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# COLLECTIVE DOMINANCE IN MULTI-SIDED PLATFORMS: A LEGAL AND ECONOMIC ANALYSIS OF INDIA'S FOOD DELIVERY SECTOR

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## ABSTRACT

The research paper explores the issue of collective dominance in the Indian digital food delivery business, especially with reference to the duopoly created by Swiggy and Zomato. These companies collectively have a market share of at least 90%, evoking serious issues regarding anti-competitive behaviour. The National Restaurant Association of India (NRAI) has complained to the Competition Commission of India (CCI) that Swiggy and Zomato abuse their dominance by adopting tactics like price parity clauses and exclusivity agreements, which discourage market competition and limit the prospects for small restaurants.

The current CCI probe is critical for India's competition law regime to mature. The article contends that the identification of collective dominance under Section 4 of the Competition Act, 2002 is important in solving the issues of duopolistic markets. It also highlights the importance of defining multi-sided markets, where platforms engage with multiple parties, such as consumers and suppliers. Through an examination of the workings of digital markets and oligopolistic dominance, the paper formulates policy suggestions for enhancing India's competition law to provide opportunities for equal competition and consumer choice in the burgeoning online food delivery market.

The analysis of the paper is against the context of India's growing digital economy, where regulatory issues are becoming more complicated. It emphasizes the need to update legal structures to deal with new issues in digital markets so that they are competitive and inclusive for all stakeholders. Finally, the study seeks to contribute to a better understanding of collective dominance and its relevance to competition policy in India.

**Keywords:** Collective, Dominance, Market, Swiggy, Zomato, CCI

## Introduction

The Indian digital economy has experienced a revolution over the last ten years, transforming conventional industries and opening up new economic growth opportunities. One of the industries that have seen major disruption is the food delivery business, which provides an excellent case study on how business models, as well as consumer habits, can be transformed through digital platforms. Enterprises such as Swiggy and Zomato have come to dominate the industry, sharing in excess of 90% market share for food delivery in India. Their quick rise not only transformed consumer access to food but has reconfigured competition in the industry. But this virtual duopoly has created serious doubts regarding anti-competitive behaviours, and the National Restaurant Association of India (NRAI) has already lodged a formal complaint with the Competition Commission of India.<sup>1</sup>

The NRAI complaint accused Swiggy and Zomato of indulging in anti-competitive agreement violation under §3(4) of the Competition Act, 2002.<sup>2</sup> In specific, the NRAI pointed toward the bundling of services, exclusive restaurant arrangements, price parity clauses, and lack of transparency in their operation. These practices have resulted in a level playing field, suppressing competition and injuring the smaller food ordering platforms as well as restaurants, the NRAI alleged. While the CCI acknowledged the gravity of these allegations and initiated an investigation under §3(4), it notably refrained from addressing the NRAI's concerns under §4 of the Competition Act, which deals with the abuse of dominant position. This omission has sparked a broader debate about the adequacy of existing competition law frameworks in addressing the unique challenges posed by digital markets.

The Swiggy-Zomato case offers the CCI its most important chance to date to tackle two key matters of competition law: identifying collective dominance under §4 of the Competition Act and the requirement to delineate multi-sided markets so that competition authorities can make better determinations of anti-competitive conduct. These are especially important issues in the digital platform space, where the conventional tools for measuring market dominance and competition are inadequate. Digital markets tend to have features like network effects, economies of scale, and data-driven benefits, which can reinforce the position of market leaders and raise barriers to entry for new players. For Swiggy and Zomato, their combined dominance

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<sup>1</sup> National Restaurant Association of India ('NRAI') Vs. Zomato Limited ('Zomato') & Others, Case No. 16/2021

<sup>2</sup> Sec 3(4) Competition Act, 2002

has enabled them to wield considerable influence over the food delivery ecosystem, impacting not just consumer choice but also the terms of engagement for restaurants and delivery partners.

Although it has gained popularity in places like the European Union, the idea of collective dominance—which describes the capacity of two or more businesses to control a market collectively—remains underdeveloped in Indian competition law. The recognition of collective dominance would allow the CCI to handle situations in which market power is distributed among a few companies rather than concentrated in one. In industries like food delivery, where Swiggy and Zomato's combined market share provides them considerable clout over rivals and stakeholders, the CCI might more successfully address anti-competitive activities by integrating collective dominance into its analytical approach.

