

Appendix W: assessment of pro-competition interventions in social media

Introduction

1. As set out in Chapter 3, Facebook has significant market power in social media. Strong network effects mean that entry over the last decade has only been successful where platforms have provided a sufficiently different service that does not compete closely with Facebook.
2. Making systems interoperable, whereby data can be transferred and interpreted across systems and applications, can help improve competition across a range of digital markets by increasing the capability of users to interact with consumers active on a different platform.¹
3. In this appendix, we have assessed whether mandating interoperability over specific functions of Facebook's platform, such as accessing connections, cross-posting and making content accessible across platforms, would improve competitive outcomes in social media.
4. We have assessed the benefits and costs associated with these potential interventions, and different options for their design, drawing on evidence submitted in response to our interim report and through further engagement with stakeholders. This assessment is set out below, along with our recommendation regarding which measures should be available within the toolkit of a pro-competition regulatory body – the Digital Markets Unit (DMU). We have set out our reasoning for recommending a new pro-competition regulatory regime in Chapter 7 of this report.
5. In the context of such a regime, the design and implementation of the interventions considered in this appendix would be for the DMU to determine. The purpose of our detailed assessment of options at this stage is: to support the case for urgent reform, by demonstrating that there is a range of interventions that could improve outcomes for consumers; to identify which interventions are likely to have the most beneficial effect and hence which powers government should allocate to the DMU; and to inform the work of the DMU, once it has been established.

¹ ITU discussion paper: [Interoperability](#), June 2015.

Interoperability and data mobility across social media

6. As set out in Chapter 7, the Furman Review recommended that its proposed DMU should pursue measures to increase interoperability and data mobility where this will deliver greater competition and innovation.
7. However, the level of interoperability required to meet different objectives can vary significantly. The EU Commission's report, *Competition Policy for the Digital Era*,² identifies different types of interoperability interventions, ranging from data interoperability, often referred to as data mobility, to full protocol interoperability. Each of these types of interoperability carries with it both benefits (in terms of overcoming network effects) and potential costs (in terms of increased homogenisation).
8. Currently, platforms only have the incentive to interoperate to the extent that it benefits their own business. As a result, interoperability appears to have been extended to platforms that are perceived to be complements, rather than substitutes, which means they can benefit incumbents by attracting new consumers and increasing engagement for existing consumers while not acting as a competitive threat.
9. Twitter's policies for developers discourages online services from replicating Twitter's core user experience or features and has rules in place to prevent developers from doing so.³ As described in Appendix J, Facebook also prevented developers from accessing its Application Programming Interfaces (APIs) if they sought to replicate Facebook's core functionality until December 2018.
10. Whilst these practices may be understandable from a commercial perspective, they can have the impact of reducing competition, as firms that are seeking to offer a comparable service are prevented from accessing relevant user data that could support their growth and increase consumer choice.
11. We have set out the high-level benefits and risks associated with increased interoperability, before considering options for increasing interoperability over specific features or functions considered below.

² [Competition Policy for the Digital Era, 2019](#)

³ [Twitter's Developer Policy](#)

Benefits of interoperability and data mobility

12. At a high level, platform interoperability refers to the ability of platforms to exchange data and different forms of functionality across their services. Interoperability can help competition by enabling the positive network effects stemming from the large user base of an incumbent platform to extend to other platforms. This allows developers to build new propositions that are compatible, and possibly compete directly, with existing platforms.⁴
13. Most respondents to our statement of scope who addressed the issue of interoperability submitted that it is preferable to require truly interoperable platforms as this would reduce switching costs and facilitate consumer choice between online platforms. Increased interoperability could therefore place new entrants on a more level footing with large incumbents, making the market more contestable. This would help to facilitate competition on the merits rather than on the size of the installed base.⁵
14. The potential user benefits of interoperability are illustrated by Facebook's decision to develop an interoperable solution across its messaging services: Facebook Messenger, Instagram's Direct Messenger and WhatsApp. Whilst this type of integration can give rise to competition concerns, particularly when applied asymmetrically as it could strengthen Facebook's market position, it also illustrates the efficiency benefits that can arise from enhanced interoperability. Facebook submitted that it wants to make it possible for its users to reach friends irrespective of which Facebook app they are using, by enabling its users to communicate across applications.
15. Email services are another example of the benefits of using open standards and ensuring that systems are interoperable. By using open standards, users can exchange messages in a reader-friendly format, despite using different email providers, enabling users to switch suppliers and continue to communicate with their network.
16. Furthermore, as set out in Chapter 3, social media platforms hold a range of data about their users. This can include information about who they are connected to – known as the 'social graph' – as well as other data such as a user's messages, photos and videos. Increased interoperability could give consumers the freedom to effectively utilise their data on competitor platforms or share it with intermediaries. It therefore has the potential to facilitate consumer choice in platform markets and foster greater innovation.

