it is likely that the additional benefits from increasing the number of users decrease fairly rapidly. It is therefore not surprising that so few markets “tip” when competition is global. In Mauritius, however, mostly domestic markets for digital services might well tip more easily as marginal network effects might still be strong even when the full market is served.
- 3.53. A second example to illustrate network effects would be gaming platforms. While being able to play with other users might also be a factor in this market, the main attraction of a game platform – besides its own technical quality – comes from the number, variety and price of the games available. The more users are found on a given platform, the more game developers find it worthwhile to make games that work on that platform. Hence more users mean more variety and hence a more attractive platform. This mechanism is referred to as indirect network externalities. Again, this mechanism only emerges if there is no or little interoperability between the gaming platforms: if a given game could be interchangeably used on Sony, Nintendo or Microsoft platforms, then the number of available games would be the same for all three systems and would not be a source of competitive advantage.
- 3.54. It is worth noting the difference between interoperability, which negates network effects, and multi-homing, where game developers would develop different and incompatible versions for each of the platforms. With multi-homing, consumers still face costs of switching between platforms (they need a new version of the game). Hence multi-homing is not as efficient a guarantee against tipping as genuine interoperability.
- 3.55. Competition between users on one side of the platform can also affect the likelihood of tipping. This is especially relevant for marketplaces, where sellers are, in a sense, both rivals and teammates: they compete for the consumers on the platform but have a common interest in attracting as many users as possible to the platform. As Karle, Peitz and Reisinger (2023⁷¹) have shown, the result of these two forces depends on the intensity of competition between sellers. If competition is intense (because

⁷¹ Karle, H., M. Peitz and M. Reisinger, 2020, “Segmentation versus Agglomeration: Competition between platforms with competitive sellers”, *Journal of Political Economy*, 128:6.8

there is little product differentiation), then rivals prefer not to compete head-on: rivals choose to operate on different platforms, and the market does not tip. If, on the other hand, competition between sellers is weak, then the agglomeration effect dominates, leading sellers to operate on the same platform, so that the market tips toward that platform.

- 3.56. Finally, tipping can also arise because of dynamic economies of scale on the cost side. This could, for example, result from learning by doing. There is learning by doing when a company's (platform) cost decreases when its total volume of activity, past and present, increases. This creates a reinforcing cycle. An undertaking which is early to market gathers more experience, which lowers its costs. The lower costs mean lower prices and more sales, hence more activity and more learning. In the digital sector, a similar "virtuous" cycle can also arise on the data side. Operating at larger scale produces more data on consumers and other users of the platform. This additional data can then be used to increase the quality of service to these parties or to discriminate better between different types of users. This leads to a further extension of the platform, hence to more data and an increasing data advantage.
- 3.57. Moreover, many platforms - particularly those that are entirely digital such as search engines - are characterised by high fixed costs but low variable costs. As they grow in user size, their average cost per user declines, thus allowing them to enjoy from significant economies of scale. This allows them to offer better in terms of price, service and quality and discourages entry for new platforms due to initial high costs and their inability to attract users.
- 3.58. Both network and scale effects contribute to market concentration, which may eventually give rise to gatekeepers and dominant platforms. Platforms in highly concentrated markets often become necessary intermediaries or gatekeepers for businesses to reach consumers. For instance, content creators may rely on search engines for users to access their websites.
- 3.59. As these platforms gain market power, competition concerns may arise such as the platforms engaging in exploitative and exclusionary conducts.
- 3.60. However, in markets with low switching costs, users may easily shift to another platform. This provides them with a competitive pressure to continuously innovate, despite being highly concentrated. For instance, users incur no cost for using search engines and may easily shift to another one. The competitiveness of these highly innovative markets reduces the necessity for regulatory intervention.
- 3.61. A commonly heard concern is that competition policy in digital markets needs to be particularly quick so that it can remedy competitive problems before the market "tips," i.e. before these issues lead to the overwhelming dominance of a single supplier.
- 3.62. This dynamic creates significant competitive concerns, particularly around barriers to entry and expansion. New entrants or smaller competitors find it increasingly difficult to attract users, not necessarily because their products are inferior, but because users gravitate toward platforms where others already are, whether for communication, content, or commerce. This can result in "winner-takes-most" dynamics, where even if alternatives exist, they struggle to gain traction due to the dominant firm's entrenched user base with critical mass and technological lead. This has clear implications for consumer choice, innovation, and long-term market dynamism.

- 3.63. A further concern is user lock-in. Consumers accumulate significant value on dominant platforms over time, contacts, content, preferences, and history, which makes switching costly or inconvenient. In some cases, platforms may design their ecosystems in ways that intentionally increase these switching costs. The absence of interoperability, the technical compatibility that would allow different platforms or services to work together, limits consumers' ability to multi-home (i.e., use multiple platforms simultaneously) and increases dependency on a single provider.
- 3.64. As a result, once dominance is secured, platforms may be in a position to exploit their market power, not only through aggressive monetisation strategies, such as imposing high commissions on app developers or sellers, but also through potentially abusive conduct, such as self-preferencing or unfair contract terms. These outcomes can reduce innovation, restrict access for smaller firms, and ultimately harm consumer welfare. In such situations, platform neutrality and fair access are important.
- 3.65. To address these concerns, competition authorities and policymakers are increasingly recognising the need for proactive interventions, such as enforcing interoperability, facilitating data portability, and scrutinising gatekeeper conduct, to ensure that network effects do not entrench dominance at the expense of competition.
- 3.66. The policy implications of tipping are fairly simple. Because tipping can depend on the expectations of users with respect to network side, markets can be set to tip even if the larger undertaking still has limited market share. In particular, "tipping thresholds" might be below the traditional thresholds for establishing dominance. So, in such markets, competition policy should be unusually vigilant and proactive.
- 3.67. Indeed, there might be room for ex ante regulation imposing conditions that are likely to decrease the risk of tipping. Foremost among these is interoperability. Setting common standards, requiring economically reasonable access to interfaces or data sharing might therefore be justified. Similar policies can also be used as ex-post remedies if the market has already tipped, but such ex-post action is likely to be significantly less effective.
- 3.68. Definition of the relevant market in digital markets can pose a challenge for competition authorities. As opposed to the traditional market, each user group on multi sided platforms is interdependent on each other. Therefore, the interrelations between all sides of the markets, including the direct and indirect network effects should be considered.
- 3.69. However, each side already have distinct characteristics within their own user group such as various business models, rapidly changing user behaviours, among others. Understanding the interaction between the various user groups to subsequently map the relevant market becomes a complicated procedure. Misjudging the importance of a user group may result in inaccurate conclusions such as underestimating market power and harming the other sides of the market.

E. Asymmetric Pricing and Zero-price markets

- 3.70. One feature of multi sided markets is the practice of price asymmetry between the different sides. It is common for one side of the platform to be charged a price below marginal cost or even be offered at zero price. Revenue is thus mainly derived from the opposing sides. For instance, cardholders are usually charged low fees for the issuance of their cards while the revenue is principally generated by

interchange fees from merchants. The below marginal cost is primarily given to the more price sensitive side to drive users to the platform and boost its attractiveness to the paying side.

- 3.71. Price asymmetry can lead to two types of market failures. The first relates to the traditional form of market failure, which typically lead to overpricing. The second pertains to a platform specific market failure. Platforms determine the price structure. Since they set asymmetric prices between the various groups, they may fail to choose a pricing structure that maximises overall welfare, e.g. overcharging one side and undercharging the other, leading to inadequate market outcomes. This price distortion is highly challenging to analyse and received limited attention in competition policy.
- 3.72. Platforms can also display quite different pricing policies for different categories of users. The general tendency is for platforms to offer more attractive conditions to the side of the platform that exert the strongest attracting effect on the other side of the platform. So, in search markets for example, where advertisers care more about reaching many consumers than consumers care about ads, consumers have access to the platform free of charge, while advertisers pay.
- 3.73. This has two main implications for competition policy. Firstly, one must distinguish between pricing structure and the level of prices. “Structure” refers to who is charged what and reflects the interactions between different constituencies of the platform. By contrast, the total level of charges, computed across all constituencies gives an indication of the overall market power of the platform. Secondly, the fact that some users get free access to the platform (the “zero price” issue), actually increases the attractiveness of potentially anti-competitive conducts such as tying or exclusive dealing.
- 3.74. We have mentioned that platforms are characterized by network effects between different sets of users. This creates a “chicken and egg” problems for new competitors: sellers will only get onto the platform if they expect to find enough buyers, but buyers will only use the platforms if they find enough sellers offering a variety of goods at attractive prices. A common solution to this coordination issue is for the platform owner to entice one type of users by offering attractive initial conditions. Such conditions are a natural aspect of platform competition and should not attract antitrust scrutiny even if the offers are “below costs.” More importantly, the “chicken and egg” issue provides incumbent platforms with a strong incentive to prevent users from using the new platform. This can be done by giving some form of fidelity discounts or, more transparently, by contractually preventing some types of users (say sellers) from also operating on other platforms (“multi-homing”). Such practices should be reviewed by competition authorities. Preventing multi-homing might also be a collusive device: if all important platforms forbid multi-homing, then they effectively introduce significant differentiation between each other, reducing the intensity of competition.
- 3.75. While some contractual clauses might be anti-competitive, others are actually justified by the need to manage the platform effectively. This might be best understood by going through an example from the recent settlement between Amazon and the European Commission (European Commission Antitrust Case AT.40462)⁷². The Amazon platform operates a hybrid system: it welcomes a large number of third-party buyers, but Amazon also uses it to make its own sales. The European Commission’s investigation was triggered by complaints arguing that Amazon used information about the other sellers’ behaviour on the platform to identify successful products and offer them itself at a

⁷² Amazon Marketplace – Use of marketplace seller data in retail operations

discount. Leaving aside the factual validity of this complaint, the Commission accepted that, to ensure the attractiveness of the Amazon platform as a whole, Amazon needed to ensure that products, especially popular ones, were offered at a price which was in line or better than the price found on other platforms. So, to the extent that the decision to undercut the price of sellers on its own platform was dictated by comparisons of prices across platforms, Amazon's intervention could be legitimate.⁷³

- 3.76. Hybrid platforms, where the owner also competes with some types of users also raise the issue of self-preferencing, i.e. using information collected from the platform and algorithms to treat its own operations more generously than its rivals, as was discussed above.
- 3.77. As digital markets mature, they are increasingly characterized by asymmetric pricing models and the proliferation of zero-priced services, particularly in platform-based business models. Different user groups often face different pricing, typically reflecting which group exerts a stronger pull on the other. For example, in search markets, consumers usually access services for free, while advertisers pay for exposure. This pricing structure differs from the overall pricing level—which aggregates the total charges across all user groups—and both aspects are crucial for assessing the market power of digital platforms. The presence of zero-price users (those who access the platform for free) can also incentivise anti-competitive behaviours like tying or exclusive dealing.
- 3.78. These pricing structures present unique competition and regulatory challenges that policymakers must address to ensure fair, transparent, competitive digital markets. Amongst, there is the need to scrutinize cross-subsidisation strategies, prevent opaque pricing structures and address the economic value of data in zero-priced markets.
- 3.79. Many dominant platforms employ cross-subsidisation strategies, offering services at zero or below cost on one side of the market (e.g., free search or social media for users) while generating substantial revenue on the other (e.g., advertising or data monetisation). While this can initially benefit consumers, it may distort competition by making it difficult for smaller or more specialised competitors to sustain viable business models. Regulators should enhance their ability to analyse and monitor cross-subsidisation practices, especially when used by dominant players to entrench market power or eliminate rivals.
- 3.80. Zero or artificially low prices, when used strategically, may amount to predatory pricing, especially if intended to undercut competitors and later raise prices or monetize users through other means. In digital markets, such pricing often goes hand-in-hand with opaque cost structures, where the true economic exchange, often involving personal data is not visible to the consumer. Regulatory frameworks should be adapted to detect and prevent such behaviour, ensuring that pricing practices remain transparent, justifiable, and non-exploitative.
- 3.81. In markets where users do not pay a monetary price, they often "pay" through the provision of personal data or exposure to advertising. These zero-priced markets raise questions about data as a

⁷³ The settlement then specifies the type of information about sellers that Amazon retail should be allowed to use in order to effectively manage the platform.

form of currency and the unpriced externalities associated with its collection and use.⁷⁴ Policy must evolve to recognise the economic value of data in regulatory and competition assessments. This includes developing tools to assess whether dominant platforms are gaining an unfair competitive edge through extensive data harvesting, and ensuring consumer consent and transparency in how data is collected, processed, and monetised (this will be further discussed in the following paragraphs)

F. Reliance on data and algorithms

- 3.82. Digital markets rely extensively on the collection, processing and monetisation of data.⁷⁵ Data in digital markets is often not just a component but an asset that drives business value, informs decision-making, and enhances services. Data are considered the new currency of digital markets and possession of large datasets holds considerable economic value to companies. The three main uses of data in the digital sector: optimisation of internal operations, product design and demand management.
- 3.83. It is useful to begin with a well-known platform to clarify this distinction. Let us consider Amazon. Internal use would include the processing of payments, the optimisation of logistics (including the refinement of logistics algorithms) and the information needed for Amazon to administer the platforms (merchant relations). Platforms also use information on their interaction with various constituencies (sellers, buyers,) in order to improve the variety and quality of the services that they supply. This is a form of learning by going: the more a platform interacts with consumers or suppliers, the more likely it is to spot new trends, quality issues or gaps in its product line.
- 3.84. Digital demand management goes well beyond spotting new trends. It involves tailoring offers to narrowly defined categories of consumers or even to individual customers, based on the consumer's characteristics and the history of searching and purchasing on the platform, or even on other sites.
- 3.85. Turning to the sources of data, one can usefully distinguish between those that represent basic consumer characteristics (e.g. age, gender, profession, income), those that arise from the user's interaction with the digital site (payment information, search pattern, purchasing pattern), those that refer to the customer's behaviour on other sites and the data generated by the platform through its own experiments.
- 3.86. Platforms also use information on their interaction with sellers and buyers in order to improve the variety and quality of the services that they supply. This is a form of learning by going: the more a platform interacts with consumers or suppliers, the more likely it is able to spot new trends, quality issues or gaps in its product line.

⁷⁴ OECD Handbook on Competition Policy in the Digital Age https://www.oecd.org/content/dam/oecd/en/publications/reports/2022/02/oecd-handbook-on-competition-policy-in-the-digital-age_50b6e951/c8c1841b-en.pdf

⁷⁵ UNCTAD, Digital Economy Report, https://unctad.org/system/files/official-document/der2019_en.pdf

- 3.87. However, “data” is not a uniform concept. To understand how various parts of the digital sector operate and what type of intervention or regulation might be required; it is essential to distinguish between different types of data according to both their source and their use.
- 3.88. The crucial role of data in digital sectors raises a number of issues. The first one is ownership. Without well-defined property rights, it is impossible to conduct meaningful economic analysis. Still, it seems clear that users should have control on whether or not to reveal their personal characteristics to digital sellers and platforms. A trickier issue is whether digital service providers can then deny or limit access to users who refuse to reveal such data. The guiding principle should be that such refusal or degrading of services should only be allowed if the users refuse to supply data which is indispensable to supply the services or to supply a full version of these services. The retention and use of additional personal characteristics data would then be conditional on the user’s approval.
- 3.89. Data arising from the interaction between the users and the platform/service provider (e.g. purchase and search history, car performance and driving data) are in fact jointly created by the user and the undertaking.
- 3.90. As such there is not clear, natural assignment of property rights. A possible approach is to limit what the supplier can do with the data without previous approval from the user. For example, a platform could use the data to help refine search or product offerings for the user but might be forbidden from making it available to third parties.
- 3.91. Conversely, experiments conducted by a supplier (or a platform) are an investment in improving a product and, as long as the data used is anonymized, do not involve any loss of privacy for the consumers. The data generated by such experiments should therefore be the property of the supplier.
- 3.92. It is to be noted that the proposed assignment of property rights just discussed can still raise potential competition issues. Firstly, even with the user’s agreement, collecting information about the consumer’s behaviour on other sites or selling the information about the consumer’s behaviour on the seller’s own platform is problematic as it is essentially an exchange of strategic information between (potential) rivals. As such information exchange is strictly regulated by competition laws, so should behaviour that de facto leads to such exchange.
- 3.93. One might argue that consumers would not agree to the sale of information to rivals or to the collection of information from other sites if they thought that it might lead to more collusive outcomes and hence to worth deals for them. Unfortunately, this argument is incorrect because of an informational externality between customers: it is enough to exchange information about a (small) subset of users to facilitate collusion.
- 3.94. A second issue is that the regulation of data ownership can itself be abused to raise barriers to entry and exclude, or weaken, rivals. For example, Google has interpreted current EU legislation as allowing the transfer of information between different parts of the same company without explicit user consent but preventing the export of the same data outside of the company. This means that Google’s digital advertising arm has access to the huge amount of information gathered through google search, while rivals in the digital advertising value chain do not. Essentially then, Google is leveraging on dominance in search to give itself a competitive advantage in the digital advertising markets.

- 3.95. One should also note that, generally, large companies are better at functioning in a complex regulatory environment than smaller competitors or (especially) potential entrants. Therefore, data ownership rules must be kept as simple as possible, favouring data sharing and access – with regulations helping access to data, interoperability and integration of small players in the system.
- 3.96. Furthermore, in competition enforcement, the importance of data must not be underestimated. In merger cases specifically, the traditional method of measuring thresholds may be insufficient. Some platforms may yield low revenues but are of competitive importance with regard to their data. A more effective approach would be to use transaction value-based thresholds, that is, considering the value and impact of data accumulation on competition while analysing mergers. This could avoid any potential data concentration issue arising, which can eventually impede competition.
- 3.97. A recurring question in the policy debate is whether data can be a source of dominance. This also raises the related issue of how one should deal with mergers in data-intensive industries. Data can be a significant source of dominance and hence a basis for abusive conduct if they exhibit significantly (static or dynamic) increasing returns, i.e. if the beneficial effect of an increase in the data available on the quality and/or cost of a given product or services becomes larger as the amount of data increases. With increasing returns, smaller undertakings might find it difficult to ever match the quality and/or costs levels of the leading supplier.
- 3.98. Companies collect and process vast amounts of user data to refine services, tailor advertising, and gain insights into consumer behaviour. For instance, Spotify uses listening habits to recommend music tailored to user preferences, while Facebook targets users with personalised sponsored ads based on their profiles, browsing history, and interests. While this enhances user experience and platform efficiency, it also raises significant competition concerns.
- 3.99. A major concern is the creation of data-driven market power, where platforms with access to vast and diverse datasets enjoy a self-reinforcing advantage. This can result in entry barriers for smaller rivals that lack comparable data pools, limiting contestability and innovation. Dominant players can further use this data to engage in exclusionary practices, such as self-preferencing or undercutting emerging competitors by predicting market trends early. Additionally, there is a risk of algorithmic collusion, where pricing algorithms—intended to maximise efficiency—may unintentionally coordinate prices or mimic anti-competitive behaviour.
- 3.100. Moreover, platforms often collect data not only from their own services but also through embedded trackers across the web and apps, creating opaque ecosystems where consumers have little understanding or control over how their data is used. When platforms act both as gatekeepers and competitors, this data advantage can be used to foreclose rivals, particularly in advertising, retail, or content distribution markets.
- 3.101. Data barriers are intensified in markets with lack of interoperability and high switching costs. For example, on social media, multi-homing is uncommon. Social media contains the contents, contacts and activities of the user. Users may be deterred from switching to another social media due to difficulties in transferring those data. The fear of losing data due to the absence of data portability therefore creates a lock in effect. This effect could potentially reinforce market power of dominant platforms and limit entry and expansion of smaller platforms.

- 3.102. Another element of data and usage of data is algorithms⁷⁶. Algorithms are techniques that use the collected data to analyse and predict behaviours. These are often inbuilt in different technologies and provide crucial information to businesses and often shape the consumer behaviours as well. The extensive use of algorithms in the digital sphere raises three main competition concerns: the collusive potential of pricing algorithms, the difficulty to detect discrimination against potential rivals and the development of personalised offers potentially leading to consumer steering.
- 3.103. Algorithms enhance market transparency by making it easier to detect information of rivals such as their pricing and behaviours. It also provides subtle ways for firms to coordinate information without explicit communication. Pricing algorithms can be automatically programmed to match the price of rivals. As a result, they can be used as a tool to enforce and sustain collusion.
- 3.104. There are two main types of such enforcement mechanisms. The first type refers to “tit for tat” strategies: there is an understanding that, if anyone is seen to set a price below the agreed upon level, then others will retaliate by lowering their own prices. The prospect of such retaliation keeps everybody in line and collusion is sustained.
- 3.105. It is worth noting, however, that algorithms can also make it harder to detect “cheating” by rival firms. If a company uses an algorithm to implement a very complex and dynamic pricing policy, rivals would be hard-pressed to determine whether or not it is actually offering lower prices across the board and setting simple collusive targets would become impossible. As a matter of economic theory, then, it is not clear that the use of algorithms would, in itself, lead to more collusive outcomes unless they make it easier to exchange sensitive information.
- 3.106. Another way algorithms can support collusion, leading to algorithmic collusion is when rivals delegate important decisions to a common agency. If this agent has market power and can control pricing of multiple similar products, he may be incentivised to set monopolistic prices, to maximise profits rather than enhancing competition. Examples of such “common agency” are large travel tour operators who purchase hotel rooms and flights and resell them on their own platforms or groceries wholesalers representing a number of rival brands.
- 3.107. Many types of platforms are engaged in ranking various types of users. This is clearest for search engines, which use complex algorithms to determine the order in which search results are displayed. If the firm running the search platform is not involved in any other business, then the ranking is likely to be unbiased in the sense that the platform owner will try to present search results in order of potential interest for the person initiating the search. Even in this case, however, a platform owner might be tempted to offer preferential treatment in exchange for payments. Such preferential treatment should be clearly communicated to the searching user, e.g. the result might be labelled as “sponsored,” for two main reasons. Firstly, as a matter of consumer protection, consumers are entitled to know what determines the output of a given search. Secondly, as a matter of competition policy, a dominant platform should not be allowed to leverage its dominance into other markets. For example, Google should not be allowed to leverage its dominance in general search to disadvantage

⁷⁶OECD, Algorithmic pricing and competition in G7 jurisdictions
<https://www.oecd.org/content/dam/oecd/en/publications/reports/2025>

rivals to Google Shopping⁷⁷ or Google Maps. While “self-preferencing” is commonly associated with theories of harm in relation to digital platforms, it ultimately amounts to a traditional case of (partial) foreclosure.

- 3.108. Self-preferencing can arise outside of search platforms as many other types of platforms offer either an internal search function or display “best deals” more prominently. This was an issue in the EC-Amazon settlement (EC Case AT.40703)⁷⁸. Following investigations in other jurisdiction, the EC considered whether Amazon favoured its own products and/or products using Amazon’s own logistics arm, when choosing the best buy displayed prominently in a box at the top of the result page.
- 3.109. As algorithms are ambiguous, it is difficult to determine if they are designed to favour the platform’s own operations through direct investigation of the code. This creates two difficulties. The first one is to actually establish that there is self-preferencing. In the EC’s Google Shopping case (EC Case AT.39740), a sudden change in Google’s search algorithm and the corresponding sudden demotion of shopping comparison sites in general search results provided sufficient evidence to convince the Court. However, discrimination can be achieved without such spectacular, easy to detect changes. The second issue is how to design remedies. While monitoring of algorithms might be helpful, it is certainly not sufficient. It is therefore advisable to back such monitoring by more structural remedies. A good example is found in the Amazon-EU settlement (EC Case AT.40703 – Amazon Buy Box & Prime)⁷⁹ where Amazon agreed to display a second “best choice” box, on an equal footing, whenever the first choice was one of its own products. Indeed, given the difficulty in even detecting self-preferencing, it might be advisable to seek such an arrangement as a matter of regulation rather than as the outcome of a competition law process.
- 3.110. Platforms can potentially amass considerable information about their users. This makes it possible to offer very different deals to different users of the same broad type. For example, a sales platform or online store can use past information about a potential buyer and its previous interaction with the platform (or even other platforms) to determine which products or services to display prominently or even what price to charge.
- 3.111. Indeed, one can even imagine dynamic pricing strategies where a consumer who browsed an item, left the site then came back to purchase the item would be charged a higher price than what was initially displayed. Such display and pricing strategies can have a profound – but little understood – impact on competition. On the one hand, individualized pricing has a pro-competitive effect: if all firms had the necessary information to determine the demand for each individual user, then each user would essentially become a market unto himself and competition for each user would be intense.
- 3.112. However, sellers/platforms are likely to differ in what they know about a given user. This means that they are in fact likely to present the same user with the same search request with different sets of products and services, even if all sellers have the same products or services available. In that sense,

⁷⁷ https://ec.europa.eu/commission/presscorner/detail/en/ip_17_1784

⁷⁸ European Commission Antitrust Case AT.40703 – Amazon Buy Box & Prime

⁷⁹ <https://www.beuc.eu/press-releases/commission-antitrust-decision-obliges-amazon-give-consumers-more-choice>

individualized offers introduce artificial differentiation between otherwise identical suppliers, lowering the intensity of competition.

- 3.113. Data also plays a vital role in the design of AI products. Firstly, AI algorithms need to be “trained,” i.e. they need to run on large data sets in order not only to be fine-tuned (exogenous design) but, more importantly, to learn through trial and error. No AI product can be created without such a data-intensive phase. Moreover, AI learning does not necessarily stop at the product-design stage as feedback from commercial use can also be used to generate data for further improvements. In that sense, there is a second phase of ongoing learning by doing which, again, favours suppliers with large volumes, creating virtuous feedback loop.
- 3.114. As explained through the concept of zero-priced markets above, it is often data and its economic value that drives the dominance of a firm in a particular market. Businesses collect and leverage large amounts of consumer data refining their products and personalising their services, gaining a competitive advantage over rivals. For example, Google and Facebook use significant amounts of user data to improve their advertising services, becoming more effective than competitors' offerings.
- 3.115. Dominant firms often exploit complex regulatory environments better than smaller players, using data ownership and internal data flows to their advantage. For example, Google has interpreted current EU legislation as allowing the transfer of information between different parts of the same company without explicit user consent but preventing the export of the same data outside of the company. This means that Google's digital advertising arm has access to the huge amount of information gathered through google search, while rivals in the digital advertising value chain do not. Essentially then, Google is leveraging on dominance in search to give itself a competitive advantage in the digital advertising markets.
- 3.116. For instance, the interpretation of privacy regulations (as seen in the EU) may enable internal data sharing within large firms while blocking external data access—foreclosing competition in adjacent markets like digital advertising. Large platforms with vast user bases can continually refine their offerings, reduce costs, and improve quality in ways that smaller rivals simply cannot match. This raises entry barriers and contributes to market tipping, where a few players dominate due to accumulated data advantages. As such, information exchange is to be strictly regulated by data protection and competition laws, so should behaviour that de facto leads to such exchange
- 3.117. Furthermore, transparency in platform algorithms must be encouraged, especially in areas like content curation, search result rankings, pricing, and advertising. Opaque algorithms can entrench bias, mislead consumers, and undermine trust in digital services. Transparency not only empowers users and businesses to understand how decisions are made but also aids regulators in holding platforms accountable. By adopting these policy measures, Mauritius can foster a digital economy that is inclusive, competitive, and resilient, aligning with its broader goal of becoming a trusted regional hub for digital innovation.
- 3.118. These concerns necessitate robust policy responses. Firstly, regulators must develop and enforce comprehensive data protection frameworks that strike a balance between enabling innovation and safeguarding consumer privacy. Secondly, there is a need to regulate data collection, use, porting, and sharing to prevent abuse of dominance via data mining. Clear rules on ownership of jointly generated

data—such as search or purchase history—must be established, alongside restrictions on sharing data with third parties without user consent.

- 3.119. Promoting data portability and interoperability is also essential to reduce consumer lock-in and foster competition. By allowing users to move their data across platforms and encouraging open standards, regulators can empower consumers and level the playing field for new entrants. Ultimately, ensuring algorithmic transparency and accountability will be key to detecting discriminatory or collusive behaviour.
- 3.120. As far as Mauritius is concerned, it appears of little relevance to the overall data strategies of large multinational. This not only because Mauritian data only represent a very small addition to their stock of knowledge but because they would rather stop operations in the country if local authorities imposed their own onerous data-handling requirements. With respect to such companies, the best that Mauritius can hope for is to piggy-back on rules imposed by larger economic blocks. To the extent that large companies might prefer to treat their data similarly across markets, significant protection of consumer and competition can then still be achieved. By contrast, Mauritian authorities have a much greater room of manoeuvre with respect to companies for which Mauritius is a significant market or a major production base. This is especially true in sector where local companies do not compete with global undertakings so that imposing special Mauritian rules would not place them at a competitive disadvantage.
- 3.121. The characteristics of digital markets namely multi-sided platforms, network effects, access to large volume of data and ecosystems tend to result in concentrated markets. As markets tip towards a single or few platforms, this concentration can lead to market power. This allows dominant platforms to engage in abusive conduct, particularly through exclusionary or discriminatory practices that harm both competitors and consumers.
- 3.122. In conclusion, the competition concerns arising from digital market characteristics—such as network effects, market tipping, data-driven dominance, and self-preferencing—demand a forward-looking regulatory response. As markets tip towards dominant platforms, ex-ante regulation becomes essential to prevent harmful entrenchment of market power and to ensure that tipping does not translate into irreversible harm to competition and innovation. Where markets have already tipped, targeted enforcement actions and clear guidelines should be implemented to prevent abuse, safeguard contestability, and preserve incentives for innovation. These could include obligations on fair access, non-discrimination, and transparency for gatekeeper platforms.
- 3.123. To be effective, competition frameworks must evolve beyond traditional tools and integrate digital-specific considerations such as multi-sided market dynamics, non-price competition, data control, and algorithmic practices. This requires substantial capacity building within regulatory institutions—particularly the development of cross-functional teams that bring together data scientists, economists, technologists, and legal experts. Investing in this digital readiness might prove to be vital.
- 3.124. A proactive policy response should also include promoting data portability, interoperability, and user control, which can reduce switching costs and mitigate lock-in without stifling innovation. These tools can help rebalance the asymmetry between dominant platforms and smaller competitors, ensuring participation in digital ecosystems.