The paper is structured as follows: Section I explores the mechanisms of digital markets and their relevance to the food delivery sector. Section II analyses the concept of collective dominance and its implications for competition law. Section III discusses the challenges of defining multi-sided markets and proposes a framework for the CCI. Section IV concludes with policy recommendations.

## **Section I: Understanding Digital Markets and the Swiggy-Zomato Strategy**

### **A. The Platform Model and Network Effects**

Digital markets exist on a platform model in which intermediaries bridge two or more dissimilar user groups. Swiggy and Zomato are platforms for the food ordering business that bridge restaurants (the supply side) with customers (the demand side). This model generates network effects, whereby the worth of the platform rises as more participants join. For example, having more restaurants on the platform brings in a more significant consumer base, and having a bigger consumer base encourages more restaurants to come on board. These network effects produce a self-sustaining cycle that reinforces the platform's market position. Network effects also produce high entry barriers, and it becomes challenging for new entrants to compete. New entrants have to acquire a critical mass of restaurants and consumers at the same time, which is difficult considering the established position of players such as Swiggy and Zomato. This interaction has enabled the two platforms to become the unchallenged leaders in the Indian food ordering space, sharing over 90% of the market. Swiggy and Zomato's domination is also perpetuated by how they can exploit data and technology to streamline operations, building an

efficient moat that is challenging for smaller entrants to navigate.

## **B. Bundling of Services**

Service bundling is one of the main accusations made against Swiggy and Zomato by the National Restaurant Association of India (NRAI). In order to list on the platforms, restaurants must use their delivery partners, thereby linking listing with delivery services. By doing this, Swiggy and Zomato can exert as much control over customers and restaurants as desired. Bundling is a popular tactic in digital marketplaces, where platforms aim to lock people into their ecosystem while providing a smooth user experience. Bundling in the context of Swiggy and Zomato guarantees that eateries rely on the platforms for both visibility and logistics. This inhibits competition and innovation in the industry by limiting restaurants' ability to investigate other delivery options or bargain for better terms. Additionally, by establishing a closed loop in which restaurants are forced to abide by the platforms' requirements, bundling strengthens the platforms' hegemony and solidifies the duopoly.

## **C. Exclusive Contracts and Data Monopolies**

A major issue highlighted by the NRAI is the practice of exclusive contracts employed by Swiggy and Zomato. These agreements restrict restaurants from being available on alternative platforms, effectively confining them within the Swiggy-Zomato ecosystem. By limiting new entrants' access to both supply (restaurants) and demand (consumers), the platforms reinforce their market power and create obstacles for potential competitors.

Moreover, the gathering of consumer data by Swiggy and Zomato enhances their market position even further. Insights derived from data allow the platforms to refine their pricing, marketing, and operational strategies, granting them a considerable competitive edge. For example, the platforms can leverage data to understand consumer preferences, anticipate demand, and provide tailored recommendations, all of which improve user satisfaction and loyalty. However, this dominance in data also raises issues regarding privacy and the risk of anti-competitive behaviour, as smaller competitors do not have access to comparable data-driven tools.

## **D. Multi-Homing and Frenemies**

In India's food delivery sector, characterized by a duopolistic market, consumers frequently

utilize both Swiggy and Zomato interchangeably. This practice adds complexity to market share evaluations and regulatory considerations, as it obscures the distinctions between the two platforms. For example, a consumer might choose Swiggy for one order and Zomato for another based on discounts, delivery speed, or restaurant options.<sup>7</sup>

Although they are competitors, Swiggy and Zomato function as “frenemies,” providing comparable services while sidestepping direct competition that could jeopardize their shared dominance. This unspoken agreement permits them to uphold elevated commission rates and maintain market control without entering a price war that would favour consumers and restaurants. The ability of these platforms to coexist as leading entities underscores the necessity for regulatory measures to ensure fair competition and a balanced market landscape.

## **Section II: Collective Dominance and the Need for Legal Recognition**

### **A. The Concept of Collective Dominance**

Collective dominance arises when a limited group of companies possesses substantial market power without direct collusion. This situation is intensified in digital markets by factors such as network effects, economies of scale, and monopolies in data. The duopoly formed by Swiggy and Zomato serves as a prime example of collective dominance, with their combined market share surpassing 90%, granting them substantial control over the food delivery sector.

