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Killer Acquisitions of Tech Start-ups by Global Digital Giants

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ABSTRACT

In the modern digital economy, global technology giants increasingly use corporate buyouts to protect their market dominance. The practice is known as a killer acquisition: a dominant firm buys a small, innovative start-up not to scale the start-up's technology but to shut it down or neutralise it before it can grow into a competitive threat. These transactions pose a distinctive challenge for competition regulators worldwide, including the Competition Commission of India. Merger control law has historically relied on the assets or turnover of the target company to trigger review, and because early-stage technology start-ups often possess large user networks and considerable data potential but minimal revenue, they routinely passed under the regulatory radar. That structural blind spot creates kill zones that harm competition, limit consumer choice and smother disruptive innovation. In response, antitrust frameworks are shifting from static, backward-looking asset tests towards forward-looking, value-based approaches, of which India's deal value threshold under the Competition (Amendment) Act, 2023 is a recent example. This paper analyses how killer acquisitions reshape digital markets, evaluates the systemic threat they pose to the start-up ecosystem, and examines the emerging regulatory solutions designed to safeguard future market innovation.

Keywords: *killer acquisitions, digital markets, big tech, deal value threshold, merger control, competition law, potential competition, innovation welfare*

I. INTRODUCTION

The rapid expansion of digital platforms has reshaped competitive dynamics in global markets. Unlike traditional industries, digital markets are characterised by network effects, platform ecosystems and data-driven advantages, enabling a small number of firms to achieve dominant positions. Among the phenomena emerging from this landscape is the practice known as killer acquisitions. A killer acquisition occurs when a dominant incumbent acquires an innovative start-up not to develop it, but to neutralise competitive threats by discontinuing the product or integrating assets in ways that diminish competitive pressure.[1] First observed in the

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[1] Colleen Cunningham, Florian Ederer & Song Ma, *Killer Acquisitions*, 129 J. POL. ECON. 649 (2021).

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pharmaceutical and biotechnology sectors, the practice has become a policy concern in digital markets, where start-ups often drive disruptive innovation.[2] Global digital giants, including firms such as Google and Facebook (now Meta), have engaged in extensive acquisition activity, much of it below merger notification thresholds.[3] While some acquisitions are justified by genuine integration and expansion, others raise concerns: start-ups with potential competitive capabilities are absorbed and either shut down or assimilated without preserving their product innovation trajectory. Competition authorities worldwide, particularly the European Commission, the United States Federal Trade Commission (FTC) and the Competition Commission of India (CCI), are increasingly scrutinising acquisition patterns that may stifle innovation, reduce product choice and strengthen dominance. This study examines killer acquisitions within the digital economy, analysing regulatory responses, theoretical foundations, empirical evidence and legal challenges.

II. Conceptualising Killer Acquisitions

A. Digital Markets and Competition Law Challenges

Digital markets differ from traditional markets in four principal respects:

- Zero pricing: many services, such as search engines and social networks, are provided at no monetary cost, rendering price-based competition analysis ineffective.
- Network effects: value increases with growth in the user base, creating natural concentration tendencies.
- Data-driven advantage: access to vast amounts of data can entrench dominance.
- Multi-sided platforms: platforms serve different user groups, complicating market definition.

Ezrachi and Stucke argue that digital ecosystems require a rethinking of antitrust paradigms, emphasising innovation competition, and not price competition alone, as central to regulatory assessment.[4]

[2] Organisation for Economic Co-operation and Development, *Start-ups, Killer Acquisitions and Merger Control*, DAF/COMP(2020)5 (2020).
[3] Federal Trade Commission, *Non-HSR Reported Acquisitions by Select Technology Platforms, 2010-2019: An FTC Study* (15 September 2021).
[4] Ariel Ezrachi & Maurice E. Stucke, Virtual Competition: The Promise and Perils of the Algorithm-Driven Economy (Harvard University Press 2016).

B. Merger Control Standards and Innovation Considerations

Traditional merger control focuses on price effects, market share and concentration indices such as the Herfindahl-Hirschman Index. However, digital markets may involve intense competition for future innovation even where current market power appears moderate.