3.125. Finally, in small and open economies like Mauritius, collaborative regional and international efforts are critical. Aligning with global digital competition standards (such as the GDPR), sharing enforcement intelligence, and participating in cross-border investigations can amplify regulatory effectiveness. Coupled with local initiatives—such as promoting digital literacy and ensuring inclusive access to technology—these measures form a holistic approach to managing competition risks in digital markets, while supporting a dynamic and innovative digital economy.

4. Digital markets

- 4.1. This chapter of the report provides an overview of the functioning of key digital markets in Mauritius. It draws on the experience of regional and international competition authorities to illustrate key competition concerns that may arise in these markets. It also provides an assessment of the state of play in Mauritius and highlights potential concerns that may warrant further assessment for any enforcement approaches or policy reforms.
- 4.2. To better understand the competitive dynamics within these markets, it is useful to distinguish between the different types of digital platforms. Digital platforms can broadly be categorised as either transactional or non-transactional⁸⁰, depending on the nature of the services they provide and the interactions they enable.⁸¹ This classification provides a useful framework for analysing how value is created, how market power may arise, and where potential competition concerns may arise.
- 4.3. Transactional platforms facilitate direct exchanges between users, typically involving the buying and selling of goods, services, or financial products. The main transactional markets gaining prominence in Mauritius are e-commerce, hotel booking platforms, online ticketing, taxi hailing services, food delivery and fintech. Examples include e-commerce marketplaces, ride-hailing apps, and hotel booking platforms.
- 4.4. Non-transactional platforms provide services that do not involve direct transactions between users but are instead centred on content sharing, communication, or access to digital infrastructure. They often monetise through advertising or subscriptions rather than user transactions. This includes social media platforms, search engines, online streaming and innovation platforms such as Android, which serve as a base for third-party development and integration.

Transactional digital markets

- 4.5. This section of the report provides an overview of the key transactional digital markets in Mauritius, focusing on those developing rapidly or already showing significant momentum.

A. E-Commerce

- 4.6. E-commerce is the activity of buying and selling of goods or services online, conducted through electronic networks or electronic platforms⁸². More precisely, e-commerce facilitates transactions through the exchange of goods and services, the transfer of funds, online marketing activities, and the collection and processing of data⁸³. For the purposes of this study, this section focuses on e-

⁸⁰ Developments in digital markets and the relevance for African markets, Tekla Mwasaru, Paper for Annual Competition and Economic Regulation Conference, Mauritius, 2023. <https://Development+of+Digital+Markets+%26+its+relevance+to+Africa+Markets+-+Final+-+Tekla+Mwasaru.pdf>

⁸¹ To note that some platforms can have hybrid features of both transactional and non-transactional. For ease of reference at this stage, this has not been defined accordingly.

⁸² See OECD (2018), [Implications of Ecommerce for Competition Policy](#)

⁸³ The Digital market landscape scoping study, 2020: Competition Commission of South Africa

commerce for the purchases of tangible goods by consumers that requires to be either delivered locally or shipped internationally.

- 4.7. Globally, e-commerce is rapidly expanding, with worldwide retail sales projected to exceed USD 4.3 trillion in 2025⁸⁴. In Africa, e-commerce revenue for the year 2025 is expected to hit approximately USD 43 billion⁸⁵ with a growing figure around USD 396 million for Mauritius. The growth in e-commerce is supported by increasing internet penetration, evolving consumer preferences, and greater adoption of digital payment systems⁸⁶.
- 4.8. Two primary business models are prevalent in e-commerce: the pure online model, where businesses sell directly to consumers via their own platforms, and the marketplace model, which bring together multiple sellers and buyers on a single digital platform.

- i. **Pure Online Model**

- 4.9. In the pure online model⁸⁷, a retailer sells its own retail products on an electronic platform. This type of platform is characterised by two main features. First, it only displays products that the retailer only sells, and it does not host other independent sellers. The platform is owned and controlled by the retailer. Second, the type of products found on the platforms tend to belong to a few narrowly defined categories.

- ii. **Marketplace Model**

- 4.10. A marketplace is a multi-sided platform bringing together customers, vendors and advertisers. An online marketplace that allows a number of independent businesses to sell their products on a platform.⁸⁸ A marketplace can specialise in a few categories of products (e.g. car related), or it can offer a very broad choice of product and services. The marketplace model can further be categorised as pure or hybrid:

- *Pure marketplace*

- 4.11. In a pure marketplace, all sellers operate independently of the platform owner. The platform serves purely as an intermediary, enabling third-party sellers to list and sell their products without the platform owner engaging in direct sales.

- *Hybrid marketplace*

- 4.12. A hybrid marketplace operates by combining two key functions within a single platform. First, it lists third-party goods and services, allowing vendors to showcase their products and thereby increasing their visibility and reach. Second, the platform owner also operates their own online store by owning inventory and selling directly to consumers. This dual approach enables the platform to serve as both

⁸⁴ [Statista - E-commerce worldwide - statistics & facts](#); 21 Aug. 25

⁸⁵ <https://www.statista.com/outlook/emo/ecommerce/africa> 26 Aug. 25

⁸⁶ https://www.statista.com/outlook/emo/ecommerce/mauritius?currency=USD#revenue_65993 26 Aug 25

⁸⁷ CCSA Online intermediation market inquiry

https://www.compcom.co.za/wp-content/uploads/2023/07/CC_OIPMI-Final-Report_Proof7_Annexure3.pdf

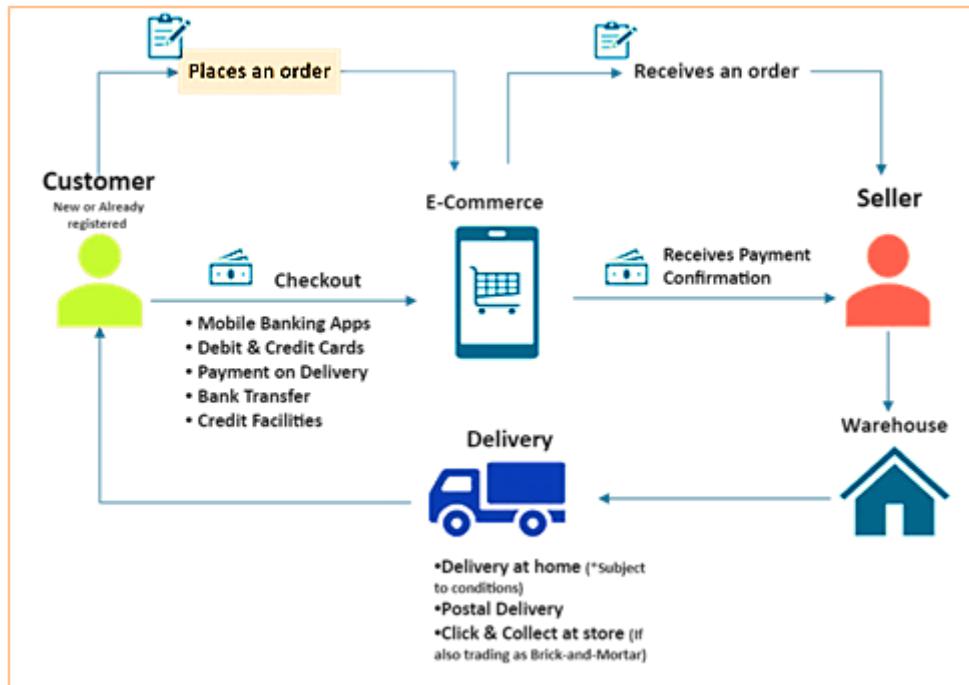
⁸⁸ AIOVA v. Flipkart, Case No. 20 of 2018

<https://www.cci.gov.in/images/antitrustorder/en/2020181652328846.pdf>

an intermediary and a direct retailer. In a hybrid marketplace, therefore, the platform owner acts both as an intermediary and a competitor by selling its own inventory alongside third-party sellers.

- 4.13. Marketplaces, whether pure or hybrid, nowadays, go beyond simple buyer-seller intermediation. They provide a wide range of support services such as warehousing, advertising and promotion tools, centralised payment processing, logistics, packaging and delivery and even handling returns and replacements.
- 4.14. Online marketplaces matching third-party sellers with consumers and advertisers are now key e-commerce channels globally⁸⁹. Leading the global ranking of online marketplaces in terms of traffic is Amazon. AliExpress, Temu, and eBay are other popular marketplaces that provide a variety of consumer goods. According to Statista, the largest share of global online purchases in 2024, was through online marketplaces⁹⁰.
- 4.15. The figure below depicts the interactions in the e-commerce platform environment.

Figure 4: E-commerce business model



Source: CC's own illustration

- 4.16. The e-commerce platform acts as a central place where customers can browse products, place orders, and pay securely using digital payment methods. Once an order is placed, the platform processes it and sends it to the right seller or warehouse.

⁸⁹ Note from OECD available at <https://www.oecd-ilibrary.org/docserver>

⁹⁰ [Statista - E-commerce worldwide - statistics & facts](#); 21 Aug. 25

4.17. After an order is ready for shipment, the logistics process is initiated. The product is picked up from the seller or warehouse and delivered to the customer's address. The logistics function can be managed by the platform itself or outsourced to third-party delivery providers.

a. Monetisation strategies

4.18. In the pure online model, retailers mainly monetise through the profit made by the direct sale of goods to customers via their website or app. Some pure online retailers charge for additional services such as delivery charges, express shipping or gift wrapping amongst others. Others may also offer subscriptions or memberships to customers, which provide access to exclusive products or discounts.

4.19. Online marketplaces can monetise through multiple revenue streams. The most common revenue-generating avenue is the commission-based model. Marketplace platforms typically charge a commission or transaction fee, either a fixed rate or a percentage of the sale when a transaction is completed. These fees are generally incurred by the seller in exchange for access to the platform's customer base. Commission rates often vary by product category and can be automated using algorithms once established.

4.20. In addition, platforms may offer subscription services and premium features to consumers. These may range from monthly subscriptions granting access to special deals, to premium memberships offering exclusive content or discounts. These services provide a stable revenue stream and, when continuously enhanced through premium features, help build user loyalty, which in turn attracts more sellers.

4.21. Platforms may also earn revenue through advertising and sponsored listings. Sellers can pay to promote their products or sponsor listings strategically across the platform, especially on high-traffic pages, to boost visibility and sales.

4.22. Marketplaces may charge for value-added services such as packaging, order tracking, payment processing, and delivery services.

4.23. E-commerce platforms can generate revenue and improve their business by effectively using the data they collect from their users and transactions. These platforms often collect vast amounts of data about buyers, sellers, products and transactions. This data can be monetised by providing targeted and valuable insights to sellers. Sellers use this information to optimise their product offerings and inventory, aligning supply better with consumer demand, which can increase sales and efficiency. Platforms can also sell aggregated data or market insights to third-party companies for market research purposes, creating an additional revenue stream⁹¹. Finally, hybrid marketplaces generate revenue by selling their own branded products alongside third-party listings.

4.24. Examples of the different monetisation models adopted by leading online marketplaces and a comparative overview are provided in Table 6.

⁹¹ See [ACF Digital Platforms Landscape Study](#)

Table 6: Monetisation models applied by leading online marketplaces

	eBay	Amazon	AliExpress	Alibaba	Shein	Temu
Advertising	✓	✓		✓	✓	✓
Affiliate marketing		✓				✓
Collaborations					✓	✓
Commission			✓	✓		✓
Data monetisation					✓	✓
Delivery charges	✓					
Listing fees		✓				
Selling/Store fees		✓	✓		✓	
Subscriptions	✓	✓				✓
Value Add Services				✓		✓

Source: Adapted from ACF Digital Platforms Landscape Study

4.25. This comparative highlights the different revenue strategies across platforms. While Amazon employs a broad mix including advertising, affiliate marketing, store fees, and subscriptions, platforms like Shein and Temu increasingly focus on collaborations, data monetisation, and value-added services to enhance revenue and customer engagement. Alibaba and AliExpress lean more heavily on commission-based models and seller services, while eBay monetises primarily through advertising, delivery charges, and subscriptions. These differences reflect each platform's priorities, target markets, and operational models. Understanding these varied approaches provides valuable insight into how platforms sustain growth, enhance user engagement, and build long-term competitive advantage in the evolving e-commerce landscape.

b. Competition issues in the E-commerce market

4.26. In this section, we explore some of the potential competition concerns in the e-commerce market, drawing on insights from relevant case precedents.

i. Market tipping/" Winner-takes-all" phenomenon

4.27. Competition authorities are concerned that digital markets, including e-commerce, are prone to tipping. Tipping occurs when a market reaches a critical mass of user adoption and shifts from being competitive, with many suppliers, to being dominated by one or a few players⁹². In e-commerce, this phenomenon is driven by strong network effects⁹³—the more buyers and sellers a platform attracts, the more valuable it becomes to all users. As a result, dominant marketplaces can entrench their position, creating high barriers to entry for new or smaller competitors.

⁹² Mattiuzzo, M. Concurrences. Tipping. Accessible at: [Tipping - Concurrences](#)

⁹³ Mattiuzzo, M. Concurrences. Tipping. Accessible at: [Tipping - Concurrences](#)

- 4.28. This “winner-takes-all” phenomenon can lead to potential market failures⁹⁴. For example, dominant e-commerce platforms may engage in practices that reduce price transparency, obscure product quality (manipulation of product reviews and ratings, misleading product descriptions or misleading visuals), or exploit information asymmetries to the detriment of consumers and third-party sellers⁹⁵. These effects reduce competitive pressure and limit consumer choice over time.
- 4.29. It is often difficult for competition authorities to determine when a market will tip, or whether the tipping will be temporary or persistent. However, the presence of tipping is increasingly seen as a signal of market power and entrenched dominance in digital markets.⁹⁶ The European Commission found in Microsoft (2008) case, for instance, that the market for media player market had tipped and Microsoft used its dominance to tying Windows to its own media player in operating systems⁹⁷. Similarly, in digital platform investigations, the Brazilian competition authority found evidence of “winner-takes-all” effects.⁹⁸ These precedents provide useful insights for assessing the competitive dynamics in e-commerce, where similar concerns around dominance and exclusionary behaviour are increasingly relevant.

ii. Self-preferencing

- 4.30. A key competition concern in e-commerce arises when platforms operate as both intermediaries and direct competitors within their own marketplaces. In such cases, they may engage in self-preferencing—the practice of favouring their own products or services over those of independent sellers. This can take various forms, such as granting their own products greater visibility, prioritising them in search results, or steering consumers toward them through design features like product recommendations. Such conduct can restrict competition by diverting sales away from third-party sellers, reducing consumer choice, and potentially leading to higher prices or lower innovation.
- 4.31. Recognising the potential harm of self-preferencing, the European Commission explicitly prohibits it under the Digital Markets Act (DMA) for designated gatekeeper platforms.⁹⁹ In a high-profile case, the Commission investigated Amazon over allegations that its algorithm for selecting offers in the “Buy Box”—a key feature influencing consumer purchasing decisions—was biased in favour of its own retail arm or sellers using Amazon’s logistics service, Fulfilment by Amazon (FBA).¹⁰⁰ As part of a settlement, Amazon agreed to allow monitoring of the algorithm. However, acknowledging the inherent challenges in algorithmic oversight, the Commission also required Amazon to introduce a second Buy Box, which would display the best non-Amazon offer whenever the algorithm selected an Amazon-affiliated offer for the first box. This remedy aimed to level the playing field for independent sellers and enhance consumer choice.

⁹⁴ Mattiuzzo, M. Concurrences. Tipping. Accessible at: [Tipping - Concurrences](#)

⁹⁵ Gao et al (2023). Market failure in a new model of platform design with partially informal consumers. *Physica A: Statistical mechanics and its applications*. Volume 619, June 2023. <https://doi.org/10.1016/j.physa.2023.128748>

⁹⁶ Mattiuzzo, M. Concurrences. Tipping. Accessible at: [Tipping - Concurrences](#)

⁹⁷ Case COMP/C-3/37.792 Microsoft (European Union, 2008)

⁹⁸ Administrative Inquiry no. 08700.004588/2020-47 (iFood) (Brazil; 2023)

⁹⁹ Article 6(5) DMA – Prohibition of Self-Preferencing

¹⁰⁰ EC Case Number: AT.40703 — Amazon Buy Box [https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52023AT40462\(01\)](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52023AT40462(01))

- 4.32. In another case, the Italian Competition Authority (AGCM) fined Amazon €1.13 billion in 2021¹⁰¹ for abusing its dominant position in the Italian e-commerce logistics market. The investigation found that Amazon had tied participation in its ‘Prime’ program, a key driver of consumer traffic, to the use of its own logistics service, FBA. Sellers using competing fulfilment providers were subject to stricter terms and reduced visibility, effectively discouraging the use of alternative logistics solutions. The AGCM concluded that these practices harmed competition, restricted seller freedom, reduced consumer choice, and may have resulted in higher prices.
- 4.33. Academic research has also raised concerns about subtler forms of self-preferencing. For instance, Chen and Tsai (2019) highlighted that Amazon may favour its own products in the ‘Frequently Bought Together’ recommendations shown on product pages¹⁰². These algorithmically generated suggestions can significantly influence purchasing behaviour, and if biased, can quietly steer consumers toward Amazon’s own offerings, reinforcing its market position at the expense of third-party sellers.

iii. Exclusivity Agreements

- 4.34. Exclusivity agreements are commonly used in digital and e-commerce markets and can raise serious competition concerns when adopted by dominant platforms. These agreements often take the form of contractual clauses that restrict sellers from offering their products on rival marketplaces or incentivise customers to make all or most of their purchases from a single platform. The latter is typically achieved through volume-based discounts or loyalty incentives tied to the share of customer purchases¹⁰³. Such arrangements can distort inter-platform competition, restrict consumer choice, and reduce opportunities for sellers, particularly smaller ones, to diversify across channels. They may also raise barriers to entry for newer or more innovative marketplaces.
- 4.35. Another form of exclusivity arises when a platform agrees to only host a specific seller for a given product category while excluding competing sellers. Although less common, this practice can distort intra-platform competition by preventing price or quality comparison within the platform for that product type. Among these, the first type of exclusivity—imposed on sellers to prevent them from multi-homing—is far more prevalent,¹⁰⁴ reflecting the strong bargaining power of dominant platforms over smaller sellers. However, concerns around exclusivity clauses generally arise only when the platform in question holds significant market power, as their impact on competition depends on the platform's ability to affect market dynamics at scale.
- 4.36. There are two primary competition concerns associated with exclusivity agreements in digital markets¹⁰⁵. First, such agreements can be used by dominant firms to raise rivals’ costs by denying

¹⁰¹<https://en.agcm.it/en/media/press-releases/2021/12/A528#:~:text=A528%20-%20Italian%20Competition%20Authority%3A%20Amazon,for%20abusing%20its%20dominant%20position&text=The%20Authority%20found%20that%20Amazon,review%20by%20a%20monitoring%20trustee.>

¹⁰² Chen, N and Hsin-Tien, T (2019). ‘Steering via Algorithmic Recommendations.’ *RAND Journal of Economics*, Forthcoming. Available at SSRN: <https://ssrn.com/abstract=3500407> or <http://dx.doi.org/10.2139/ssrn.3500407>. Available at SSRN 3500407.

¹⁰³ OECD (2020). Abuse of dominance in digital markets. Accessible at: [Abuse of dominance in Digital Markets \(EN\)](#)

¹⁰⁴ Note however that the CCI market report found that there are exclusive agreements between service providers and on online platforms, agreements under which certain products are launched exclusively on a single platform and also a number of agreements which make platform list only one brand in a certain product category.

¹⁰⁵ OECD (2020). Abuse of dominance in digital markets. Accessible at: [Abuse of dominance in Digital Markets \(EN\)](#)

them access to essential inputs or sales channels.¹⁰⁶ This was a key issue in the EU's 2018 Qualcomm case, where Qualcomm used exclusivity payments to Apple to foreclose competing chipset manufacturers. A similar concern arose in the European Commission's investigation into Google, which found that Google had imposed exclusivity conditions on third-party websites, preventing them from displaying competitors' search ads and thereby restricting rivals' access to valuable advertising inventory.¹⁰⁷

- 4.37. The second concern relates to denying rivals the ability to achieve scale or network effects, which are critical in multi-sided digital markets. A dominant firm might use exclusivity-based discounts or incentives on one side of the market (e.g., consumers) to lock in users, thereby making it harder for rivals to attract sufficient volume on the other side (e.g., sellers or advertisers). This strategy can entrench dominance and reduce the overall contestability of the market.¹⁰⁸
- 4.38. In the digital context, exclusivity strategies can take more subtle forms, such as offering free add-on services, restricting data portability, or impeding multi-homing (i.e., consumers or sellers using multiple platforms simultaneously). These practices may not be contractual but can still limit rivals' ability to gain a foothold in the market by undermining user flexibility and preventing effective competition. By limiting rival access to critical user bases and data, these strategies can prevent the development of the scale needed to generate competing network effects.

iv. Pricing Algorithms

- 4.39. A growing concern in e-commerce is the use of pricing algorithms by merchants on online shopping platforms. These algorithms can help sellers differentiate prices, enabling more accurate and competitive offers, and support faster, data-driven decision-making.¹⁰⁹ However, they also carry significant risks of misuse. For instance, algorithms may facilitate tacit or explicit collusion among competing sellers (Ezrachi & Stucke, 2017), allowing them to coordinate pricing strategies, share sensitive information indirectly, and make such anti-competitive behaviour harder to detect. Pricing algorithms can serve multiple roles, including acting as a messenger to signal pricing intentions, increasing market transparency by predicting competitor behaviour, functioning as a common vertical input in 'hub and spoke' models¹¹⁰, or continuously adapting prices through self-learning mechanisms¹¹¹. Moreover, they can be exploited to engage in price discrimination, charging consumers higher prices if they are less likely to switch quickly to competitors¹¹².

¹⁰⁶ Krattenmaker & Salop (1986). Anticompetitive exclusion: Raising rivals' cost to achieve power over price. Yale Law Journal.

¹⁰⁷ OECD (2020). Abuse of dominance in digital markets. Accessible at: [Abuse of dominance in Digital Markets \(EN\)](#)

¹⁰⁸ OECD (2020). Abuse of dominance in digital markets. Accessible at: [Abuse of dominance in Digital Markets \(EN\)](#)

¹⁰⁹ Weck, T (2019). Current issues of competition policy in e-commerce. 2nd CoRe Conference Proceedings. European Competition and Regulatory Law Review. Volume 3 (2019). Issue 1.

¹¹⁰ A common vertical input in a hub-and-spoke model will act as a critical infrastructure enabling downstream competitors to operate and can be used to facilitate collusion or foreclose rivals.

¹¹¹ Ezrachi, E. & Stucke, M. (2017). Artificial intelligence & collusion: When computers inhibit competition. University of Illinois, Law Review. Volume 2017.

¹¹² Weck, T (2019). Current issues of competition policy in e-commerce. 2nd CoRe Conference Proceedings. European Competition and Regulatory Law Review. Volume 3 (2019). Issue 1.

- 4.40. Many e-commerce platforms, including Amazon, provide pricing algorithm tools to sellers. These tools allow users to monitor competitors' prices and automatically adjust their own prices in response, a common practice in the industry. However, the widespread availability of similar pricing software to rival sellers on the same platform may inadvertently facilitate algorithm-driven collusion, increasing the risk of anti-competitive price coordination.
- 4.41. For example, a 2016 investigation by the UK's Competition and Markets Authority (CMA) found that Trod Ltd and its main rival, GB Eye Ltd, had entered into an online collusive agreement facilitated by automated repricing software. Both companies configured the software to monitor and adjust prices for posters and frames sold on Amazon UK, agreeing not to undercut each other. This behaviour distorted competition, potentially leading to higher prices, reduced consumer choice, and lower product and service quality.¹¹³

v. The misuse of seller's data

- 4.42. Sellers on large hybrid digital marketplaces have raised concerns that platform owners exploit the data they collect from independent sellers to boost their own retail operations, competing directly against those sellers. In particular, allegations have been made against Amazon for tracking extensive data from third-party sellers—including sales volumes, pricing, and product viewership—and using this information to develop and promote its own private-label products¹¹⁴. These products are then given preferential placement in customer search results, diverting sales away from independent sellers. Such conduct likely constitutes unfair competition and is subject to intervention by competition authorities. In the European Union, these unfair practices are explicitly prohibited under the Digital Markets Act.
- 4.43. The EU Commission's investigation further found that Amazon did, at times, use its retail arm to undercut independent sellers on its marketplace. However, this behaviour was not linked to regular copying of successful products or a deliberate attempt to generate greater profits beyond fees collected from third-party sellers. Rather, Amazon's price undercutting was mainly prompted by the presence of lower-priced alternatives on rival marketplaces. By matching or undercutting these external prices, Amazon aimed to preserve the platform's reputation for offering the best deals. Since individual sellers generally lack incentives to protect the platform's overall reputation, Amazon's actions were considered a legitimate intervention by a platform operator to maintain competitive pricing.
- 4.44. Nevertheless, as part of the settlement with the EU Commission, Amazon agreed to limit the collection of seller data strictly to what is necessary for such legitimate platform management. Additionally, the Commission mandated the establishment of Chinese walls, organisational and informational barriers, between Amazon's platform operations and its retail business to prevent misuse of sensitive seller information.

¹¹³ CMA Case Reference: Case 50223 – Online sales of posters and frames. <https://www.gov.uk/government/news/online-seller-admits-breaking-competition-law>

¹¹⁴ Crane, J-P (2022). Trust in the digital marketplace: Amazon, Third-party sellers and information fiduciaries. *Journal on emerging technologies*. Notre Dame Journal on Emerging Technologies. Volume 3. February 2022.

vi. “Most Favoured Nation” Clauses

- 4.45. Most Favoured Nation (MFN) clauses are contractual provisions commonly used in vertical relationships, where a seller agrees to offer a buyer terms that are no worse than those offered to any other third party. In the context of e-commerce, MFN clauses typically require sellers to offer a platform the lowest price or the best commercial terms available in any other sales channel, including rival marketplaces or the seller’s own website¹¹⁵. As discussed in the previous chapter, such clauses can reduce price competition between marketplaces by disincentivising sellers from offering better deals elsewhere. This can lead to higher fees for sellers, reduced service levels by platforms, and ultimately, higher prices or less choice for consumers.
- 4.46. Competition authorities have raised concerns that MFN clauses, especially when used by dominant platforms, can be used anti-competitively to restrict seller flexibility and protect the platform's market position. In a landmark case, the U.S. Department of Justice (DoJ) found that six major e-book publishers and Apple had used MFN clauses to implement a collusive pricing strategy, resulting in increased e-book prices for consumers¹¹⁶. The clauses ensured that no retailer could undercut Apple’s prices, thereby suppressing competitive pricing across the market.
- 4.47. In its ongoing case against Amazon, the U.S. Federal Trade Commission (FTC) has similarly objected to MFN-style provisions in Amazon’s contracts with sellers¹¹⁷. These clauses allegedly prevent sellers from offering lower prices on rival marketplaces or even on their own websites. The FTC argues that such terms help maintain Amazon’s dominance by limiting competitive pressure from alternative platforms and discouraging price competition, thereby harming both sellers and consumers.

c. State of play of E-commerce in Mauritius

- 4.48. It is important to contextualise these issues within the local landscape. The following section assesses the state of play of e-commerce in Mauritius and reports the likely concerns that have identified following engagement with the stakeholders.
- 4.49. As per international indices, Mauritius ranks as the most prepared country in Africa for shopping online. For instance, the 2018 UNCTAD Business-to-Consumer (B2C) E-commerce Index places Mauritius at the top place in Africa and 55th globally out of 151 countries.¹¹⁸ This ranking reflects Mauritius’s readiness to engage in and benefit from the digital economy as compared to other African nations.
- 4.50. Table 7 below provides a breakdown of the total e-commerce revenue in Mauritius by segments¹¹⁹. Although the data is from 2020, the segmentation of categories remains indicative of some of the key categories in which e-commerce is most prevalent.¹²⁰

¹¹⁵ Johnson, M (2014). Oxera. *Most-favored-nation clauses: falling out of favour?* [Most-favored-nation clauses: falling out of favour? - Oxera](#)

¹¹⁶ See United States District Court Southern District of New York (2013), United States of America v Apple Inc. et al., 12 Civ. 2826 (DLC); The State of Texas et al. v Penguin Group (USA) Inc. et al., 12 Civ. 3394 (DLC), 10 July.

¹¹⁷ FTC v Amazon.com Inc, Case No. 2:23-cv-01495-JHC

¹¹⁸ <https://unctad.org/news/mauritius-first-online-shopping-readiness-africa>, 27 Aug 25

¹¹⁹ Figures compiled from <https://www.trade.gov/country-commercial-guides/mauritius-ecommerce>

¹²⁰ To note no updated data on e-commerce revenue has been found.

Table 7: Mauritius e-commerce revenue breakdown, 2020

Revenue Breakdown	Revenue (U\$ million)
Total E-commerce market revenue	103
<i>Out of which categories:</i>	
Fashion	48.6
Electronics and Media	27.4
Food & Personal Care	14.3
Furniture & Appliances	7.3
Toys, Hobby and DIY	5.5

Source: Compiled from International Trade Administration Statistics

Market players

- 4.51. International giants like Amazon, Temu, AliExpress¹²¹, Alibaba¹²², Shein and eBay remain popular, attracting Mauritian consumers with their vast product selections across categories such as clothing, fashion products and accessories, electronic gadgets, homewares amongst others. The products tend to be available at relatively affordable pricings, with at time, free shipping over a certain amount or chargeable shipping costs especially internationally. Each of the platforms provide varying delivery time ranging between 10 business days to up to 5 weeks. These international platforms can supply both business to business ('B2B') and business to consumers ('B2C').
- 4.52. The international ecommerce platforms tend to operate cross border without any physical presence in Mauritius. These platforms support international card payments like Visa, Mastercard or even PayPal. However, each tend to have their own operational approaches.
- 4.53. For Amazon, there is direct shipping via Amazon Global where some items marked 'international shipping eligible' can be ordered directly. However, most products on Amazon for Mauritius require outsourcing via services through freight forwarders like Shop & Ship (Aramex), which handle logistics, customs paperwork, etc.
- 4.54. Temu ships directly from its centralised warehouses after availing from suppliers, mostly in China. It acts as a marketplace connecting global sellers (third-party sellers) with Mauritian buyers, handling the front-end experience (through website¹²³), customer service, and logistics coordination. This model allows Temu to keep costs low by eliminating local overheads, offering direct-from-supplier pricing and relative quicker shipping.

