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**DIRECTORATE FOR FINANCIAL AND ENTERPRISE AFFAIRS
COMPETITION COMMITTEE**

Working Party No. 2 on Competition and Regulation

**Market Studies and other Market Analysis Tools for Competition Authorities – Note by
Türkiye**

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This document reproduces a written contribution from Türkiye submitted for Item 4 of the 80th meeting of Working Party 2 on 3 December 2025.

More documentation related to this discussion can be found at: oe.cd/msmat.

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1. Market studies are widely utilized by Turkish Competition Authority (TCA). As of November 2025, TCA has seven market studies ongoing related to different markets such as “container transportation via liners and container port services” and “handheld terminals”. For TCA, market studies are very important instruments as they enable TCA to collect detailed information about a sector and assess the level of competition within that sector. Through such analyses, TCA gains a deeper understanding of market dynamics and identify opportunities to enhance competitive conditions.
2. This contribution aims to share TCA’s experience with regard to market studies by introducing a market study which allowed TCA to formulate broader recommendations for legislative reform aimed at improving the overall functioning of the relevant market.
3. The **Fast-Moving Consumer Goods (FMCG) retail sector** constitutes one of the key areas under the scrutiny of the TCA due to its pivotal role for the national economy. It has been subject to numerous merger assessments and investigations. In order to understand the functioning and structure of the market, a market study was launched and it was completed in **2023**¹.
4. FMCG market has expanded considerably over the years in Türkiye, both in terms of the annual turnovers and the number of outlets operated by undertakings. The market study revealed that there is an increasing market concentration in the FMCG retail market where top 4 players account for 77% and top 10 players² for over 90%.
5. Since the increasing concentration in FMCG retailing also affects the markets where goods are produced, packaged and supplied, the **impact of retailers’ buyer power** on the supply markets was also assessed within the scope of the market study. Among the top four undertakings, three are discount retailers in Türkiye. The share of private-label products in the product portfolios of discount retailers is higher than that of other retail chains. These products, designed by discount retailers, are mostly manufactured by small and medium-sized producers or farmers. Owing, in part, to their strong position at the retail level, discount retailers possess significant buyer power vis-à-vis these suppliers. The abuse of such power may hinder the operations of these suppliers and weaken their competitive strength.
6. Considering that farmers and small and medium-sized enterprises constitute the backbone of the national economy, it is essential to prevent practices of this nature that may reduce their income and weaken their incentives to invest, enter new markets, or develop new products. Ensuring that undertakings do not abuse their buyer power will also have a positive impact on competition among retailers, playing an important role in achieving the expected benefits of competition in the FMCG retail sector—most notably, lower prices.
7. The market power of supermarkets at the retail level and their buyer power at the supply level reinforce each other. Specifically, as market power increases, the retailer can procure goods under more favorable conditions, allowing these products to be offered to consumers at lower prices. This, in turn, further strengthens the retailer’s market power.

¹ For the full text: <https://www.rekabet.gov.tr/Dosya/htm-sektor-nihai-raporu-20230330171447527.pdf>

² The number of retailers analysed in the study is 33.

Therefore, market (retail) power and buyer power do not emerge independently of one another.

8. In order to assess the extent of retailers' buyer power, **economic analyses** were conducted. First, the development of private label products in terms of turnover over the years was analyzed. In addition to that, the market shares and gross margins of retailers were calculated in the categories with the highest private label sales, such as dairy products, cosmetics, cleaning supplies, and personal care products. Also, the payment terms of retailers to suppliers were also analyzed. Furthermore, a survey was conducted covering 25 regional/local retailers.

9. In Türkiye, four major organized HTM retailers generate 77% of the total sales in the organized retail channel. Around 30% of the products sold by these retailers are private label products. Although the concentration on the supply side has shown a decreasing trend over time, in all product categories, the concentration ratios of retailers, namely the CR4 values, have increased. These increases range between 30% and 400%. In all product categories, the share of private label products in total sales has increased. In the case of private label products, the gross margin ratios of discount stores have shown an upward trend over the years.

10. In the analysis conducted on the dairy and dairy products category—selected as a sample due to its significant market share, importance, and data quality—it was found that several factors may indicate the buyer power of the retail side of the market. These factors include the following: The organized channel and the major retail chains within it hold a substantial share of suppliers' sales and this share is increasing over time. Payment terms for suppliers in the organized channel are set at high levels and they have been increasing over time relative to the traditional channel. Suppliers make a significant portion of their sales to certain retailers. Collectively, these findings reflect on one hand, the suppliers' dependence on the retailers and, on the other hand, the buyer power of the retailers.

11. In addition, all of the local retailers that participated in the survey stated that discount supermarkets possess buyer power over their suppliers. In relation to the effects of this buyer power on the market, it was noted that due to factors such as bulk purchasing, regular payments, and consistent product availability, discount supermarkets procure goods at lower costs, and suppliers cannot afford to lose these retailers.

12. Based on these findings, the market study concludes that retailers' buyer power has increased significantly over the past decade—reaching a level that may adversely affect both suppliers and retailers, as well as the overall level of competition. In this context, it is concluded that a legal regulation should be introduced in Türkiye to prevent the abuse of such buyer power in the retail sector. It is considered that the relevant regulations of the EU may serve as a guiding framework.

13. To prevent the **abuse of buyer power**, the **European Commission** adopted the Directive (EU) 2019/633 on Unfair Trading Practices in Business-to-Business Relationships in the Agricultural and Food Supply Chain (the Directive) on 30 April 2019. This Directive aims to ensure a **fair and sustainable market environment** across the entire agri-food supply chain, particularly protecting suppliers in a **weaker bargaining position** against powerful buyers.

14. Within the Directive unfair trading practices were classified into two categories—the “black list” and the “grey list”. Practices included in the black list were per se prohibited, while those on the grey list could be deemed lawful only if they were explicitly and transparently agreed upon in writing by the supplier.

15. The market study analyzed this Directive in detail and it was concluded that adopting **similar legislative measures in Türkiye** would be beneficial. Several consultations were conducted with the Ministry of Trade (the Ministry) concerning the transposition of the Directive into national law. Following this process, the amendment enacted on 14.12.2023 introduced definitions and prohibitions of unfair trading practices within the scope of the “Regulation on the Principles and Rules to be Applied in Retail Trade”³.

16. According to this Regulation, in commercial relations among producers, suppliers, and retail undertakings, any conduct by one party that significantly disrupts the other’s commercial activities, impairs its ability to make reasonable business decisions, or forces it to enter into a commercial relationship that it would not normally have accepted, shall be deemed an unfair trading practice. The Regulation explicitly prohibits undertakings from engaging in such practices throughout the supply chain.

17. Within this scope, the black list provided under the Directive has been transposed into Turkish law through the Regulation. The Regulation now provides detailed provisions regarding promotional sales, delivery, payment, and return periods for goods and services.

18. The enforcement of the Regulation falls under the competence of the Ministry. If the conduct of an undertaking is found to constitute an unfair trading practice, the Ministry is empowered to impose administrative fines, order the suspension of the infringing activity, and require the termination or correction of the unlawful conduct.

³ <https://www.mevzuat.gov.tr/mevzuat?MevzuatNo=22722&MevzuatTur=7&MevzuatTertip=5>