Background: E-commerce has spread rapidly and intensified price competition among online shops and real shops, causing less profits of manufacturers, wholesalers and retailers. Aprica Children's Products G.K. (Aprica) Aprica conducted the following acts to find out retail prices of the Aprica's baby products; Distribution ■ "Web team" under the sales division ① monitored retail prices of the Aprica's baby products on the internet Channel of every week, 2 made a list of the retailers who were selling Aprica's baby products cheaper than the **recommended** the Aprica's retail prices that Aprica had set (RRP), 3 shared the list within the sales division. baby ■ Sales division confirmed the retail prices posted on drafts of the paper flyers and the electronic flyers before products retailers circulated these flyers. ■ Sales division received complaints about the retailers who were selling the Aprica's baby products cheaper than the RRP. The way of price restriction Apirca conducted the following acts by itself or through the wholesalers; Resale Price **Requested** the retailers to sell the Aprica's baby products at the RRP. ■ Took sanctions such as blocking of supplies against the retailers if they refuse to sell **Maintenance** the Aprica's baby products at the RRP. "We would like to force retailers to Wholesalers "We will correct the Pricing algorithms correct their cheaper price right away." price to the RRP which automatically before other retailers adapt retail prices to would follow them. those of competitors Retailers (selling at Retailers (trying to sell cheaper Retailers (selling at Follow Retailers (keep selling cheaper than the RRP) than the RRP) the RRP) the RRP) The Aprica's baby products sold at the RRP

Consumer