¹²¹ B2C; individual retail purchases

¹²² B2B; bulk or wholesale orders

¹²³ Also, through its application

- 4.55. AliExpress operates in a slightly different manner, whereby sellers are responsible for the choice of their shipping method (which include standard¹²⁴ or premium¹²⁵ shipping) and shipping partners, fulfilment handling and packaging, as well as delivery times and costs. The buyers if they ordered from different sellers will receive different packages (unlike Temu which provides a consolidated package for multiple items).
- 4.56. Orders placed through international platforms like Temu or AliExpress may be subject to customs duties, VAT, and brokerage fees upon arrival in Mauritius—particularly for items above a certain value threshold. These additional charges are typically the responsibility of the buyer, as most platforms, including Temu, do not include customs fees in the listed price.
- 4.57. Delivery times can be further delayed due to customs inspections and import formalities, which also reduce transparency and predictability. While platforms like Temu provide customer support via app and website, and may issue refunds for defective or missing items, returning products from Mauritius is rarely practical. This is mainly due to high international return shipping costs, long wait times, and limited after-sales support in the local context.
- 4.58. As far as Mauritian sellers listing on these international platforms, no concrete evidence confirms active participation on these marketplaces.
- 4.59. Regarding the ecommerce platforms locally in Mauritius, most of the local operators appear to operate a pure online model, which is in most cases an extension of their brick-and-mortar outlets online. The local operators tend to be mostly B2C ecommerce models, primarily selling goods directly to consumers via the online websites, managing order fulfilment through local logistic partners or own delivery fleets and accepting payment through payment gateways (for MCB Juice, Myt money, Blink¹²⁶, POP, Rogers Capital,¹²⁷ credit/debit cards) or cash on delivery.
- 4.60. In such models, the online platform is supported by its physical store and an integrated inventory. They provide online catalogues for browsing and selection followed by home delivery facilities, free shipping (depending)¹²⁸, or pick up in store option. The delivery time is estimated around 3 working days to up to 10 days. Often online exclusive products and special discounts are provided for purchases on the online platforms.
- 4.61. Examples of local operators would include the following in the specified categories; (a) Electronics and home appliances: 361¹²⁹, Galaxy¹³⁰, Courts Mammouth¹³¹, Redline¹³² (b) fashion, shoes and sports: Ibiza¹³³, Brasilia¹³⁴, Fashion House¹³⁵, Allsports, (c) beauty and care: The Body Shop¹³⁶, (d)

¹²⁴ Uses partners such as SpeedAF, SunYou which have as local partners Chronopost or Celero

¹²⁵ Partners like DHL, FedEx

¹²⁶ <https://allsport.mu/products/205303-tpe>

¹²⁷ <https://361.mu/> Accessed 01 Sep 25, Shop Electronics & Home Appliances with Fast & Free Delivery

¹²⁸ Some local operators provide free shipping over a certain amount purchased for e.g IBIZA over Rs 1000.

¹²⁹ <https://361.mu/>, Accessed 01 Sep 25

¹³⁰ <https://www.galaxy.mu/>

¹³¹ <https://www.courtsmammouth.mu/>,

¹³² <https://www.redline.mu/>

¹³³ <https://www.ibiza.mu/>

¹³⁴ <https://www.brasilia.mu/>

¹³⁵ <https://fh.boutique/>

¹³⁶ <https://www.thebodyshop.mu/>

Electronics and gadgets: FastClick¹³⁷, (e) foods and beverages: Mantra foods¹³⁸, Votre Pôte Agé¹³⁹, Phoenix Beverages¹⁴⁰, Winners¹⁴¹ (f) Others: Manjoo¹⁴², Toystore¹⁴³ amongst others. Most of the local platforms are providing B2C services and this also include some local suppliers such as Scott & Co Ltd¹⁴⁴ or Grays Inc Ltd¹⁴⁵.

- 4.62. Apart from the traditional brick and mortar stores extending their presence online, there appears to be a few online businesses which have developed only digitally. For e.g. Dodomarket which provides order and delivery of personalised flowers, birthday cakes, personalised gifts, corporate hamper baskets.¹⁴⁶
- 4.63. The one marketplace which has been identified in the local landscape is PriceGuru, operating as a hybrid model. It offers a diverse range of products and services, including electronics, health and beauty, lifestyle and sports and baby products.¹⁴⁷ In addition to its electronics products, it also lists other sellers¹⁴⁸. PriceGuru provides services such as delivery across the island, Pay on Delivery, and after-sales support, which suggests a business model that monetises transactions. While exact revenue details are not explicitly stated, typical ecommerce marketplace models like PriceGuru's derive income from commissions on sales and/or charging sellers subscription fees for listing and selling products on the platform.

d. Observations and potential way forward for Mauritius

- 4.64. Competition issues in Mauritius differ from those in larger jurisdictions, primarily because e-commerce is still in an early growth stage but slowly picking momentum. Information gathered from stakeholders in the e-commerce segment indicates a cultural preference for tactile, in-person shopping, particularly for household goods, electronics and groceries. This preference can be attributed to easy accessibility of brick-and-mortar stores across the island¹⁴⁹. This behavioural trend results in e-commerce being relatively nascent, despite the growing digitalisation efforts. Consumers often use online platforms as catalogues or for price comparison rather than actual purchasing¹⁵⁰. Shopping for leisure because of lack of options and a desire for product touch-and-feel and bargaining options contribute further to slow online adoption¹⁵¹.

¹³⁷ <https://fastclick.mu/>

¹³⁸ <https://mantrafoods.mu/>

¹³⁹ <https://votrepoteage.mu/>

¹⁴⁰ <https://shop.phoenixbev.mu/>

¹⁴¹ <https://www.winners.mu/>

¹⁴² <https://manjoo.mu/>

¹⁴³ <https://toystore.mu/>

¹⁴⁴ <https://www.scotthomedelivery.mu/>

¹⁴⁵ <https://grayshomedeliveries.com/for-you/>, accessed on 01 Sep 25 and Information gathered during stakeholder engagement

¹⁴⁶ With around 3465 verified reviews (approx. 100 reviews monthly), shows a certain level of adoption, accessed 01 Sep 25

¹⁴⁷ <https://priceguru.mu/>

¹⁴⁸ <https://priceguru.mu/seller>, accessed 01 Sep 25.

¹⁴⁹ Brick and mortar stores often are at 10–15-minute drive.

¹⁵⁰ as reflected by conversion rates being below 1% despite numerous platform visits, submitted by an electrical and home appliance retailer operating both physical store and online platform.

¹⁵¹ Stakeholders submitted that the level of adoption was slow

- 4.65. Additionally, logistics and delivery infrastructure for e-commerce are still developing. Stakeholders also highlighted that structural barriers to entry may limit the digital growth for e-commerce. High upfront costs in developing and maintaining e-commerce platforms requires investment in technological infrastructure (APIs, secure payment systems), platform maintenance, user experience enhancements, and dedicated teams for order management, stock monitoring and customer support. Reliable and affordable delivery logistics are also still evolving. These factors combined may cause high operational complexity and result in barriers to entry for smaller e-commerce platform and new entrants as well as limit innovation.
- 4.66. While most of the current marketplaces in Mauritius follow a pure online model in the electronics, household commodities, groceries and clothing segments, there could still be potential competition concerns that require monitoring in the future.
- 4.67. Operators having significant offline presence may extend this dominance into the online segment. This can take the form of exclusive online-only deals or discounts not available to other retailers, especially if the operator is a wholesale supplier. There can also be potential foreclosure of competing channels which could raise barriers for competitors trying to enter or expand online. Even, pure online platforms can gather user data that can be used to strengthen market position and potentially exclude competitors, through highly targeted marketing or pricing strategies. Predatory or below-cost pricing online is another likely concern emanating from pure online platforms whereby the seller might offer goods online at prices below cost, subsidised by brick-and-mortar profits, to capture online demand early. This could distort market entry and force rivals out before they gain a foothold.
- 4.68. In addition to pure online models combining physical stores with digital sales channels, there are emerging hybrid marketplaces such as PriceGuru owned by Courts Mammouth. Periodic surveys of sellers operating on such platforms might be useful to detect potential self-preferencing, exclusivity clauses for use of platforms, or other competition concerns. However, such monitoring should only be considered once some platforms have acquired significant market power in Mauritius (and network effects).
- 4.69. While intervening against such concerns might be premature in the early stages of this sector's development, further monitoring of the online platforms may be required, as the market grows. In terms of local online operators, there does not appear to be any dominance at the time of the report in the e-commerce segment in Mauritius, which can trigger any potential competition concerns such as market tipping resulting in winner-takes-all, self-preferencing, pricing algorithms, misuse of user data amongst other.
- 4.70. In terms of leading international marketplaces, Mauritius does not appear to be facing similar issues as larger jurisdictions. The main reason is that the leading marketplaces worldwide such as Amazon or Temu, are only very peripherally involved in the Mauritian markets: it does not have a Mauritian website, does not offer logistic services for deliveries to Mauritius and does not display any significant number of Mauritius-based sellers on its platform. In the absence of the most dominant global companies, the Mauritian marketplace landscape is still rather dispersed, making abuses of monopoly power from such players unlikely.
- 4.71. As Mauritius' e-commerce sector begins to take shape, it is essential that competition dynamics are closely monitored from the outset. Early regulatory attention can help identify and address potential

barriers to entry and expansion, particularly those stemming from structural challenges such as high setup costs, limited logistics infrastructure, unequal access to digital tools or killer acquisitions. A proactive and balanced approach will ensure that the sector evolves in a competitive, inclusive, and innovation-driven manner.

- 4.72. To support the local e-commerce, it is crucial to design and implement the right mix of policies and programs that improve access to key enablers. This includes investment in logistics, digital infrastructure, secure payment systems, and affordable technology—factors that are essential for both pure online models and marketplace platforms.
- 4.73. Among these models, digital marketplaces are important, especially for small and medium-sized enterprises (SMEs). Marketplaces provide an opportunity for smaller sellers to enter the online space without bearing the full cost of building standalone platforms or managing complex logistics. They also enhance consumer experience by centralising product comparisons, enabling better-informed purchasing decisions, and encouraging price competition—ultimately benefiting end users through lower prices and wider choice.
- 4.74. To fully unlock the potential of marketplaces while maintaining a level playing field, regulatory safeguards must be introduced early, related to interoperability in logistics and payment gateways, ensuring access to data and platforms, particularly for third-party sellers.
- 4.75. In addition to market structure considerations, consumer-related challenges must also be addressed to support greater digital adoption. Concerns such as fraud, lack of trust in online transactions, difficulties with customs clearance¹⁵², quality discrepancies between advertised and delivered products, long delivery times, inadequate post-sale support can be looked into. This can be implemented mainly through customer protection frameworks.
- 4.76. In parallel, raising consumer awareness on online shopping can play an important role in building trust in the online system, which can eventually lead to an enhanced adoption of e-commerce and help in the growth of the sector in Mauritius. This includes advocating for the benefits of online shopping such as convenience, time savings, availability of more choices, and price comparison facilities while also educating consumers on its potential downsides, for instance, recognising and avoiding frauds, identifying reliable sellers, protecting their finances and data, among others.

B. Online travel agencies/ Hotel booking platform

- 4.77. Online travel agencies ('OTAs') connect travel services providers ('TSP') with end-consumers who search and book travel services such as hotels and accommodations, flights, attractions, or car rentals. OTA platforms can be both web-based or in the form of apps. They provide consumers with a platform offering a variety of options enabling them to make comparison between services in terms of prices, location, reviews. This facilitates decision-making for consumers and often also reduce the transaction costs.

¹⁵² especially for cross-border purchases

- 4.78. OTAs represent an important distribution channel for travel services providers, especially for the smaller ones enabling them to gain greater access and visibility to consumers globally through less marketing efforts. Moreover, OTAs often provide tools for businesses allowing them to gain greater insights on their businesses and consumers.
- 4.79. Listings of TSPs on the OTAs are usually free. Only TSPs wishing to be featured on the OTAs are listed. The TSP will then provide the platform with additional information such as descriptions, photos, price etc. For instance, Airbnb and Booking.com allow listings of accommodations at no cost.

a. Models and monetisation strategies

- 4.80. OTAs usually operate on one or both of these following models¹⁵³:

i. The Agency Model

- 4.81. This consists of a commission-based model whereby the TSP pays the OTA a commission based on the number of bookings done on the OTA. The commission may be a set amount, or a percentage of the amount booked. In this case, it is generally the TSPs which decide on the price they wish to offer, receive payments from the end-consumers, to then, pay a commission to the OTA.

ii. The Merchant Model

- 4.82. In the merchant model, OTAs buys hotel rooms and other travel related services for resale to end customers at marked-up prices. The OTA handles all payments directly from customers and later pays the TSP. This gives the OTA control over pricing and profit margins. The OTA acts as the merchant of record, managing payment processing, refunds, and customer service.
- 4.83. OTAs also monetise through advertising which includes premium or featured listings that advertisers pay for to boost visibility on OTA platforms. It involves banner ads and sponsored content from travel-related brands. OTAs can attract a large crowd of users from around the world to their platforms which could be difficult for an individual TSP to do so.
- 4.84. The emergence of Meta search websites can also be noted. They are at the core specialised search engines explicitly for travel services.¹⁵⁴ While the OTA offers comparison between the different TSPs, the Meta search sites offer price comparison for a specific TSP from different OTAs in addition to the TSP. Some examples of Meta search engines include the Google Travel Unit, TripAdvisor, Kayak, among others.

b. Competition Issues in the OTA market

i. Agency or Merchant Model

- 4.85. The potential concerns raised by these two models are different. In an agency model, retail prices are determined by individual hotels or hotel chains. As long as the hotel sector itself is sufficiently competitive, this does not raise any competition issue. However, these retail prices will also reflect

¹⁵³ OFT investigation into the hotel online booking sector <https://webarchive.nationalarchives.gov.uk>

¹⁵⁴ https://competition-policy.ec.europa.eu/system/files/2021-07/hotel_monitoring_report_en.pdf

the costs of these hotels, which are higher when the commission fees charged by OTAs are higher. There is therefore a potential competition issue if OTAs have significant market power, especially if they engage in practices that are likely to further decrease the intensity of competition between platforms, leading to high commissions.

- 4.86. In a merchant model, OTAs purchase a number of hotel rooms on given dates and then resell them at a retail price of their own choosing. This is potentially problematic because a single platform can essentially find itself in the position of choosing retail prices for a large number of hotels which are competitors. In doing so, the merchant platform has an incentive to set retail prices fairly high to prevent “cannibalisation” of one hotel’s sales by the other hotels. In other words, because the merchant acts as a common agent, it internalises the diversion between different hotels, just as a single company owning all of these hotels would. This undesirable effect can only be checked if there is sufficient competition between platforms.

ii. Most Favoured Nation (MFN) clauses

- 4.87. MFN clauses (also known as price parity provisions¹⁵⁵) between hotels and OTAs have been investigated by a number of competition agencies¹⁵⁶. Narrow parity clauses restrict the TSP from offering better deals on its own platform, while wide parity clauses extend this restriction to all other OTAs and platforms. MFN agreements may potentially harm competition by reducing the incentives for TSP to offer better deals in other different platforms. They may also have a foreclosure effect, preventing more efficient or lower-cost entrants from translating their advantages into lower retail prices.
- 4.88. The usual argument in defence of MFN clauses is free riding. It is clearest in the case of narrow MFN clauses. If it is known that hotels charge lower prices on their own websites than on the OTA, then it is likely that a significant number of consumers would use the OTA’s facilities to choose their hotels before turning to the platform of their chosen hotel in order to complete the booking. In such a case, the consumers and hotels benefit from the platforms’ services without paying for them. This type of free riding argument is a priori quite credible. By contrast, the free riding defence for moving from narrow to broad parity clauses is much weaker. Without the clause, low-service OTAs could enter with lower costs. They could offer hotels reduced commissions in exchange for lower retail prices. This would attract consumers who might otherwise use full-service OTAs without paying for the added value. There is no evidence that such a concern is justified. However, if the free riding defence for broad parity clauses is rejected, it is also less likely that there is a foreclosure concern.
- 4.89. The Hong Kong Competition Commission investigated three OTA websites for their parity clauses: Booking.com, Expedia.com and Trip.com. Based on its investigation, the Commission found that two of those OTAs’ agreements with accommodation providers included terms requiring wide price parity, wide conditions parity and room availability parity. Such clauses had the effect of restricting competition against OTAs.¹⁵⁷

¹⁵⁵ [Open all hours: Competition law and the hotel sector \(part 1\) - Bird & Bird](#)

¹⁵⁶ IBID

¹⁵⁷ Case No: EC/02NJ — Online Travel Agents (OTAs) Commitments to Remove Parity Clauses

- 4.90. In 2013, the German Competition Authority (Bundeskartellamt) reached a decision concerning the use of broad parity clauses by the hotel portal HRS. The broad parity clauses required hotel partners to guarantee that the price offered on HRS website was no greater than the cheapest rate offered on other online booking and travel platforms, or on the hotel's own web pages and offline sales channels.¹⁵⁸
- 4.91. Additionally, the agreements in question governed room availability, booking conditions and mobile applications. The Bundeskartellamt held that the wide MFNs directly restricted the price-setting freedom of hotels, removed the economic incentive for online travel agents (OTAs) to lower commissions they charge and made market-entry difficult.

iii. Best-Price Guarantees

- 4.92. Best price guarantees are commitments to compensate consumers who buy from the platform if they can find a lower price elsewhere for the same product (same hotel, date, type of room, time of booking). This commitment usually involves some form of compensation for the consumers, which can range from a fraction of the price difference to the full price difference plus some form of prize (e.g. fidelity points).
- 4.93. While best price guarantees might look like they are pro-competitive, they may actually soften competition between sellers: if seller A knows that a lower price would be matched by seller B, then it has little or no incentive to lower its price since it will not result in stealing sales from rivals.
- 4.94. In the context of OTAs, the analysis of best-price guarantees is more subtle. The anti-competitive effect outlined above would be a significant concern for platforms following the merchant models, since they do choose the retail price, but not for platforms operating on an agency basis. For these, a best price commitment could be seen as a manner to reward consumers who inform the platform that its broad (and narrow) price parity clauses are being violated. In that sense then, price-matching clauses could be acceptable if the type of parity clause involved is acceptable.

iv. Exclusive dealing agreements

- 4.95. Exclusive dealing agreements are signed between parties which impose limitations on their ability to transact with other similar businesses. Of particular concern would be agreements allocating the booking of an important segment of the hotel offer in Mauritius to a single OTA, as it would make it harder for rival OTAs to compete. However, exclusive dealing is only a concern if the OTA involved already has significant market power and the segment of the market covered by exclusivity is sufficiently broad.

c. State of play in Mauritius

- 4.96. The table below lists out some of the platforms/OTAs. They can be categorised into 3 groups: international platforms listing both local and international TSPs, targeting both Mauritians and

¹⁵⁸ HRS Best Price / Parity Clauses (2013)

foreigners as their customers; domestic platforms listing local TSPs for Mauritians; and domestic platforms listing international TSPs for Mauritians.

Table 8: OTAs in Mauritius

#	OTA/ Platforms	Domestic or International	Target users	TSP Listers	Services Offered
1	Agoda.com	International	Tourist/ Mauritian	Local TSP/ International TSP	Accommodation Car rentals Flight Transport
2	Airbnb	International	Tourist/ Mauritian	Local TSP/ International TSP	Accommodation
3	Booking.com	International with Domestic presence	Tourist/ Mauritian	Local TSP/ International TSP	Accommodation Activities Car rentals Flight Transport
4	Expedia	International	Tourist/ Mauritian	Local TSP/ International TSP	Accommodation Activities Car rentals Flight
5	MakeMyTrip Limited	International with Domestic presence	Tourist/ Mauritian	Local TSP/ International TSP	Accommodation Flight Insurance Transport
6	Opodo.com	International	Tourist/ Mauritian	Local TSP/ International TSP	Accommodation Car rentals Flight
7	Best.mu	Domestic	Mauritian	Local TSP	Accommodation Activities
8	Deals.mu	Domestic	Mauritian	Local TSP	Accommodation Activities Tickets
9	Defideal.mu	Domestic	Mauritian	Local TSP	Accommodation Activities
10	Marideal.mu	Domestic	Mauritian	Local TSP	Accommodation Activities Tickets
11	Noudeal.com	Domestic	Mauritian	Local TSP	Accommodation Activities Tickets
12	Ticketbox.mu	Domestic	Mauritian	Local TSP	Accommodation Activities Tickets

#	OTA/ Platforms	Domestic or International	Target users	TSP Listers	Services Offered
13	Arcadiatravel.com	Domestic	Mauritian	International TSP	Flights
14	Atom.golibe.com	Domestic	Mauritian	International TSP	Flights
15	Bluesky.mu	Domestic	Mauritian	International TSP	Flights
16	Shamaltravels.com	Domestic	Mauritian	International TSP	Flights

i. International Platforms

- 4.97. Mauritius relies extensively on the tourism sector to support its economy. In 2024, the sector accounted for 8.6%¹⁵⁹ of GVA, with a value of Rs 52 billion. Mauritius' reliance on the tourism sector makes it essential for travel services providers to be present on platforms which would allow them to attract customers around the world. The presence of popular international OTAs such Booking.com, Expedia, Airbnb among others can be observed.
- 4.98. With 41%¹⁶⁰ of tourists coming from European countries, Booking.com represents an important channel for hotels to acquire customers given that it is the leading platform in Europe with 69.3% market share¹⁶¹ in 2023.
- 4.99. Around 3,400 listed properties from various types of accommodation are reportedly active from Mauritius¹⁶². Booking.com has a direct contractual relationship with the different accommodations in Mauritius with a percentage commission charged per booking. The platform also has a physical presence in Mauritius with a local office for better groundwork and support to partners¹⁶³.
- 4.100. Partners can list their properties on the platform at no cost. It provides different customers as well as partner benefits. For instance, it has a partner programme which it uses to assist and classify the different accommodations in terms of demand generation, analytics, verified guest review. Support to partners such as innovative tools and preferred programs and deals are also offered¹⁶⁴.
- 4.101. Booking.com does not have any exclusivity with any hotels in Mauritius. However, there is the practice of the standard parity clauses. The clauses stipulate that the accommodation partners cannot advertise lower prices on other online channels than what has been advertised on Booking.com. Nonetheless, Booking.com states that it does not necessarily take any enforcement action, such as delisting, if the partners do not abide to the clauses. Moreover, the clauses do not apply to phone calls and email bookings or walk in clients.¹⁶⁵

¹⁵⁹ [Statistics Mauritius- National account](#)

¹⁶⁰ [Digest of International Travel & Tourism 2023, Statistics Mauritius](#)

¹⁶¹ [Hotrec Hospitality Europe](#)

¹⁶² Information gathered from meeting with Booking.com

¹⁶³ Information gathered from meeting with Booking.com.

¹⁶⁴ Information gathered from meeting with Booking.com.

¹⁶⁵ Information gathered from meeting with Booking.com.

4.102. The main argument for parity clauses as put forward by Booking.com is to avoid free-riders and ensure that prices remain competitive. Yet Booking.com does not impose parity clauses in all countries. It applies different parity regimes - no parity, narrow parity, or wide parity - depending on the country where a property is located.¹⁶⁶.

ii. Domestic platforms for domestic tourism

4.103. Domestic tourism relates to touristic activities undertaken by residents within their country of residence. Based on the Tourism Satellite Account¹⁶⁷ by Statistics Mauritius, domestic tourism expenditure amounted to Rs 7.4 billion, contributing to 7.2% of total tourism expenditure for the year 2018.

4.104. Six domestic booking platforms act as intermediation platforms to Mauritians. Amongst are Marideal.mu, Deals.mu, and Ticketbox.mu which achieve an estimated traffic of over fifty thousand¹⁶⁸ visits in a month to their websites.

4.105. Founded in 2013, Marideal.mu ('Marideal') is the first platform put in place to offer booking services in relation to exclusive offers to Mauritian residents. Deals.mu, through ABZ Global Solutions Ltd¹⁶⁹, is the second launched online booking platform in Mauritius providing exclusive deals to the residents. Ticketbox.mu was launched in December 2018 and gained much popularity¹⁷⁰ in the hotel booking segment¹⁷¹.

4.106. The rest of the domestic OTAs, namely Defideal.mu, Noudeal.com, and Best.mu realise a considerably lower traffic as compared to the above platforms.

4.107. As of 2024, approximately 140 hotels were operational in Mauritius including the main hotel chains such as Beachcomber Hotels, Attitude Group, Constance Hotels, Sun Resorts, Lux* Resorts, amongst others¹⁷². Out of the 140, only some 80 to 90 hotels dealt with Mauritians¹⁷³.

4.108. The local booking platforms offer booking services for domestic tourism on similar business models as Booking.com for instance. They provide deals to residents as well as last minutes offerings which are often labelled as discounted offers or special packages. All of them offer accommodation and activities such as hotel stays, day packages at hotel or restaurant, spa or attractions packages. Deals on offer are usually available for a short period of time.

4.109. The hotel booking platforms negotiate with hotels on room rates. They usually cannot dictate the room rates and are able to work on the inventory which the hotels have agreed to provide. The properties and the platforms hold a contractual relationship. Platforms usually charge a commission on the stay booked via the platform and partners can list property on the platform at no cost.

¹⁶⁶ [Booking.com](#); accessed 23 September 2025

¹⁶⁷ [Tourism Satellite Account 2018](#)

¹⁶⁸ Figure is for the period September 2023 from Similarweb.

¹⁶⁹ Along with Deals.mu, other online platforms fall under the ABZ group such as Mauritiusattractions.com, Mauritiushotels.mu, Restaurants.mu, Otayo.mu and Cinema.mu.

¹⁷⁰ [Blog Ticketbox](#), accessed 17 January 2024.

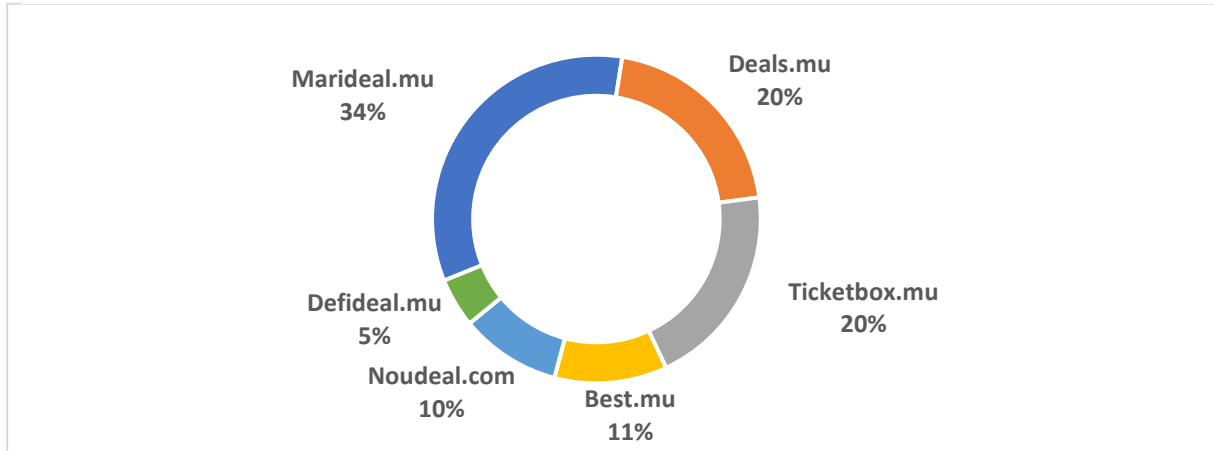
¹⁷¹ Operating alongside in the ticketing market on the same platform.

¹⁷² <https://mauritiushotels.mu/hotel-groups-mauritius.html>

¹⁷³ Information gathered from Stakeholder engagement with a hotel booking platform.

- 4.110. Hotels/ accommodation partners often use different channels to distribute their inventory (online, offline). They do not allocate their availability exclusively to one channel or aggregator platform. There is, therefore, most of the time, multi-homing.
- 4.111. An assessment of the likely market share of the different platforms based on several indicators such as traffic, details of visit amongst other is provided below.

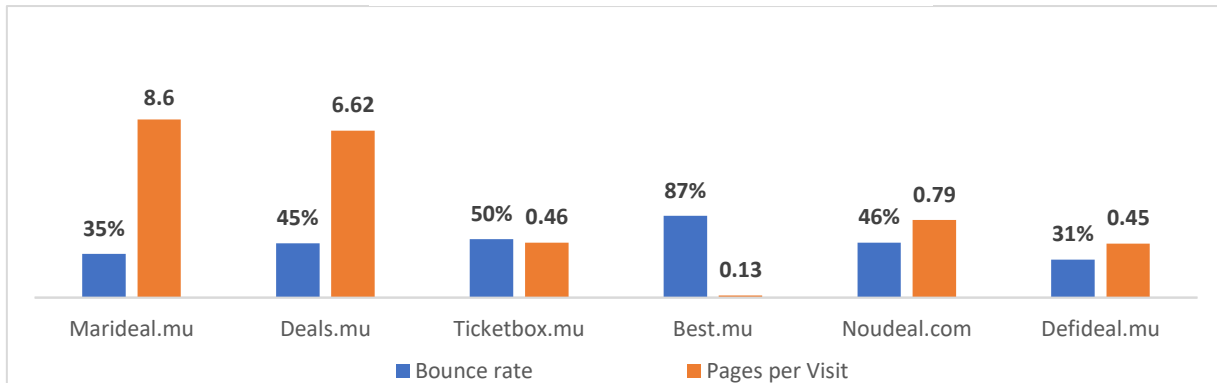
Figure 5: Market Share of platforms by traffic size



Source: Competition Commission’s compilation using Similarweb data for September 2023

- 4.112. The above chart shows the market share of each booking platform calculated by the total number of visits made on their respective websites for the month of September 2023. As often associated with digital markets, the first platform has an advantage on the market. As is the case with Marideal which has the largest proportion of the market at 34% in terms of traffic and is likely to enjoy significant market power (being on top of mind). It is followed by Deals.mu and Ticketbox.mu each holding 20% of the market while 26% is shared jointly by the remainder platforms.