⁴ [Competition Policy for the Digital Era, 2019.](#)

⁵ [Joshua Gans – Enhancing Competition with Data and Identity Portability, June 2018.](#)

17. The Competition Law Forum submitted that interoperability requirements were particularly suited to social media markets and advised that the provision of transparent and publicly available APIs would enable access to the data and functionality needed for technical integration between online platforms.⁶
18. Tumblr told us that interoperability can offer users a wider selection of product and feature choices, and cross-posting functionalities can act as a magnifier for their content. Tumblr also submitted that greater interoperability can encourage downstream innovation and audience development opportunities for platforms.
19. We also engaged with WikiTribune Social which told us that the most effective ways of improving competition between social media platforms would be to enhance the level of data mobility and interoperability between platforms. In particular, WikiTribune Social told us that enabling users to export their Social Graph to another social network would provide users with a genuine choice of providers.
20. Many social media platforms, such as Facebook and Twitter, already interoperate with other platforms and allow for some data mobility through open APIs. Facebook submitted that it already operates a largely open source environment. Open APIs can support the growth of developers, including potential competitors, and have been used in other contexts to promote competition, such as through the CMA's Open Banking remedy.⁷
21. However, as explained in Appendix J, the functionality currently enabled by Facebook through its APIs, the conditions associated with the provision of such access, and changes to the functionalities and permissions over time can have a significant influence over the level of competition in these markets.

Risks associated with interoperability and data mobility

22. In responses to our interim report and requests for information, several platforms expressed concerns that mandating extensive interoperability between platform functionality risks reducing innovation and choice, and could give rise to privacy concerns.
23. Facebook submitted that mandated interoperability or industry standards would diminish the incentive to innovate, which has driven competition between platforms and improved value for consumers and might lead to a generalised homogenisation of consumer-facing services. Twitter also noted

⁶ [Competition Law Forum's response to our statement of scope.](#)

⁷ Open Banking, [About Us.](#)

that industry-wide interoperability requirements for social media platforms could be counter-productive due to the risk of disincentivising new entrants and innovation.

24. A social media platform warned against treating new digital services like other interoperable services such as banking and telephony, which it described as reasonably static commodity services with minimal product differentiation. This platform described social media platforms as exhibiting unique and high levels of fast, innovative development and submitted that mandating common standards or features may reduce the incentive for innovation and entry by new market participants, whilst simultaneously turning the mandated baseline into an upper limit.
25. TikTok submitted that such an intervention risked making platforms more homogeneous which could stifle, rather than increase consumer choice and welfare as consumers prefer multi-homing across several platforms because of their differentiated characteristics. TikTok suggested that since it had not observed a user demand for full protocol interoperability, the CMA should conduct a detailed study into its impact on the consumer experience before recommending this proposal.
26. With regards to privacy, we have engaged with the ICO on this subject and we understand that, along with other safeguards, platforms must obtain consent from users when processing their data or taking actions on their behalf. Such consent must be freely given, specific and informed.⁸ Therefore, when users choose to share data across platforms, the platform must ensure that its users understand the consequences of such actions.

Options for increasing interoperability over different functionalities

27. As discussed above, mandating increased interoperability through standardisation carries both benefits and costs to competition and innovation and hence users over time. The benefit comes from overcoming the barrier to expansion created by network effects and facilitating competition and innovation in the non-standardised functionality. The cost comes from reduced innovation and variety in respect of the functionality that is standardised and in the form of potential concerns regarding user privacy.
28. In principle, the case for interoperability is greater in respect of functionality which is both directly helpful in overcoming identified barriers created by network effects and yet not highly innovative (or not recently innovative). In the interim report, we sought views as part of our consultation as to which

⁸ ICO, [Guide to Data Protection, What is valid consent?](#).

elements of functionality would be strong candidates for interoperability against these criteria.

29. Despite the concerns expressed by platforms regarding widespread, industry-wide interoperability interventions, many also expressed support for increased interoperability over specific forms of functionality.
30. In the following section, we have presented some options for increasing interoperability in respect of different forms of functionalities and set out the views we have collected from relevant parties in response to our interim report, including our consultation questions, and through further engagement with stakeholders. We then provide our overall assessment of the benefits and costs associated with these potential interventions.

Data Transfer Project

31. Digital platforms within the scope of our study are already looking to facilitate data mobility through the Data Transfer Project (DTP) which was launched in July 2018 by Google, Facebook, Microsoft and Twitter. The DTP is described as a collaboration committed to building a common framework with open-source code that can connect any two online service providers, enabling a seamless, direct, user-initiated portability of data between the two platforms.⁹

Stakeholders' views

32. Google submitted that the DTP could meet a number of the objectives that stakeholders have called for, including the effective and seamless transfer of data between suppliers. Facebook has stated that it supports the principle of data portability and is committed to using existing standards wherever possible to enable users to transfer their data into and out of online services whilst giving due consideration to privacy and security concerns.
33. However, we also received a submission by a social media platform which described the DTP as an exercise which is superficially attractive but will have little to no effect on user behaviour as it will not address the factors that prevent consumers from switching, such as network effects and platform utility.
34. This view is consistent with research conducted into whether data exported from Facebook would be useful to competitors.¹⁰ This research focused on the data that Facebook users can download about themselves and the extent

⁹ [The Data Transfer Project, About Us.](#)

¹⁰ Nicholas, G. & Weinberg, M. (2019). [Data Portability and Platform Competition.](#)

to which data portability would allow competitors to create innovative, competitive products. Whilst they found that data portability can be useful in select contexts, they found that data portability alone is not up to the task of increasing online competition and may be a distraction in the competition debate, especially for social networks.