Studies commissioned by the Organisation for Economic Co-operation and Development and by the European Commission have recommended incorporating potential competition and innovation metrics into merger assessments.[5] The European Union's Guidelines on the Assessment of Horizontal Mergers, for instance, address potential competition scenarios in which firms could enter markets occupied by incumbents.[6]

Indian competition law is also evolving. The CCI initially relied on asset and turnover thresholds and on market share analysis, but recent amendments and decisional practice point to broader competitive parameters, though specific tests for killer acquisitions remain under discussion.[7]

C. Empirical Evidence on Acquisition Effects

Several empirical studies indicate that acquisitions by dominant digital firms often result in the following outcomes:[8]

- Discontinuation of the start-up's product, or its absorption into the incumbent's offering, reducing the alternatives available to users.
- Reduced investment in the acquired start-up's technologies.
- Solidification of market structure with reduced threat of entry.

Research on acquisitions by Facebook and Google, for example, shows patterns in which products with competitive potential are either integrated so as to eliminate differentiation or receive lower investment, stifling independent growth.[9]

[5] Jacques Crémer, Yves-Alexandre de Montjoye & Heike Schweitzer, *Competition Policy for the Digital Era* (European Commission 2019); ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT, *supra* note 2.
[6] Guidelines on the Assessment of Horizontal Mergers under the Council Regulation on the Control of Concentrations between Undertakings, 2004 O.J. (C 31) 5.
[7] The Competition Act, 2002, No. 12 of 2003, ss. 5-6 (India).
[8] ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT, *supra* note 2; Cunningham, Ederer & Ma, *supra* note 1.
[9] FEDERAL TRADE COMMISSION, *supra* note 3.

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D. Regulatory Responses: The European Union, the United States and India

i. European Union

The European Commission has taken a proactive stance in several digital mergers, notably Google/DoubleClick and Facebook/WhatsApp.[10] The European emphasis on potential competition and innovation effects is more developed than in other jurisdictions.

ii. United States

The United States enforcement agencies, the FTC and the Department of Justice, have increased their scrutiny of technology mergers, including by suing in 2022 to block Meta's acquisition of Within Unlimited on the ground that it removed potential competition in the market for virtual reality fitness applications.[11] United States frameworks continue to evolve through new guidelines and legislative debate on broader antitrust tools.

iii. India

The CCI has revisited its merger thresholds and analytical frameworks for digital markets. Most significantly, the deal value threshold introduced by the Competition (Amendment) Act, 2023 and operationalised by the Competition Commission of India (Combinations) Regulations, 2024 now requires prior notification of transactions valued above INR 2,000 crore where the target has substantial business operations in India, irrespective of the target's assets or turnover.[12] The Commission's analysis increasingly extends to market dynamics, network effects and potential competitive harm.

Scholars argue that Indian competition law must continue to evolve to include innovation competition safeguards and reporting of start-up acquisitions below revenue thresholds, so that potential killer acquisitions are identified early.

E. Theoretical Foundations and Market Impact

The economic theories relevant to killer acquisitions include the following:

- Schumpeterian competition: innovation as the driver of competition, which implies that acquisitions can dampen dynamic competition.

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[10] Case COMP/M.4731, *Google/DoubleClick*, Commission Decision of 11 March 2008; Case COMP/M.7217, *Facebook/WhatsApp*, Commission Decision of 3 October 2014.

[11] FTC v. Meta Platforms, Inc., No. 5:22-cv-04325-EJD (N.D. Cal. filed 27 July 2022). The district court denied the FEDERAL TRADE COMMISSION's motion for a preliminary injunction on 31 January 2023, and the Commission dismissed its administrative complaint on 24 February 2023.

[12] The Competition (Amendment) Act, 2023, No. 9 of 2023 (India) (inserting s. 5(d) in the Competition Act, 2002); Competition Commission of India (Combinations) Regulations, 2024 (in force 10 September 2024). The threshold applies where the value of the transaction exceeds INR 2,000 crore and the target has substantial business operations in India, defined by reference to the proportion of Indian users, gross merchandise value or turnover.

- Potential competition theory: the importance of future entrants and disruptive innovators to overall market health.
- Monopoly theory in digital markets: the distinctive patterns of dominance produced by data accumulation, user bases and ecosystems.

On the Schumpeterian view, temporary monopolies may drive innovation, but persistent monopolies can reduce post-entry competition and weaken incentives to innovate.[13]

III. Theoretical and Legal Framework

A. Competition Law Frameworks Across Jurisdictions

Competition law frameworks across the major jurisdictions aim to prevent anti-competitive agreements, abuse of dominant position and anti-competitive mergers. In India, the primary legislation governing merger control is the *Competition Act, 2002*, administered by the CCI. Sections 5 and 6 regulate combinations and prohibit transactions that cause an appreciable adverse effect on competition, while Sections 20, 29 and 31 govern inquiry into combinations, the investigation procedure and the Commission's orders.[14] The Act adopts a forward-looking analysis, but thresholds based on assets and turnover alone sometimes fail to capture digital acquisitions involving low-revenue start-ups.