Figure 6: Details of visits



Source: Similarweb data for September 2023

- 4.113. The figure above describes the bounce rate, and pages per visit. The bounce rate and pages per visit can be indicative of the position of some operators on the market. For instance, the bounce rate refers to the percentage of visitors on a website which navigate away from the website after viewing one

page. The pages per visit provides insights into user engagement and interest in the content or products offered by a website.

- 4.114. Marideal.mu and Deals.mu has a low level of bounce rate compared to the pages per visit. This shows that they are likely to have a strong position in the market with high user engagement and visit. The more so, they may be providing for a higher level of offerings and listings, meeting the needs of the customers and ensuring interest. By comparison, platforms such as Best.mu or Noudeal.com may not be providing a sufficiently robust user experience or relevant offerings to exert an effective competitive constraint.

d. Observations and proposed way forward for Mauritius

- 4.115. The domestic online hotel booking market in Mauritius is relatively concentrated. The set of domestic platforms is still limited, with MariDeal holding an important share of the market through its first-mover advantage and subsequent customer loyalty¹⁷⁴.

- 4.116. Following stakeholders' engagement, a few competition issues have emerged:

i. MFN clauses

- 4.117. A general assessment of agencies' websites indicated that Marideal.mu and Deals.mu offer a best price guarantee, as shown in the figures below. While the best price guarantee is not direct evidence of parity clauses, it may nonetheless suggest the presence of MFN clauses between the hotels and the platforms. In fact, the German Competition Authority found that Booking.com used its best price guarantee to enforce best price clauses requiring hotels to match any lower price found on competing platforms, adjust their prices immediately, and refund the difference to the customer in cases of discrepancy¹⁷⁵.

Figure 7: Best Price Guarantee by MariDeal

If you find the exact same deal, with better booking conditions at a lower rate after booking through MariDeal, please see **Best Price Guarantee**.

Source: Marideal.mu's website; accessed 29 January 2024

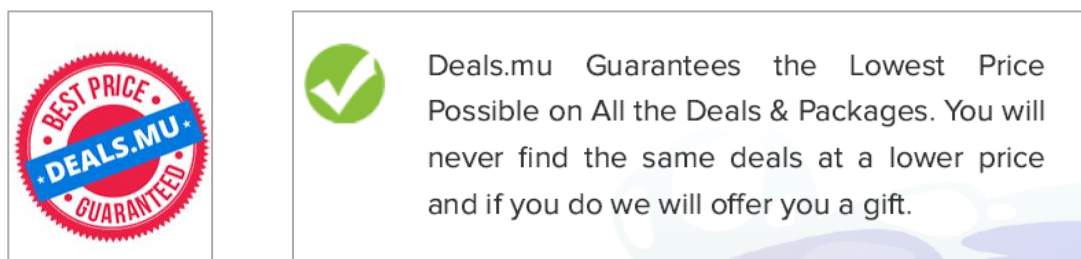
- 4.118. It is highlighted though that in the latest review¹⁷⁶ of MariDeal.mu's website, the best price guarantee was no longer visible, possibly indicating changes in practice or policies.

¹⁷⁴ Often being on top of mind of people.

¹⁷⁵ Bundeskartellamt: [9th Decision Division B 9-121/13](#)

¹⁷⁶ Accessed 23 September 2025

Figure 8: Best Price Guarantee by Deals.mu



Source: Deals.mu's website; accessed 11 December 2023

4.119. To further assess the matter, prices of hotels from the 3 most popular platforms as well as the hotel platforms, where available, have been compiled and compared in the table below. For comparison purposes, the same dates, type of room, number of guests and package are chosen for a particular hotel across each platform. The search has also been conducted on the same day¹⁷⁷ and time.

Table 9: Price comparison between 3 most popular platforms.

Hotel	Date	Room**	Marideal.mu	Deals.mu	Ticketbox.mu	Hotel Website*
Aanari Hotel & Spa	5-7 February 2024	Deluxe Room (2)	Rs 17,000	Rs 19,000	Rs 19,000	NA***
Anelia Resort & Spa	5-7 February 2024	Superior room (2)	Rs 28,000	Rs 28,000	Rs 28,000	Rs 28,329
Jalsa Beach Hotel and Spa	7-9 February 2024	Standard Garden View Room (2)	Rs 19,000	Rs 19,000	Rs 19,000	NA
Ocean V Hotel	4-6 March 2024	Junior Suite (2)	Rs 22,230	Rs 22,230	Rs 24,700	NA
Outrigger Mauritius Beach Resort	5-7 February 2024	Ocean View Room (1)	Rs 36,200	Rs 36,200	Rs 36,200	Rs 36,200*
Preskil Island Resort Mauritius	5-7 February 2024	Superior Garden View (2+1C)	Rs 39,000	Rs 39,000	Rs 39,000	Rs 45,596
SALT of Palmar	5-7 February 2024	Garden View Room (2)	Rs 32,000	Rs 32,000	Rs 32,000	Rs 32,000*

¹⁷⁷ Accessed booking information on 26 January 2024

Hotel	Date	Room**	Marideal.mu	Deals.mu	Ticketbox.mu	Hotel Website*
Tamassa Resort	26-29 February 2024	Superior room (1)	Rs 34,200	Rs 34,200	Rs 36,000	Rs 36,000*
The Ravenala Attitude	25-28 February 2024	Couple Suite (2)	Rs 42,357	Rs 42,357	Rs 42,357	Rs 42,357*
Veranda Pointe aux Biches Hotel	5-7 February 2024	Privilege room (2)	Rs 31,900	Rs 31,900	Rs 31,900	Rs 45,997

Source: Competition Commission's own compilation

*Prices marked with * indicates adjusted rates for Mauritians.

(number)**: denotes the number of guests; 1C: 1 child.

***NA implies either that the hotel does not have a booking platform, or bookings were not being able to be made on the existing platform.

- 4.120. Out of the 10 randomly selected hotels, 7 of them can be booked at the same price across the OTAs. 3 of these hotels' prices additionally aligned with the special Mauritian rate offered on the hotel platform. The majority of offers from MariDeal and Deals.mu are at the same rate except for one hotel where MariDeal offers the lowest of all.
- 4.121. During the stakeholders' engagement meeting, some operators confirmed the existence of MFN clauses, whether formal or informal, in the hotel booking market. As noted above, this is also the case of international OTAs such as Booking.com. Justification for these clauses remains the prevention of free riding. They moreover argued that the restriction is only with regard to any online advertising – in many cases, consumers would obtain better prices by walk in or direct calls to hotels. These clauses appear to be standard practice. Platforms report competing on loyalty programmes and other offerings.
- 4.122. Drawing on experiences from other jurisdictions such as Bundeskartellamt and Hong Kong competition commission, wide price parity clauses should be dropped. These clauses can act as price floor, restrict price competition among platforms, and ultimately reduce options for Mauritian consumers. For instance, it has been reported that some years back, hotels required a particular platform to list hotels rate higher than an incumbent operator, as a condition for a working relationship. Regarding narrow price parity clauses, competition authorities hold differing views. For instance, Bundeskartellamt has found that narrow parity clauses by Booking.com restrict competition while other countries have urged booking platforms to replace wide parity clauses with ones¹⁷⁸. Thus, narrow parity clauses should be assessed on a case-by-case basis on whether they 'truly prevent free riding or instead restrict competition.

¹⁷⁸ Global Competition Review: [The price of parity: navigating the competition issues associated with most-favoured nation clauses and digital platform markets](#); accessed 23 September 2025

ii. Exclusivity agreements of the incumbent

- 4.123. Concerns have been expressed on exclusive agreements entered by MariDeal with some hotels and accommodation partners. Reportedly, most of the best-performing hotels are locked with MariDeal. These reportedly include some 15 hotels such as Maritim Krystal Beach, Constance group, Sun Resorts, Tamarina, or Shangrila.
- 4.124. The smaller operators claimed accounting significant difficulties to access these hotels due to these exclusivity clauses. These arrangements can be particularly significant for a small market as Mauritius as operators submitted that only around 80-90 out of 140 hotels caters to the domestic market. Of these, many of the top-selling options are locked in by MariDeal. According to the stakeholders, MariDeal seems to have a superior bargaining position compared to other platforms.
- 4.125. MariDeal confirmed certain exclusivity agreements with some hotels. They further submitted that the agreements were necessary to guarantee return on investments made in customer service and operational infrastructure.
- 4.126. From a regulatory perspective, exclusivity agreements may be reviewed under Section 45 (Other vertical agreements) or Section 46 of the Act (Abuse of monopoly situations) if one of the parties to the agreement is in a monopoly situation. In the case of the local hotel booking platforms, further assessment is required to determine whether a legal threshold has been met that would warrant any enforcement action.

iii. Licensing ambiguity

- 4.127. Certain licensing ambiguity has been identified in the online hotel booking market. Currently a license tailored specifically for these operators which considers the proper functionality of their services, is lacking. For instance, MariDeal is licensed as a tour operator, while not carrying any such activities. The operators must abide by required rules, provide bank guarantees and pay licence fees to the tourism authority as tour operator.¹⁷⁹
- 4.128. This indicates a lack of predictability and transparency regarding the licensing framework for these new digital operators. The regulatory framework around this sector should evolve to encourage further digitalisation and developments and cater for the regulation of these specific activities in a harmonised manner.
- 4.129. A further study and potential review as per the provisions of the Act must be carried out to better understand the underlying dynamics of the online hotel booking platforms market (amongst the exclusivity contracts and price parity agreements) and assess the current market conditions including the regulatory and licensing regime in this expanding sector.

¹⁷⁹ From information gathered during stakeholder engagement with the operators in the sector.

C. Online Ticketing Platforms

- 4.130. Online ticketing platforms facilitate ticket sale for various events between event organisers/artists and ticket buyers/customers. The ticketing platforms are third parties and operate as centralised platforms that streamline the entire ticketing process for both event organisers and consumers.
- 4.131. Online ticketing platforms operate under an agency business model.¹⁸⁰ In such a model, the platforms act as intermediaries connecting event organisers with customers. They do not take ownership of the tickets or inventory but facilitate ticket sales and handle customer interactions, bookings and payments on behalf of event organisers.
- 4.132. The platforms help increase visibility for the events by advertising on their websites or apps. The platforms create and customise a dedicated digital page or section for the event. There are usually contractual deals governing the arrangements between the event organisers/artists and the platforms. Specifications about the various ticket categories such as early bird, VIP, gold, etc are provided by the event organisers, who also set the pricing structures, manage inventory, and input critical event details like the date, time, and venue.
- 4.133. These intermediation service of online ticket booking is facilitated either through websites or apps, whereby the customers can search, reserve and purchase tickets for various events, happening within a specific time period and region.
- 4.134. The events can range from seated events such as comedy shows, musical shows, business conferences, performances, to standing concerts and festivals, open air cinema, clubbing tickets, food festivals or theatre productions. The venues are mostly convention centres, auditoriums, hotels, restaurants, and clubs. The tickets can usually be purchased online at the convenience of the customers but also in specific pre-defined point of sales such as partner stores or ticket counters, inclusive of both online and offline channels.
- 4.135. For consumers, the user interface is designed to offer an easy browsing experience where users can explore upcoming events and even select specific seats or dates when applicable. Real-time availability updates ensure that ticket sales are accurately reflected, effectively preventing issues such as overbooking. Once customers have made their selections, secure payment gateways facilitate transactions using multiple payment methods, including credit cards, debit cards, and mobile wallets. Upon successful payment, the platform automatically delivers an electronic ticket (e-ticket) to the buyer via email or mobile app. These e-tickets usually feature a scannable QR or barcode, simplifying entry procedures.
- 4.136. On the day of the event, tickets are verified through handheld scanners or mobile apps to verify tickets at the venue entrance, reducing wait times and the risk of ticket fraud. In addition to managing sales and access, the platforms often provide event organizers with real-time analytics dashboard. This feature offers insights into ticket sales, customer demographics, and purchasing behaviour, empowering organisers to refine their marketing strategies and make informed decisions for future events.

¹⁸⁰ This model is similar to the agency (intermediary) model for hotels, whereby the platform sells on behalf of the merchant as an intermediary and earns commission.

a. Monetisation strategies

- 4.137. Online ticketing platforms primarily generate revenue through the agency model by charging commissions on ticket sales facilitated via their platform. In this model, the platform acts as an intermediary between event organisers and customers, without owning the tickets or inventory. When a customer purchases a ticket, the payment is made directly to the event organiser. The platform then receives a commission fee based on the number of value of tickets sold.
- 4.138. Online ticketing platforms offer promotional services to event organisers, including social media campaigns, featured listings, advertisements, and email marketing. They generate revenue by charging for these marketing packages that aim to increase ticket sales. Platforms also often partner with brands and sponsors to feature advertisements and sponsorships on their websites or during events to diversify revenue.
- 4.139. At times, platforms may also charge additional service fees on top of the base ticket price either to the event organisers or the customers. These fees cover operational costs such as platform maintenance, customer support and secure payment processing.

b. Competition issues in the online ticketing market

- 4.140. From a competition perspective, online ticketing platforms compete by differentiating themselves through the variety of events offered, technological efficiency in handling ticket sales, and in ensuring overall user experience such as real-time advance seat selection and ease of payment on the platforms.
- 4.141. The ticketing sector presents both regulatory and competition concerns. On the regulatory side, issues typically involve the obligations owed to both artists and spectators. These would include matters such as refund policies, event cancellations, and the secure handling of payments. These aspects fall under consumer protection mainly and contractual obligations between the event organisers and the platforms.
- 4.142. From a competition law perspective, two principal concerns emerge which are exploitative pricing and foreclosure. Certain ticketing agencies can charge excessive commissions on tickets for high-demand events. Such practices may constitute exploitative abuse of dominance under competition law. The concern is that dominant ticketing platforms may be leveraging their market power to impose high prices on consumers.
- 4.143. In addition, the rise of dynamic pricing algorithms/mechanisms—where ticket prices fluctuate based on real-time demand—raises further competitive and consumer concerns. The CMA has recently launched an investigation in September 2024¹⁸¹ into Ticketmaster over the sale of Oasis concert tickets. The investigation focuses on whether Ticketmaster has engaged in unfair commercial practices by using "dynamic pricing" without providing clear and timely information to consumers. While systems like dynamic pricing can increase efficiency and revenue, they may also reduce transparency, particularly if deployed by dominant platforms with limited competitive constraint, as is potentially the case with Ticketmaster.

¹⁸¹ <https://www.gov.uk/cma-cases/ticketmaster-consumer-protection-case>

- 4.144. In addition to exploitative pricing, a more systemic issue relates to the vertical integration and interconnected relationships among performers, their agents, ticketing agencies, and venues. This raises the risk of exclusionary practices.
- 4.145. A prominent example is the ongoing lawsuit filed by the U.S. Department of Justice (DOJ) against Live Nation Entertainment, which owns Ticketmaster and controls a network of major venues. The DOJ's case centers on exclusionary theories of harm, particularly the use of exclusivity clauses and tying arrangements. For instance, artists who wish to perform at certain crucial large venues controlled by Live Nation may be compelled to use Ticketmaster for ticketing, effectively limiting access to competing ticketing providers. The basic theories of harm advanced by the DOJ are theories of exclusion through exclusivity clauses and tying for example, organisers wanting to use a popular (even essential) venue controlled by Live nation in a given town are pressured into also using Ticketmaster.¹⁸²
- 4.146. Data protection issues may also arise in regard to the collection and use of customers' personal information like names, addresses, and payment details. From a competition standpoint, large data collection may give incumbents an advantage over smaller operators. There might also be concerns around consent and use of data collected. The Dutch Competition Authority (ACM)¹⁸³ also looked into the data protection issues in a case related to resale of mobile tickets through the transfer system of Ticketmaster. The ACM ensured that Ticketmaster does not misuse the data control to unfairly limit competition or harm consumer privacy.

c. State of play of Online ticketing platforms in Mauritius

- 4.147. Ticketing platforms are playing an increasingly essential role in the entertainment industry in Mauritius especially as more international performers visit Mauritius for concerts and festivals. Therefore, event organisers have to approach ticket platforms for the sale of their events.
- 4.148. Mauritius predominantly hosts local online ticketing platforms, with Otayo¹⁸⁴ and Ticketbox¹⁸⁵ being the two main operators. Otayo, established in 2004, is the first mover in this market. Ticketbox acts as a challenger focused more heavily on Bollywood-themed events alongside general offerings. Smaller platforms such as Ticketclub.mu, Partyapp¹⁸⁶, and Moticket¹⁸⁷ operate on a limited or ad-hoc basis.
- 4.149. Both Otayo and Ticketbox maintain physical points of sale for tickets: Otayo through its Rezo Otayo partner network (including outlets like Courts Mammouth and Liquid shops) and Ticketbox through mall kiosks such as in Tribeca Mall. Events listed on these platforms cover a wide range including

¹⁸²<https://www.justice.gov/archives/opa/pr/justice-department-sues-live-nation-ticketmaster-monopolizing-markets-across-live-concert>

¹⁸³<https://www.acm.nl/en/publications/consumers-continue-have-choice-resale-platforms-following-ticketmasters-commitments-acm>

¹⁸⁴<https://otayo.com/en/>

¹⁸⁵<https://www.ticketbox.mu/>

¹⁸⁶<https://partyapp.mu/en>

¹⁸⁷<https://moticket.mu/>

comedy shows, musical performances, conferences, outdoor cinemas, and festivals held mostly in convention centers, hotels, clubs, and open space.

- 4.150. The online ticketing platforms operate through websites as well as apps. The different operational approaches can be identified especially through Otayo which has a website, an app and physical point of sales, or Partyapp with its mobile-first approach complementing with website.
- 4.151. Before launching the ticket sales, the online ticketing platforms verify the key event details—such as the event organiser’s credentials, required permits, and venue arrangements. Once validated, the platform facilitates ticket sales and receives a commission per transaction.
- 4.152. As noted, the platforms typically operate under the agency model, working on the basis of pre-agreed seat quotas. It is the event organisers which choose the distribution model i.e., whether the events will be listed on exclusive platform or multi-platforms. The main platforms offer a range of payment options and gateways, enhancing user convenience and supporting wider access to bookings.
- 4.153. In addition to the online event ticketing platforms, it has been noted that some venues operate their own dedicated ticketing portal for their schedule of theatrical performances, classical music concerts, and workshops. This model reflects the global trend of venues vertically integrating ticketing services. In Mauritius, the Caudan Arts Centre¹⁸⁸ provides such an interface. Also, there are other platforms such as Cinema.mu¹⁸⁹ which is a comprehensive movie directory, offering showtimes, trailers, and exclusive screening offers across Mauritius, and provides an interface for ticket purchase for ‘Cine sous les étoiles’¹⁹⁰. Mcine.mu¹⁹¹, which is linked to the major local cinema chain MCine, allows users to directly purchase movie tickets online.¹⁹²
- 4.154. Global event management platforms are also being used by Mauritian organisers for ticket sales, especially for workshops, seminars, and niche cultural events. An example would be Eventbrite¹⁹³, with an international reach and user-friendly tools, for instance an upcoming Africa Bitcoin Conference 2025 in Mauritius.¹⁹⁴
- 4.155. From the current state of play, it can be gathered that the relevant infrastructure and operators are already present and are contributing to the market’s dynamics.

d. Observations and way forward for Mauritius

- 4.156. Online ticketing agencies have grown very considerably in many countries such as the United States or in Europe. In some countries, the ticketing sector has become surprisingly concentrated, with companies like Ticketmaster assuming a leading, and sometimes even dominant position. Internationally, concerns have been raised about market concentration and anti-competitive

¹⁸⁸ <https://caudan.com/caudan-arts-centre/events-category/show/> accessed on 04 Sep 25

¹⁸⁹ To note that Otayo, Cinema.mu, Deals.mu are operated by the same company.

¹⁹⁰ <https://cinesouslesetoiles.cinema.mu/> accessed on 04 Sep 25

¹⁹¹ <https://mcine.mu/>

¹⁹² <https://mcine.mu/movies>; accessed on 04 Sep 25

¹⁹³ <https://www.eventbrite.com/>

¹⁹⁴ <https://www.eventbrite.com/e/africa-bitcoin-conference-2025-tickets-1407633873809?aff=ebdssbdestsearch>; accessed on 04 Sep 25

practices, especially in jurisdictions where players like Ticketmaster dominate both ticketing and venue management.

- 4.157. In Mauritius, the current landscape in Mauritius suggests a relatively non-restrictive environment. Otayo primarily features general entertainment events with an occidental or mainstream appeal, alongside a few selective Bollywood shows. In contrast, Ticketbox also covers general events but appears to focus more prominently on Bollywood and culturally specific shows. This indicates that the two major operators may be targeting different audience segments, possibly reducing direct competition between them for certain event categories.
- 4.158. Based on information gathered from the stakeholders in the market, it appears that the ticketing platforms in Mauritius do not have strong negotiating power. This is largely due to the fact that consumers are typically drawn to specific events or artists, rather than to the ticketing platforms themselves. Consequently, ticketing companies serve more as intermediaries, facilitating access to events rather than shaping demand. Instead, platforms appear to function under an agency model, earning revenue on a commission basis per ticket sold. Also, no indication of exclusive agreements between the major platforms and key Mauritian venues have been noted.
- 4.159. Submissions indicate that the incumbent platform, Otayo, has collaborated with other platforms—such as PartyApp—to maximise ticket sales for certain events. Ticket sales are often managed through seat quotas, allocated to different platforms. The event organiser retains discretion to engage a single ticketing partner or multiple partners in parallel, depending on their distribution strategy. For instance, the comedy show of D’jal was listed on both Ticketclub¹⁹⁵ and Otayo¹⁹⁶, the C Kite Festival was available on Otayo¹⁹⁷ and Ticketbox (as of 2024).
- 4.160. Even though there are only two main domestic players, the market does not seem to be tipping in favour of the incumbent platform. There appears to be competitive constraints present. There would only be concerns if the platforms operated a merchant model or if some platforms had exclusive contracts with some scarce venues. The problem of joint control of venues does not seem to arise in Mauritius as there are no “iconic” spectacle arenas and many shows are organised outdoors at different locations.
- 4.161. It has also been observed that other service/travel booking platforms could potentially diversify into ticketing services. For instance, Deals.mu¹⁹⁸, while best known for hotel stays and day packages, also features an "Events" section where users can find tickets for select concerts and festivals, especially those bundled with hospitality experiences. Online ticketing platforms can also go beyond standard ticketing and offer curated deals or lifestyle packages, as is the case with Ticketbox. Ticketbox has expanded its service offerings to include hotel booking and flight comparisons and bookings¹⁹⁹, potentially positioning itself as a broader travel and entertainment platform, and introducing new competitive dynamics.

¹⁹⁵ <https://ticketclub.mu/all-events/> for the 07th of July 2024

¹⁹⁶ <https://otayo.com/en/events-and-concerts-in-mauritius>

¹⁹⁷ <https://otayo.com/en/events-and-concerts-in-mauritius>

¹⁹⁸ <https://deals.mu/events-in-mauritius/> accessed on 04 Sep 25

¹⁹⁹ [Billetterie électronique : La réservation des billets d’avion sur Ticketbox.mu | Le Mauricien](#)

- 4.162. Stakeholders submitted that the online ticketing market in Mauritius is not well regulated, particularly in terms of refunds/cancellation, safety of personal data, money management or auditing. Elaborating a framework by the concerned authorities, that adequately protects consumers especially is required. This can be in terms of clear guidelines on refund and cancellation policies, data protection, and financial transparency and auditing. A further benchmarking analysis may be warranted with other jurisdictions in this sector to better understand the framework around online ticketing.
- 4.163. Mauritius' online ticketing market is developing, shaped by growing digital use and events. While the sector currently offers diverse options and competition, this also brings challenges around pricing transparency, access and adequate regulatory framework. As the market grows and competition intensifies, proactive regulation and ongoing monitoring might be crucial. Eventual market assessment might need to be carried out, in relation to market concentration, data use, and access, particularly if incumbent operators begin to integrate vertically or impose exclusivity arrangements with event organisers or venues.

D. Ride-Hailing/Taxi-hailing Platforms

- 4.164. Ride-hailing platforms match passengers with drivers, typically via smartphone apps, allowing for features such as booking and payments, dynamic pricing, peer-to-peer interactions and review systems for rating and feedback, among others. The platforms do not provide transportation services but rather act as a matchmaker/intermediary between riders and passengers. The advent of ride-hailing platforms such as Uber²⁰⁰ and Bolt²⁰¹ has significantly altered the landscape of traditional transportation.
- 4.165. In many countries, the taxi market has been disrupted by the arrival of online ride hailing companies such as Uber or Lyft²⁰². Uber drivers own their own cars and sign an independent supplier contract with the company. That company then provides software compatible apps that users can download.

a. Monetisation strategies

- 4.166. Ride-hailing platforms monetise their services primarily through commissions, charging a percentage of each completed ride as their core revenue stream. Ride-hailing platforms typically employ a dynamic pricing through algorithms to determine fares during peak hours or high demand, increasing fares to balance supply and demand, which boosts platform revenue. Prices offered are based on factors like time of day, travel distance, location, among others. Fares may include a base fare as well as other fees such as service and booking charges. As fares are predetermined by algorithms, negotiation is typically not possible for both drivers and consumers.
- 4.167. As far as drivers are concerned, they are independent contractors and are often allowed to sign up with more than one ride hailing company. They receive a commission on completed rides or work on

²⁰⁰ <https://www.uber.com/>

²⁰¹ <https://bolt.eu/en/>

²⁰² <https://www.lyft.com/>

subscription models. The subscription models offer drivers an alternative to per-ride commissions, providing more predictable earnings with a flat weekly or monthly fee for unlimited rides.

- 4.168. Additional revenue comes from in-app advertising and partnerships with fuel, insurance, or car service providers, creating referral income while offering drivers discounts. Platforms may also generate income through premium services for customers, such as priority bookings or ride insurance, and targeting corporate clients with bulk ride bookings.
- 4.169. Ride hailing platforms provide for both app and web-based applications enabling the booking of a taxi in real time with the choice of pick-up location and destination as well as provide for the fare for the trip immediately or for a later date. There are different safeguards that are provided for instance, booking confirmations with the allocated taxi details and tracking of taxi arrival in real-time. There are some platforms which also have a call and back-end service for allocation of taxi.
- 4.170. The taxi hailing apps connects users to the local taxi registered partners. The bookings and payment for same are undertaken by cash, card or digitally. The different fares for the trip are visible on the app and calculated on the app itself based on the trip. Some apps have additional safeguards and do not share any phone number and user details and provide for an in-app call channel. The taxi hailing platforms usually have a list of registered taxi partners who work within a specific radius and region to provide the service upon request.
- 4.171. Taxi hailing platforms often do not have any specific license given that they only act as intermediation platforms and technology providers.
- 4.172. Partly in response to the entry of ride-hailing rivals, traditional taxi companies have introduced their own taxi-hailing apps, allowing users to book directly online after choosing the type of car and being given an estimate of the price and duration of the ride. The users can then follow the whereabouts of the dispatched vehicle on the app.
- 4.173. Before the emergence of ride-hailing platforms, on-demand transportation was mainly provided by taxis. These services are heavily regulated in many countries. The regulation can be national but is often more local. All regulatory models include some form of certification process. At the very minimum, this process checks the suitability of the driver and the vehicle involved. Sometimes, the certification process is explicitly meant to limit the number of suppliers as is the case with the famous US “medallion” system. In this case the number of permits were limited and were owned by private parties. The permits were also traded at very high prices. This medallion system led to a situation where medallions were owned mostly by companies, where drivers were basically simple employees.
- 4.174. Severe restrictions on the number of taxis allowed to operate are often justified on two grounds. Firstly, where it is necessary to guarantee a minimum income to drivers and taxi companies: even though tariffs are usually regulated, more medallions mean fewer rides per medallion. Ensuring a minimum income is meant to encourage investment and attract qualified drivers. The second reason for restricting the number of taxi licenses is congestion: too many taxis looking for rides or parking on the street while waiting for one can easily clog the streets of major cities.
- 4.175. In some less extreme systems, individual taxi owners are licensed and often own their own cars, they do however get affiliated with various taxi companies that provide their own central dispatch service. Whenever the number of licenses is tightly limited, fares are regulated, typically setting a take-up

charge and then a combined time/distance charge that can vary with the area and time of day. This is the case for the traditional taxi system.

b. Competition issues in the online Ride-Hailing/Taxi-hailing segment

- 4.176. The main regulatory concerns that have emerged in other jurisdictions concern the certification process, the legal status of taxi drivers and ride-hailing drivers and the pricing of the rides. In the case of the Competition Commission of India (CCI) against Uber India Systems Pvt. Ltd, the CCI investigated allegations against Uber regarding its pricing strategies and practices that might have been anti-competitive in India.²⁰³ The CCI examined whether Uber had abused its dominant position in the ride-hailing market by imposing unfair conditions on drivers and engaging in predatory pricing to drive competitors out of the market. The case focused on ensuring fair competition and protecting consumer interests within the Indian ride-hailing industry.²⁰⁴

c. State of play - Ride-Hailing/Taxi-hailing in Mauritius

- 4.177. International app-based ride-hailing companies like Uber, Careem or Lyft do not presently operate in Mauritius, potentially due to resistance by existing taxi operators and absence of adequate regulation for such platforms²⁰⁵. However, the taxi-hailing market has still found some momentum with the emergence of local taxi-hailing platforms. As of date of the report, Yugo, DodoGo (DodoTaxi and DodoGo.mu)²⁰⁶, Ala-lila²⁰⁷, MoTaxi are the main operators in the segment. The level of adoption by users of the local apps seems to be gaining grounds.
- 4.178. The local players provide both mobile app and web-based taxi booking services. While, it has been noted that most operate via innovative online booking app. Through their applications, customers can book for their taxis in real time with specific monitoring in place such as booking confirmations of the allocated taxi, the taxi details and real-time tracking. The customers are provided with information on the trip fare, duration of the trip, information on the driver etc. The apps provide the option to book the taxi services for an immediate trip or later. The users can also choose their pick-up location and drop off destination.
- 4.179. Like for other international operators, local operators connect users to a network of local taxi registered partners or at times, even only registered driver partners at time. The partners provide the service upon request, within a specific radius and region and are connected through an intra-network app.²⁰⁸ The taxi drivers are given a few seconds to respond to the trip request and accept. In the absence of a response, the request moves to the next nearest taxi. The platforms offer features such as real time monitoring, information on taxis, options between an immediate or scheduled trip to consumers. Users can also choose their pick-up and drop off location. The estimated fares for the trip

²⁰³ CCI, Case No. 96 of 2015 and 74 of 2015 – Meru Travel Solutions Pvt. Ltd vs Uber India Systems Pvt. Ltd & Others

²⁰⁴ <https://www.cci.gov.in/images/antitrustorder/en/9620151652247696.pdf>

²⁰⁵ Defimedia, 15 Nov 2018: [Transport woes: Awaiting a major upheaval](#)

²⁰⁶ <https://www.yugo.mu/>

²⁰⁷ <https://www.alalila.mu/>

²⁰⁸ An intra-network app typically refers to a digital application that operates within a specific network or ecosystem, allowing communications only among members or users of that same network.

are visible on the app itself. Payments can be facilitated by cash, or digital means such as mobile payments, or cards. Taxi booking platforms work on a commission-based model.

