eye/o

Competition and Markets Authority
Digital Markets Unit
Browsers and Cloud Team
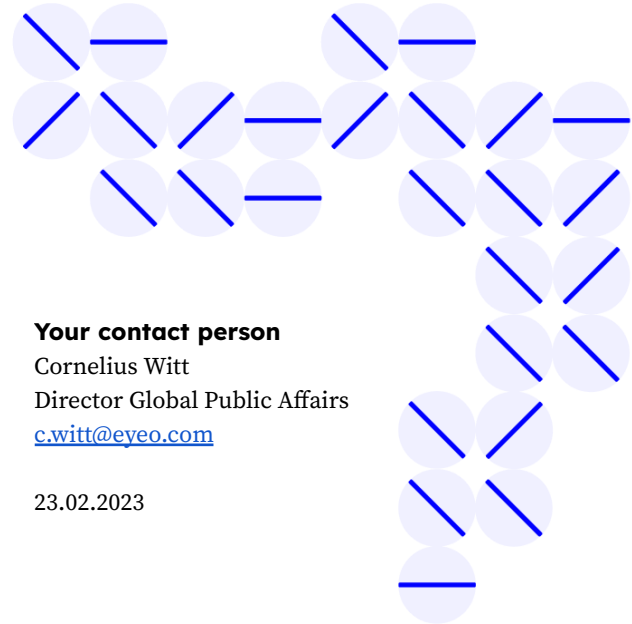
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About eyeo

eyeo is dedicated to empowering a balanced and sustainable online value exchange for users, browsers, advertisers, and publishers. By building, monetising, and distributing ad-filtering technologies, we create solutions that allow all members of the online ecosystem to prosper. Our ad-filtering technology powers some of the largest ad blockers on the market, like Adblock Plus and AdBlock, a mobile browser for Android[1], and is distributed through partnerships to millions of devices. There are currently 300 million global ad-filtering users, and ~6 million in the United Kingdom, who see non-intrusive advertising that is compliant with the independently established Acceptable Ads Standard.

Supplemental submission on the issues statement

We appreciate the Competition and Markets Authority's (CMA) commitment to ensuring fair competition in the mobile world and fostering a transparent business environment on mobile devices. Given our active and unique role in the online

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[1] Adblock Browser
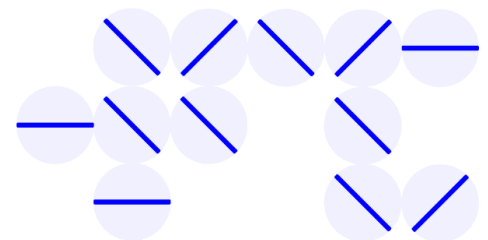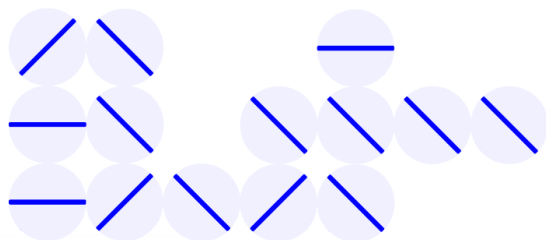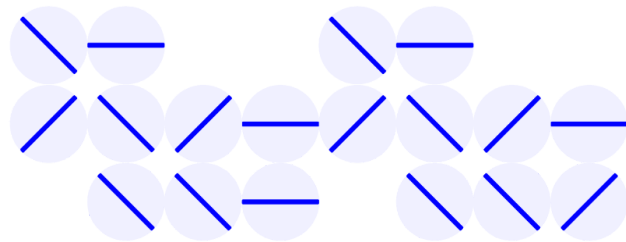
advertising ecosystem, we are deeply invested in the mobile browser market and recognise the importance of a market investigation in this space.

In the following, we want to comment and expand on some issues identified in the CMA's issues statement[2], providing our insights and expertise, and bringing forward some issues that have not been explicitly discussed yet.