Our views

35. We are supportive of the principle of the DTP and the current use cases proposed by it, such as transferring photos from a social media platform to a photo book service or transferring music playlists,¹¹ are likely to be valuable to consumers. However, while these use cases could be valuable in overcoming elements of lock-in for some platforms (such as music-streaming platforms) in the interim report, we expressed our preliminary view that they are unlikely to have a significant effect on competition between social media platforms.
36. We remain of the view that DTP is unlikely to address the key features and barriers identified by this market study as limiting the direct competition faced by Facebook. We have therefore explored the extent to which a further range of interoperability and data mobility measures (including those that are currently, or have previously been, enabled through APIs) could promote competition in the interests of consumers.

Accessing connections

37. Social media platforms enable consumers to develop a set of connections to other users that they want to engage with, forming a key part of the experience. As described by stakeholders below, the ability of users to access connections across platforms and invite users to a new service quickly and easily can help develop consumer networks and facilitate multi-homing.
38. The ability of third-party developers to enable their users to invite their Facebook friends to use another app has existed through Facebook. This can improve competition, particularly between platforms that emphasise social networking, given the importance of same-side network effects and the size of Facebook's existing network of users. However, as described in Appendix J, this functionality has varied over time.

¹¹ The Data Transfer Project, [Use Cases](#).

Stakeholders' views

39. Microsoft (which owns LinkedIn) observed that a strategy adopted by some newer social networks to quickly build their userbase has been to encourage or incentivise users to transfer their data, such as profile data and contacts lists, over from existing platforms. This reduces the investment required of the user to develop a presence on the new platform and facilitates users inviting their connections to also join the new platform.
40. Facebook submitted that it has used APIs to 'call' name and email address information to enable its users to invite their email contacts to become friends on Facebook. Facebook also submitted that after it acquired Instagram in 2012 it alerted Facebook users to the possibility of connecting with their Facebook friends on Instagram.
41. One social media company submitted that standardising contact data in a way that enabled users to contact their existing contacts from one platform and 'invite' them to join a new platform would encourage more downloads of rival platforms, increasing multi-homing and competition. This is consistent with the Competition Law Forum's submission that basic user information and users' network, i.e. contacts, should be interoperable and that interventions should be focused on facilitating the mobility of this data.¹²
42. Another social media platform also told us that the ability to connect existing social media platforms to other platforms through interoperable functions, such as 'Find Contacts', promotes competition, removes barriers to entry and helps platforms grow their userbase.

Our views

43. As described in Chapter 3, the Facebook platform is unique in the extensive nature of its consumer network. We found that network effects act as a barrier to entry and expansion for smaller platforms and prevent these competitors from imposing a strong competitive constraint on the Facebook platform.
44. It therefore seems clear that measures which facilitate attracting and growing users' networks are likely to improve competition in social media. It is positive that a version of such measures already exist through Facebook. However, as described in Appendix J, the ability of third-party developers to enable their users to invite their Facebook friends to use an app has varied over time.

¹² [Competition Law Forum's response to our consultation on the Interim Report.](#)

45. On TikTok's application, users can easily locate and 'follow' their Facebook friends who are already using the platform. Users are also able to 'invite your friends to TikTok' by sending out an invitation via Facebook Messenger to selected Facebook friends within the TikTok application. This functionality is similar to what is permitted within the Facebook ecosystem (ie between Instagram and Facebook).
46. However, we found differences between the amount of access that Facebook provides to different social media platforms in terms of the 'finding friends' functionality. For instance, Twitter users do not have the same ability to connect to their Facebook friends as it is not possible to send out a request to invite friends from Facebook to start using Twitter from within the application.
47. We consider that tools that make it easier for consumers to access their existing networks across multiple platforms could make new or smaller platforms more attractive to consumers and could reduce the extent to which same-side network effects act as a barrier to expansion in the social media sector. Therefore, interventions that extend the availability of these tools, or that limit the ability of incumbents to degrade or withdraw access to them, should help promote competition and benefit consumers.

Cross-posting

48. The ability to post content across different platforms simultaneously is another form of interoperability which already exists, but to varying degrees, between social media platforms. As described in Chapter 3, this functionality may increase the quantity and diversity of content available on social media platforms, making them more attractive to consumers. As such, cross-posting may help smaller platforms overcome the barriers imposed by cross-side network effects and encourage users to multi-home.
49. Cross-posting was previously possible on Facebook through the 'Publish actions' API which allowed third-party developers, with permissions, to make automatic posts relating to a user's off-Facebook activity to a user's Facebook News Feed. However, as described in Appendix J, Facebook degraded this functionality in August 2018.