In digital markets, collective dominance is especially significant, as the interaction of network effects and economies of scale fosters a winner-takes-all scenario. Regarding Swiggy and Zomato, their stronghold is not solely the result of individual capabilities but also their capacity to jointly manipulate the market. This enables them to impose conditions that disadvantage both restaurants and consumers, including elevated commission fees and restrictive agreements, all while facing minimal competitive challenges.

### **B. Indian Jurisprudence on Collective Dominance**

Indian competition law, as specified in the Competition Act, 2002, does not clearly define collective dominance. Section 4 of the Act prohibits the abusive behaviour of a single enterprise or group, yet it does not cover joint dominance among several firms. This oversight has been pointed out in cases such as *Delhi Vyapar Mahasangh v. Flipkart and Amazon*, where the

Competition Commission of India (CCI) dismissed claims of collective dominance, referencing the absence of specific provisions in the Act.<sup>3</sup>

The lack of a regulatory framework for collective dominance constraints the CCI's capacity to tackle anti-competitive behaviour in oligopolistic markets. For example, in the Swiggy-Zomato case, the CCI commenced an investigation under §3(4) of the Competition Act, which pertains to anti-competitive agreements, but did not consider the matter of collective dominance under §4. This illustrates the limitations of the existing legal structure and highlights the necessity for reforms to confront the distinct challenges presented by digital markets.

### C. International Perspectives

India's competition law system is significantly behind international legal standards regarding collective dominance. A forward-thinking interpretation of Article 102 of the Treaty on the Functioning of the European Union (TFEU) in the Italian Flat Glass case established that multiple independent economic entities can simultaneously hold a dominant position "in relation to other operators in the market."<sup>4</sup> Article 102 of the TFEU explicitly addresses the abuse of a dominant position by "one or more undertakings" within the EU's internal market. This principle has been consistently reaffirmed in several subsequent EU cases.

A clear parallel exists with the Nestlé/Perrier case<sup>5</sup> in the EU, where a proposed merger was blocked due to concerns that it would create a collective dominant position among three entities, effectively sidelining other market competitors. This case involved Nestlé's attempt to acquire all shares of Perrier, a French bottled water company, together with its subsidiaries. The European Commission rejected this acquisition, arguing that it would lead to a "duopolistic, dominant position" shared by Nestlé and Banque Indosuez (another significant player in the bottled water sector). If approved, this acquisition would have granted these companies unfettered control to manipulate prices at will. Thus, the Nestlé case explicitly acknowledged the concept of collective dominance and took strong measures to prevent its establishment.

In a similar vein, the current case involving Swiggy and Zomato has seen the opposing parties

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<sup>3</sup> Delhi Vyapar Mahasangh v. Flipkart and Amazon, Case No. 40 of 2019, CCI

<sup>4</sup> Italian Flat Glass, [1992] ECR II-1403

<sup>5</sup> Nestlé v Perrier, [1992] OJ L356/1.

(OPs) accused of taking advantage of their duopolistic stance to impose inflated prices on consumers, often surpassing the actual costs incurred by restaurants. This unchecked pricing authority highlights the urgency of recognizing and addressing collective dominance within India's competition law framework, drawing insights from the EU's comprehensive legal precedents on this issue.

#### **D. The NRAI's Strategic Approach**

The NRAI's choice to emphasize §3(4) of the Competition Act instead of §4 points to the shortcomings of Indian competition legislation. By claiming vertical restraints under §3(4), the NRAI sidestepped the necessity of demonstrating either individual or collective dominance, which would have posed a greater challenge within the existing legal framework.

Nevertheless, this strategy highlights the urgent need for legislative changes to tackle collective dominance in digital markets. The Swiggy-Zomato case exemplifies the constraints of the current system and the necessity for the CCI to implement a more sophisticated method for evaluating market power in oligopolistic settings.

#### **E. The Case for Recognizing Collective Dominance**

Recognizing collective dominance as defined in §4 of the Competition Act, 2002, would represent a crucial advancement in bringing India's competition law in line with global standards. Countries like the European Union have long embraced the idea of collective dominance, demonstrated by cases such as Italian Flat Glass and Nestlé/Perrier, where several companies were held responsible for jointly misusing their market power. By integrating this concept into Indian competition law, the Competition Commission of India (CCI) would be better positioned to tackle the distinct challenges presented by digital markets, which frequently exhibit oligopolistic characteristics, network effects, and data-centric monopolies.