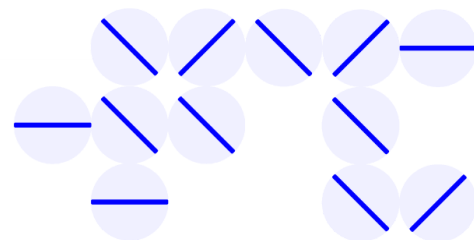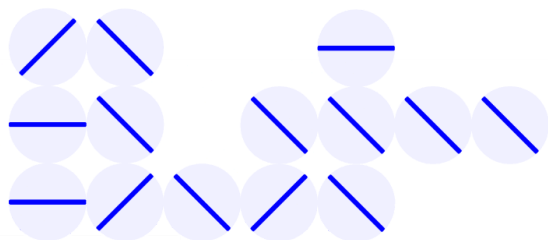## #1 | Addressing adverse effects on competition by removing barriers to entry and to compete

The CMA's mobile ecosystems market study[3] explores and highlights the significant control Apple and Google wield over the mobile ecosystem, limiting competition and innovation. Despite the mentioned benefits, concerns persist regarding restrictions imposed on businesses and users, leading to higher prices and fewer choices. More concretely, the CMA correctly observes in the issues statement that the dominance of Google's Blink and Apple's WebKit browser engines that power their respective browsers Chrome and Safari, pose barriers to entry for competitors in the mobile browser market. Even though Apple recently announced[4] changes to allow more browser engines to be available on iOS to comply with the EU's Digital Market Act, these changes are limited only to the European Union market. This signals Apple's approach to opening its platforms only when and where there is a legal requirement.

As one of our products, Adblock Browser is a mobile browser for Android based on Blink, we see the issues of indirect network effects and restrictions on browser functionalities. For smaller browser vendors, it is difficult to differentiate offerings and features, given that browser engines mandate the capabilities of websites and web apps. This practice expands their dominant position due to web developers prioritising compatibility with the established incumbents, hindering the adoption of new functionality by smaller vendors. Along those lines, we also observe that some

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[2] Mobile browsers and cloud gaming market investigation - Statement of Issues
[3] Mobile ecosystems - Market study final report
[4] Apple announces changes to iOS, Safari, and the App Store in the European Union
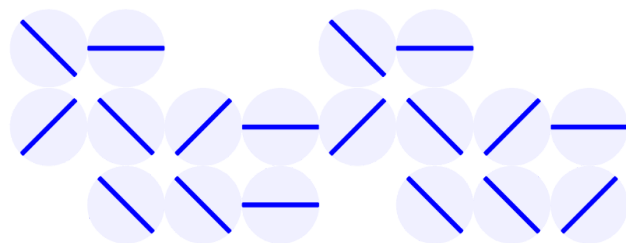
functionalities of browser engines are not available to other browsers on the same operating system.

From our perspective and experience, we believe the mentioned remedies could address these adverse effects on competition. In general, we, therefore, welcome if the mentioned remedies, such as requiring minimum standards for third-party browser engines on iOS and Android or enabling access to functionality for other browser vendors, would be further evaluated as part of this investigation. Ultimately, we agree that most of the remedies mentioned in the issues statements on mobile browsers and browser engines have the potential to increase competition between mobile browsers.

On top of the competition aspect, opening up the ecosystem to allow new browsers to be developed will drive innovation and immediately benefit the users. Safari on iOS currently strikes a lot of resemblance to the time when Internet Explorer was a de facto monopoly. When more browser engines and browsers started to be developed, security and innovation rapidly advanced in the user's favour.