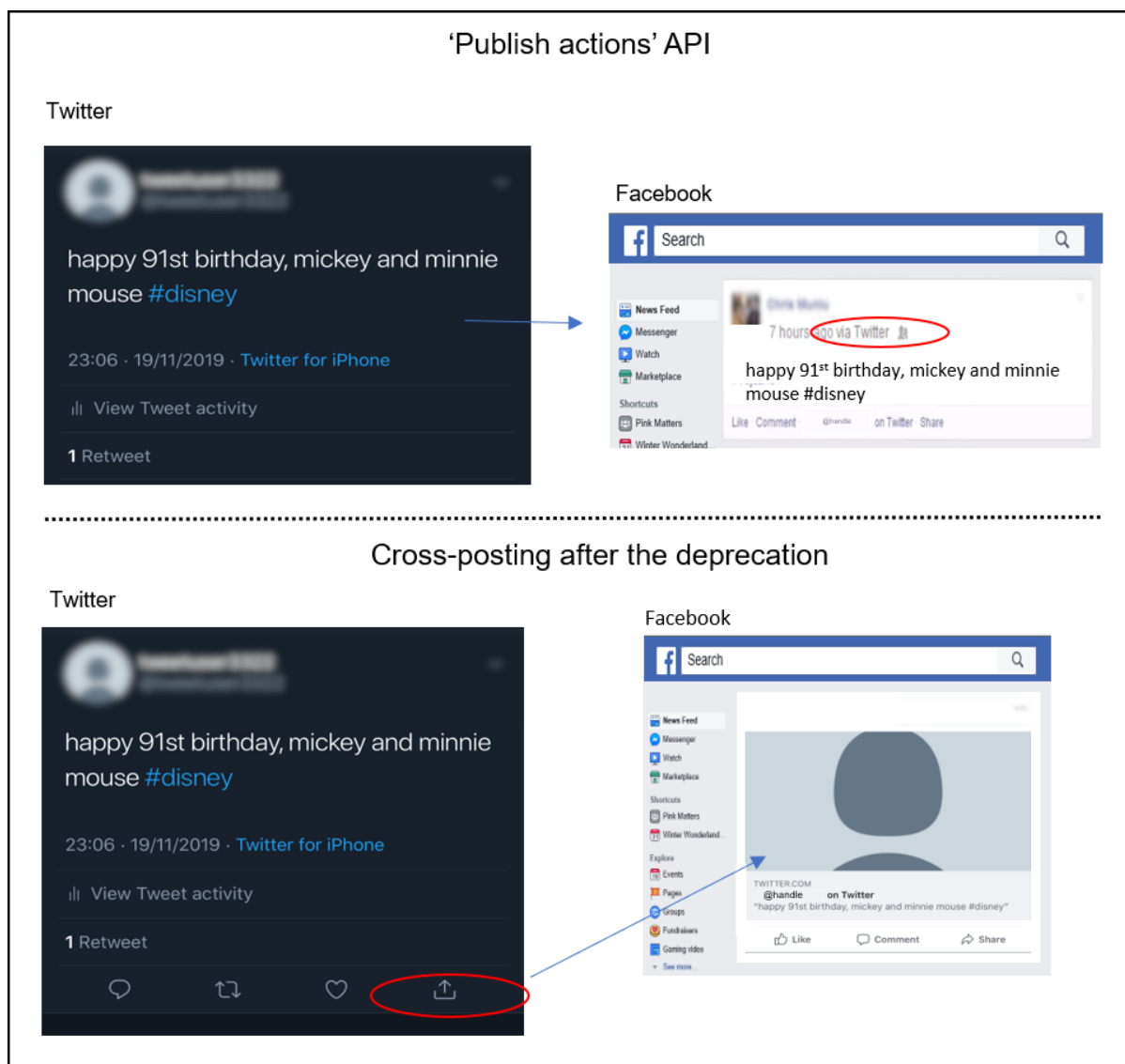
Stakeholders' views

50. We have been told by market participants that, if delivered as fully functional content, the ability to cross post content simultaneously across platforms would deliver significant benefits for consumers.