- 4.180. Online taxi hailing platforms currently do not have any specific licensing requirements, given that they only act as intermediation platforms and are technology providers, facilitating the taxi hailing service. As far as taxi drivers are concerned, there are certain additional requirements, such as, inter alia, the taxi drivers need to have a Public Service Vehicle License to operate.²⁰⁹

d. Observations and potential way forward in Mauritius

- 4.181. There appears to be however some ambiguities regarding the proper eventual use of these vehicles for taxi hailing service and the enabling environment around the digitalisation of the taxi services. The current situation in the offline taxi market raises several competition and regulatory concerns, which eventually undermine the growth of the online taxi hailing services.
- 4.182. Firstly, a considerable proportion of the registered taxis are allegedly inactive²¹⁰, where licences are obtained to benefit from government incentives, such as duty-free exemptions and preferential car loan rates, rather than operate as taxi drivers. A requirement for taxis is that it must be hailed from a base of operation²¹¹. Taxi licences are limited and thereafter granted based on the demand and requirements of the base of operations. Thus, when licenced taxis are not operational, the transport efficiency will negatively be affected. In fact, obtaining the services of a taxi can be remarkably challenging in certain locations, especially during odd hours. In other regions, faced with insufficient taxis as well as an unreliable bus network, the inhabitants frequently rely on “taxi marrons” (illegal taxis)²¹², raising safety concerns. Moreover, booking a taxi, particularly after hours, can be complex due to a lack of unified contact points and reliance on local or familiar networks.
- 4.183. Secondly, taxi prices in Mauritius are not regulated nor publicly transparent. Fares are usually negotiated on a trip-to-trip basis. It can differ among taxi drivers and as per the profile of the client. Although the Road Traffic Act allows the scope for the responsible authority to attach conditions such as securing that prescribed fares are charged and are made available to be inspected, the cost of each ride must be agreed through bargaining before the ride begins. The cost of taxi rides is reportedly high compared to international standards²¹³. This can be off-putting to the large number of tourists visiting the island²¹⁴, in addition to locals who have complained that the fares may even be exaggerated²¹⁵.
- 4.184. An initial lack of enthusiasm for the adoption of online taxi booking platforms is now being overtaken by some level of adoption²¹⁶. The main reluctance came from taxi drivers who did not wish to sign up with the app providers. In fact, the taxi operators reportedly expressed objections²¹⁷. Potential

²⁰⁹ [Road Traffic Act](#), S.80(3)

²¹⁰ Submission by operator during information gathering in the sector.

²¹¹ as per the concerned regulations, Road Traffic Act.

²¹² Defimedia, 15 Nov 2018: [Transport woes: Awaiting a major upheaval](#)

²¹³ As per stakeholder submissions

²¹⁴ Because of this, most hotels have their own fleets of contracted taxis

²¹⁵ Defimedia, 15 Nov 2018: [Transport woes: Awaiting a major upheaval](#)

²¹⁶ As per stakeholder submissions

²¹⁷ As per stakeholder submissions

reasons for this resistance include lack of information, platforms' commission and the apps' potential to put downward pressure on fares.

- 4.185. To remedy the situation, the licensing process and monitoring should be tightened by keeping better track of the licences that are actually in use; cancelling inactive licences; and stepping up enforcement against rogue drivers. Renewal of licenses as well as incentives provided by the government should be performance based. This will discourage inactive drivers and promote market efficiency. Also, there is a need to incentivise taxi drivers regarding the benefits of partnering with taxi hailing apps. This incentive-driven initiatives can be seen on the part of Dodogo which is providing flexible schedule and guaranteed income to taxi partners. Customers, with most bookings, are also being incentivised through different vouchers. The app currently has more than 100,000 downloads and more than 200 daily user registrations²¹⁸.
- 4.186. Certain regulations might also be reconsidered, for instance, the base of operation framework. The taxi starts from point A and goes to point B, returns empty to the base of operation and charges, in most cases, for the empty return fares to customers. This is not enabling the efficient exploitation of the taxis, resulting in higher consumer payments and decreased flexibility of taxis. This requirement can be relaxed, allowing taxis to operate more freely across regions. The taxi booking platforms can be instrumental by providing a tool for more dynamic system of acquiring customers from its nearest location.
- 4.187. In addition, the introduction of a formal fare structure could further lessen the fare charged to consumers. Not only can the process of bargaining be discouraging but as elaborated above, it seems to lead to rather elevated fares. Improving fare transparency can reduce this excessive pricing. The design of tariffs could additionally involve a fair base fare so as to safeguard the interests of drivers.
- 4.188. A clear regulatory framework needs to be put in place for these platforms. A comprehensive guideline on the role and protection of each stakeholder would reduce uncertainty around these platforms and promote innovation. This could be done following in-depth research into the general taxi services market as well as online taxi/ride booking platforms, and benchmark with the best international practices in terms of fares design, regulation, and quality of platform services, amongst other. This will provide valuable insights into the market trends, needs of the population and operational efficiencies which will inform the development of an effective policy.
- 4.189. The development of online taxi booking platforms could bring competition among operators with possibility of reduction in fares. It also increases convenience, thus encouraging the greater use of taxi services by the public. This could complement other government objectives, such as lessening the number of cars on the road and easing traffic congestion. While designing the regulations, these could be taken into consideration. Features like taxi pooling particularly during peak-period could evolve the transportation landscape in Mauritius into a more efficient one.
- 4.190. Advocacy and incentivisation campaigns by the concerned policy makers will further enhance the adoption of those apps by both customers and taxi drivers. For instance, governments can provide

²¹⁸ <https://www.dodogo.mu/about-us/>

incentives on smartphones and educational workshops for taxi drivers to ensure digital adoption and literacy.

- 4.191. Proactive measures to increase effective competition is also essential to avoid market concentration and abusive practices. One such measure is the promotion of multi-homing interface between platforms, where taxi drivers can work simultaneously with various platforms. This reduces the risk of the taxis being dependent on one platform and lower barriers to entry.

E. Food Delivery platforms

- 4.192. Food delivery platforms are online services (usually apps or websites) that connect customers with restaurants or food providers, allowing them to order food and have it delivered to their location. They serve as intermediaries, providing a convenient and efficient way for consumers to browse menus, place orders, and receive food at their doorstep. These platforms leverage technology to streamline the entire process from order placement to delivery of meals.
- 4.193. These platforms have become increasingly popular for their convenience, efficiency, and ability to bring a wide variety of food options directly to consumers' doors. There are two main food delivery platform models: the marketplace and the order and delivery.
- 4.194. In the marketplace model, the platform operates as a digital marketplace connecting multiple restaurants with consumers. The platform does not handle food preparation or delivery but facilitates orders and payments. Restaurants prepare the food and either deliver it themselves or use third-party delivery services.²¹⁹
- 4.195. For the order and delivery model, the platform manages both the order-taking process and the logistics of delivery, often employing or contracting delivery personnel. This allows greater control over delivery quality and operational timelines. This model is common in large platforms such as Zomato and Swiggy.²²⁰
- 4.196. The process of food delivery begins with the customer ordering through a platform's app or website. The customer can browse a curated list of nearby restaurants, view menus, compare prices, and read reviews. Once they choose their desired items, the customer places an order and pays through the app using digital payment options such as debit/credit cards, mobile wallets, or even cash on delivery in some cases.
- 4.197. After the order is placed, the restaurant receives a notification through a dedicated interface provided by the platform. The restaurant confirms the order and begins preparing the meal. The estimated preparation time is updated in real-time, allowing both the customer and the delivery driver to track progress.
- 4.198. When the food is nearly ready, the platform automatically assigns a delivery driver, often called a delivery partner. The app provides them with the restaurant location and customer address using GPS. Once the food is prepared, the driver picks it up from the restaurant. The delivery partner

²¹⁹ <https://www.cci.gov.in/images/marketstudie/en/market-study-on-e-commerce-in-india-key-findings-and-observations1653547672.pdf>

²²⁰ <https://www.cci.gov.in/images/antitrustorder/en/1620211652180990.pdf>

transports the order to the customer's specified location. The entire process is tracked via GPS, and customers can follow the driver's progress in real-time. Upon delivery, the customer may confirm receipt within the app, completing the transaction. For customer service, there are supports through in-app chats.

- 4.199. After the order is delivered, customers are usually prompted to rate their experience. This includes the food quality, delivery speed, and overall satisfaction. These ratings help improve service quality and accountability across the platform.
- 4.200. The key system components of the food delivery platforms therefore include the customer app for browsing, ordering and tracking; the restaurant dashboard, the driver app for navigation, order status and delivery tasks and the backend platform which manages the orders, logistics, payment and communication.

a. Monetisation strategies

- 4.201. Food delivery platforms generate income from different monetisation strategies. This can be through commissions from restaurants, delivery fees charged to customers, service charges, subscription models or in-app advertising.
- 4.202. One of the primary sources of income for food delivery platforms is the commission fee charged to restaurants for each order placed through the platform. This fee depends on the restaurant's agreement, order volume, and exclusivity. In exchange, restaurants benefit from increased visibility, access to a larger customer base, and integrated delivery services.
- 4.203. Customers are usually required to pay a delivery fee when placing an order. This fee may vary based on factors such as distance, time of day, location demand, or promotional offers. A portion of this fee is paid to the delivery driver, while the platform may retain a percentage to cover operational costs. In addition to the delivery fee, platforms often add a service charge to each order. This fee helps cover technology infrastructure, customer support, and ongoing maintenance of the app or website.
- 4.204. Some platforms offer subscription services, such as UberEats²²¹, that provide benefits like free delivery, reduced service fees, and exclusive offers in exchange for a monthly or annual fee. This model generates recurring revenue and promotes customer loyalty.
- 4.205. To gain more visibility, restaurants can also pay for sponsored placement on the app's home screen or top search results. Platforms may also sell in-app advertising space, allowing restaurants to run promotions or highlight special menu items. This generates additional income for platforms while offering promotional opportunities for restaurants.

b. Competition concerns

- 4.206. The main competition concerns identified for online food delivery include issues around dominance, price parity clauses, limited multi-homing of restaurant partners, lack of transparency regarding fees, and data concerns.

²²¹ U.S FTC – Action against Uber One Subscription practices <https://www.ftc.gov/news-events/news/press-releases/2025/04/ftc-takes-action-against-uber-deceptive-billing-cancellation-practices>

- 4.207. The online food delivery market tends to be dominated by a few large platforms like Uber Eats, Jumia Foods, Bolt Food, and Glovo. This dominance can limit competition and create barriers for smaller or local platforms to enter or expand in the market. The Egyptian Competition Authority ('ECA') took a landmark decision against an online food delivery platform for abusing its dominant market position²²². The platform used exclusivity clauses preventing restaurants from partnering with other platforms, tying clauses requiring additional paid services, and price parity clauses mandating price alignment between the platform and restaurants' own outlets. The ECA ordered cessation of these practices to enhance competition and protect.
- 4.208. Concerns have also been noted about high and sometimes discriminatory commission fees that food delivery platforms charge restaurants. Contracts often include price parity clauses that restrict restaurants from offering lower prices on other platforms or direct channels, impeding competition. Some contracts or relationships between platforms and large restaurant chains also incentivise limiting the restaurants' presence to a single platform, reducing consumer choice and competitive pressure. The Finnish Competition and Consumer Authority (FCCA) Investigation looked into Wolt²²³, Finland's leading food delivery platform, for exclusivity agreements with restaurants and price parity clauses that could lead to market concentration. Wolt held a dominant market share about 70-80% with only one major competitor (Foodora). FCCA's intervention led Wolt to modify terms thought to restrict competition and market entry, thereby protecting restaurants and consumers from anti-competitive practices.
- 4.209. Issues around lack of transparency to consumers about menu surcharges relative to dine-in or takeaway prices and the share of payments going to delivery platforms as compared to restaurants.
- 4.210. The role of data in customer acquisition, retention, and platform operation raises competition concerns, alongside consumer protection issues such as service quality, undelivered or poorly delivered orders, and data privacy.

c. State of play in Mauritius

- 4.211. Food delivery platforms have been present in Mauritius for several years, but they are still in the process of becoming established within consumer habits. The market is growing but remains relatively small compared to larger countries, with consumer acceptance and habits evolving gradually.
- 4.212. Platforms provide meals from a variety of restaurants, frequently organised by geographical regions within Mauritius to optimise delivery efficiency. Unlike some larger markets dominated by franchise chains, Mauritius's food delivery sector also involves standalone, local restaurants, which influences market dynamics and partnerships.
- 4.213. In Mauritius, the food delivery market consists primarily of two types of operations: intermediation platform-to-consumer delivery and direct restaurant-to-consumer delivery. This dual structure shapes the consumer experience and competitive dynamics in the sector.

²²² ECA Decision on 'Abuse of a market dominant position by an Online Food Delivery Platform,' 26 May 2022

²²³ FCCA/ Wolt Case decision reference (Dno KKV/900/114.00.00/2022) <https://www.kkv.fi/maatokset/kilpailuasiat/muut-maatokset/wolt-enterprises-oy-n-sopimusedot-ravintolaruoan-tilaus-ja-kuljetuspalvelutoiminnassa/>

- 4.214. The intermediation platform to consumer platforms operates a network of registered restaurants. When a customer places an order, the platform acts as an intermediary, coordinating between the restaurant and the consumer. The platform handles order processing, payment, and delivery logistics. The payment methods for food delivery platforms include credit/debit cards, wallets (MCB Juice), Blink²²⁴, MyT money, supported by payment gateways such as Peach payments.
- 4.215. This model allows standalone restaurants and franchise chains to access delivery services without developing their own infrastructure. Some of the local operators in the food delivery platforms include Hungrydodo²²⁵, Deliverydodo, Simply Good Food²²⁶, Ordermanzer.mu²²⁷, Delivoo²²⁸. Some apps cater to local markets such as Grubmates which delivers only in the western region of the island such as Tamarin, Flic en Flac²²⁹. Often, the delivery platforms in Mauritius also have a certain geographical limit of around 5 km from the concerned restaurants (for free delivery or even delivery considerations). Recently, a new operator, SoSo delivery²³⁰, has also entered the market, leveraging app infrastructure to cater to the market and employing contract riders/delivery agents.
- 4.216. In addition to the above, direct restaurant-to-consumer delivery is also prevalent. Restaurants, like KFC Mauritius, McDonald's, Domino's Pizza, operate their own delivery platforms. These restaurants manage order taking and delivery logistics independently, bypassing third-party platforms.

d. Observations and potential way forward for Mauritius

- 4.217. The food delivery market in Mauritius is growing, mirroring a global trend where consumers increasingly seek convenient and time-saving food options. However, the level of consumer adoption is low compared to countries such as South Africa in the region. Issues around delivery time, reliability of the service, and delivery fees may be impacting the level of adoption.
- 4.218. As such, Mauritius's food delivery platforms do not exhibit common competition concern such as collective cartel-like behaviour, as observed by the Competition Commission of South Africa. However, given the market's small size and potential for the emergence of a dominant platform, the market needs to be monitored.

F. Fintech

- 4.219. FinTech, short for financial technology, is used to describe new technology that seeks to improve and automate the delivery and use of financial services. At its core, fintech is utilised to help companies, business owners and consumers better manage their financial operations and processes through the use of specialised software and algorithms that are used on computers, online platforms and, increasingly, smartphones.²³¹

²²⁴ often requiring authentication through the Blink app.

²²⁵ <https://www.hungrydodo.com/>

²²⁶ <https://www.simplygoodfood.mu/>

²²⁷ <https://www.ordermanzer.mu/>

²²⁸ <https://web.delivoo.mu/>

²²⁹ <https://grubmates.io/>

²³⁰ <https://defimedia.info/soso-delivery-une-nouvelle-plateforme-de-livraison-mauricienne-entre-en-scene>

²³¹ COMESA: [The Role of Financial Technology \(FINTECH\) in Changing Financial Industry and Increasing Efficiency in the Economy](#)

4.220. While the scope for fintech is very broad, the key focus of this section will be around online banking and digital payment (mobile payment, point of sale payments, digital wallets) which are the key markets in Mauritius.

i. Online banking

4.221. Online banking refers to the provision and use of banking services via digital platforms such as websites and mobile apps. Online banking has emerged as a critical component of the financial industry's digital transformation, driven by consumer demand for convenient, fast, and secure access to financial services without the need of attending to physical bank branches.

4.222. Online banking functions through a complex system architecture with interconnected components that ensure secure, and real-time banking services. These include front-end interface which is the user-facing interface. This will include mobile apps, web portals providing customers with access to banking services and account information. Online banking comprises both internet banking through desktop and mobile banking through app.

4.223. There are several other systems which acts as the communication bridge between the front-end and backend systems, managing data exchange, transaction processing, and integration with external services via APIs. These systems include modules for storing of consumer data, transaction history, banking records (accounts and cards), modules which manages day-to-day operations like withdrawals, fund transfers, and payments in real time as well as security infrastructure for encryption, multi-factor authentication (biometrics), access controls, fraud detection, and continuous monitoring to safeguard sensitive banking data and transactions.

ii. Digital Payment

4.224. A key area of fintech is digital payments, which are now an integral part of modern trade. They allow consumers to pay for purchases quickly and securely, both instore and online (in-apps and websites).

- **Payment cards**

4.225. Payment cards function as a core component in the digital payments ecosystem. They facilitate electronic transactions by enabling cardholders to pay for goods and services or withdraw cash through an extensive network of merchants and ATMs.

4.226. Credit/debit cards are obtained from an issuer. Issuers are most often a commercial bank, but it can also be a free-standing card company like American Express²³². For most debit cards (e.g. where the corresponding withdrawal is instantaneous, the consumer needs to have an account with the issuing bank. The credit and debit card also need to be part of a card network such as Visa or Mastercard, which are themselves for-profit organisations.

4.227. These card networks set up a number of rules. Typical rules include "accept all cards," which prevents merchants from only accepting cards from specific issuers, and the "no surcharge" rule, which prevents merchants from adding a charge for card payment relative to the cash price. Credit and debit

²³² Formally, American Express is a Bank holding company, holding a controlling interest in a number of banks which perform banking tasks for Amex. Amex holders do not have to hold an account with any of these banks.

cards can also typically be used in ATMs in order to make cash withdrawals. ATMs tend to accept cards from all major card networks.

4.228. In order to take card payments, the merchant must be approved by the card network and acquire a terminal to process the payment either by touch or by inserting the card and entering a secret code. Again, merchant terminals tend to be compatible with cards from all major networks.

4.229. Monetisation around payment cards operate around fees, interest, interchange revenue.

- **Payment Gateways and mobile payments solutions**

4.230. In the digital payment landscape, these two components play an important part; Payment Gateways - the technology that facilitates online payments and Mobile Payment Solutions - platforms that enable instore payments using smartphones.

- (i) **Payment gateways**

4.231. For online payments through apps and websites, cards, digital wallets or bank transfer are used to make payments. A payment gateway, integrated in the apps/websites is essential to process the payments.

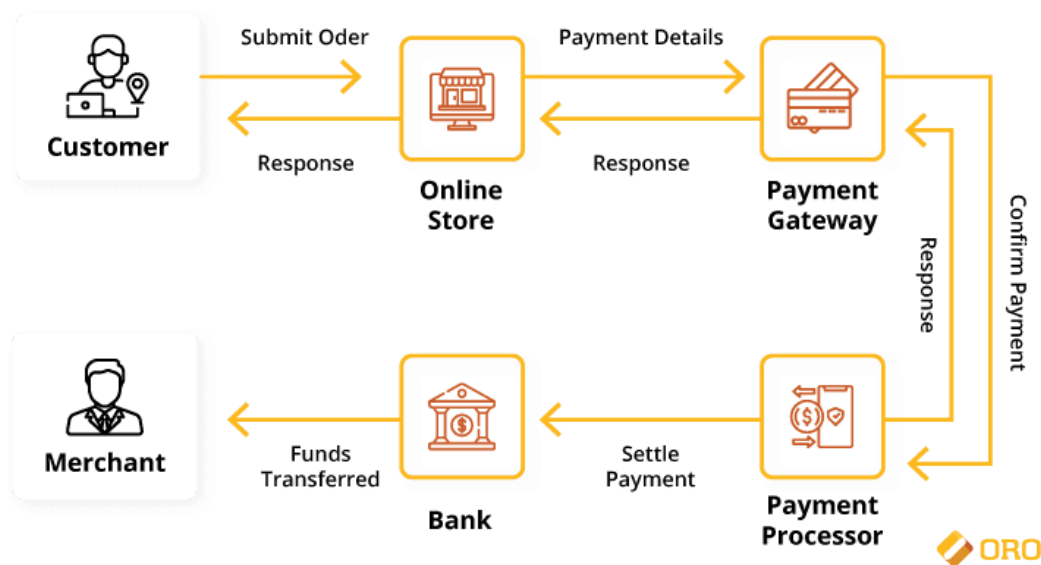
4.232. Payment gateways are online platforms that enable merchants to accept digital payments securely. They act as an intermediary between the merchant's website or application and the customer's financial institution, facilitating the transfer of funds and ensuring the security of the transaction.

4.233. The operation of payment gateways generally follows the below steps:

- Customer initiates a payment:** When a customer makes a purchase on a website or app, they select their desired payment method, such as a credit card, debit card, or a digital wallet like PayPal.
- Encryption and data transmission:** The customer's payment details, including card information and transaction amount, are securely encrypted to protect sensitive information. The encrypted data is then transmitted to the payment gateway.
- Payment gateway verifies the transaction:** The payment gateway receives the encrypted payment data and acts as a bridge between the merchant and the customer's financial institution. It validates and verifies the transaction information, including checking for sufficient funds and fraud detection.
- Authorisation request:** The payment gateway sends an authorisation request to the customer's bank, seeking approval for the transaction.
- Response from the bank:** The bank reviews the authorisation request and, if approved, sends a response back to the payment gateway, confirming the transaction's approval. If the bank denies the transaction, the payment gateway sends a declined message back to the merchant.
- Confirmation to the customer and merchant:** The payment gateway relays the approval or decline message to both the customer and the merchant. If approved, the customer's card is charged, and the funds are transferred from the customer's bank account to the merchant's account.

- g. **Settlement:** The payment gateway securely transfers the funds from the customer's bank account to the merchant's designated bank account. This settlement process typically occurs within a specified timeframe, depending on the payment gateway and the merchant's agreement.
- h. **Payment completion:** Once the settlement is complete, the payment gateway notifies the customer and the merchant, confirming the successful transaction.

4.234. The payment gateway ensures that the transaction is safe by implementing security measures such as encryption, tokenisation, and fraud detection systems. It also provides merchants with tools to manage refunds, chargebacks, and other aspects of payment processing.



4.235. Payment gateways typically charge a mix of setup fees, monthly fee, and a small fee for each transaction. Some may also charge a commission for each purchase.

(ii) Mobile payments

4.236. While payment gateways cater to mostly to website and apps payment infrastructure, instore digital payments generally involve payment by cards and mobile devices.

4.237. Mobile payment services facilitate financial transactions through the use of a mobile device such as a smartphone or tablet. The enabling infrastructure of the mobile payment services consists of the following:

- Operating Systems (OS) is a software allowing the smooth running and managing of mobile devices and payment apps together.
- Application Programming Interfaces (APIs) are sets of rules and protocols which facilitate communication between apps, device hardware and payment systems.
- Secure Storage infrastructures provide protection of sensitive payment data through encryption.

- Network Connectivity are required to process payments such as internet access or SMS connections.
 - Technologies enabling contactless payments including Near Field Communication (NFC), for tap-to-pay and QR Codes for scan-to-pay transactions
- 4.238. Mobile payments can be used instore or remotely. Instore payments require the users to be close to the merchant's terminal and typically involve the use of contactless technologies. Remote payments refer to transactions completed through mobile apps, SMS (usually in countries with limited internet penetration and through a basic phone), or online platforms, usually for online shopping, paying bill or sending money between individuals.
- 4.239. Mobile payment services can be accessed in three main ways:
- Mobile wallets - These are digital platforms allowing the storage of multiple payment methods including cards and bank accounts. They provide both instore and remote payments. Examples are Apple Pay and Google Pay.
 - Standalone payment apps - These platforms are mainly focused on money transfers or niche payment tasks such as bill splitting or sending remittances. Examples include Venmo and CashApp.
 - Embedded payments apps -These are integrated directly into e-commerce checkout processes to make payment and complete purchases. Examples include Amazon Pay and Meta Pay.
- 4.240. Regarding payment models, mobile payments operate as either pass-through where payments are processed without the funds being held by the platform, or staged payments in which the digital wallets are preloaded for eventual transactions.
- 4.241. The mobile payment system comprises both traditional and new players. The traditional operators are banks and card networks, proving mobile payment services through via proprietary apps or wallets. They control the retail-level payment rails, that is, the routing, authorising, and clearing of transactions. Mobile payment providers monetise primarily through transaction fees charged to merchants, commissions on payments, and fees on peer-to-peer transfers.
- 4.242. Banks can act as both issuer (the payer's bank) and acquirer (the merchant's bank). They earn interchange fees for facilitating transactions. Card networks like Visa and Mastercard provide the connection between banks and set payment rules. They charge network fees.
- 4.243. The final transfer of money between banks is usually handled by central banks with systems such as Real-Time Gross Settlement (RTGS) or Automated Clearing House (ACH). This model, with banks being the issuer and acquirer and the card network acting as an intermediary remains the most common architecture for most mobile payment services globally. These traditional players maintain a strong position due to established infrastructural and regulatory systems.
- 4.244. Newer operators emerged from the FinTechs, BigTech, and Mobile Network Operators (MNOs) sectors. While they typically offer more innovative ways of payments, they still rely on the existing banking and/or card infrastructure to function.
- 4.245. FinTechs typically operate as more agile and leaner businesses bearing lower fixed costs, enabled by state-of-the-art technologies, responding swiftly to changing consumer's preferences. Mobile

platforms by FinTechs companies mostly use pass-through models, which rely on traditional rail to process payment. Staged models where users load funds via cash-in retail agents are also employed, albeit with limited independence. FinTech's main struggle comes from acquiring a strong consumer base.

- 4.246. BigTech companies has enables payment features into their platforms and devices. While some have attempted to build independent systems, e.g. Meta's Diem, most rely on banks and card networks. Their competitive edge against traditional players is their large user base, vast access to data and entrenched presence in adjacent digital markets. Moreover, due to the nature of several of their activities, it has been advantageous for BigTech to realise its own payment system.
- 4.247. In general, MNOs provides infrastructure which do not depend on the traditional payment rail, particularly in countries with limited banking access. This mostly driven by their control over telecom networks, large customer bases, and agent networks. Consumers can deposit or withdraw funds directly through authorised agents. Thus, as it negates the need for a bank account, it has helped expand financial services in underserved areas. One popular example is M-Pesa in Kenya.

a. Potential competition concerns in digital payments

- 4.248. Competition authorities around the world have addressed three main concerns about card and/or mobile payments. The concerns relate to the interchange fee, the "no surcharge rule," and potential exclusionary conduct through foreclosure and raising rivals' costs. So far, the card interchange fee has raised the most competition concerns.
- 4.249. The nature of the interchange fee is peculiar, as a higher fee is not necessarily bad for consumers. This is because a higher interchange fee makes it more attractive for issuer to attract cardholders, leading them to decrease membership fees and/or improve their reward programs, to the benefit of consumers. On the other hand, a higher interchange fee makes card payments less attractive to merchants. This is especially so if the cards carry a "no surcharge" clause. With such a clause, merchants are unable to pass on the extra cost of servicing cards onto card users and can only increase prices moderately for all consumers, including those paying cash.
- 4.250. The level of the interchange fee may not necessarily be a competition issue when it is not a consequence of market power. Indeed, if each emitter chose its own interchange fee independently instead of having it set for all members by the card network, the level of those charges would be considerably higher.²³³ The level of the interchange fee ('IC fee') is therefore a regulatory issue, where the regulator tries to strike a balance between benefits to consumers (a higher IC fee lowers their own fees) and the cost to merchants. These two sides are not quite as distinct as one might think, for two reasons. Firstly, a higher IC fee might decrease the number of merchants accepting cards, which hurts cardholders. Secondly, as explained above, a higher IC fee would also lead to higher prices for both cardholders and cash users, which seems rather unfair on cash users.
- 4.251. A second source of concern is the "No Surcharge Rule" (NSR) described above. The NSR means that that a merchant charges at most the same amount for a payment card transaction as for cash. The

²³³ When setting the fee, the card network balances extra revenues against making the whole network less attractive. By contrast, an individual emitter increasing the fee also gets the benefit of higher revenues but, because of the "accept all cards" clause does not experience any significant loss in business.

economic theory surrounding NSR is as follows: if the merchants are local monopolists, the NSR prevents them from surcharging excessively, therefore increasing social surplus. In a Bertrand model, the full benefits and costs associated with the payment instruments are passed on to consumers. Competitive merchants under the NSR accept only card or cash payments, and prices in the goods market are set at the competitive price. Under surcharging, competitive merchants accept both types of payment and price discriminate²³⁴. Jurisdictions across the world have taken different attitudes toward this contractual clause.

