

Does a Choice Screen Help Fostering Competition? [Working Title]

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Motivation:

Many digital products are preset as the default choice for users, such as the default web browser that is pre-installed with the operating system. While the firms making these choices may argue that setting these defaults benefit users by having a fully usable product out of the box, some regulators argue that these preset defaults can strengthen the dominant firms' positions and hinder the competition, as seen in, for example, antitrust litigations against Microsoft¹ and Google.²

One remedy that has been imposed to alleviate the default effects is the *choice screen*, where users are prompted to actively select their preferred product from a list of competing products. Microsoft and Google, as part of the antitrust remedies, had to offer a choice screen for web browser and search engine on their operating systems, respectively (Decarolis et al., 2023; Vasquez Duque, 2023), and now designated gatekeepers under the EU's Digital Markets Act are also required to do so (under Article 6(3)).

Goal:

The goal of this thesis is to review the competition concerns that the choice screens are meant to solve, the policy debate around the issue, and empirical studies that evaluate the effectiveness of these measures in promoting competition in the markets.

References and Related Literature:

Decarolis, F., Li, M., & Paternollo, F. (2023). *Competition and defaults in online search* (Discussion Paper No. 17779). Centre for Economic Policy Research.
<https://ssrn.com/abstract=4660406>

Vasquez Duque, O. (2023). Active choice vs. Inertia? An exploratory assessment of the European Microsoft case's choice screen. *Journal of Competition Law & Economics*, 19(1), 60–74. <https://doi.org/10.1093/joclec/nhac009>

¹ *U.S. v. Microsoft Corp.*, 253 F.3d 34 (D.C. Cir. 2001) and Case T-201/04 *Microsoft Corp v Commission* ECLI:EU:T:2007:289.

² Case AT.40099 – *Google Android*, Commission Decision of 18 July 2018.