In the United States, merger control is governed by the Sherman Antitrust Act and the Clayton Act, particularly Section 7 of the Clayton Act, which prohibits acquisitions that may substantially lessen competition.[15] Enforcement is carried out by the FTC and the Department of Justice. Historically, United States merger review focused heavily on price effects and consumer welfare standards. Recent enforcement trends, however, show increased scrutiny of digital platform acquisitions, especially where potential competition may be eliminated.

Within the European Union, competition law is rooted in Articles 101 and 102 of the Treaty on the Functioning of the European Union, and merger control is governed by the EU Merger Regulation and enforced by the European Commission.[16] The European framework places greater emphasis on market structure and potential competition than the traditional United States approach. In addition, the Digital Markets Act reflects a proactive regulatory model

[13] Massimo Motta, Competition Policy: Theory and Practice (Cambridge University Press 2004).
[14] The Competition Act, 2002, No. 12 of 2003, ss. 5-6, 20, 29, 31 (India).
[15] Sherman Antitrust Act, 15 U.S.C. §§ 1-2; Clayton Act § 7, 15 U.S.C. § 18.
[16] Consolidated Version of the Treaty on the Functioning of the European Union arts. 101-102, 2012 O.J. (C 326) 47; Council Regulation 139/2004 on the Control of Concentrations between Undertakings, 2004 O.J. (L 24) 1 (EC Merger Regulation).

targeting gatekeeper platforms, aiming to prevent structural dominance before it leads to irreversible market foreclosure.[17]

Comparatively, while all jurisdictions recognise the risk of anti-competitive mergers, their analytical depth varies. The European Union tends to emphasise structural and innovation concerns, the United States is transitioning towards broader theories of harm, and India is gradually modernising its digital competition framework.[18] These differences influence how effectively killer acquisitions are identified and addressed.

B. Digital Market Characteristics and Antitrust Challenges

Digital markets possess characteristics that complicate traditional antitrust enforcement. One defining feature is strong network effects, where the value of a platform increases as more users join. This creates natural concentration tendencies and makes dominant firms difficult to displace. Once dominance is established, acquisitions of emerging competitors can further entrench market power.

Another characteristic is zero-price services. Many digital platforms offer free services to users and monetise through advertising or data analytics. Because traditional merger analysis focuses on price increases, competition authorities face difficulty in identifying consumer harm where no direct monetary price exists. Harm may instead manifest through reduced innovation, lower quality or diminished privacy protection.

Data accumulation also serves as a competitive advantage. Large platforms possess datasets that enhance algorithmic efficiency, targeted advertising and product improvement, and access to comparable data can itself operate as a barrier to entry.[19] When such firms acquire start-ups with innovative technologies or alternative data sources, they may eliminate potential competitive threats before those threats mature into viable rivalry. This creates barriers to entry and reduces contestability.

C. Economic Theories on Monopolistic Practices

The theoretical foundation for analysing killer acquisitions lies in classical and modern economic thought. According to the theory of potential competition, even firms not currently competing in a market may exert competitive pressure if they are likely to enter. When dominant

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[17] Regulation (EU) 2022/1925 of the European Parliament and of the Council of 14 September 2022 on Contestable and Fair Markets in the Digital Sector (Digital Markets Act), 2022 O.J. (L 265) 1.

[18] RICHARD WHISH & DAVID BAILEY, COMPETITION LAW (10th edn, Oxford University Press 2021).

[19] Daniel L. Rubinfeld & Michal S. Gal, *Access Barriers to Big Data*, 59 ARIZ. L. REV. 339 (2017).

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firms acquire such potential entrants, the competitive constraint disappears, leading to long-term concentration.[20]

The Schumpeterian theory of innovation suggests that temporary monopolies may encourage innovation by allowing firms to recover research and development investment. Persistent monopolies, however, may reduce innovation incentives where firms face no threat of entry.[21] Killer acquisitions can undermine dynamic competition by removing disruptive innovators from the market ecosystem.

The Chicago School approach traditionally emphasises efficiency gains and consumer welfare, arguing that many mergers enhance productivity and benefit consumers.[22] Critics argue that this approach underestimates innovation harm and long-term structural concentration.[23] In digital markets, short-term efficiencies may conceal long-term suppression of competitive entry.

