

**From:** Gagandeep Singh [REDACTED]  
**Sent:** Thursday, June 1, 2023 4:36 pm  
**To:** Consultation  
**Subject:** EC/03JJ Representation

Dear Sir/Madam,

I am writing to you to express my concerns about the duopoly in the online food delivery market in Hong Kong, which is currently being dominated by Foodpanda and Deliveroo. The Competition Commission has recently published proposed commitments from both companies, which suggest that they have been hindering entry and expansion by new or smaller platforms and thereby softening the competition in the market. In my view, this duopoly is detrimental to consumers and to the wider market, and I would like to argue that it should be broken up.

Firstly, it is clear that the dominance of Foodpanda and Deliveroo is leading to a lack of choice for consumers. When only two platforms control the market, there is a risk that they will become complacent and not respond to the needs and demands of consumers in the way that a more competitive market would. For example, if a consumer is dissatisfied with the pricing or service offered by Foodpanda or Deliveroo, they may feel that they have no alternative but to continue using them. This lack of choice can lead to a situation where consumers are paying more than they should be for their food, or receiving a lower quality of service than they would expect.

Secondly, the duopoly is also detrimental to smaller food delivery platforms that are trying to enter the market. Exclusive terms, price restrictions, and tying provisions are all tactics that Foodpanda and Deliveroo have used to prevent partnering restaurants from working with smaller competitors. This has the effect of stifling innovation and preventing new and innovative platforms from entering the market. This is particularly concerning given the importance of the food delivery sector to the wider economy, including the restaurant industry and the many small businesses that rely on it.

Thirdly, the duopoly is also leading to a lack of innovation in the food delivery market. When only two platforms dominate the market, there is little incentive for them to invest in new technology or services that could improve the consumer experience. This is particularly concerning given the fast-paced nature of the food delivery market, where new technologies are constantly emerging. A lack of investment in innovation could lead to a situation where consumers are left with outdated services and technologies that do not meet their needs.

Finally, it is clear that the duopoly is leading to higher prices for consumers. When only two platforms control the market, they are able to set prices at a level that maximises their profits, rather than offering the best value for money to consumers. This is particularly concerning given the rising cost of living in Hong Kong, and the importance of affordable food delivery options to many consumers.

In conclusion, I believe that the duopoly in the online food delivery market in Hong Kong is detrimental to consumers, the wider market, and the economy as a whole. The proposed commitments made by Foodpanda and Deliveroo are a step in the right direction, but they do not go far enough to address the underlying issues. I would therefore urge the Competition Commission to take stronger action to breakup the duopoly, and to encourage more competition and innovation in the food delivery market. This could be achieved through a range of measures, including opening up the market to new entrants, encouraging the development of new technologies and services, and promoting greater transparency and competition in pricing and service quality.

Ultimately, breaking up the duopoly in the online food delivery market in Hong Kong would be good news for consumers, businesses, and the wider economy. It would create more choice and competition, leading to better prices, greater innovation, and improved services for consumers. It would also encourage the development of new and innovative businesses, helping to drive growth and create jobs in the food delivery sector and beyond.

Thank you for your attention to this important issue. I hope that you will take the necessary steps to promote greater competition and innovation in the online food delivery market in Hong Kong.

Sincerely,

Harry Maan