- 4.252. For mobile payments, the integration of payments into broader digital ecosystems can reinforce market power by locking users into a single provider's ecosystem, raising switching costs, and deterring rival entry. This could give rise to exclusionary conduct such as foreclosure or raising rivals' costs. In mobile payments, foreclosure can occur where a firm controls essential technical infrastructure such as Near Field Communication ('NFC') functionalities²³⁵, secure device elements, QR code standards, or access to an operating system, and restricts its availability to competing payment service providers. For instance, a dominant mobile operating system or device manufacturer may refuse rival payment providers access tap-to-pay functionality via NFC while allowing its integrated payment service access to QR code standards or secure authentication mechanisms could be restricted to prevent entry of rivals or degrade user experience²³⁶. The lack of access to key technological infrastructure and lack of interoperability may also pose barriers to entry and expansion²³⁷.
- 4.253. In 2020, the EU Commission opened an investigation into Apple's practices regarding Apple Pay. The investigation found that Apple abused its dominant position by refusing to supply NFC access and related API interoperability functionality on Apple's operating system to competing mobile wallet developers while limiting the NFC access to Apple Pay²³⁸.

b. State of play - Fintech in Mauritius

- 4.254. In recent years, the adoption and use of digital payments in Mauritius by both businesses and consumers has considerably grown. This adoption has been supported by various enabling factors such as:
- greater access to internet connectivity;
 - changing consumer behaviour, with an increasing willingness to engage digitally with financial institutions;
 - a regulatory framework enabling the development of new technology supporting financial services (such as the Scan to Pay QR codes);
 - government initiatives, such as:

²³⁴ Henriques, D (2018). Cards on the table: Efficiency and welfare effects of the No-Surcharge Rule. London School of Economics and Political Science. Accessible at: [Henriques_Cards-on-the-table.pdf](#)

²³⁵ <https://mcb.mu/knowledge-hub/detail/how-nfc-keeps-your-payments-safe>

²³⁶ Competition in mobile payment services. OECD Roundtables on competition policy papers. No 324. OECD. Accessible at: [Competition in mobile payment services \(EN\)](#)

²³⁷ Competition in mobile payment services. OECD Roundtables on competition policy papers. No 324. OECD. Accessible at: [Competition in mobile payment services \(EN\)](#)

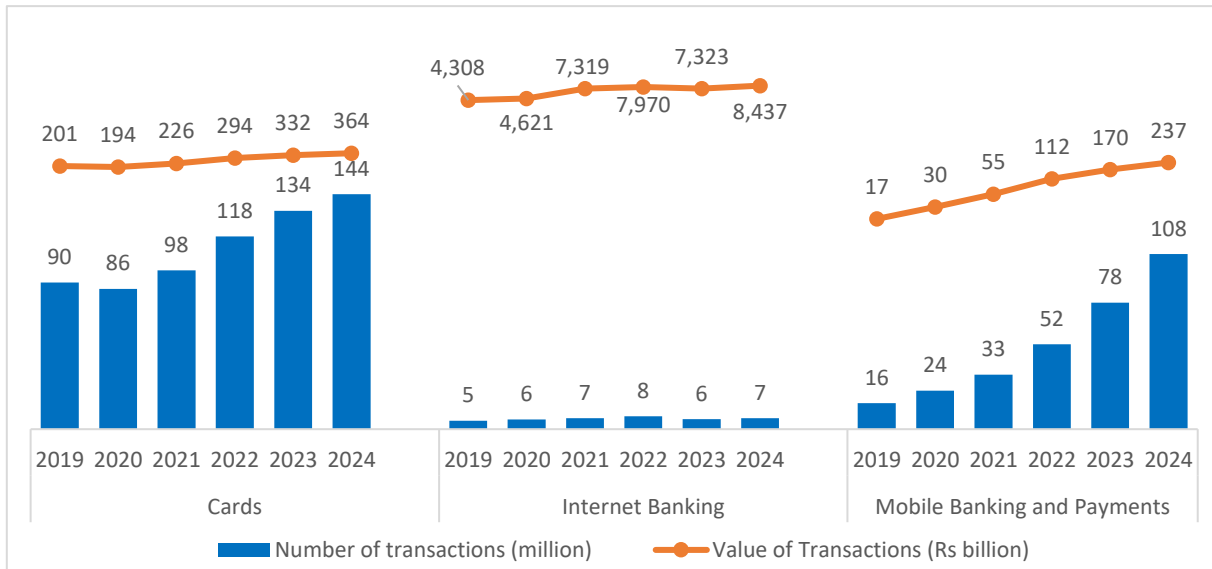
²³⁸ Competition in mobile payment services. OECD Roundtables on competition policy papers. No 324. OECD. Accessible at: [Competition in mobile payment services \(EN\)](#)

- a. the Mauritius African Fintech Hub²³⁹ for the building of a pan-African fintech ecosystem
- b. the Unified Payment Interface ('UPI') for enabling payment infrastructures²⁴⁰ between Mauritius and India
- c. the open-banking concept
- d. the involvement of various stakeholders in reshaping the way financial services are accessed and delivered.

4.255. Card payments in Mauritius involve the use of credit cards, debit cards, and merchant points of sale. Internet banking covers transactions made directly through bank websites to individual accounts and mobile banking and payments will refer to transactions conducted via smartphone apps.

4.256. These developments are reflected in the evolving digital transaction landscape in the country. The figure below shows both the number of transactions and their total value, for each of the three types of digital payment methods: cards, internet banking and mobile banking and payments.

Figure 9: Number and value of transactions



Source: Monthly Statistical Bulletin, Bank of Mauritius

4.257. Card payments continue to lead the local digital payment landscape. Internet banking accounts for few but large monetary transactions and is mostly used for consequent account transfers instead of everyday purchases.

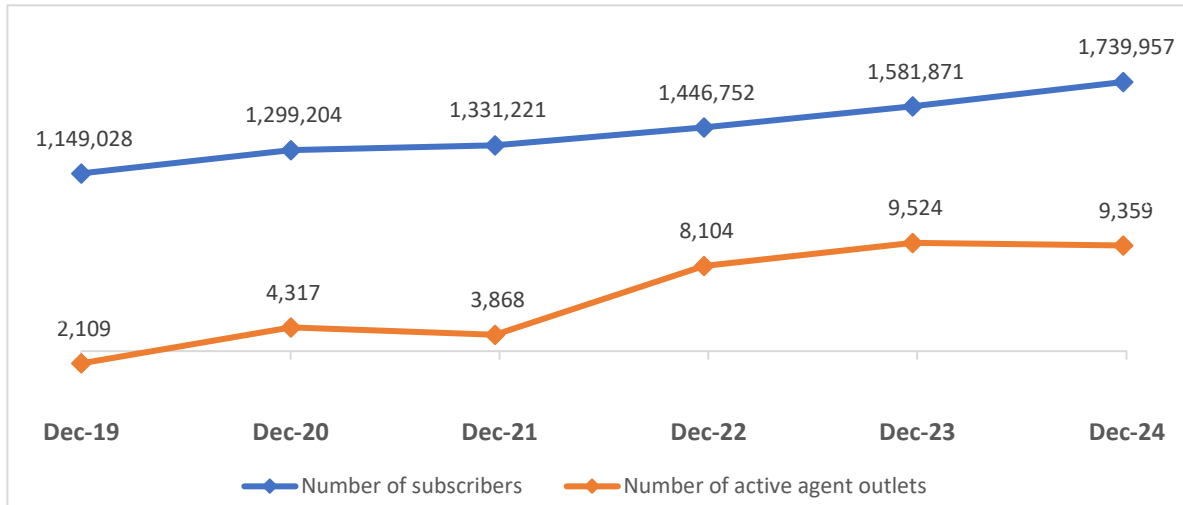
4.258. Mobile banking and payments have grown fast, accounting for just 15% of “on the go” digital payments in 2019 at Rs 17 billion (with 16 million transactions) but rising to 42% in 2024 with Rs 237 billion (through 108 million number of transactions).

²³⁹ [Mauritius Africa FinTech Hub \(MAFH\)](#)

²⁴⁰ [Bank of Mauritius - Media Release: Mauritius and India launch RuPay and Unified Payments Interface Linkage](#)

4.259. In the same period, the number of outlets accepting mobile payments has increased more than fourfold as illustrated in figure below.

Figure 10: Number of Subscribers and Active agent Outlets for Mobile Banking and Payments



Source: Monthly Statistical Bulletin, Bank of Mauritius

I. Payment cards in Mauritius

4.260. Payment cards—primarily debit and credit cards—are widely used in Mauritius for ATM withdrawals, point-of-sale, and online transactions. These cards are issued by local banks and typically operate on global networks such as Visa and Mastercard.

4.261. Their operations are supported by the Mauritius Central Automated Switch (MauCAS), the national payment switch introduced by the Bank of Mauritius. MauCAS facilitates real-time, 24/7 routing of transactions between banks and payment service providers, ensuring interoperability across different financial institutions. This centralised infrastructure enhances transaction speed, reduces costs, and promotes a more integrated and efficient digital payment ecosystem.

II. Payment Gateways in Mauritius

4.262. Payment gateway operators include Appletree (Mauritius) Ltd, Peach Payments Limited, and MIPS IT Digital Ltd ('MIPS'). Banks such as MCB, SBM and Absa also provide payment gateway services. The role of these operators is to facilitate online payments for merchants, integrating payment infrastructure (for e.g. Juice or Blink) and connecting them with local banks especially for websites transactions. Their service also includes payment links, scan to pay possibilities and integration with other partners including mobile payment solutions to facilitate payment process.

4.263. The payment gateway providers operate on a commission-based manner. In some cases, one time set-up fees are charged.

III. Mobile Payments in Mauritius

- 4.264. The emergence of mobile payments services in Mauritius has enabled rapid transactions to merchants and individuals alike. The model employed in Mauritius is mainly the pass-through, where funds are transferred directly from account to account. Payments are primarily done by entering the phone number of the receivers or by scanning a QR code but also provide the option of inputting their bank account number. Some merchants are directly registered on the platforms, allowing users to search and transact more easily.
- 4.265. The market is heavily influenced by the MauCAS, the interoperable payment switch developed by the Bank of Mauritius as stated above. All banks operating in Mauritius are de facto participants in the MauCAS. The MauCas switch consists of a Card Payment System (CPS) which enables domestic transfers through locally issued cards, and of an Instant Payment System (IPS) which acts as an instant payment solution for retailers.
- 4.266. The IPS promotes interoperability between banks as well as non-bank payment service providers by acting as a central point where all payment requests from diverse sources are then routed to their respective recipients, thereby facilitating immediate transfers between the various stakeholders including customers. The IPS facilitates 24/7 real-time transfers between accounts held within the same bank as well as different banks.
- 4.267. It uses open standards and APIs, enabling both banks and non-banks players to interoperate and offer value-added services such as sharing of ATMs. The MauCAS QR code was also launched as the national QR, to further simplify payments and promote interoperability. With the interoperable MauCAS QR code, transactions are switched via the IPS and completed in real time.
- 4.268. Before the launch of MauCAS, the payment landscape was fragmented and functioned in silos, that is, each player operated independently without sharing data or infrastructure. Digital payments adoption was slow. The interoperability enabled by MauCAS and its QR code has been strategic in driving both the development and adoption of mobile payments in Mauritius. Mauritius' payment landscape was bank-dominated and cash-based, with limited mobile payment adoption and no interoperability between payment systems. MauCAS introduced a national QR code standard, promoting interoperability and facilitating seamless transactions across different payment platforms. The concept of open banking was also promoted, encouraging collaboration and innovation among financial institutions and payment service providers.
- 4.269. The main players in the mobile banking and payment market in Mauritius include commercial banks and payment service providers (from fintech and telecom companies). The banks and mobile network operators ('MNOs') are authorised to provide services, which enable the process of money transfer and exchange of money for goods and services between two parties using a mobile communication device.
- 4.270. MNO players consist of MyT money and Blink by Emtel. While all the different operators are connected to the MauCAS system, the operators have developed their own apps, for customers to manage your account, make payment or both. Most of the banks have a mobile banking app which enables verification of balances, self-transfers, or purchase of airtime.

- 4.271. More recently, a new PSP has been licenced namely ZwennPay by a fintech company, EZ Dash Ltd²⁴¹. Another licensed PSP is Mofinans by CIM²⁴². However, it does not provide merchant payments services and looks into credit management as does Rogers Capital through the Noula app²⁴³.
- 4.272. Their services relate to payment initiation, money transfers and digital wallets. In Mauritius, the PSPs do not require users to load money into a wallet. Transactions are carried out by connecting directly to their bank accounts with all funds remaining in their original accounts. MyT money is the only PSP which additionally offer the staged digital wallet option, where an individual can transfer and store money into the wallet. Though in Mauritius, transferring funds into wallets are through the attached bank accounts, rather than through authorised agents.
- 4.273. Banks such as Juice by MCB or SBM Tag combine the full scope of mobile banking and mobile payment services to merchants. These models draw on the existing customer with an active bank account to offer these services. These apps involve other banking facilities such as card management, investment and loan services, or new bank accounts opening facilities. Most banks seem to have their own mobile apps allowing merchants payments through the national QR code.
- 4.274. Pop is a mobile payment service developed by Bank One. As a result, it was not licensed as a PSP. However, unlike the above models developed by banks, it allows users to register and transact without necessarily being existing customers of the bank. Since it operates more similarly to other PSP models, for the purpose of this Study, Pop will be included under the broader definition of a PSP.
- 4.275. This table below outlines some players in the mobile payments market in Mauritius and categorised by type (MNO, Fintech, Bank) and key features of services offered.

Table 10: Mobile payment platforms in Mauritius

Mobile Payment Platforms	Companies	Type	Details
MyT Money	Mauritius Telecom	MNOs	Offers both digital wallet and direct bank account transactions.
Blink	Emtel MFS Ltd	MNOs	Facilitates payments via direct bank linkage; no digital wallet.
ZwennPay	EZ Dash Limited	Fintech company	Facilitates payments via direct bank linkage; no digital wallet.
Pop	Bank one	Commercial Bank	Non-bank customers can register and use; no prior

²⁴¹ <https://zwennpay.com>

²⁴² <https://mofinans.cimfinance.mu/>

²⁴³ <https://credit.rogerscapital.mu/noula/>

Mobile Payment Platforms	Companies	Type	Details
			account needed - non-wallet payment app
Juice	Mauritius Commercial Bank (MCB)	Commercial Bank	Non-wallet mobile banking, Manage account apps and payment apps ²⁴⁴
SBMTag	SBM	Commercial Bank	Full scope of mobile banking; need to have a direct contractual relationship with the bank; no digital wallet.
Withme	Maubank	Commercial Bank	Full scope of mobile banking; need to have a direct contractual relationship with the bank; no digital wallet.
Spark Business ²⁴⁵	Absa	Commercial Bank	Account management

- 4.276. There is a registration process that the end-customers have to go through for the use of the different apps with the different app providers to record credentials, customer information details and bank account information. Blink by Emtel, Pop by Bank One and MyT money by Cellplus Mobile Communications operate at various levels:
- facilitating interbank transfer for peer-to-peer ('P2P') at individual level,
 - Scan to Pay QR codes for payment to merchants,
 - Use of services for payment of utility bill, insurance and mobile top ups for airtime or data packages.
- 4.277. There are two different app models. A wallet app, for instance MyT Money which uses this model, requires the account holder with any bank (MCB, Bank One, Maubank, SBM, etc.) to credit its My.T wallet to cover anticipated payments²⁴⁶. It is therefore not tied to any specific bank account. By contrast, a non-wallet app, for instance Blink and Pop, allows the bank account holder to pay any merchant by debiting a specific bank account.
- 4.278. PSPs allows an individual/merchant to connect and manage their bank accounts from various banks into a single platform. Juice also provides the options of linking accounts from other banks. Though, currently fund transfers from a linked non-MCB account are only possible to the user's own MCB account, that is only self-transfers within the app and cross-app transfers are supported.

²⁴⁴ Full scope of mobile banking; need to have a direct contractual relationship with the bank; no digital wallet.

²⁴⁵ <https://defimedia.info/absa-une-experience-bancaire-100-digitale-decouvrir>

²⁴⁶ Information gathered from meeting with concerned stakeholders.

- 4.279. PSPs have brought about innovative features such as bill splitting, budgeting and expense tools, Indian UPI payments, among others. Pop and Juice have additionally integrated NFC technology and the apps enables users to make payment by simply tapping their phone. Typically, cards cannot be attached in the domestic mobile payment platforms. Though, Juice by MCB recently revealed its updated app, with the feature 'Tap to pay' providing the possibility of extending the platform to its Mastercard cardholder²⁴⁷.
- 4.280. MNO-PSPs also benefit from the particular advantages of operating within their own mobile networks. For example, transactions made through Blink using Emtel mobile data do not consume any data if the user is on an Emtel network²⁴⁸.
- 4.281. As explained by stakeholders, end consumers typically do not incur many fees except for certain features, such as transfer to wallets, or interbank transfers (mostly by banks). The revenue model by mobile payment platforms may involve various fees between the participants. For example, consider a scenario where a customer uses a PSP app, linked to their bank account at Bank A (the Issuer), to pay a merchant using the MauCAS QR code (the switch) managed by Bank B (the acquirer). The merchant will receive his payment in Bank B.
- 4.282. The merchant needs to give a Merchant Discount Rate (MDR) to the acquirer. Bank B will pay a % to the PSP used by the customer. Out of this %, the PSP in turn will need to pay the issuer bank a %. There is a specific fee allocation which is present in the operational rules of the BoM. The apportionment of these fees is provided only to the operators. The interchange fees charged per transaction are currently capped at Rs 25 for the acquirer and Rs 17 for the issuer²⁴⁹. The merchant discount rate is currently at the discretion of the acquirer. The fees paid to the issuer are generally borne by PSPs as in bank-led models, the issuer and the mobile payment platforms are the same entity, eliminating the need for them to bear such costs.
- 4.283. A provision is made for the Bank of Mauritius to take a switching fee for the use of IPS. This fee is yet to be officially implemented as the authority is currently promoting the use of the system and is therefore not charging any fees. The cost structure for mobile payment, with fees being around 0.6 to 0.8 % is lower to card payments, being between 1.5 to 2%²⁵⁰.
- 4.284. The table below shows the number of subscribers and merchants for MCB Juice, Blink and MyT money. The leading mobile payment platform in Mauritius is Juice by MCB. This is largely due to MCB's existing position as an incumbent bank holding a significant user base. Juice holds about 650,000 users²⁵¹ and 10,000 merchants.

²⁴⁷ MCB- [MCB Juice reaches a new step in its development and user experience](#); 05 Sept 2025

²⁴⁸ [Blink by Emtel](#)

²⁴⁹ Submission by the Bank of Mauritius and operators

²⁵⁰ Submission by Stakeholder

²⁵¹ MCB- [MCB Juice reaches a new step in its development and user experience](#); 05 Sept 2025

Table 11: Number of subscribers and merchants

Mobile payment	Number of subscribers	Number of merchants/retailers
MCB Juice	650,000*** (September 2025)	10,000* (March 2024)
MyT Money	100,000 ²⁵² ** (2024)	N.a
Blink	15,000 * (March 2024)	5,000* (March 2024)

Source: Stakeholders' submission*, annual reports**, operator's website***

c. Observations and proposed way forward for Mauritius

i. Payment Gateways

- 4.285. A key issue emerging from engagement with payment gateway providers pertains to the high interchange fees, particularly for card-based transactions. Cards payment still accounts a major share of the local digital transactions. It is useful to begin by comparing the level of digital payment charges in Mauritius to what is found in other economies.
- 4.286. The following table yields two main observations. Firstly, regulation is binding; regulated rates are much lower than rates in unregulated countries. Mauritius' rates are at 1%. It benefits from a special rate of 0.5% for government and petrol transactions. The special tariff is still noticeably higher than average regulated rates for debit cards, while they are in line for credit cards.

Table 12: Interchange fees in various countries

Country	Credit (%)	Debit (%) (\$40 transaction)
European Union	0.3*	0.2*
Albania	0.3 to 1.5	1.3
Argentina	1.3*	0.6*
Azerbaijan	NA	1.3 to 1.65
Canada	0.9	0.3 to 0.35

²⁵² For this operator, the figure represents the number of active users; Source: [Mauritius Telecom Annual report 2024](#).

Country	Credit (%)	Debit (%) (\$40 transaction)
Monaco	0.55	0.55
Turkey	1.32	0.65
US	1.6	0.6 to 1.25
Israel	0.5*	0.25*
Japan	1.8	NA
China	0.45*	0.3*
Malaysia	0.6*	0.25*
Mauritius	0.5*/1	0.5*/1
New Zealand	0.8	0.2 to 0.5
Russia	1.5	1.5
South Africa	1.45*	0.4*

Mastercard, domestic interchange fees, normal cards, retail, face to face 2023²⁵³

(*) indicates a regulated rate.

- 4.287. The interchange fees apply to domestic transaction. When a foreign credit or debit card is used in Mauritius, cross-border interchange fees apply. These are typically higher than domestic fees. For example, EU/UK cross border interchange fees stand at 1.1% for debit cards and 1.5% for credit cards.²⁵⁴ Reportedly, the high interchange rates have consistently made Mauritius less competitive at the international arena.
- 4.288. Government intervention, potentially through BoM, can be instrumental in addressing cross-border interchange fees on payment cards, and thus enhancing Mauritius's competitiveness as an international financial hub. Lower interchange fees can enhance the overall ease and cost of doing business in Mauritius, attracting both foreign businesses and tourists.
- 4.289. Concerns were raised regarding a bank imposing a specific payment gateway, as a technological partner, on merchants. It is believed that the two entities are related, though not directly owned by the bank but through another company within the same group, operating under a distinct board of directors. While the payment gateway provider explained that it works independently and does not engage in such conduct; it cannot be overlooked that the incumbent bank may have an incentive to

²⁵³ Federal Reserve Bank of Kansas City, 2023, Credit and Debit Cards Interchange Fees in Various Countries.

²⁵⁴ UK Payment Systems Regulator, *Market Review of Cross-Border Interchange Fees*, Working paper, December 2022.

promote the operator. It may thus be prudent to monitor such relationships to ensure a competitive and level playing market.²⁵⁵

II. Mobile Payments

- 4.290. Stakeholders have expressed several concerns about the state of mobile payments in Mauritius.
- 4.291. Quite consistently, they stated that the adoption of digital payment in Mauritius requires further education of the public who finds it hard to break the long-held habit of relying on cash and card payments. Many consumers are unaware of the benefits of mobile payment solutions, such as reduced transaction costs, and more convenience. The private sector often lack incentive to invest in this “education” as they would only collect a small part of the benefit. Due to this “public interest” aspect of educating the public, this is a natural area for government intervention.
- 4.292. The main concern in the mobile payment market relates to the non-level playing field between banks and non-banks mobile payments platforms due to the fee structure and dynamics between banks and PSPs. On one hand, PSPs depend on banks for access to services to operate effectively. On the other hand, they also compete with the bank’s own mobile payment platforms as well as other payment methods provided by the banks, e.g. card payments. This may prompt banks to engage in discriminatory or exclusionary conduct.
- 4.293. In fact, PSPs are unable to offer some basic features to their users such as accessing their bank account for balance verifications directly through the PSPs’ platform. Moreover, they are constrained in their ability to access some essential user’s data. For these features to be available, it requires banks to permit access through enabling APIs. The APIs are reportedly already present and been tested but have not been enabled by key banks. The absence of such features restricts user convenience by preventing their access to real time information and thereby reducing the attractiveness of the PSPs. Moreover, banks obtain a competitive edge as they can provide such features on their platform. In turn, the current scenario limits the full potential of interoperability between platforms. The PSPs suggested that delays to fully connect to the IPS, particularly by important banks, despite no technical restrictions, might constitute a strategic decision, as these banks prefer to leverage on generating revenues through card-based transactions. Such move could result in a foreclosure effect, hindering PSPs’ access in the market.
- 4.294. Moreover, PSPs are concerned that the fees’ structure tend to favour major banks, putting them at a disadvantage. For any transactions, the PSPs need to pay an interchange fee to the issuer banks for payment request. Conversely, bank-led mobile payment platforms have no such requirements, since in most cases, they open this service only to their internal customers. PSPs consequently face higher costs than their bank competitors. Reportedly, a PSP affirmed that 30% - 40% of their revenue are taken by banks just for enabling these transactions. PSPs believed that at least for peer to peer (P2P) transfers, the structure should follow the global norm of no fee. For example, in India, P2P though UPI is free. However, it has come to the attention of the Competition Commission that recent measures have been undertaken to remove associated fees with respect to P2P transfers, thus a step towards creating an even playing field.

²⁵⁵ Information shared during stakeholder engagement

- 4.295. Though, differences in cost of operations between banks and PSPs remain as the latter are still required to pay an interchange fee in peer to merchant scenarios. While being capped at Rs 25 per transaction may prevent abuse, mobile payments typically occur in small value but high volumes, eventually leading to significant cumulative costs for PSPs. These fees can potentially act as a barrier to entry and expansion, making it harder for PSPs to offer services at lower prices to attract users or merchants. Subsequently, this impedes on their ability to compete on level ground with major banks, may deter new players, and may hinder PSPs' ability and incentive to innovate.
- 4.296. Additionally, PSPs affirmed that the formulation of the concerned legislation might have been influenced by banks in an attempt to protect their primary market. A steering committee was to be held for PSPs; this meeting has not been held since a considerable period, at the time of the engagement. They emphasise the need for a clear guideline on open banking to increase market competition and address regulatory gaps- including an enabling framework that allows non-bank models to access customers on equal terms with banks. One such example relates to additional restrictions placed on a PSP, where SMEs and corporations are reportedly unable to carry out transactions through its platform, while such features can be provided by bank-led models such as MCB's Juice Pro.
- 4.297. In addition to the above regulation concerns, challenges in relation to Anti-Money Laundering (AML) and Know Your Customer (KYC) requirements were also raised. The regulation in question seems to be misaligned while considering the operational dynamics of the PSP, subsequently resulting in unjustified compliance burden. For instance, full KYC obligations are necessitated even though the PSPs may not be offering any wallet. Comparatively, in India, PSP require no such authentication. Particularly, for non-wallet PSPs, only the bank account is authenticated, and an OTP is sent to the registered number to complete the transactions, without any KYC compliance. With regard to AML, most transactions are processed from bank to bank, with the PSP application serving only as intermediary. The funds are usually already cleared up and vetted through the banking system. In these instances, such regulatory requirements appear to be duplicating what should have already been reported by the banks. For PSPs, these undue compliance results in significant operational costs. Thus, excessive regulatory obligations may inadvertently raise barriers to entry.
- 4.298. Engagement with stakeholders hinted at an unequal regulatory ground, where one PSP seemed to be receiving more favourable treatment over the others. For instance, the required testing period of the PSP was allegedly significantly reduced as compared to its rivals. Furthermore, while the PSP can conduct full client onboarding digitally, others require that consumers complete the registrations in person. Such inequalities can further restrict other PSPs' ability to compete effectively. For instance, onboarding in person may be perceived as burdensome for consumers, making the other PSPs less attractive relative to the favoured one. Nonetheless, this issue appeared to have been resolved, as all PSPs are observed to be undertaking digital onboarding.
- 4.299. Moreover, concern regarding an unlicensed entity undertaking activities that typically fall within the regulatory scope of a licenced mobile payment platform was noted. These services reportedly include generating dynamic QR codes, integrating with merchants, processing payment information, and consuming bank APIs. It was also submitted that the operator does not seem to bear the same compliance requirements and operational costs such as licensing fees and costs associated with AML compliance. For PSPs, this results in an unfair competition environment.

- 4.300. Some PSPs are facing further issues regarding bill payment partnerships with major service providers/utility providers like Mauritius Telecom, or CWA, whereas this service is offered by other mobile payment platforms. This unequal access may limit the feature available on the apps. This in turn restricts consumer choice, interoperability and subsequently competition.
- 4.301. To promote competition in the mobile payment market, first, it is essential to establish a level playing field so that all operators can compete on equal footing. This could be achieved through an inclusive regulatory framework promoting competition and market access. The introduction of a code of conduct for bank-PSP relationships can promote fair and non-discriminatory behaviours. For instance, it can ensure that the necessary infrastructural access is made in a timely manner. Stakeholders meeting needs to be reactivated for a harmonised and representative views on the current market situation and to accommodate the open banking guidelines. The publication of the various payment scenarios and the associated fees as far as mobile payments is concerned would provide a clearer view and understanding of the mobile payments sector as well as promote trust.
- 4.302. The licensing framework can also be reviewed to remove any discriminations, for instance, opening the markets to corporate and SMEs for PSPs. Additionally, activities between licensed mobile payment operators and operators in other related activities seem to overlap. To ensure level playing field, the concerned regulatory body should investigate on such activities, enforce compliance if necessary and address any regulatory loopholes if found. Transparent procedures and rules would also ensure that regulatory treatment between the various operators are non-discriminatory.
- 4.303. The AML/KYC requirements could potentially be reviewed and benchmarked with international best practices in a way that promote market efficiency without affecting the safety and integrity of the financial system. For instance, it could be tailored to the risk profile of operations such as simplified procedures for low-risk transactions.
- 4.304. As for access to utility service providers, further information needs to be gathered to understand the rationale behind such conduct. Any exclusionary agreements limiting operators to partner with these providers can be reviewed by the Competition Commission under section 46 of the Act (abuse of monopoly situations) if one of the parties to the agreement is in a monopoly situation.