In the Swiggy-Zomato scenario, acknowledging collective dominance would enable the CCI to examine the platforms' mutual control over the food delivery sector. At present, Swiggy and Zomato account for over 90% of the market collectively, allowing them to impose detrimental terms on restaurants, including inflated commission rates, bundled services, and exclusive agreements. Such practices not only hinder competition but also restrict consumer options and innovation. By recognizing collective dominance, the CCI could proactively address such anti-

competitive practices, fostering a fair environment for smaller entities and new entrants.

Furthermore, acknowledging collective dominance would allow the CCI to pursue a more anticipatory and preventive regulatory strategy. Rather than waiting for clear indications of collusion, the CCI could intervene when a limited number of firms collectively exert significant market influence, even in the absence of formal arrangements. This approach would be especially relevant in digital markets, where implicit coordination and mutual dependence among leading players are prevalent.<sup>6</sup>

In conclusion, recognizing collective dominance would not only bolster competition but also enhance innovation and benefit consumer welfare. In the food delivery industry, it could result in reduced pricing, improved service quality, and increased transparency, positively impacting both restaurants and consumers. By adopting this concept, India can fortify its competition law framework and ensure that its digital markets thrive under conditions that are dynamic, inclusive, and equitable.<sup>7</sup>

### **Section III: Defining Multi-Sided Markets for Accurate Assessments**

#### **A. The Importance of Market Definition**

Identifying the relevant market is a crucial step in evaluating anti-competitive practices, as it sets the parameters within which competition takes place. In conventional markets, this process includes pinpointing substitute goods or services and defining the geographical reach of competition. Nevertheless, in digital markets, this task becomes more challenging due to the multi-sided characteristics of platforms, where indirect network effects connect various user groups. For instance, platforms like Swiggy and Zomato cater to two separate groups of users—restaurants (the supply side) and customers (the demand side)—with their interactions facilitated by the platform. The platform's value for one user group relies on the engagement of the other, leading to a complex relationship that traditional market definition methods may not fully capture.

The multi-sided structure of digital platforms presents distinctive difficulties for competition regulators. Conventional tools for evaluating market power, such as the Small but Significant

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<sup>6</sup> David S. Evans & Richard Schmalensee, *The Antitrust Analysis of Multi-Sided Platform Businesses*, Oxford Handbook On International Antitrust Economics (Roger D. Blair & D. Daniel Sokol eds., 2014)

<sup>7</sup> Id.



and Non-transitory Increase in Price (SSNIP) test, frequently do not apply well to digital markets. These methods typically emphasize price impacts in a single-sided market, while multi-sided platforms often subsidize one side of the market (like consumers) and charge the other (such as restaurants). This dynamic complicates the use of standard techniques for defining relevant markets and evaluating competitive harm. For example, the current methodology used by the CCI to define relevant markets often neglects to consider the interactions between different user groups or the influence of data on competitive outcomes. This shortcoming can result in a partial understanding of market dynamics and weaken the effectiveness of competition enforcement.

## **B. The CCI's Perspective on Multi-Sided Markets**

The Competition Commission of India (CCI) has increasingly recognized the intricacies of multi-sided markets in its recent rulings. For example, in *FHRAI v. MakeMyTrip*, the CCI acknowledged the multi-faceted nature of online travel platforms that link hotels, consumers, and other service providers.<sup>8</sup> Likewise, in the *WhatsApp* case, the CCI understood the platform's function as an intermediary connecting users with businesses.<sup>9</sup> These instances reflect the CCI's developing insight into digital markets and their distinctive features. However, the CCI's method has been uneven, with certain cases not sufficiently defining the relevant market or factoring in the indirect network effects that contribute to platform supremacy.

For instance, in a case concerning *Swiggy*, the CCI failed to offer a clear definition of the market, which hampered its ability to evaluate anti-competitive behaviour. The absence of an explicit market definition complicated the assessment of the platform's market power and its effects on competition. This lack of consistency underscores the necessity for a more comprehensive framework for defining multi-sided markets. In the absence of a clear comprehension of the relevant market, the CCI's capability to analyse anti-competitive actions and foster competition is greatly limited. A well-defined market is crucial for recognizing entry barriers, assessing market power, and crafting effective solutions to combat anti-competitive conduct.

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<sup>8</sup> Federation of Hotel & Restaurant Associations of India (FHRAI) and another Vs. MakeMyTrip India Pvt. Ltd. (MMT) and others with Rubtub Solutions Pvt. Ltd. Vs. MakeMyTrip India Pvt. Ltd. (MMT) and others, Case No. 14/2019 and 01/2020.