51. Twitter told us that this functionality helps overcome barriers imposed on new entrant and challenger social media platforms by network effects and allows users to increase their reach and helps drive traffic to Twitter.¹³ This is consistent with the view of other market participants, such as TikTok, Tumblr and WikiTribune Social, who told us that the ability to post content across multiple platforms allows users to reach more people efficiently, which improves user satisfaction and engagement.
52. Facebook recognised that this functionality created value for its users as it enabled users to share content from other apps to Facebook which improved their ability to build social experiences with friends, as well as generating reactions to that content. Indeed, as explained in Appendix J, Facebook said that facilitating users to take certain actions, such as sharing experiences created on third-party apps back to Facebook, was a key driver behind launching Facebook Platform.
53. However, Facebook degraded this functionality, the 'Publish actions' API, in August 2018 and explained that this was due to concerns about safety and data privacy and a lack of clarity over permissions. Facebook also highlighted concerns that this action was leading to excessive and potentially automatic 'spam' postings.
54. Facebook submitted that the concerns associated with these considerations outweighed the benefits of automatic cross-posting from third-party apps to Facebook. With limited exceptions, including Instagram posts, for which the cross-posting functionality remains unchanged, users now have to make use of the 'Share Dialogue' functionality which presents the post as a link rather than viewing fully-functional content on Facebook, as illustrated in Figure W.1.

¹³ [Twitter's response to our consultation on the Interim Report.](#)

Figure W.1: Impact of deprecated 'publish actions' API on cross-posting

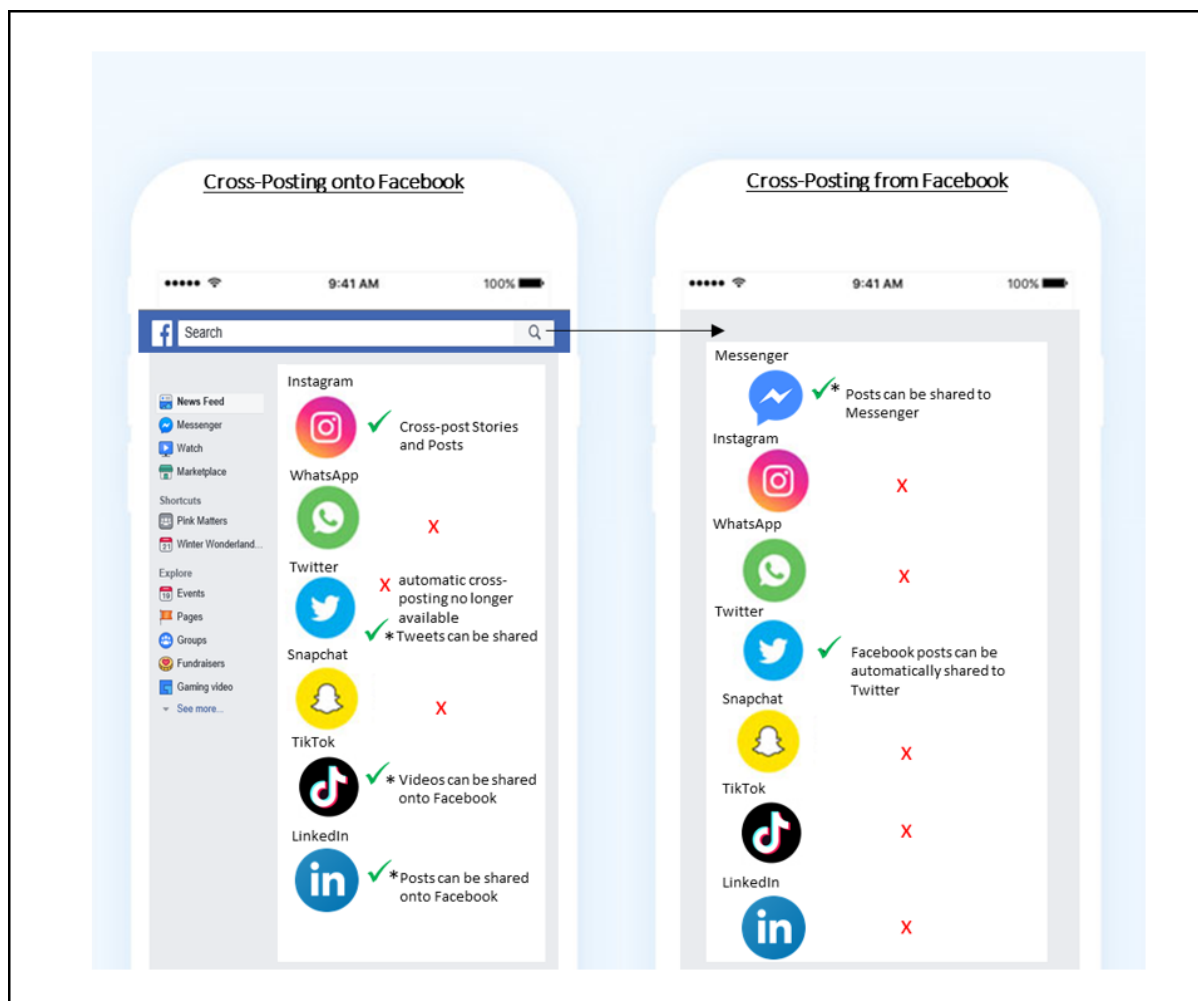


Source: The CMA has created these images by taking screengrabs on the Twitter and Facebook platforms.

