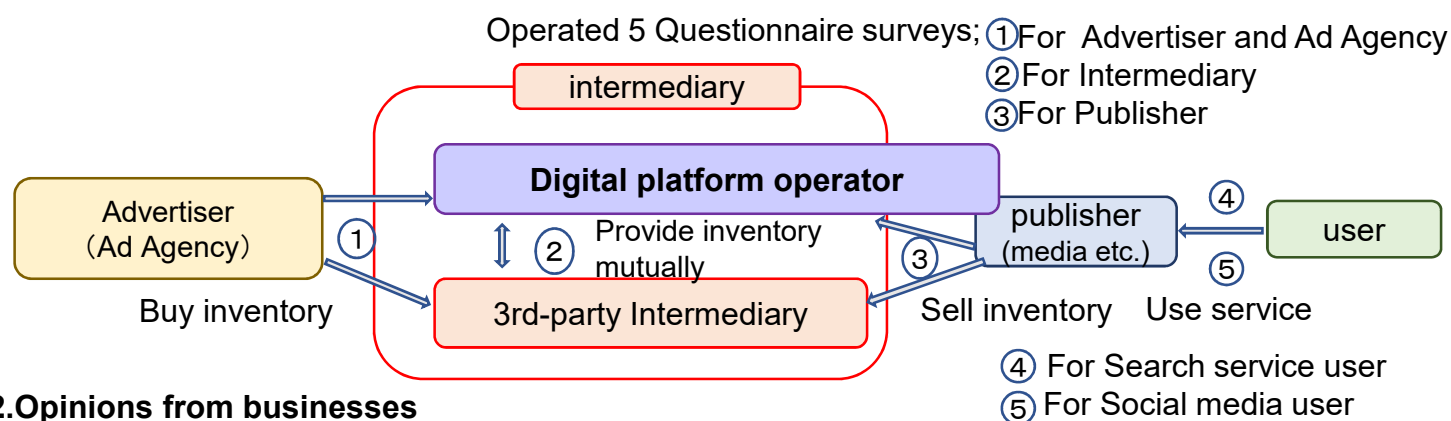


Interim Report regarding Digital Advertising (Summary)

1. Overview of trades in the digital advertising sector



2. Opinions from businesses

	Advertiser & Ad Agency	Intermediary	Publisher
Contract	<ul style="list-style-type: none"> Contracts are uniform and cannot be changed based on negotiation Digital platform operators can change the terms on a discretionary basis Digital platform operators can stop providing their service on a discretionary basis 		
Third-party service	<ul style="list-style-type: none"> Businesses are prohibited by digital platform operators to use third-party services 	<ul style="list-style-type: none"> Digital platform operators' staff told businesses not to use third-party services 	<ul style="list-style-type: none"> Businesses are prohibited by digital platform operators to use third-party services
Ad fraud	<ul style="list-style-type: none"> Lack of disclosure on ad fraud Digital platform operators should refund fee related to invalid traffic 		<ul style="list-style-type: none"> Lack of transparency on timing for deducting ad revenue when ad fraud turns out

Perspectives for future research and examination

- The JFTC will conduct further fact-finding survey in order to understand the situation well and will organize our thoughts on the Anti-Monopoly Act and competition policy in Japan from the viewpoints of;
 - Whether the operators impose unfair disadvantage to other businesses e.g) changing contract term in one-sided manner
 - Whether the operators unfairly exclude their competitors
 - Whether the operators unfairly restrict the business activities e.g) restricting distribution of digital advertising
 - How digital platform operators should use the information to ensure the transparency of transactions
 - Monitoring competition among publishers who use digital platform operators, that seen between such operators and other operators who do not use digital platform, and operators' voluntary efforts

3. Recognition of consumers

	Search service user	Social media user
Collection of information	<ul style="list-style-type: none"> Users don't recognize what information is collected/used for showing ads when using search service or social media. 	
Consent	<ul style="list-style-type: none"> Users consent to the terms of service without understanding what information is collected /used for showing ads or do not remember consenting to the terms of services of search service or social media. 	
Concern	<ul style="list-style-type: none"> Users have concerns about collection and usage of users' data search service providers or social media providers. However users cannot help using these services because they are useful or essential for life 	

Perspectives for future research and examination

- The JFTC will conduct further fact-finding survey on the situation of usage of information from the viewpoint of whether collection of personal information or the usage of such information by digital platform operators could be seen as abuse of superior bargaining position