Game theory models further explain strategic acquisitions. Dominant firms may acquire start-ups not for integration efficiency but to prevent future rivalry. Such behaviour can be rational from a profit-maximisation perspective yet harmful from the standpoint of social welfare. The economic analysis therefore shifts from static efficiency to dynamic innovation welfare.

D. Policy Tools: Merger Control and Market Investigation

Merger control remains the primary legal tool for addressing killer acquisitions. Pre-merger notification systems allow competition authorities to assess transactions before completion. However, digital acquisitions often fall below turnover thresholds because start-ups may not yet generate significant revenue. This has prompted the move towards value-based thresholds and mandatory reporting requirements for certain digital transactions, of which India's deal value threshold is a recent example.[24]

Ex-post review mechanisms also play an important role. Authorities may re-examine completed mergers where new evidence suggests anti-competitive effects. While such investigations are complex and politically sensitive, they provide a corrective mechanism when harmful mergers escape initial scrutiny.

Market investigations constitute another policy tool. Competition authorities can conduct sectoral inquiries to understand structural issues in digital and adjacent markets. Market studies

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[20] ALISON JONES, BRENDA SUFRIN & NIAMH DUNNE, JONES & SUFRIN'S EU COMPETITION LAW: TEXT, CASES, AND MATERIALS (8th edn, Oxford University Press 2023).
[21] MOTTA, *supra* note 13.
[22] HERBERT HOVENKAMP, FEDERAL ANTITRUST POLICY: THE LAW OF COMPETITION AND ITS PRACTICE (5th edn, West Academic 2016).
[23] TIM WU, THE CURSE OF BIGNESS: ANTITRUST IN THE NEW GILDED AGE (Columbia Global Reports 2018).
[24] The Competition (Amendment) Act, 2023, *supra* note 12; FEDERAL TRADE COMMISSION, *supra* note 3.

of this kind have examined data concentration, platform dominance and the acquisition strategies of major technology firms.[25] These investigations help identify patterns of systematic acquisition of emerging competitors.

Structural remedies, such as divestiture, and behavioural remedies, such as data access commitments, are used to mitigate anti-competitive harm. Remedies in digital markets are often difficult to design and enforce, however, because of rapid technological change. This has led to growing support for proactive regulatory frameworks such as the Digital Markets Act, which imposes ex-ante obligations on gatekeepers.[26]

IV. Case Studies

A. Google/DoubleClick and Google/Fitbit

When Google acquired DoubleClick, regulators examined whether the deal would strengthen Google's dominance in online advertising. The European Commission cleared the merger in March 2008, holding that the parties operated in complementary markets.[27] Critics later argued that the acquisition allowed Google to combine vast user data with advertising technology, increasing its market power. The case shows how early digital mergers were assessed mainly on market share rather than on long-term data concentration.

Similarly, Google's acquisition of Fitbit, cleared by the European Commission in December 2020 and completed in January 2021, raised concerns about access to sensitive health data. Regulators feared that Google could use Fitbit's health information to strengthen its advertising and ecosystem dominance. Although the deal was approved subject to a package of commitments, it reflected a growing awareness of data as a competitive asset.[28] These cases demonstrate how acquisitions can increase dominance even where they do not immediately eliminate a direct competitor.

B. Facebook/Instagram and Facebook/WhatsApp

Facebook's acquisition of Instagram in 2012 and of WhatsApp in 2014 are often cited as classic examples in discussions of killer acquisitions. At the time of acquisition, Instagram was a fast-growing photo-sharing start-up and WhatsApp was an emerging messaging platform. The

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[25] Competition Commission of India, *Market Study on the Telecom Sector in India* (2021); Competition and Markets Authority, *The CMA's Digital Markets Strategy: February 2021 Refresh* (2021).
[26] Regulation (EU) 2022/1925, *supra* note 17.
[27] Case COMP/M.4731, *Google/DoubleClick*, Commission Decision of 11 March 2008 (clearing the transaction unconditionally following a Phase II investigation).
[28] Case M.9660, *Google/Fitbit*, Commission Decision of 17 December 2020 (clearance conditional on a package of behavioural and access commitments applying for ten years).

reviewing authorities cleared both transactions because the targets had limited revenue and were not regarded as close competitors of the acquirer.[29]

Over time, however, Instagram and WhatsApp became major social networking platforms under Facebook's control. Critics argue that, had these firms remained independent, they might have developed into strong competitors. The FTC subsequently brought monopolisation proceedings questioning these acquisitions, although the district court ultimately found that the Commission had not established that Meta holds monopoly power.[30] These examples show how potential competition may be underestimated during merger review, and equally how difficult retrospective challenge can be.