55. Several market participants have told us that this change has harmed the quality of content viewable across platforms and the ability for users on competitor platforms to reach a wider audience and promote their own products. In turn, this harms user satisfaction and competition between social media platforms.
56. In addition, as illustrated in Figure W.2 below, the ability to post content is not equal across platforms. Facebook allows users on other social media platforms to post their content to Facebook. However, Facebook limits the ability for its users to post from Facebook to other platforms, including Instagram. This decision potentially leads to more varied and higher quality content on the Facebook platform without sharing these benefits with others,

although the deprecation noted above would appear to have worsened the user experience on the Facebook platform.

Figure W.2: Current Facebook cross-posting functionalities



Source: The CMA has created this image by taking a screengrab of the Facebook platform for the background and adding logos of other social media platforms, along with ticks or crosses based on whether cross-posting functionalities are possible from and onto the Facebook platform.

Our views

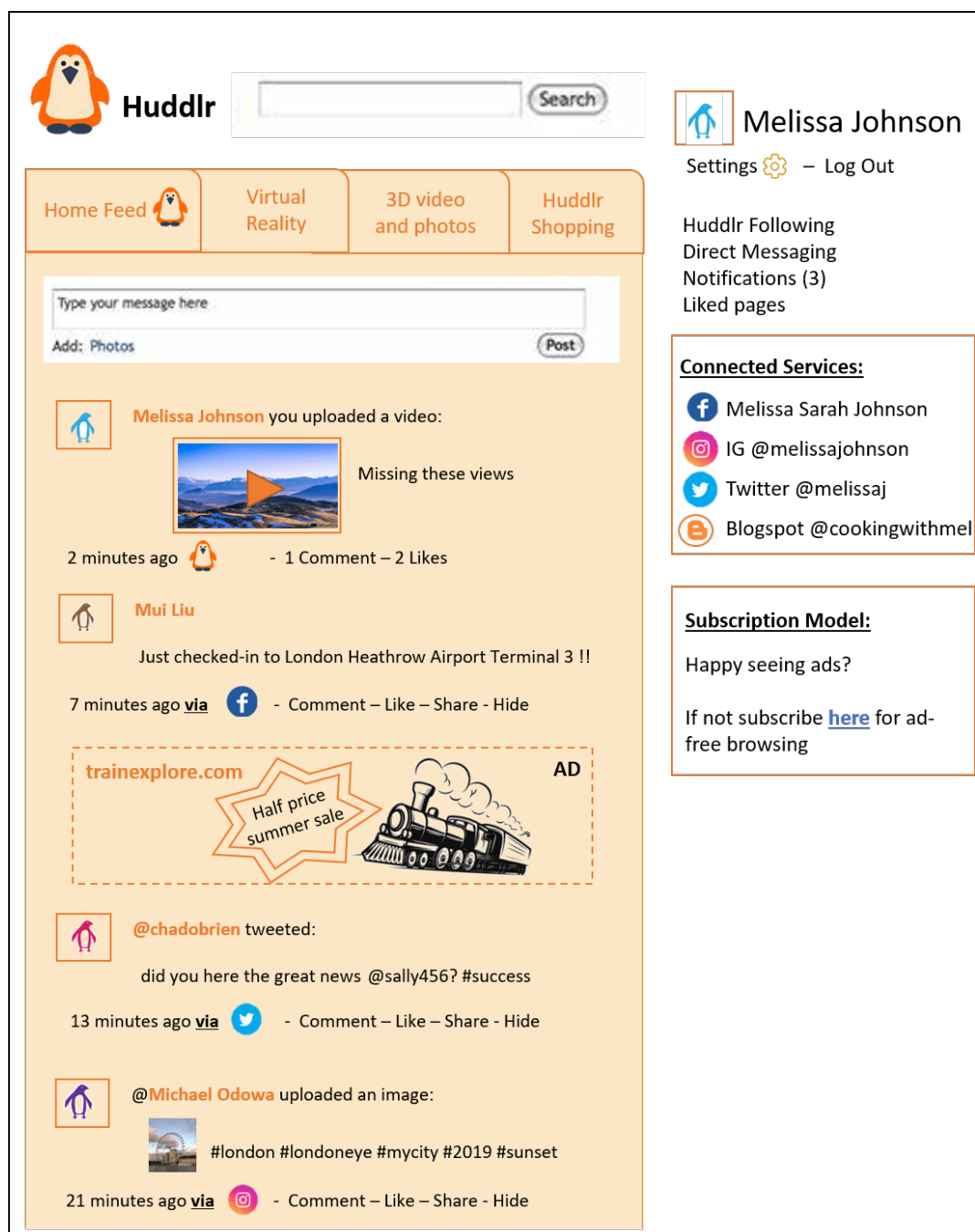
57. We believe there would be a clear benefit to competition from increasing the extent of cross-posting functionality between Facebook and other platforms. Interventions to facilitate this functionality could enable users who wish to share content with a wide audience to spend more time on (and share more content from) a platform that best suits them overall, rather than a platform that has the largest number of users. This could address some of the cross-side network effects by acting as an audience development opportunity, making it easier for smaller platforms to grow their share of time spent online and improve their ability to monetise their services. This explains why smaller social media platforms have called for this intervention.