<sup>9</sup> In Re: Updated Terms of Service and Privacy Policy for WhatsApp Users, Suo Moto Case No. 1 of 2021, dated March 24, 2021; as available at: [https://www.cci.gov.in/sites/default/files/SM01of2021\\_0.pdf](https://www.cci.gov.in/sites/default/files/SM01of2021_0.pdf)

### **C. A Framework for Understanding Multi-Sided Markets**

To tackle these challenges, the CCI should implement a framework that acknowledges the distinctive characteristics of multi-sided markets. This framework should start by recognizing the different user groups that the platform serves. In the context of Swiggy and Zomato, the pertinent user groups include restaurants and consumers. Each group gains value from the platform in unique ways, and their involvement is mutually dependent. For instance, restaurants gain access to a broad consumer base, while consumers enjoy a diverse array of dining options.<sup>10</sup>

Subsequently, the framework should examine the indirect network effects that connect these user groups. Indirect network effects arise when the value of the platform to one group is influenced by the size and engagement of the other group. For example, an increase in the number of restaurants on the platform draws more consumers, and the reverse holds true as well. These network effects create a reinforcing loop that bolsters the platform's market position and establishes significant barriers for new entrants. Grasping these effects is essential for evaluating the platform's market power and its potential for engaging in anti-competitive behaviour.

Lastly, the framework should address the platform's intermediary function in facilitating transactions. Swiggy and Zomato serve as intermediaries that link restaurants and consumers, enabling transactions that might not take place otherwise. This intermediary position grants the platforms considerable authority over the terms of interaction, including pricing, delivery logistics, and data sharing. By integrating these aspects into its evaluation, the CCI can achieve a more precise insight into the competitive dynamics within multi-sided markets and pinpoint practices that compromise competition.

### **D. Implementing the Framework for Swiggy and Zomato**

In the case of Swiggy and Zomato, the appropriate market should be characterized as “the online food delivery platform market in India.” This characterization reflects the multi-faceted nature of these platforms and their function in linking restaurants with consumers. It also considers the indirect network effects that contribute to their market dominance. By framing

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<sup>10</sup> Inconsistencies in the CCI's Approach to Multi-Sided Markets, *Journal of European Competition Law & Practice*, 2022

the market this way, the CCI can more precisely evaluate the competitive landscape of the food delivery industry and spot anti-competitive behaviour.

For example, this framework would enable the CCI to analyse how bundling services, exclusive agreements, and data monopolies influence competition. The bundling of listing and delivery services compels restaurants to depend on these platforms for both exposure and logistics, restricting their opportunities to seek alternative solutions. Exclusive agreements stop restaurants from featuring on rival platforms, thereby strengthening the control of the duopoly over the market. Data monopolies allow Swiggy and Zomato to enhance their operations and sustain a competitive advantage, solidifying their dominance even further.

By utilizing this framework, the CCI can adopt a more proactive stance in overseeing digital markets and ensuring fairness for all parties involved. This would not only enhance competition but also encourage innovation and benefit consumers in the food delivery industry. A clearly defined market and a sophisticated understanding of multi-sided platforms are crucial for tackling the distinct challenges brought about by digital markets and for guaranteeing the ongoing effectiveness of competition law in the digital era.

## **Section IV: Conclusion and Policy Recommendations**

### **A. Summary of Findings**

The Swiggy-Zomato situation highlights the urgent challenges associated with regulating collective dominance in India's rapidly changing digital markets. Although the Competition Commission of India (CCI) has made progress in addressing anti-competitive behaviors, its failure to recognize collective dominance and effectively define multi-sided markets has hindered its efficiency. This case illustrates how platforms such as Swiggy and Zomato, which jointly dominate over 90% of the food delivery market, take advantage of their duopolistic position to impose unfavourable conditions on both restaurants and consumers. This not only suppresses competition but also limits innovation and consumer options. The CCI's dependence on §3(4) of the Competition Act, which pertains to vertical restraints, has proven inadequate in addressing the intricate nature of digital markets, where network effects, data monopolies, and multi-sided dynamics are crucial elements.