C. Other Emerging Cases

Recent cases show increasing regulatory scrutiny of technology acquisitions. Attempts by major digital firms to acquire companies in the virtual reality, artificial intelligence and financial technology sectors are now examined more strictly, and authorities are focusing on innovation harm and potential competition rather than market share alone.[31]

The adoption of the Digital Markets Act in the European Union reflects a shift towards preventive regulation of large gatekeeper platforms, including an obligation on designated gatekeepers to inform the Commission of any intended concentration in the digital sector.[32] In India, the CCI is reviewing digital mergers more carefully under the Competition Act, 2002 as amended.[33] These developments indicate that regulators are becoming more cautious about acquisitions that may suppress innovation.

V. Analysis and Major Outcomes

A. Identifying Killer Acquisition Indicators

A killer acquisition typically occurs where a large firm buys a small start-up that could become a strong competitor in the future. One principal indicator is that the start-up has innovative technology or a fast-growing user base even though it earns little revenue. A second is that the acquired firm's product is later discontinued, or merged in a way that removes it as an

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[29] Case COMP/M.7217, *Facebook/WhatsApp*, Commission Decision of 3 October 2014. The Instagram acquisition of 2012 was not reviewable by the European Commission; it was examined by the Federal Trade Commission and by the United Kingdom Office of Fair Trading.

[30] FTC v. Facebook, Inc., No. 1:20-cv-03590-JEB (D.D.C.) (amended complaint filed 19 August 2021). Judgment was entered for Meta Platforms on 17 November 2025, the court holding that the Commission had not proved monopoly power in a properly defined personal social networking market; the Commission filed a notice of appeal in January 2026.

[31] FTC v. Meta Platforms, Inc., *supra* note 11.

[32] Regulation (EU) 2022/1925, *supra* note 17, arts. 3, 14.

[33] The Competition Act, 2002, *supra* note 14, s. 6; The Competition (Amendment) Act, 2023, *supra* note 12.

independent competitor. Internal documents may in some cases show that the acquisition was undertaken to neutralise a future threat.[34] Where the acquirer already holds strong market power, such acquisitions can further reduce competition.

Another important indicator is a pattern of repeated acquisitions by the same firm in related markets. Where a digital giant continuously buys start-ups in similar sectors, this may signal a strategy of preventing future competition. Authorities also consider whether the start-up had the potential to expand and challenge the dominant firm independently. If the acquisition removes that future competitive pressure, it may qualify as a killer acquisition. Identifying such deals therefore requires looking beyond current market share and focusing on future market impact.

B. Regulatory Efficiency: Pre- and Post-Merger Enforcement

Pre-merger enforcement means reviewing a transaction before it is completed, so that authorities can examine whether the deal may harm competition in the future. Many technology start-ups have low turnover, however, and their acquisitions may therefore not meet notification thresholds under legislation such as the Competition Act, 2002, at least before the introduction of the deal value threshold.[35] This makes it difficult for regulators to review potentially harmful mergers at an early stage, and some killer acquisitions escape scrutiny altogether.

Post-merger enforcement occurs after completion. Authorities may investigate where there is later evidence of anti-competitive effects. Reversing a completed merger is difficult and complex: once integration takes place, separating the businesses may harm efficiency and create serious legal difficulties, as the remedial phase of the Microsoft litigation illustrates.[36] While post-merger review is important, strong pre-merger scrutiny is therefore the more effective route to preventing killer acquisitions.

C. Effects on Innovation, Entry Barriers and Market Structure

Killer acquisitions can reduce innovation in the market. Start-ups are often responsible for new and disruptive ideas. When a dominant firm acquires such start-ups and limits their independent growth, overall innovation may decline. This reduces dynamic competition, which is particularly important in digital markets. Over time, fewer independent innovators may enter the market.

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[34] Cunningham, Ederer & Ma, *supra* note 1.

[35] The Competition Act, 2002, *supra* note 14, s. 5; The Competition (Amendment) Act, 2023, *supra* note 12.