58. As noted above, stakeholders have raised concerns about the impact of standardisation on incentives to innovate. However, whilst this intervention may require certain features to be standardised, the specific features we have under consideration, such as words, pictures and videos, are not recently innovative and as such an intervention is unlikely to diminish incentives to innovate. Indeed, the ability to reach a wider audience should improve incentives to invest and innovate in additional services to attract new users.
59. We are conscious that there are potential risks associated with the privacy of users' data, if users lose control over their data, and automatic 'spamming'. However, as long as the decision to post content across platforms is user-initiated and well-informed, including full clarity over permissions, it should be possible to address those concerns. Indeed, we note that users are currently able to cross post content from Instagram to other platforms, such as Facebook, Twitter and Tumblr, which indicates that Facebook can design this functionality in a manner that protects against those concerns.
60. Overall, our view is that the concerns associated with this functionality could be mitigated and that interventions in this space could reduce the extent to which network effects act as a barrier to expansion for smaller platforms and increase the competitive threat faced by larger incumbent platforms such as Facebook.

Content interoperability

61. A more extensive form of interoperability could allow consumers to post, view and engage with content across platforms without having to switch service. For instance, a consumer could post messages that could be viewed by their contacts on different social media platforms, and view and interact with messages and content that their contacts originated on different social media platforms.
62. This intervention could enable consumers to consolidate their updates across social media platforms, search for content across their aggregated services in real-time and, potentially, to interact with this content by commenting or 'liking'. We use the term 'content interoperability' to refer to this combination of functionalities.
63. Figure W.3 illustrates what this level of interoperability could look like in practice.

Figure W.3: Content Interoperability



Source: The CMA has sought to illustrate content interoperability by designing a fabricated social media platform, Huddlr, which contains fictitious usernames and posts. The penguin images and social media platform logos were obtained from Google Images.

64. For the purposes of this illustration, we have limited the interoperable content to public messaging (ie posts, news, photos and videos) from other connected social media platforms which could be viewable on 'Home Feed' of Huddlr. This would draw content from other platforms into one feed, where the user could post, view and engage with the content. However, there may also be benefits of capturing private messaging between platforms. As discussed above, Facebook is already seeking to integrate its messaging services to

enable its users to communicate across applications, which illustrates the efficiency benefits of enhanced interoperability between communication platforms.

65. Other innovations of the social media platforms would be exempt from this intervention and would not be interoperable with other platforms. Designing the intervention in this manner would preserve the platform's incentive to innovate on top of the core service. For example, Huddlr's unique/innovative Virtual Reality, 3D video and photos and Huddlr Shopping features would not be shown on Facebook's home feed for example.

Stakeholders' views

66. We received a lack of support for content interoperability within the responses to our interim report. Twitter expressed concerns that such an intervention would dampen incentives to invest and innovate and create a technological and administrative burden that would further concentrate social media markets.¹⁴ Snap Inc. submitted that mandating interoperability across the industry would not deliver the benefits that we suggested in our interim report and would foreclose the market to innovative newcomers.¹⁵
67. Microsoft agreed, particularly to the extent that such an intervention would mandate standardisation across platforms.¹⁶ Microsoft also raised privacy concerns about individuals' content being viewable across platforms without their consent. Microsoft described the task of building an interoperability framework as complex if it were to achieve the objectives of maintaining standardised users' controls and privacy expectations, maintaining each platform's unique interface, whilst accommodating differing approaches to monetisation and being readily transparent and navigable for users.
68. Facebook also expressed concerns regarding the content interoperability proposal which it submitted risks leading to a homogenisation of user-facing services and stated that it observed a lack of demand for such an intervention. Facebook submitted that this intervention would undermine the current high levels of competition and innovation and would limit the ability of platforms to provide a differentiated and innovative service to consumers and raise barriers to entry.¹⁷
69. Facebook also submitted that the content interoperability proposal raises significant and complex privacy, data protection and data security issues. In

¹⁴ [Twitter's response to our consultation on the Interim Report.](#)

¹⁵ [Snap Inc.'s response to our consultation on the Interim Report.](#)

¹⁶ [Microsoft's response to our consultation on the Interim Report.](#)

¹⁷ [Facebook's response to our consultation on the Interim Report.](#)

particular, Facebook raised concerns that this proposal would lead to a greater number of organisations processing and storing data which would heighten the risks to the security and integrity of consumers' data.