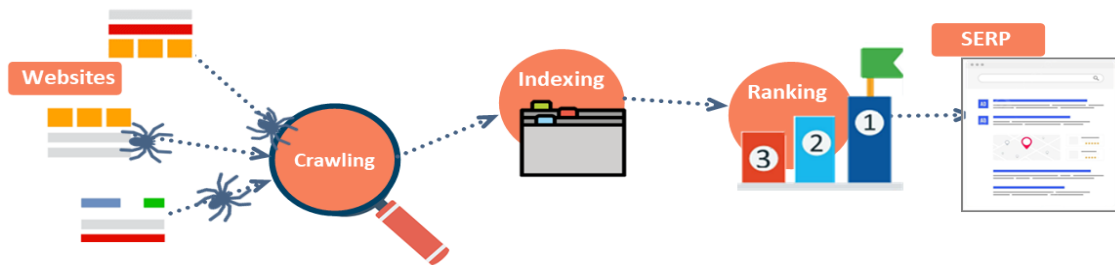
5. Non- transactional digital markets

- 5.1. This section of the report examines the non-transactional platforms. These platforms add value by driving user attention and interaction within the digital ecosystem, which indirectly supports transactional platforms. Consequently, these markets are complementary to transactional platforms and often enhance each other's value.

A. Search engines and Search Advertising

- 5.2. A search engine is a gateway allowing users to search for information on the internet. The most popular search engines in the world are Google, Bing and Yahoo, with Google accounting for more than 90% of worldwide market share for search engines.²⁵⁶ It is worth noting however that there are a few national markets where Google search is not dominant, for example Russia, where Yandex has a 56% market share, China, where Google accounts for less than 5% of the market or South Korea.
- 5.3. The search engine can be accessed through a browser. The browser is an application that allows users to access websites and navigate the world wide web. Typically, after using a browser to access the search engine, a query is submitted (e.g. Pizza in Port Louis Mauritius). This produces a collection of webpages that are relevant to the search term and can also be in the form of images, videos or news. This is the result of what is called "general search" and appears on the search engine results page (SERP).
- 5.4. The search engine usually goes through three steps to eventually show the SERP: Crawling, Indexing and Ranking. The latter is of most relevance to competition authorities. Ranking consists of delivering the search results from the index in terms of greatest relevance to the search query. For this process, the search engine may use algorithms to consider several conditions such as the popularity of the webpage, the latest information provided, the page experience aspects, location or user data, among others. The order in which search results are displayed is of great importance as users typically limit themselves to reading only the first one or two pages of results.

Figure 11: How Search Engines Work



Source: Competition Commission's own compilation

- 5.5. Results appearing as a result of the actual ranking process are called organic results. Generally, organic results are considered to be more trustworthy than paid results since they attempt to respond to the query in an objective manner. Paid results are advertisements, displayed in an order which depends on the amount paid to the search engine, and certain conditions attached to the concerned ad. This

²⁵⁶ [Most Used Search Engines Worldwide in June 2023](#)

allows the website to be more visible on the SERP for a specific period of time. Paid results are typically displayed ahead of search results and are identified as “sponsored.”

a. Monetisation Strategies

- 5.6. Search engines are normally free to users as well as webpages and are generally monetised through advertisements, sales of user data, donations, or affiliate links. By using its services, users allow the search engine to accumulate a database of their information in terms of location, search preferences and behavioural aspects. Search engines then use this information to charge companies wanting to place ads online.
- 5.7. There are two main charging methods. Under pay-per-click (PPC) or cost per click ²⁵⁷(CPC) payments are based on the number of times the link to the company’s website was clicked as a result of the advertisement. Under the pay for conversions system, the payment is based on the number of times and the number of actions (e.g. watch a video, purchase on the website) performed after clicking on the online ad.
- 5.8. Online advertisers have to bid on keywords in response to which they would like their website to appear in SERP. In order to choose the rankings of ads listed in response to keywords, algorithms take into consideration factors such as the bid amount, the relevance of keywords or the quality of the ads, among others. Such ads are also commonly offered by social media platforms.
- 5.9. Another way for search engines to generate revenue through advertisements is with respect to affiliate links or partnerships with other platforms. For example, for DuckDuckGo has an affiliate partnership with eBay and earns a commission, anytime a visit from DuckDuckGo to eBay results in a purchase.²⁵⁸
- 5.10. Search Advertising has become an important tool for companies across all sectors of activity to reach out to consumers. Ad spending in the search advertising market worldwide is forecasted to reach USD 355 billion in 2025²⁵⁹.
- 5.11. Investing in paid search ads provides a fundamental route towards building brand awareness. It generates greater traffic to websites through increased visibility. Moreover, it is considered to be a better alternative to traditional advertising methods in terms of facility, targeting audience, measuring results and costs.

b. Competition and Regulatory Issues in the Search Engine Market

i. Source of dominance / Tipping

- 5.12. There are no network effects in search itself: a user’s satisfaction depends simply on the accuracy of the search process, not on how many other users search with the same engine. Moreover, as general search relies on publicly available information (including site searches), search engines are not differentiated in terms of the information potentially available to them.

²⁵⁷ [CPC Google definition](#)

²⁵⁸ [DuckDuckGo affiliate partnership with eBay](#), accessed 01/12/23.

²⁵⁹ Statista: [Search Advertising – Worldwide](#); accessed 23 September 2025

- 5.13. There is, however, very significant learning by doing: as an algorithm processes more searches, it is possible to learn whether the proposed result proved to be satisfactory. This creates a mass of information allowing the platform to further refine the algorithm. In most contexts, economists believe that there are decreasing returns to size: while greater scale might initially raise quality or lower costs at an increasing rate but, as levels of activity rise, one eventually reaches a point where the additional benefit from further scale increases begin to diminish. It seems reasonable to assume that this “law of decreasing (marginal) returns” should apply to data just as it applies to other factors of production like labour, land or capital.
- 5.14. However, there are reasons to believe that, in the specific case of general search, the range of increasing returns might be unusually large and might even cover very high levels of activity like Google’s. A key element in this link between dominance and learning effect is the so called “tail queries” effect. Tail queries are unusual queries that are only formulated by very few individuals. Because these queries are rare, an algorithm needs a huge amount of data to learn how to respond to such searches adequately. Indeed, it has been shown that, in this respect, Google still enjoys a significant advantage over other large providers.
- 5.15. There is another potential source of dominance on the monetisation side of the platform, i.e. on the Adtech side. Dominance on this side of the platform might be the results of restrictive practices or bias in the ad bidding and ad matching process (see the CMA and EU investigations)²⁶⁰ or it might be a consequence of better access to consumer data obtained from the consumers’ search activities. In this respect, it is worth noting that Google has recently appealed to EU legislation on privacy to justify its refusal to share this data with rivals in the adtech vertical chain²⁶¹.

ii. Search Bias/ Self Preferencing

- 5.16. Many search engines are backed by a parent company which in turn offers many services that complements with the online search platform. As in the case of Google, other than being the most successful search engine globally, it offers an array of services such as Gmail, Google Maps, Google Shopping, Android, among others. This complementarity of services has led to search engines manipulating the SERP to either set the ranking of their own products higher to gain more visibility or lowering the ranks of their rivals in the organic search results. Such practices hindered competition for their competitors as well as deceived users who trusted organic results as it is supposed to be based on several factors corresponding best to their interest.
- 5.17. The Competition Commission of India (CCI)²⁶² has investigated Google for abuse of dominance in the online general web search and web search advertising services in India. Google is a dominant search platform in India. In addition to operating as online general web search services, Google also provides specialised search services like Google Maps, Google Flights, among others. Other products and services, for instance, Google Reviews or YouTube are offered as well.
- 5.18. These services as well as the acquisition of various software products has fortified Google’s monopolistic position in the online general web search platform. This, in turn, has placed Google as being pivotal to the search advertisement market. It was found that there was a prominent display of

²⁶⁰ CMA Investigation into Google AdTech Practices (2022) and EC Case AT. 40400 – Google AdTech services

²⁶¹ Refer to CMA study.

²⁶² [Competition Commission of India, Government of India \(cci.gov.in\)](https://www.cci.gov.in), Case No. 06 & 46 of 2014

Google's Commercial Flight Unit on its SERP. This led to a disproportionate allocation of space on the SERP at the expense of verticals trying to gain market access.²⁶³

- 5.19. The basic theory of harm underlying these “self-preferencing” cases is traditional vertical foreclosure: by withholding an important input from downstream rivals, the dominant input supplier can favour its own downstream arm. In the case of self-preferencing, the crucial input is online exposure through search. While this input is not formally withdrawn from rivals, its quality is wilfully degraded. The best-known self-preferencing case is probably the EU Google Shopping case²⁶⁴. The allegation, upheld by the Court, was that, following the introduction of its own “shopping” services, Google's algorithm was modified in a manner which relegated third party price comparison sites far down the listing of general search results.
- 5.20. A difficulty in addressing this type of bias comes from the lack of transparency of algorithms. In the recent EU-Amazon settlement, the EU sought to address claims that Amazon favoured its own products when choosing what to display in the “buy box.” Since a large share of consumers systematically follow the recommendations found in this box, such a bias would have significant anti-competitive consequences. While the first reaction of regulators is, quite naturally, to check the algorithm and its fair applications, the complexity of algorithms makes such direct supervision less than fully effective²⁶⁵. It was therefore decided to complement it with a more “structural” remedy: whenever the algorithm chooses an Amazon product for the buy box, then Amazon must also display²⁶⁶ another buy box, presented on an equal footing, choosing the best buy among non-Amazon products.

iii. Privacy and use of data

- 5.21. There are two main angles to the issue of privacy or use of data: unfair trading practices and exclusion. The alleged unfair trading practices fall under the more general umbrella of consumer protection.
- 5.22. The market study by Consumer and Market Authority - Online platforms and digital advertising market study²⁶⁷ points out several issues including inter alia:
- Platforms' privacy terms and conditions were long and complicated.
 - Platforms' use of defaults inhibits consumers' ability to exercise an informed choice.
- 5.23. With regard to the exclusionary concerns, the CMA noted the following:
- The inability of smaller platforms and publishers to access user data creates a significant barrier to entry.
 - Google was acting in a quasi-regulatory capacity in relation to data protection considerations, setting the rules around data sharing, not just within their own ecosystems, but for other market participants as well. This would be part of entry deterrence/raising rival costs: the abuse of regulation to hurt competitors.

²⁶³ 2018 CCI order in Case No 06 & 46 of 2014.

²⁶⁴ Case AT 39740 Google Search (Shopping), EC v Google

²⁶⁵ Refer to CMA study, CMA Online Platforms and digital advertising market study

²⁶⁶ Under some conditions.

²⁶⁷ [CMA- Online platforms and digital advertising market study](#)

5.24. Some policy recommendations which emerged from the CMA market study are:

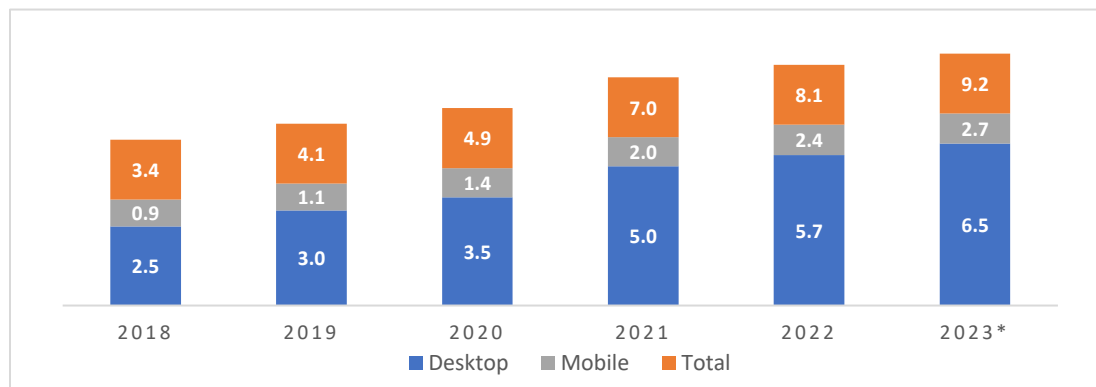
- An enforceable code of conduct to govern the behaviour of platforms that enjoy a position of market power. It would apply to platforms with ‘strategic market status’ (SMS).
- Pro-competitive interventions, which are designed to tackle the sources of market power and promote competition and innovation, including: (i) Data-related interventions (ii) Consumer choice and default interventions (iii) Separation interventions.
- Creation of the Digital Markets Unit (DMU).

5.25. The EU has also recently enacted regulation imposing duties and conduct restrictions on digital platforms which are found to be “gatekeepers,” i.e. indispensable partners in the EU economy. The Digital Service Act (DSA) imposes duties relating to privacy, security and data management. For search platforms, the more relevant aspects of the Digital Market Act (DMA) are the prohibition of self-referencing and the prohibition of tying between core digital services. This last prohibition echoes the conclusion of the recent Google Android cases, where the EU found that Google tied various products where it is dominant (E.g. Google play, core version of Android) with the mobile version of its search engine to ensure that its dominance in search would smoothly extend to the mobile market²⁶⁸.

c. State of play

5.26. In 2022²⁶⁹, the value of total search advertising in Mauritius was estimated at USD 8.1 million. Desktop search advertising remains more prominent than mobile search advertising in Mauritius throughout the years, though in global terms, mobile search advertising shares a more balanced part of search advertising. Search advertising spending increased by 138% from 2018 to 2022.

Figure 12: Search Advertising in Mauritius (Million USD)



Source: Statista

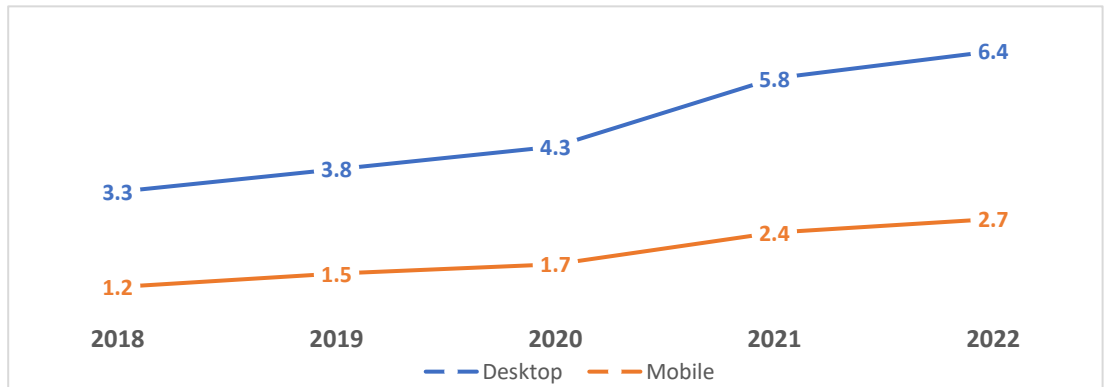
5.27. The figure below shows the average ad spending per internet user in Mauritius for the period 2018 to 2022²⁷⁰. The average ad spending increased by 93.9% for desktop and 125% for mobile during this period.

²⁶⁸ Case AT 40099, EC v Google (Android)

²⁶⁹ As per latest data available. For search advertising and average ad advertising - link is no more available

²⁷⁰ As per latest data available

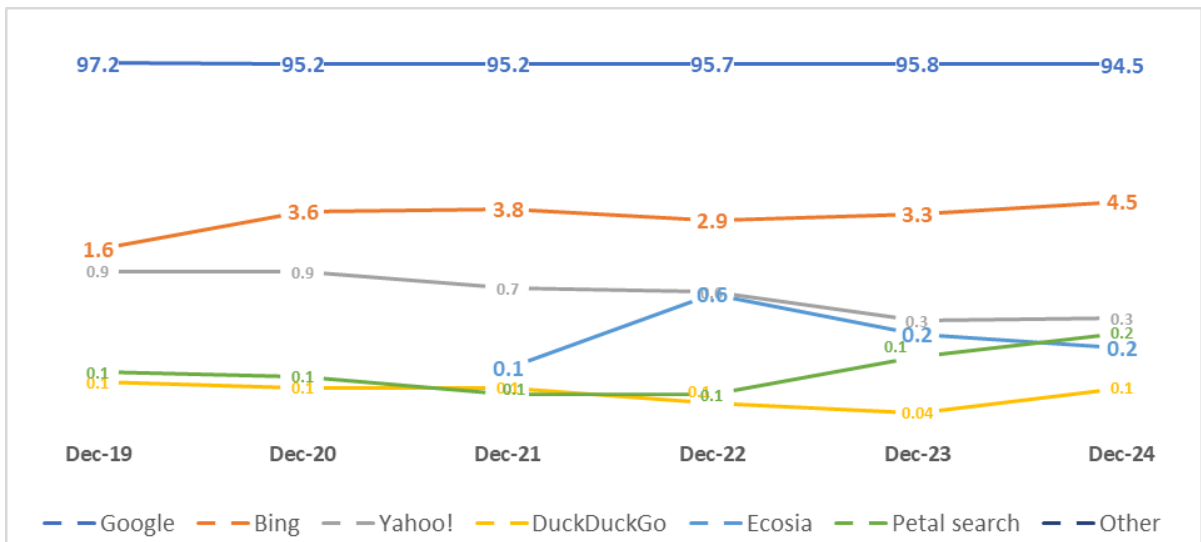
Figure 13: Average Ad spending per internet user (USD)



Source: Statista

5.28. The market for search engines in Mauritius is wholly global. The figure below shows the most used search engines in Mauritius from December 2019 to December 2024 and is based on the amount of page views referred by a search engine.

Figure 14: Search Engines Market Share in Mauritius- All Platforms



Source: [Statcounter](#)

5.29. Google dominates the search platform market on the island with 94.5% of market share in 2024. It is followed by Bing at 4.5% and Yahoo at 0.3% for the same period. The remaining search platforms include, inter alia, DuckDuckGo, Ecosia, Petal Search, which held less than 1% of the market.

5.30. In August 2023, around 941,000 users could be reached via the Google Ads platform in Mauritius.²⁷¹

²⁷¹ [Google Ads Reach- Quantum.mu](#)

d. Observations and proposed way forward for Mauritius

- 5.31. Besides its organic search, Google also offers specialised search platforms such as Google Shopping or Google Travel. These specialised platforms help users to search and compare particular goods and services. The travel unit can be broken down into further specialised search such as hotel search, flight search or holiday rentals.
- 5.32. Other than the travel unit and google map, none of the other specialised search service, including the shopping unit, seems to appear on the SERP for Mauritius when entering keywords related to the specialised search/unit. Concerns related to these units, which have been the subject of recent investigations in several jurisdictions, including the EU, do not therefore apply to Mauritius.
- 5.33. Given that the main features of search engines' strategies are determined globally, and there is little that Mauritius can do about it. There are, however, aspects of competition over which local competition enforcement and regulation can have some leverage.
- 5.34. As explained above, a significant proportion of search queries are "tail" queries, i.e. queries that are rare. Due to the small size of the local market, Mauritius-specific queries will tend to be tail queries in which dominant search engines are likely to accumulate a significant advantage. The (possibly paid) sharing of information on Mauritius-specific queries might therefore significantly level the playing field between search engines locally. This, in turn, would likely make the local market for online ads more competitive, to the benefit of local businesses and local competition.
- 5.35. Since Google does not appear to use Google Shopping or Google News prominently in Mauritius, the main concerns only arise from other specialised search services: travel services and Google maps. A few potential concerns could be carefully monitored.
- 5.36. The first concern would be self-preferencing of Google's own online travel service over the emerging local travel businesses with an online presence.
- 5.37. Another travel-related concern would be discrimination between hotels that are part of large international chains and more local operators. This could arise if Google grants "worldwide" or regional "quantity discounts" for displaying ads for the chains. This would unfairly distort competition in the hotel market for Mauritius. Similar concerns arise for air travel and holiday rentals.
- 5.38. Google Maps offers the opportunity for businesses to be displayed more prominently on its maps for a fee. Given Google's dominance, it is important to verify that the fees charged are not excessive or discriminatory.
- 5.39. Beyond the above, a broader concern relates to the structure of Google online ads eco-system. The CMA and the EU have found that its architecture is likely discriminating in favour of its one ad placement services. These international findings suggest that similar features may be present in the Mauritian digital advertising market, thereby having the potential to hurt well established local advertising agencies. Though, since Mauritius, as a small island, have limited influence on the global architecture of Google, it would be prudent to monitor the remedies adopted by the EU and/or the CMA in such cases and review their potential applicability in Mauritius to ensure equitable competition in the local online advertising market.

B. Online Classifieds

- 5.40. Online classified platforms are two-sided platforms which connect buyers and sellers. They function as digital marketplaces that allow users to post and browse advertisements for goods, services, jobs, and real estate. They operate primarily through websites and mobile apps, allowing individuals, sellers, real estate agents can list items or services, often with options for searching by category, location, or price.
- 5.41. The platforms often provide a category-based user interface whereby users can search listings using filters such as category, price range, and geographic area, facilitating quick discovery of relevant offers. Sellers publish their products or services, which increases their visibility as their contact details are made accessible to potential buyers who then reach out directly through messaging or contact features. The platforms essentially function as intermediaries facilitating the discovery and communication between buyers and sellers without directly handling transactions.
- 5.42. The platform hosts all listing data on a central server while maintaining an internal server dedicated to managing follow-ups, ensuring sellers respond to inquiries and maintaining smooth communication flow between parties. There is the use of Customer Relationship Management (CRM) systems that integrate closely with these platforms and the listers to enhance user interactions. CRMs centralise contact information, track buyer inquiries, and automate follow-ups, ensuring sellers manage leads efficiently without the platform becoming involved in the actual transaction. They also provide analytics and workflow automation to help platforms optimise user experience, improve responsiveness, and maintain high service quality.
- 5.43. Thus, online classifieds provide a digital marketplace infrastructure that empowers direct consumer-to-consumer (C2C) and business-to-consumer (B2C) interactions while CRM tools support managing these interactions smoothly behind the scenes. This combination allows platforms to concentrate on facilitating connection and visibility without taking ownership of sales, helping sellers promote their products and buyers find what they need effectively and efficiently.
- 5.44. Online classified platforms are characterised by the network effects. The more sellers (or listers) a platform has, the more attractive it becomes to buyers. And as more buyers visit the platform, it becomes more valuable to sellers — encouraging even more listings.

a. Monetisation Strategies

- 5.45. The monetisation of these platforms comes through multiple revenue streams, including paid listings, premium or featured ads, subscription plans, advertising, lead generation, and sometimes commission on sales. The strategy combines free user-generated listings with various paid offerings.
- 5.46. One of the most common revenue streams is premium placement, where users pay to have their listings featured more prominently—either at the top of search results or in dedicated "featured" sections. This increased visibility is particularly valuable in competitive categories like real estate and automobiles, helping sellers attract more attention and accelerate sales. Fees for premium placement are usually charged based on duration (e.g., daily, weekly) or as one-time payments.
- 5.47. For high-volume sellers/listers such as car dealers or real estate agents, platforms offer subscription or membership plans. These plans typically include benefits like unlimited listings, enhanced

exposure, performance analytics, and priority customer support—providing a cost-effective solution for regular users who need ongoing visibility.

- 5.48. Another significant revenue stream comes from targeted advertising and banner ads. Platforms monetise traffic by selling ad space to third-party businesses like mortgage providers or auto insurance companies. These ads are typically sold on a CPC (cost-per-click) or CPM (cost-per-thousand-impressions) basis and are displayed on relevant listing pages, maximizing their impact.
- 5.49. Some platforms also generate revenue through a commission-on-transaction model, particularly in car sales where dealers or brokers are involved. In such cases, the platform takes a percentage fee from each completed sale.
- 5.50. Additionally, premium services are offered to sellers seeking more sophisticated tools and support. These may include detailed analytics on listing performance, professionally designed listings, personalised marketing guidance, and other value-added services that enhance the effectiveness of the listing.

b. Competition concerns

- 5.51. Online classifieds benefit from strong network effects: the more listings they have, the more users they attract—and vice versa. Over time, this creates market concentration, where one or two platforms dominate the market. Once in this position, platforms may abuse their dominance by charging excessive listing fees, prioritising paid or own-affiliated listings or unilaterally changing commercial terms for sellers.
- 5.52. Competition authorities around the world have had numerous considerations in terms of competition concerns related to online classifieds.
- 5.53. The Competition Commission of India (CCI) has looked into a case where several complaints were received against OLX for algorithmic bias.²⁷² OLX had allegedly favoured paid commercial listings over those posted by individual users. The concern was that free users were deprioritised, giving large dealers disproportionate visibility and distorting competition within the marketplace. Dominant platforms often use opaque algorithms that can rank or display listings in ways that favour certain sellers, especially those who pay for enhanced visibility or have commercial agreements with the platform. This likely undermines competition. Algorithms used by classifieds platforms determine which listings get seen most. Without transparency, these algorithms may favour high-paying users, suppress organic listings and distort user choice.
- 5.54. The Australian Competition and Consumer Commission (ACCC) raised repeated concerns about REA Group (operator of realestate.com.au), which controls over 80% of the local market. REA's long-term contracts, high pricing, and poor interoperability with other platforms were seen as locking agents into their ecosystem and preventing competition.²⁷³

²⁷² The CCI did not pursue an investigation into specific algorithmic bias complaints against OLX due to a lack of admissible evidence

²⁷³ This is an ongoing investigation <https://www.accc.gov.au/media-release/realestatecomaus-proposed-acquisition-of-dynamic-methods-raises-potential-concerns>

- 5.55. One of the main competition concerns is the market power and dominance that large platforms. By becoming the primary gateway for both buyers and sellers, these platforms can control access and limit competition. They may use their scale and resources to suppress emerging competitors, through offering heavily discounted listings, or acquire smaller competitors. Exclusive contracts and tying practices may also undermine competition. Platforms may tie multiple services (e.g., advertising, data analytics, CRM) or require exclusive listing rights, making it difficult for sellers or dealers to use alternative platforms or service providers.
- 5.56. The EU’s Digital Markets Act (DMA) addresses such concerns. Platforms designated as “gatekeepers” must provide greater transparency in ranking algorithms and ensure non-discriminatory access to commercial users—directly impacting classifieds operators with significant market power in the EU.
- 5.57. For instance, the European Commission fined Meta (formerly Facebook) nearly €798 million in 2024 for abusing its dominant position.²⁷⁴ Meta had tied its online classified ads service, Facebook Marketplace, to its social networking platform, giving Marketplace unfair distribution advantages and foreclosing competitors. Additionally, Meta imposed unfair trading conditions on rival classified ads providers advertising on its platforms, using competitor data to benefit its own services. This case, known as the Meta Facebook Marketplace decision, highlights concern around abuse of dominance through tying and unfair contract terms.
- 5.58. Germany’s antitrust regulator also looked into Meta’s conduct, but this time related to data.²⁷⁵ It linked GDPR violations with abuse of market dominance, arguing that Meta’s excessive data collection and cross-platform tracking amounted to anti-competitive conduct. The European Court of Justice upheld the view that privacy breaches could be considered a form of competition abuse - setting a precedent for integrated competition-data enforcement.
- 5.59. Other competition concerns include exclusive deals and preferencing, where platforms may prioritise their own services or favoured sellers in search results or visibility, thus disadvantaging alternative providers. The South African Competition Commission investigated AutoTrader for using contractual terms that restricted dealers from listing on competing platforms.²⁷⁶ Although no fines were issued, the platform was pressured to relax exclusivity clauses and support greater data portability for its clients.
- 5.60. Online classifieds platforms offer undeniable value—but their scale and market power with network effects may cause key competition concerns such as abuse of dominance through pricing and visibility manipulation, self-preferencing in search and recommendations, exclusive contracts that limit seller mobility/exclusive dealing, misuse of data, and restrictive contractual terms.

²⁷⁴ Case AT 40684 – Facebook Marketplace (Meta Platforms)

https://ec.europa.eu/commission/presscorner/api/files/document/print/en/ip_24_5801/IP_24_5801_EN.pdf

²⁷⁵ Case C-252/21, Meta Platforms and Others v Bundeskartellamt

²⁷⁶ CCSA Online Intermediation Platforms Market Inquiry report and decision (July 2023) https://www.compcom.co.za/wp-content/uploads/2023/07/CC_OIPMI-Final-Report.pdf

c. State of play in Mauritius

- 5.61. In Mauritius, online classified platforms are mainly prevalent in the real estate listings market and classifieds for cars. While there are not so many international online classified platforms listing Mauritian classifieds, the local operators appear to have gained some user base.
- 5.62. In Mauritius, Mediatiz Ltd holds a significant market share in the property classifieds segment through its platform, L'Expressproperty, which serves both local and international markets. L'Expressproperty is a prominent platform in Mauritius, attracting around 210,000 monthly visits (approximately 2.5 million visits annually) and hosting more than 15,000 ads.²⁷⁷
- 5.63. Besides L'Expressproperty, several other property listing platforms operate in Mauritius, including Propertycloud and Property Map, contributing to the overall property classifieds market landscape. After L'Express Property, it is Property Cloud which has a good market share followed by Propertymap. Online classifieds platforms like Propertymap.mu operate as digital intermediaries.
- 5.64. For online classifieds for automobiles, there also some platforms which have shown resilience over the years and have a good customer and user base. These would include L'Expresscars.mu, mycar.mu.
- 5.65. Meta Marketplace also operates as an online classifieds platform integrated within Facebook's social media ecosystem for Mauritius. It facilitates peer-to-peer and business-to-consumer transactions by enabling local listings across various categories like vehicles, property, and goods.

d. Observations and potential way forward for Mauritius

- 5.66. Online classified platforms have expanded consumer choice, enabling users to compare offerings easily and access a wide range of products and services. This increased choice generally benefits consumers through competitive pricing, improved service quality, and broader choice.
- 5.67. While network effects are significant in online classified platforms, where the value to users increases as more buyers and sellers join, potentially creating barriers to entry for new platforms and reinforce the dominance of existing ones. This does not appear to be the situation in Mauritius.
- 5.68. From the information gathered from the stakeholders, the online classifieds platforms are used mostly as a 'plateforme vitrine' for customers to compare the different listings. They provide for different packages to the listers on a monthly, yearly or ad-hoc basis. The listers can opt for the package which better suits their budget, visibility requirements and target market. The listers have a subscription fee to pay for listing on the platforms. The customers or buyers usually do not have any fee to pay to browse or subscribe to the platforms.
- 5.69. Despite the presence of an incumbent with around 60% of market share, L'Expressproperty²⁷⁸, and mycar.mu having 90%²⁷⁹ of the market share in the respective markets, there does not appear to be any competition issue at the time the report. This is the case as there is multihoming on the part of the different property listers on several other platforms, both online and offline to increase their visibility.