[36] United States v. Microsoft Corp., 253 F.3d 34 (D.C. Cir. 2001) (en banc) (per curiam) (affirming liability for unlawful maintenance of monopoly under § 2 of the Sherman Act, but vacating the divestiture decree and remanding the question of remedy).

These acquisitions also raise entry barriers. New firms may find it difficult to compete against large platforms that control data, technology and user networks. If potential competitors expect to be acquired rather than to grow independently, innovation incentives may weaken. As a result, market structure becomes concentrated, with only a few dominant firms controlling most of the industry.

D. Consumer Welfare versus Innovation Welfare

Traditional competition law focuses mainly on consumer welfare, and especially on price effects. If prices do not increase after a merger, authorities may assume that no harm has occurred. In digital markets, however, many services are free, so price is not the decisive factor. Harm may occur instead through reduced innovation, lower quality, weaker privacy protection or fewer choices.

Innovation welfare focuses on long-term technological progress and the consumer benefits that flow from it. Even if short-term prices remain low, eliminating future competition may reduce future innovation. Competition law therefore needs to balance immediate consumer benefits against long-term innovation protection. In digital markets, protecting innovation is as important as protecting price competition.

E. Comparative Jurisdictional Analysis

Different jurisdictions approach killer acquisitions differently. The European Commission has increasingly focused on innovation and potential competition in merger analysis, and the introduction of the Digital Markets Act shows a preventive approach towards large digital gatekeepers; the European model is more structural and forward-looking. In the United States, enforcement by the FTC has become stricter in recent years, especially in technology mergers, although earlier approvals of major technology acquisitions have proved difficult to reopen. In India, the CCI is gradually adapting its approach under the Competition Act, 2002, but rules targeting killer acquisitions specifically are still developing.[37] Overall, while global awareness is increasing, enforcement standards remain uneven across jurisdictions.

VI. Conclusion and Policy Recommendations

A. Summary of Findings

This study examined how large digital companies acquire small technology start-ups and how such acquisitions may reduce competition. It found that many of these deals are approved because the start-ups have low revenue and limited market share at the time of acquisition. Yet

[37] WHISH & BAILEY, *supra* note 18.

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these start-ups often have strong future potential and innovative ideas. When dominant firms acquire them, the competitive pressure that could have developed in the future disappears. This shows that traditional competition law tools may not always detect long-term harm.

The research also found that digital markets are different from traditional markets. Network effects, data control and platform ecosystems make it easier for large firms to maintain dominance. In such markets, harm may not appear in the form of higher prices but in reduced innovation, fewer choices and weaker privacy protection. Competition authorities therefore need a broader approach to assessing mergers in digital sectors.

B. Policy Proposals for Effective Enforcement

To address killer acquisitions effectively, competition authorities should continue to revise merger notification rules. Start-ups with strong innovation potential should be reviewed even where their turnover is low. Value-based thresholds and mandatory reporting for digital acquisitions allow regulators to examine risky mergers early, and prevent anti-competitive deals from escaping scrutiny altogether.[38]

Authorities should also include innovation analysis in merger assessments. Instead of focusing only on price and market share, regulators must consider whether an acquisition removes a future competitor. Stronger cooperation between competition agencies is also important, because digital companies operate across borders. Periodic market studies in digital sectors can further help to identify harmful acquisition patterns.

C. Contributions to Competition Policy

This research contributes to competition policy by highlighting the importance of protecting innovation in digital markets. It shows that traditional consumer welfare standards may not be sufficient to address modern competition problems. By emphasising dynamic competition and potential competition, the study supports a more forward-looking regulatory approach.

The study also offers comparative insights from different jurisdictions, and explains how regulatory bodies are gradually adapting to the challenges of digital markets. These findings may help policymakers design stronger rules that balance economic growth with fair competition. Ultimately, the research supports the view that protecting innovation is essential to healthy market development.

[38] Organisation for Economic Co-operation and Development, *supra* note 2; The Competition (Amendment) Act, 2023, *supra* note 12.

D. Future Research Directions

Future research can focus on empirical analysis of digital mergers and their long-term impact on innovation. More data is needed to measure how acquisitions affect start-up growth, product development and consumer choice. Researchers may also examine sector-specific issues in artificial intelligence, financial technology and health technology markets.

Another area for future study is the role of data protection and privacy law in merger assessment. Since data plays a key role in digital dominance, combining competition law with data regulation may produce better results. Comparative research between developing and developed countries could also yield useful insights. As digital markets continue to evolve, continuous research will be necessary to keep competition policy effective.

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