## **B. Policy Recommendations**

**Revise the Competition Act:** The most critical reform required is the clear acknowledgment of collective dominance under §4 of the Competition Act, 2002. At present, §4 only addresses the abuse of dominance by an individual enterprise or group, leaving a considerable void in regulating joint dominance among multiple companies. By revising the Act to incorporate collective dominance, the CCI would gain the authority to confront anti-competitive activities in oligopolistic markets, such as the food delivery industry. This step would bring India's competition laws in line with international norms, similar to the European Union's approach under Article 102 of the Treaty on the Functioning of the European Union (TFEU).

**Establish Guidelines for Multi-Sided Markets:** Digital marketplaces function on multi-sided platforms, where indirect network effects connect various user groups. However, the CCI's method of defining relevant markets has lacked consistency, often missing the complexities associated with these platforms. The CCI should formulate comprehensive guidelines for identifying multi-sided markets, considering aspects such as indirect network effects, platform intermediation, and multi-homing behaviours. For instance, in the Swiggy-Zomato situation, the relevant market ought to be characterized as "the market for online food delivery platforms in India," reflecting the interconnectedness between restaurants and consumers.

**Boost CCI's Expertise:** Effective regulation of digital markets necessitates specialized knowledge about platform economics, data analytics, and network effects. The CCI should invest in enhancing its technical capacity by recruiting experts with expertise in digital technologies and data science. Furthermore, the CCI could establish a dedicated digital markets division, akin to the UK's Digital Markets Unit, to oversee and regulate anti-competitive behaviours within the digital economy. This would enable the CCI to conduct more precise and timely evaluations of market dynamics.

**Encourage Competition and Innovation:** To create a competitive digital environment, the CCI ought to implement strategies that facilitate new market entrants and lower entry barriers. For instance, the CCI could enforce data-sharing mandates for dominant platforms, ensuring that smaller players have access to vital data and resources. Additionally, the CCI could collaborate with other regulatory agencies, such as the Ministry of Electronics and Information Technology (MeitY), to foster a conducive policy framework for startups and innovators. By nurturing competition, the CCI can help ensure that digital marketplaces remain vibrant and inclusive.

### **C. The Path Ahead**

The Swiggy-Zomato situation offers a distinct chance for the CCI to fill the voids in India's competition law framework and bring it in line with international norms. By acknowledging collective dominance and outlining multi-sided markets, the CCI can bolster its position as a competition regulator and ensure fair competition within India's digital landscape. This would not only improve competition but also encourage innovation, benefit consumers, and stimulate economic development.

Furthermore, the CCI's proactive stance in this matter could establish a benchmark for overseeing other digital industries, such as e-commerce, ride-hailing, and online advertising, which are also largely controlled by a select few players. By implementing a progressive and adaptable regulatory structure, the CCI can tackle the specific challenges presented by digital markets and guarantee that India's digital economy stays competitive, inclusive, and equitable.

In summary, the Swiggy-Zomato case serves as a crucial signal for India's competition authorities. By welcoming reforms and adopting a more sophisticated approach to digital markets, the CCI can lay the groundwork for a more competitive and inventive digital economy, benefiting enterprises, consumers, and the broader economy.

### **Conclusion**

The digital marketplace in India is increasingly showing signs of oligopoly, with key players emerging across numerous sectors. In the food delivery sector, Swiggy and Zomato command a substantial portion of the market, while Blinkit and Instamart lead in grocery delivery. Likewise, Uber and Ola are significant contenders in the ride-hailing market. These instances illustrate the limited competition present in India's digital economy. To tackle this issue, it is essential to implement regulations that acknowledge collective dominance and appropriately delineate relevant markets. Such initiatives could enhance competition and deter anti-competitive behaviours in oligopolistic settings. However, this necessitates the Competition Commission of India (CCI) to gain a better understanding of the distinct characteristics of digital markets and the specific aims of their business models. For example, while platforms like 'Bharat Pe' and 'Phone Pe' might seem alike, they target different user demographics—Bharat Pe is designed solely for merchants, whereas Phone Pe serves both consumers and sellers. Identifying these subtleties is crucial for effective regulation.

Furthermore, recognizing collective dominance is a vital advancement that aligns India's regulatory framework with global standards. By adopting this perspective, India can more effectively confront the challenges posed by its swiftly changing digital markets and align with international competition law precedents. The ongoing investigation against the OPs, which has been handed over to the Director General for further examination, represents an opportunity to enhance India's anti-competition framework. This could facilitate a more competitive and inclusive digital economy, ensuring that market dynamics stay fair and innovative. As India advances in its digital economic landscape, proactive steps to manage oligopolistic conduct will be essential in shaping a strong and equitable market environment.