



Mobile Ecosystems Market Study
Competition and Markets Authority
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26 July 2021

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By email to: mobileecosystems@cma.gov.uk
F.A.O: Simeon Thornton, Project Director

Dear Mr Thornton

Virgin Media O2 (“**VMO2**”) welcomes the opportunity to respond to the Competition & Markets Authority’s (“**CMA**”) recently published Statement of Scope regarding the Mobile Ecosystems Market Study¹ (the “**Market Study**”). VMO2 notes that the Market Study is being conducted within the context of a broader programme of work to establish a new pro-competition regulatory regime for digital markets in the UK. As a general observation, VMO2 is supportive of this ambition. It is clear, now more than ever, that mobile devices play a critical role in the daily life of UK consumers; therefore, VMO2 is supportive of the CMA seeking to understand better the role of these key mobile ecosystems and whether they are working well for consumers.

In addition, set out below are some additional comments for consideration.

The role of data

The CMA observes that “*weak competition in operating systems, browsers and app stores could lead to consumers sharing either more or less data than they would otherwise do, potentially leading to broader privacy concerns or impacts on their choice of apps*”, noting also the role of default settings.² Through vertical integration in their respective mobile ecosystems, Google and Apple are able to accumulate data from different sources and combine and process such data not only to provide innovative, better and more quality services, but to control data flows and to leverage the control over such data to expand market power rapidly in neighbouring markets. This control over data can also hinder competition in relation to third parties’ activities within the mobile ecosystem. VMO2 encourages the CMA to think about the role of data in the value chain for Apple and Google when undertaking this Market Study.

¹ [Statement of Scope](#), published 15 June 2021.

² Para 150 and 166.



Gatekeeper role

The CMA notes that it intends to explore the role of Apple and Google as gateways to consumers for businesses with an online presence, noting that they determine the rules in which they and other participants must operate, calling out, e.g. changes in tracking capabilities.³ Recent developments, which could be borne in mind in the interest of completeness, include Apple Private Relay, a new encryption feature for Apple users that was announced by Apple at their Worldwide Developers' Conference in June 2021⁴ and which is marketed by Apple as a feature that will prevent networks determining web-browsing habits.

VMO2 remains at your disposition to answer questions and engage with the Market Study case team.

Arabella Hinton

Head of Competition & Regulatory Affairs
Virgin Media O2

³ See paras 101-103.

⁴ <https://developer.apple.com/videos/play/wwdc2021/10096/>