Our views

70. Interventions to promote content interoperability could make different social media platforms more substitutable from the perspective of consumers, while encouraging new entrants and other social media platforms to compete more directly with Facebook. This intervention would more directly address the network effects than other interoperability measures because consumers would no longer need to access a particular platform with a large social graph and network, such as Facebook, in order to engage with users of that platform.
71. In turn, this could make it easier for smaller platforms to grow their user base and share of time spent online and could improve their ability to monetise their services. Therefore, interventions in this space could significantly reduce the extent to which network effects act as a barrier to entry and expansion for smaller platforms and could significantly increase the competitive threat faced by platforms such as Facebook.
72. With regards to the lack of calls for this intervention from social media platforms, we note that existing market participants have needed to build differentiated products to attract users. As such, they may need to tailor, or add new features to, their product to make use of this functionality. Alternatively, this intervention could incentivise new platforms to enter the market and compete directly with Facebook.
73. Nonetheless, we recognise that there are costs to interventions that promote extensive interoperability over a wide range of functionality. For example, this type of intervention could require strong standardisation across competing platforms and could dampen competitors' ability and incentive to innovate or differentiate the type of services they provide.
74. We note this form of intervention would not necessarily involve an industry-wide interoperability requirement across all functionalities. Rather, the intervention could be mandated in relation to one or a subset of companies in the sector, for example SMS firms, with its scope limited to specific functionalities that are not recently innovative.
75. Further, we recognise the concerns that a more extensive form of interoperability, such as content interoperability, could give rise to greater risks associated with user privacy. As such, such an intervention would likely

require the implementation of a framework that safeguarded against those challenges. In particular, a consent mechanism would probably need to be introduced to ensure that users agree to their content being accessible through another platform.

Conclusion

76. As explained in Chapter 3, Facebook initially grew through its innovative social networking service and has had a much larger network than other platforms for many years. The competitive threat to Facebook from the entry and expansion of other platforms is now limited, particularly by the importance of network effects, which can act as a barrier to entry and expansion for smaller social media platforms.
77. We also found that in some circumstances, Facebook is able to affect the competitive conditions it faces. By restricting other social media platforms' ability to interoperate with Facebook's services, Facebook is able to reduce the competitive threat from new entrants and smaller rivals. We therefore welcome the step taken by Facebook to remove the condition which prevented developers from accessing its APIs if they sought to replicate Facebook's core functionality from its terms of access.
78. However, social media platforms have continued to raise concerns that Facebook could stop allowing them to use the Facebook Graph API, which would harm their growth and utility. In addition, Facebook could continue to engage in full deprecations that further reduces the level of interoperability between Facebook and developers. As such, we consider that the DMU should oversee the changes that Facebook makes to its platform policies and functionalities and ensure that its behaviours, with regards to deprecating functionalities and imposing conditions, such as non-replication principles, are not re-introduced.
79. In this appendix, we have also considered various measures to address the strong network effects that have shielded Facebook from effective competition. Interoperability and data mobility can help overcome network effects and facilitate competition and innovation by reducing switching costs and facilitating consumer choice between online platforms. These measures can be targeted at different barriers to expansion, such as same-side and cross-side network effects. However, they can give rise to risks, such as a reduction in incentives to innovate and concerns regarding user privacy.
80. We have focused on interventions which would increase users' ability to interact with consumers active on a different platform. In particular, we have considered the benefits and costs associated with mandating interoperability

over specific functions of Facebook's platform, such as accessing connections, cross-posting and making content accessible across platforms.

81. It is clear from our assessment that consumers would benefit from being able easily to access their Facebook connections on other platforms and to invite them to those platforms. This type of feature could improve the ability of other platforms to grow their userbase, which in turn improves the attractiveness of their service. Facebook already provides this functionality for many applications in a user-friendly manner. However, there are concerns that it is able to discriminate against third parties when providing access to these functions and design such features in a manner that stifles competition.
82. Similarly, cross-posting is a functionality that improves consumers' utility of services, both of Facebook and its rivals, and could address some of the cross-side network effects by acting as an audience development opportunity and encourage users to multi-home. We have considered the reasons for Facebook deprecating this API and we are of the view that the DMU could design an intervention that re-establishes this functionality in a manner that safeguards against the privacy and automatic spamming concerns raised by Facebook. Such a step should improve the user experience immediately and lead to greater competition between social media platforms in the long term.
83. With regards to content interoperability, we consider that in the long term this measure has the potential to be the most effective model and form of interoperability intervention for overcoming network effects as consumers would no longer need to access a particular platform with a large social graph and network, such as Facebook, in order to engage with users of that platform. However, we recognise the risks associated with this intervention particularly in the form of homogenisation of services and reduced innovation, and the need for more extensive regulatory design, as well as the lack of support from existing market participants.
84. In conclusion, we consider that enabling consumers to easily access their Facebook connections to invite them to other platforms and to post content seamlessly across platforms would be reasonable first steps to take given the potential benefits and limits risks associated with these interventions. Subject to the effectiveness of these interventions and future market developments, we consider that the DMU should also have the power to implement more widespread interoperability measures, such as content interoperability, if they are deemed to be effective and proportionate. **Consequently, we recommend that the DMU be given powers to mandate interoperability.**