#2 | Addressing adverse effects on competition by giving users choice

Giving users the freedom to choose from a variety of products and features encourages companies to innovate, continuously improve their offerings, and differentiate themselves from competitors. On the open web, a wide range of examples prove how user preferences can result in a diversification of products and highly competitive markets. The streaming media market comes to mind, in which various companies like Netflix, Amazon Prime Video, Disney+/Hulu, HBO Max, Apple TV+, and YouTube TV (and more) compete for subscribers and since users can freely choose their streaming service, those companies invest heavily in original content, user experience, and the best technology to differentiate themselves from competitors.
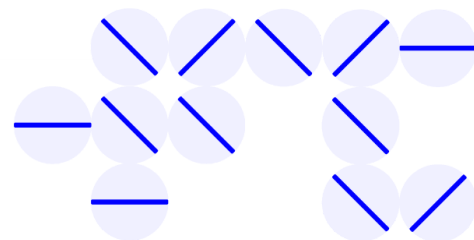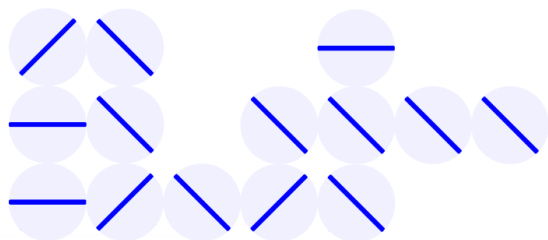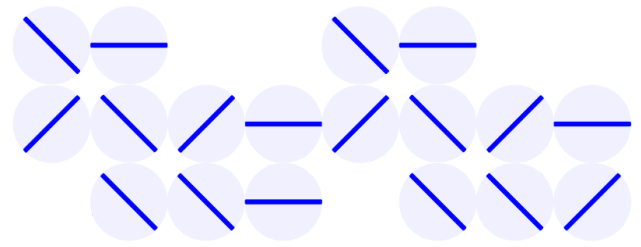
In comparison, the mobile browser ecosystem does not provide a high degree of choice for users. The design, user interface, and choice architecture on mobile devices often result in users having fewer choices. For instance, pre-installed and default browsers limit and steer user choice. Also, some features that let users choose their browser experience, like switching the default browser set-up, are often very complex or hidden in the settings.

We believe that introducing choice screens, for instance, by enabling users to select their (default) browser, can address some of the adverse effects on competition outlined in the issues statement. In this context, it seems crucial to ensure that users can fully understand their options and that the user journey on alternative browsers is technically supported in the same way as a pre-installed browser.

#3 | Addressing adverse effects on competition by giving users control

Besides user choice, one key driver that allowed the open web to strive is the empowerment of users, giving them tools to control their online experience. The global phenomenon of ad blocking and ad filtering, and their continued year-over-year growth, is a perfect example: Users were frustrated with the ad experience and decided to take back control, creating a high demand for ad-blocking and ad-filtering products and services, which led to a variety of options and much competition. Research suggests that a majority of ad-filtering users want to "control which personal information is shared with advertisers" (70%) and to "control whether the ads are relevant to me" (65%)[5]. Other studies found that more than 50% of users don't mind ads if: the ads don't interfere with their task, the user can control what kind of ads they see, or when they can control their data[6].

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[5] eyeo Ad-Filtering Report 2023
[6] Resources eyeo
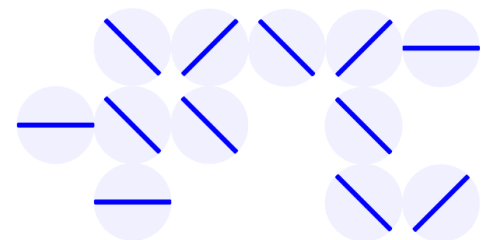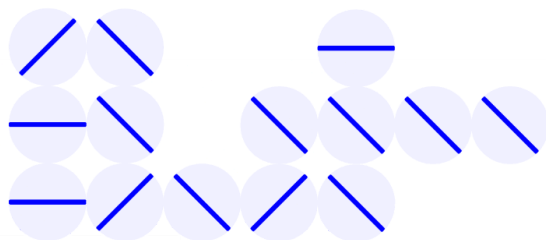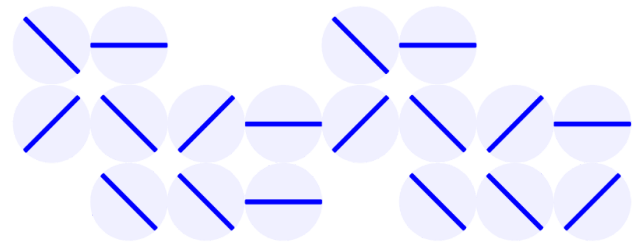
The mobile browsers' ecosystem lacks user control and agency, especially since users have precious few tools enabling them to control their online experience. On desktop, the browser extension ecosystem strived into a competitive market that offers a wide range of products for online users to improve their overall online experience. With browser extensions, users can increase accessibility to the web, boost their productivity, safeguard their privacy, or protect biodiversity. Almost half of Chrome desktop users improve their web experience with extensions, choosing from over 180.000 extensions[7].