²⁷⁷ <https://www.lexpressproperty.com/en/about-us.html>; accessed on 23 Sep 25.

²⁷⁸ Information on market share gathered from L'Expressproperty.

²⁷⁹ As per engagement with the operator.

- 5.70. The online classifieds platforms for car listings also appear to be competitive with different operators listing on different medium such as online through platforms such as L'Expresscars and mycar.mu, social media, and offline through specialised magazines amongst others. Again, the online classified platform for car operates as an online showroom, charging membership and monthly fees to listers for visibility and traffic on the platform. There do not appear to be exclusivity on CRM in the online classifieds for automobile as well.
- 5.71. For online property listings, whereby previously L'Expressproperty was investigated upon by the Competition Commission regarding interoperability of the Customer Relationship Management (CRM) software, Activimmo on its platform, for publication of ads on different platforms. It appears from the stakeholder engagement that along with Activimmo, other CRMs such as Apimo, GNS, Hektor are also used, along with other CRMs which large real estate agencies have for their own platforms.
- 5.72. It is to be noted that L'Expressproperty now has a guideline in place for CRMs. As soon as a CRM contacts L'Expressproperty, the guidelines are provided to the CRM, demonstrating the different requirements of the L'Expressproperty platform. Subsequent to which, there is a testing of the APIs/infrastructure being provided for technical compatibility with L'Expressproperty and operate. The testing usually takes place over 2-3 months.
- 5.73. There do not appear to be any competition concern in the online classified platform segment both for property listings and car listings which has been highlighted during the stakeholder engagement process and overview of the market.
- 5.74. As a way forward, the market may be monitored to better evaluate the evolution of this online classified market for Mauritius considering that there have been numerous competition concerns internationally.

C. Software applications

- 5.75. Software applications, commonly referred to as applications or apps, are programs or software designed to perform specific tasks or functions for end-users. These applications are typically installed on devices such as smartphones, tablets, computers, and other electronic devices to provide functionality and services that cater to various needs and interests of users.
- 5.76. There are different types of applications used to meet various user needs. Some applications can be installed directly on computers, such as Microsoft Excel. Others are web applications that are accessed through browsers, like Google Docs, or are cloud-based applications such as OneDrive, Monday.com, or QuickBooks Online.
- 5.77. In addition to desktop, web, and cloud applications, there has been a significant surge in the use of mobile applications. For the purposes of this report, the focus will be on the level of mobile application adoption in Mauritius, as this is an area where considerable activity has been observed.
- 5.78. Mobile applications function as software programs designed to run on smartphones and tablets. These apps are made accessible to users primarily through software application stores, such as the Apple App Store and Google Play Store. These platforms serve as centralised digital marketplaces

where users can browse, search for, download, and install applications securely. Statistics indicate that the average smartphone user has around 80 apps installed on their device and the time spent on mobile apps globally is estimated to be around 4.1 hours per day per user in 2023.²⁸⁰

- 5.79. The process begins with developers creating an app using specialised programming tools tailored for each platform - iOS or Android. Once development is complete, the app is submitted to the relevant app store for review to ensure it meets quality, security, and content guidelines. After approval, the app becomes publicly available for users to download.
- 5.80. Users access the app store through their mobile devices, where they can explore various categories of applications - ranging from games and social media to productivity and finance apps. They can read descriptions, view screenshots, and check ratings and reviews before deciding to download an app.
- 5.81. Once installed, the app functions on the user's device, providing the intended service or entertainment. Many apps require an internet connection to access cloud data, sync information, or enable real-time interactions. App stores also facilitate regular updates, allowing developers to improve their apps by fixing bugs, adding features, or enhancing security. Users are notified when updates are available and can install them with ease.
- 5.82. After installation, users interact with the app through its user interface (UI), accessing its features based on the app's purpose (e.g., messaging, banking, gaming, shopping). Most apps require an internet connection to function fully, especially those that rely on cloud services or real-time data.
- 5.83. Additionally, app stores provide mechanisms for user feedback through ratings and reviews, which influence the app's visibility and reputation. This competitive environment encourages developers to continuously improve their apps to attract and retain users.
- 5.84. Mobile apps are used across various segments. For instance, there are communication apps specifically designed for messaging, video conference calls such as Zoom, there are entertainment apps for gaming, music and video streaming such as Spotify or Netflix; social networking apps like Facebook, LinkedIn; navigation apps such as Google Maps, health and fitness apps for health monitoring along with e-commerce apps which enables the purchase of goods such as Amazon as well as digital payment apps which provide for the instant payment facilities/ contactless payments such as Apple Pay, Blink or Pop. In 2023, the top five app categories by downloads were social, games, communication, entertainment, and tools.²⁸¹
- 5.85. Some apps that are initially free to download may require paid subscriptions for enhanced features or content, such as streaming platforms like Netflix, Prime Video, Spotify, and Deezer.

a. Monetisation strategies

- 5.86. Monetisation is a crucial area where mobile apps compete intensely because it directly impacts both revenue generation and user retention—two factors vital for an app's success. Different apps adopt different business models, such as free with ads, freemium, subscriptions, and in-app purchases, each with its own advantages and competitive challenges.

²⁸⁰ <https://worldmetrics.org/mobile-app-download-statistics/> accessed on 01 Sep 25.

²⁸¹ <https://worldmetrics.org/mobile-app-download-statistics/> accessed on 01 Sep 25

- 5.87. The freemium model is a popular business strategy used by many mobile applications where the app is offered to users for free with basic features available at no cost²⁸². Users can download and use the app without paying, which helps attract a large audience quickly.
- 5.88. From a competition standpoint, the choice of monetisation model can be a key differentiator. Apps that rely heavily on ads may attract a larger number of users by being free, but excessive or intrusive advertising can frustrate users, pushing them to switch to competing apps that offer a smoother, ad-free experience. Therefore, developers must carefully balance ad frequency and placement to maintain user satisfaction while still earning revenue.
- 5.89. Freemium models, which provide a basic version of the app for free with optional paid upgrades, compete by offering enough value upfront to attract users while enticing them to purchase premium features. Examples would be WhatsApp and TikTok. WhatsApp is completely free to use, with no ads or paid upgrades for regular users. Instead, WhatsApp monetises through WhatsApp Business and other services aimed at enterprises. TikTok is free to use for content creation and consumption. Its monetisation mainly happens through in-app purchases (gifts, coins) and ads.
- 5.90. Subscription models offer steady, recurring revenue but require apps to continuously deliver value over time. In a competitive market, users will quickly cancel subscriptions if competitors offer better features, pricing, or user experience.

b. Competition concerns

- 5.91. The main competition concerns that can arise from software apps, particularly mobile apps and app stores, are relative to mostly market dominance, likely gatekeeper power, tying and bundling, lack of interoperability and data portability as well as self-preferencing.
- 5.92. Dominant app store platform owners like Apple and Google²⁸³ control app distribution exclusively through their own app stores, limiting alternatives and reinforcing monopoly power over developers and consumers. They often tie app store usage to mandatory use of proprietary payment systems, banning alternative options, potentially affecting innovation. This is also the case with other apps or apps store whereby they create barriers to entry limiting interoperability, data portability for alternative apps stores. It becomes difficult for users to switch between competing apps due to poor data portability or closed ecosystems, locking the users into specific platforms or apps, reducing competition. Platform owners may also give preferential ranking or visibility to their own apps or services in their app stores at the disadvantage of third-party developers. Another concern highlighted is in regard to data usage. Data of app users is collected, used and shared to create consumer data which can in turn be used to steer consumers. Another aspect is innovation foreclosure. App stores impose high fees, complex approval processes, and technical requirements that can make entry difficult for startups and smaller players.

²⁸² This is also referred to as the zero pricing models.

OECD, the evolving concept of market power in the digital economy https://www.oecd.org/content/dam/oecd/en/publications/reports/2022/05/the-evolving-concept-of-market-power-in-the-digital-economy_c384e80f/2cfcb4a8-en.pdf

²⁸³ CMA Market Study into mobile ecosystems

https://assets.publishing.service.gov.uk/media/62a228228fa8f50395c0a104/Final_report_summary_doc.pdf

- 5.93. Competition authorities worldwide have highlighted several key concerns regarding Apple and Google in the context of mobile app stores. Both Apple and Google have been found to misuse their dominant market power over app distribution and in-app payment processing. They require apps to be distributed exclusively through their own app stores: Apple's App Store and Google's Play Store, respectively. This led to a near-monopoly situation restricting alternative app stores or payment systems. In the US, the main legal case refers to a 2024 US federal judge order for Google to open its Play Store to rival app stores in response to the Epic Games lawsuit.²⁸⁴
- 5.94. The European Commission has also fined Apple €1.8 billion for abusing dominance in music streaming app distribution, marking regulatory action in the EU imposing penalties for anti-competitive app store practices. The Commission found that Apple applied restrictions on app developers preventing them from informing iOS users about alternative and cheaper music subscription services available outside of the app (anti-steering provisions').²⁸⁵

c. State of play in Mauritius

- 5.95. In Mauritius, the mobile app ecosystem is shaped largely by the prevalence of Android smartphones, which account for over 50%²⁸⁶ of the local smartphone market share. As a result, the Google Play Store is considered the dominant platform for mobile app distribution on the island. Other notable platforms include the Apple App Store, primarily used by iOS device owners, and the Huawei AppGallery, which has gained traction in recent years due to the popularity of Huawei devices.
- 5.96. In terms of app usage patterns, mobile applications in Mauritius can generally be categorised as either free or paid. Many apps are free to download and use, especially those in high-demand categories such as messaging (e.g., WhatsApp), social media (e.g., Facebook, Instagram), video streaming (e.g., YouTube), and banking or utility apps. These free apps often include in-app advertisements or offer optional in-app purchases to generate revenue.
- 5.97. A review of local usage trends indicates that free apps dominate the Mauritian mobile landscape, driven by the widespread adoption of smartphones and the increasing affordability of mobile internet. The popularity of free apps aligns with global trends. However, there is also a moderate but growing adoption of paid apps and in-app purchases, especially among younger and more digitally engaged users. The most commonly paid-for app categories in Mauritius include gaming – where users pay for premium games or in-game upgrades; lifestyle and health – including fitness tracking apps or meditation tools or entertainment – such as subscription-based streaming services or apps offering exclusive content.
- 5.98. Popular categories for free apps include messaging (WhatsApp, Messenger), social media (Facebook, Instagram, TikTok), mobile payments (MCB Juice, Blink), hotel booking (Booking.com, MariDeal), maps (Google Maps), and business communication tools (Zoom, MS Teams). These apps are widely accessible and cater to diverse consumer needs without direct cost to the user.

²⁸⁴ <https://cdn.ca9.uscourts.gov/datastore/opinions/2025/07/31/24-6256.pdf>

²⁸⁵ https://ec.europa.eu/commission/presscorner/detail/ga/ip_24_1161

²⁸⁶ <https://gs.statcounter.com/os-market-share/all/mauritius>

d. Observations and potential way forward for Mauritius

- 5.99. There is an emerging local app development industry in Mauritius, primarily focused on free apps for local businesses. The exact size of this industry is difficult to estimate due to the lack of specific statistics. Locally developed apps tend to cater to niche markets such as local services, mobile payments, and tourism-related activities. Examples would include mobile payment apps (MCB Juice, Blink, Pop, MyT Money), taxi services (Yugo), traffic monitoring apps, credit facilities (Noula²⁸⁷ of Rogers Capital) and food delivery services (Nandos, Domino's Pizza).
- 5.100. As of date, there have been no reported complaints received regarding software application stores in Mauritius. Issues related to app store policies, consumer rights, or software developer grievances have not been noted also. There is as such no potential competition concerns to be reported at the time of the report.
- 5.101. There appears to be an increase in the ranking of local apps and publishers as well as adoption. From statistical estimation out of the top 20 rankings of apps for Mauritius from iPhone downloads, 5 apps are local; KFC Mauritius, MCB Juice, My.T money, Maupass and Mo Finans along with international apps such as Temu, Google Maps, Google, Microsoft Authenticator, Teams etc.²⁸⁸
- 5.102. As a way forward, this segment needs to be monitored to ensure that the local app developers are not facing any likely issues to with the apps stores in terms of visibility amongst others. An adaptive regulatory framework must also be elaborated which can cater for further innovation and development in this segment. Data protection guidelines might also need to be adapted to consider the cross-jurisdiction aspect of data being stored and processed.

D. Social Media and Communications

- 5.103. Social media refers to online platforms that enable users to create, share, and exchange content and information on specific networks. These platforms facilitate various forms of user-generated content, such as text posts, photos, videos, links, and other multimedia content, which users can interact with through likes, shares, comments, and other engagement mechanisms.
- 5.104. In terms of monetisation strategies, social media are typically free for end-users, though they may pay with their data. The data are fundamental to the platforms' business model as it helps optimise their core revenue generating stream: advertising. Some platforms further monetise by offering extra features and services, such as analytics and premium tools. Others include in-app purchase options, from which they earn a commission on each transaction. For instance, TikTok allows businesses to sell directly on the platform through shoppable posts.
- 5.105. Globally, Facebook is the market leader with 3 billion users, followed by YouTube (2.5 bn), Instagram (2 bn) WhatsApp (2 bn) and TikTok (1.5 bn)²⁸⁹. Facebook is part of the meta group which also own other large social media platforms such as WhatsApp, Facebook Messenger, and Instagram.

²⁸⁷ <https://credit.rogerscapital.mu/noula/>

²⁸⁸ <https://www.similarweb.com/top-apps/apple/mauritius/> accessed on 01 Sep 25

²⁸⁹ Statista - [Most popular social networks worldwide as of February 2025, by number of monthly active users](#); accessed September 2025

- 5.106. In addition to social media, some of the operators, such as Facebook also integrate Voice over Internet Protocol (VoIP). VoIP allows users to make voice, and video calls over the internet rather than through traditional telephone lines.²⁹⁰ The technology works by converting voice signals into digital data packets, transmitting them over IP networks, and then reassembling them at the receiving end. The key component includes VOIP software or apps which transmit voice or image through data.
- 5.107. Messaging apps like WhatsApp, on the other hand, are multi-functional platforms that use VoIP technology as part of their service to enable voice and video calls within their app environment. These apps combine text messaging, multimedia sharing, and social networking features along with voice/video calls. They rely on internet connectivity but do not require specialised VoIP infrastructure, making them more accessible and user-friendly for everyday personal communication, such as Instagram.
- 5.108. Another classification in the communications segment will be digital communications platforms like Zoom, Skype, or Microsoft Teams, which facilitate online meetings, video conferencing, and remote collaboration.
- 5.109. While many VOIP services and communication platforms offer free basic features, providers use several monetisation models such as freemium model whereby the core services are free (e.g., WhatsApp calls), and premium features (e.g., higher call limits, business tools) are paid. Some also offer subscription plans with platforms like Zoom or Microsoft Teams offering tiered subscriptions with added functionalities for enterprise users.

a. Competition concerns in the social media and communications market

- 5.110. The social media and communications market is marked by strong network effects. Users favour platforms with larger user bases, making it difficult for new entrants to compete. Switching between platforms is restricted due to unwillingness of users to lose contacts or contents, and a lack of data portability or interoperability creates a lock-in effect. This causes the market to easily tip and entrenched dominance by a few large platforms.
- 5.111. Most of competition concerns around social media relates to abuse of dominance cases. For instance, in advertising, the bargaining power imbalances between Australian news publishers and Meta was assessed by the Australian Competition and Consumer Commission (ACCC)²⁹¹. The ACCC required Meta to increase its ad revenue share with content creators of Australia. In response, Meta removed its Facebook News tab, citing supposedly declining user engagement. Though this decision has been argued to be a reluctance towards adopting the regulatory demand of the country²⁹².
- 5.112. Issue on self-preferencing has also been found with respect to Facebook's Facebook Marketplace by European Commission²⁹³. Meta was using data from advertisers on Facebook to compete against them via its own services, such as Facebook Marketplace. Meta offered to separate data usage between Marketplace and advertising to address these concerns.

²⁹⁰ FCC, Consumer Guide, VOIP <https://www.fcc.gov/consumers/guides/voice-over-internet-protocol-voip>

²⁹¹ ACCC- [News media bargaining code](#)

²⁹² The Guardian: [Facebook shuts news tab after Meta vows to stop paying Australian publishers for content](#)

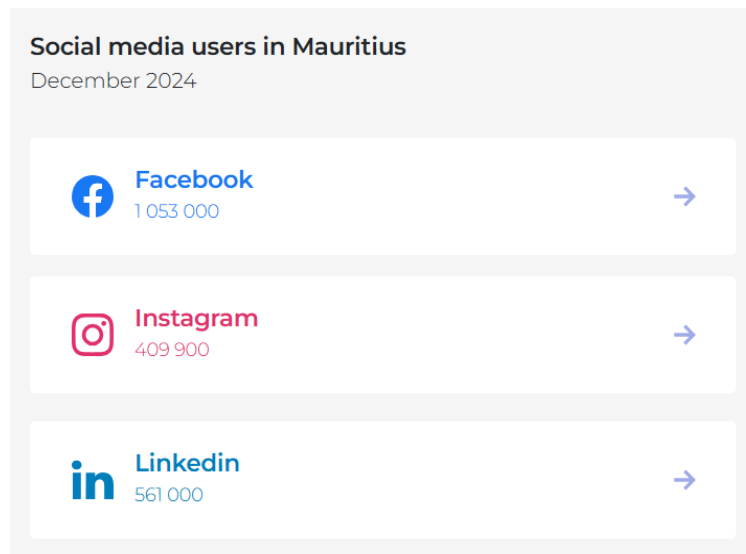
²⁹³ European Commission: [Antitrust: Commission sends Statement of Objections to Meta over abusive practices benefiting Facebook Marketplace](#)

- 5.113. As far as VOIP is concerned, competition regulators around the world have raised several concerns regarding gatekeeping, data issues and limited interoperability.
- 5.114. Large tech companies (e.g., Meta, Microsoft, Google) that offer VOIP services are often accused of bundling them with other services, potentially stifling smaller competitors. The accumulation of user data gives dominant VOIP platforms a competitive advantage, raising concerns about user lock-in and barriers to entry. Limited compatibility between different VOIP services can hinder consumer choice and reduce competition.
- 5.115. Regulatory authorities often scrutinize merger and acquisitions in the VOIP and communications space to prevent anti-competitive consolidation. Examples include Microsoft's acquisition of Skype and Meta's integration of messaging services across Facebook, Instagram, and WhatsApp.

b. State of play, observations and proposed way forward for Mauritius

- 5.116. Around 68% of the total Mauritian population engaged on social media in January 2025²⁹⁴. Popular social media platforms in Mauritius include Facebook, Instagram, and LinkedIn. The below figure²⁹⁵ provides for some indication on the level of social media users in Mauritius²⁹⁶:

Figure 15: Social Media Users in Mauritius



Source: NapoleonCat stats

- 5.117. Their market shares are shown in the chart below²⁹⁷ where Facebook clearly leads.

Figure 16: Social media market share - Mauritius, December 2024

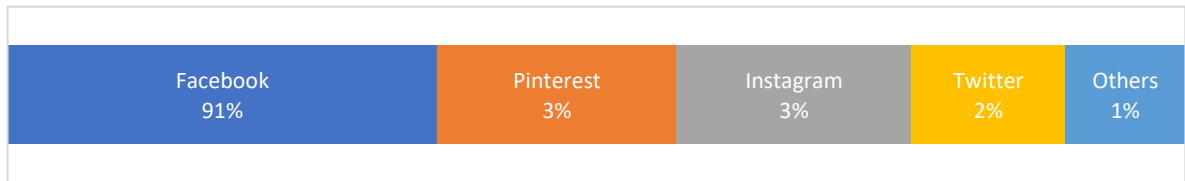
²⁹⁴ Datareportal- [Digital 2025: Mauritius](#)

²⁹⁵ NapoleonCat stats - <https://napoleoncat.com/stats/social-media-users-in-mauritius/2024/12/>

²⁹⁶ Figures might not reflect unique users.

²⁹⁷ Statcounter - [Social Media Stats Mauritius](#), December 2024

5.118. In addition to these platforms, TikTok has also gained some prevalence in Mauritius, especially among



Source: Statcounter

the younger generations. These platforms are widely used for social networking, messaging, and professional networking purposes.

5.119. Social media advertising serves as an important avenue for businesses in Mauritius to reach consumers due to the platforms' extensive user bases. Facebook and Instagram offer advertising tools that enable businesses to target specific demographics effectively. The potential reach and engagement capabilities of ads on these platforms enhance their attractiveness to advertisers seeking to maximize their digital marketing efforts. However, no statistics are available to quantify the level of usage of social media for advertising in Mauritius. As of the time of the report, no formal complaints related to social media advertising have been recorded.

5.120. Though issues regarding online sales through social media have been evoked. Online shopping through social media platforms, has become increasingly popular among Mauritians. These are operators who advertise their products on social media. The customers will thereafter reach out to them to place orders through messaging platforms and separately make payments, either on delivery or through separate online payment options. Concerns have been raised about unregulated trade on social media platforms causing unfair competition and low consumer protection. It has been claimed that many of these operators are unregistered. They do not invest, incur costs and follow any regulatory requirements as much as in both traditional businesses and online e-commerce platforms.

5.121. In this regard, it is necessary for the current legislations to take cognizance of these issues and adapt accordingly, particularly in terms of mechanisms to monitor social-media commerce, ensuring that vendors are complying with regulatory requirements as well as measures for enhanced consumer protection.

E. Online Streaming Platforms

5.122. Online streaming platforms function by delivering on-demand digital content (like movies, shows, or music) to users over the internet in real time, without requiring the entire file to be downloaded. Platforms acquire rights to stream content from studios, producers, or networks. Some invest in their own original shows and films. These are available via apps on smart TVs, smartphones, tablets and laptops.

5.123. In terms of monetisation strategies, the main revenue stream of online streaming platforms is through subscriptions and sales of content. Some models include:

- Subscription - Monthly or annual fee for unlimited content access

- Transactional - Pay-per-view for individual titles where the user can rent or buy specific content.
- Hybrid model: Subscription fee and pay-per-view for access to certain movies or shows.

5.124. For instance, Netflix charges a monthly fee to its subscribers depending on their pricing plan. Moreover, Amazon Prime Video also charges monthly fees, annual fees and rentals where you pay per view for additional content.

5.125. High-end mobiles and improved internet access have contributed to the quick rise of online video streaming services. More than 300 million global consumers use over-the-top (OTT) video services as at June 2025²⁹⁸. In 2024, the global revenue exceeded USD 300 billion²⁹⁹.

a. Competition concerns in the social media market

5.126. Online streaming platforms may utilise user data such as search behaviour, watch lists etc to boost engagement and customize content recommendations. This may raise concerns over data privacy and user consent.

5.127. Moreover, many platforms are also producing their own contents while showcasing those of other content creators, creating risks of self-preferencing where their own content is favourably displayed.

5.128. Exclusivity clauses were also noted in online streaming platforms. For instance, the Turkish Competition Board recently launched an investigation against streaming platforms namely Netflix, Disney+, Exxen, BluTV, Amazon, and Gain, post a preliminary inquiry finding sufficient evidence of potential anti-competitive behaviour. The allegations include imposing exclusivity conditions on various stakeholders such as producers, distributors, copyright holders, actors, directors, and screenwriters. The investigation will also assess whether Netflix is engaging in discriminatory practices that favouring its original productions over independent producers operating in Turkey³⁰⁰.

b. State of play

5.129. Mauritius has also witnessed the rise of subscription-based streaming services. However, the Mauritian online video streaming platforms remain small in volume and value.

5.130. Global or pan African players such as Netflix, iROKO+, Amazon Prime Video, Disney+ and Apple TV+ are available in the country, each offering on-demand content through direct subscriptions. They can be accessed through smart TVs, mobile apps, and web browsers. This allows Mauritian users to stream through a wide range of international movies, series, and original productions.

5.131. Some indications on the number of subscribers are shown in the table below:

²⁹⁸ Statista - [Video streaming worldwide - statistics & facts](#); accessed 2 September 2025

²⁹⁹ Statista - [Video streaming worldwide - statistics & facts](#); accessed 2 September 2025

³⁰⁰ Antitrust Intelligence: <https://antitrust-intelligence.com/turkish-competition-board-launches-investigation-into-video-streaming-giants/>; accessed 15 September 2025

Table 13: Number of subscribers of international video streaming platforms in Mauritius

International Operators	Number of subscribers in Mauritius
Netflix	26,000
Amazon Prime Video	10,400
Disney+	5,500

Source: compilation from media websites³⁰¹

- 5.132. In addition to these platforms, local pay-tv operators and the national broadcaster MBC has expanded into digital platforms offering both linear TV and on-demand content, which can be accessed through smart devices.
- 5.133. For example, Canal+ operates MyCanal, a streaming app that enables subscribers to access both live and on-demand content. The MyCANAL service is an over-the-top ('OTT') application, which enables Canal+ subscribers to have access to the subscribed content over hand-held devices (mobile phones or tablets) via internet connection.³⁰² The myCANAL service, however, is not a stand-alone OTT app like Netflix or Amazon Prime which provide access to subscribed content exclusively over the internet (as per the very meaning of OTT). Instead, it is an extension of Canal+ pay-tv subscribers' viewing experience on a mobile device. In other words, it is an added service.
- 5.134. Similarly, Mauritius Telecom, offers premium tv content over the internet protocol (IPTV), which is another mode of broadcasting instead of the traditional terrestrial or satellite transmission. Through its My.t services, previously offered Showmax but has moved to DStv Stream providing subscribers with multi-device access to live TV and streaming content. It also offers SonyLiv through bundled services or standalone apps.
- 5.135. In December 2016, the Mauritius Broadcasting Corporation (MBC) also released the MBC Play app.³⁰³ The app allows users, both locally and internationally, to use MBC's live television and radio, as well as access local content through digital means through smart devices. The MBC also offers the MBC SAT Channel. The MBC SAT Channel is a customised channel for local content only. The channel is intended to take only the best of MBC's local content for broadcasting by the pay-tv operators via satellite for regional or even international viewership.

c. Observations and proposed way forward for Mauritius

- 5.136. Overall, this market does not appear to currently raise significant competition or regulatory concerns in Mauritius. The nature of network effect for streaming platforms is indirect network externalities, i.e. its value is based on the variety of content it offers. Although exclusivity deals between some streaming services and some content providers do exist, these are not extensive enough to prevent meaningful competition in this market. Moreover, leading streaming services are now producing their

³⁰¹ <https://topfm.mu/netflix-amazon-disney-les-abonnes-mauriciens-bientot-taxes>

³⁰² myCanal <https://www.canalplus-maurice.com/fag/mycanal>

³⁰³ <https://mbradio.tv/mbc-play>

own popular content, increasing consumer choice and limiting dependency on other content creators. Thus, market tipping risks do not arise.

- 5.137. Furthermore, given that the online streaming market is majorly international, Mauritius is restricted in its ability to have an impact. Still, as from 1 January 2026, foreign digital and streaming service providers supplying services to consumers in Mauritius will be charged and required to remit 15% VAT³⁰⁴. This applies to services such as video/audio streaming, apps, software, digital content, and more. While not a direct objective of the government, taxing foreign streaming services ensures a level playing field in Mauritius in the online video streaming market, aligning them with local providers. This shows that the local regulators are paying attention to the operations of these platforms.
- 5.138. A more relevant concern might be linked to local content, e.g. the availability of local content in Mauritian Creole. However, given the nascent stage of content creation in Mauritius, these concerns are not considered to be significant at the time of the report from a competition perspective but can still be monitored.

³⁰⁴ Ministry of Finance, [Annex to Budget Speech 2025-2026](#)

6. Conclusion

- 6.1. Mauritius has established a strong digital foundation supported by conducive policies, reliable internet connectivity, and ongoing legislative reforms under the Digital Transformation Plan 2025-2029. These efforts aim to modernise the legal framework, enhance trust and security, and foster broader digital adoption through adaptive and forward-looking regulation. Speed of fixed connectivity and affordability of data plans are areas for improvement to enable Mauritius to sustain the digitalisation process.
- 6.2. Overall, the digital market landscape in Mauritius is evolving in the right direction. Some markets are still at nascent stage, such as E-commerce and Food Delivery, and at this stage do not raise any competition concerns as such. Similarly, competition issues have not raised by stakeholder in other evolving markets, mostly non-transactional ones, such as search engines, online classified, software applications, social media and online streaming. However, some concerns around regulatory uncertainty and the necessity to reform the industry have been claimed by operators in relation to taxi hailing, online ticketing, online hotel booking and mobile payment markets. Also, further assessment of exclusivity agreements and price parity in the online hotel booking segment is necessary.
- 6.3. Moving forward, encouraging competition through an adaptive regulatory framework, enhancing consumer protection, and promoting digital literacy will be essential to realising the full potential of Mauritius' digital economy. By addressing these challenges proactively and fostering an environment conducive to innovation and equitable market access, Mauritius can sustainably develop its digital markets to benefit businesses and consumers alike in the years to come.
- 6.4. This report has been produced by the Competition Commission with the objective of better understanding the digital markets landscape in Mauritius from a competition perspective. It is primary intended mainly for its internal use and for providing a basis for further research, advocacy and enforcement actions.



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