

**Sent:** 07 February 2022 09:45

**To:** Mobile Ecosystems <[MobileEcosystems@cma.gov.uk](mailto:MobileEcosystems@cma.gov.uk)>

**Subject:** Mobile Ecosystems Market Study

To whom it may concern,

I am a UK resident who performs two roles as a Technical Lead of a large technology consultancy and as a CTO of a start-up, though none of the information in this is confidential or on-behalf of these organisations, I am submitting as an individual and would like it published anonymously if possible.

In both roles, Apple's monopolistic and anti-competitive approach to their platform fundamentally harms the businesses I work for and the clients I serve.

When evaluating a project, more often than not we come to the same conclusion that whilst we could deliver the functionality and features we need for cheaper on the web - we are unable to do this due to Apple's **App Store rule 2.5.6** which prevents meaningful browser competition on iOS. This means that our customers only can use the Safari browser - irrespective of the browser app they install. This is problematic as **Safari lags behind other browser engines** in both security ([this major issue](#) was not patched for over two months), performance and feature set.

Apple's rules force organisations such as the ones I work for to adopt mobile applications as their browser lacks the ongoing support necessary for us to confidently ship applications to consumers on iOS devices, where this would not be a problem on other platforms. This incurs additional development cost and complexity for the organisations I work for, as we now need native iOS and Android skillsets (which could have been a single web role) which are more difficult to find and exacerbate the ongoing software engineering skill shortage.

Further, Apple's handling of payments on iOS can only be described as anti-competitive and anti-consumer. As a developer, if I wish to sell digital goods or subscriptions in my application, I am bound by Apple's rules and must use [Apple's payment services](#) (subject to a 30% transaction fee). If I offer an alternative method of payment - that payment method must not be available to the user at a

lower price than the Apple payment option (irrespective of other payment providers offering much lower fees)

As a business, this can make taking payments on iOS completely impossible for a business with small margins.

To make this worse, [Apple's App Store rules prevent developers from explaining this to end users](#). For example, applications such as Netflix do not allow users to create an account in the iOS application - it must be done from the web (to mitigate the 30% fee). However, we are prevented from explaining how to create an account or sign up for a subscription - as *"Apps may not use ..... external links or other calls to action that direct customers to purchasing mechanisms other than in-app purchase"*

As with the web, Apple is subjecting developers and organisations building software for their platform to unnecessary cost and consumers to worse customer experience in order to increase revenue and whilst they argue it is essential to fund the platform that gives your app visibility, I think it's important to question whose product is benefiting who? Would the app store work without high quality applications from organisations.

In summary, in the interest of ensuring a fair and competitive marketplace for organisations to build software and engage with consumers, I would like the CMA to encourage Apple to remove their anti-competitive browser and payments rules from their terms. These rules actively harm both developers and consumers due to excessive and unnecessary cost, security holes that cannot be patched and artificial limiting of the potential of the mobile web, and only serve Apple's financials.