Unlike on desktop, browser extensions on mobile are available only through a limited set of browsers, representing a small group of users. Despite Google self-describing this as "unique and creative Chrome extensions to help with everything from productivity to accessibility on the web"[8] on desktop, Chrome on mobile does not support extensions in any way, significantly limiting the available tools for users to take control of their online experience.

This can be credited to the fact that when Google entered the desktop market with Chrome, it had to be competitive, given that most currently available browsers supported Web Extensions/Addons. But when Android was released, Chrome for Mobile was the only available mobile browser, and given that Google maintained it as the default browser for Android, it allowed them to create a monopoly and mandate user experience and innovation based on their business needs versus users' needs (example of Chrome for desktop where Web Extensions are available).

Mozilla Firefox for Android quite recently started to support[9] Add-ons (extensions), following several other Web Browsers for Android, allowing users to take control of their internet experience while indicating that all the necessary technical requirements are in place to make extensions available across the Android ecosystem, regardless of the rendering engine.

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[7] [Chromium blog](#)
[8] [Google blog](#)
[9] [New extensions you'll love now available on Firefox for Android](#)
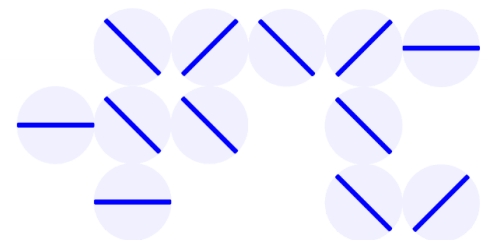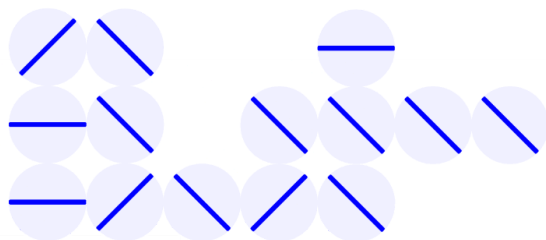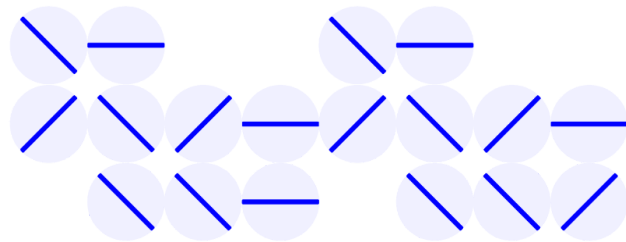
Apple technically allows some support for browser extensions on mobile Safari. However, the Market study rightfully observes that while extensions are available on Safari they are so complex to enable that only highly motivated and in some cases only users with a technical background will succeed. Even though this functionality is supported on Android, on Chrome for iOS, it is not supported, effectively hindering wider adoption of extensions for mobile users.

Therefore, we urge the CMA to consider the importance of user choice as a driver for competition in the mobile browser market and specifically, further investigate how mobile extensions could address adverse effects on competition. We would welcome it if the market investigation would extend its scope and apply a theory of harm in relation to the existing lack of support for mobile extensions, especially on Chrome.

Conclusion

We appreciate the opportunity to provide comments on the CMA's market investigation. Our reflections underline the crucial need to address adverse effects on competition within the mobile browser market and we confirm the key issues identified by the CMA, which result in limited choices and innovation. Many of the remedies proposed, such as minimum standards for third-party browser engines and enabling user choice through choice screens, hold promise to foster a more competitive landscape in the mobile ecosystem. Additionally, empowering users with control over their online experience, akin to the desktop browser extension ecosystem, will further enhance competition and innovation. We advocate for a comprehensive investigation that considers user choice and control as fundamental drivers of competition, urging for a closer examination of mobile extensions' potential impact on addressing existing market constraints.