



Australian Government



Australian  
**Small Business and  
Family Enterprise**  
Ombudsman

19 February 2021

Digital Advertising Services Inquiry  
Australian Competition and Consumer Commission  
23 Marcus Clarke Street  
Canberra ACT 2601

*via email: AdTechInquiry@acc.gov.au*

Dear Sir/ Madam

### Digital Advertising Services Inquiry Interim Report

Australian small business spending on digital marketing has tripled since 2005.<sup>1</sup> The digital advertising supply chain in Australia is dominated by only a few digital platforms. Consequently, the power imbalance between small businesses and advertising technology (Ad Tech) providers is enormous. Government has an obligation to ensure small businesses are treated fairly and have available avenues to resolve disputes with ad tech providers. My Office offers the following comments on the Australian Competition and Consumer Commission's (ACCC) proposals contained in the interim report.

- 1. Voluntary industry standards.** Greater transparency is likely to encourage competition to the benefit of small businesses engaging with the market. However, industry self-regulation has been shown to produce perverse outcomes for small business customers where take up is limited or standards are not enforced.

The ACCC should consider mandatory standards from the outset in order to immediately foster transparency and competition.

- 2. Ombudsman scheme.** Digital platforms and their ad tech are the gatekeepers for small businesses looking to engage with customers. It is vital that the relationship between digital platforms and small businesses are regulated recognising this fact.

We support the establishment of an ombudsman scheme, either under an existing ombudsman or as a new entity, to provide independent external dispute resolution and oversee mandatory industry standards.

If you would to discuss this matter further, please contact [REDACTED] on [REDACTED] or at [REDACTED]

Yours sincerely

**Kate Carnell AO**  
Australian Small Business and Family Enterprise Ombudsman

<sup>1</sup> <https://www.thinkwithgoogle.com/intl/en-aunz/consumer-insights/consumer-journey/how-aussie-smbs-are-using-digital-tools-and-technology-drive-growth/>