Chamber of Progress Submission in Competition and Markets Authority SMS investigation into Google's mobile ecosystem

12 February 2025

On behalf of Chamber of Progress – a tech industry association supporting public policies to build a more inclusive society in which all people benefit from technological advancements – I write to respond to the Competition and Markets Authority (CMA) invitation to comment on the investigation into Google's mobile ecosystem.[1] The below submission focuses on two points raised in the Invitation to Comment,[2] specifically: (1) the scope of competition between Apple and Google ecosystems and the benefits of differentiation (Q1), and (2) the risks of regulatory intervention related to questions (Q4, Q5, Q6).

Competitive Dynamics Between Apple and Google Ecosystems

The CMA has invited comments on its investigation into whether Apple and Google's mobile ecosystems should be designated as holding Strategic Market Status (SMS). This assessment is a critical one, as it will set the stage for significant regulatory interventions in how mobile platforms operate in the UK. However, a close examination of market dynamics shows that Apple and Google exert strong competitive constraints on each other, and that mobile ecosystems are delivering good outcomes for consumers, developers, and other ecosystem participants. Any regulatory intervention must take these realities into account to ensure that well-functioning competition is preserved rather than inadvertently undermined.

Market Characterised by Competitive Rivalry Between Apple and Google

Apple and Google engage in direct and sustained competition across their entire mobile ecosystems, spanning devices, browsers, and app stores.[3] This

[1] CMA - SMS investigation into Google's Mobile Ecosystem (23 January 2026), available here.
[2] CMA - Invitation to Comment (23 January 2025), available here.
[3] European courts have referred to this as "system" competition. *See* Case T-604/18, Google v Commission (14 September 2022), available here, para. 248.

competition is not theoretical—it is reflected in continuous innovation, investment, and strategic responses to market dynamics.

With respect to devices, Android manufacturers, including Samsung, Xiaomi, and OnePlus, compete aggressively with Apple's premium iPhone lineup, with Samsung's flagship Galaxy devices positioned as direct rivals in price and performance.[4] For its part, Apple has introduced a range of lower-price phone models that more directly compete on price with Android handsets.[5] Switching between ecosystems is both viable and actively facilitated by competition—Google notes that it ensures cross-platform accessibility by making core services like Chrome, Search, Gmail, and Maps available on iOS, reducing switching costs for consumers.[6] Apple, in turn, contends that switching behavior is driven by consumer satisfaction rather than lock-in, citing evidence that iPhone users dissatisfied with their experience are more likely to switch to Android.[7]

In mobile browsing, both Apple and Google recognize meaningful competition in browser choice. Apple's cloud gaming & browsers submission highlights that iOS users in the UK can choose from roughly 100 browser alternatives.[8] Google's cloud gaming & browsers submission argues that Android's open model fosters even greater browser competition, with multiple browser engines (including Blink and Gecko) supporting a wide range of user preferences.[9]

Similarly, competition in mobile app distribution is dynamic and multi-faceted, with differentiated offerings by the two ecosystems. Android supports multiple app stores and sideloading, ensuring developers have diverse distribution pathways beyond Google Play. Apple's mobile ecosystem offers a more curated approach that Apple's submissions state fosters consumer trust, benefiting both large and small developers.[10] This difference has benefits, leaving consumers, and developers, free to decide which approach they prefer.

Taken together, this evidence demonstrates intense rivalry between Apple and Google, where each firm is constrained by the other's competitive moves. This is even more apparent since the conclusion of the CMA's Mobile Ecosystem Market Study, with the release of several new artificial intelligence based features in both

[4] Google, CMA Mobile Ecosystem Market Study Comments on Interim Report (7 February 2022), available here, para. 17.
[5] Apple, Mobile Ecosystem Market Study Response to Interim Report (7 February 2022), available here, para. 14.
[6] Google, CMA Mobile Ecosystem Market Study Comments on Interim Report, paras. 13-15.
[7] Apple, Mobile Ecosystem Market Study Response to Interim Report, paras. 16-17.
[8] Apple, Response to CMA Provision Decision Report (Mobile Browsers and Cloud Gaming) (17 December 2024), available here, para. 7.
[9] Google, Response to the CMA's Provisional Decision Report in the Mobile Browsers and Cloud Gaming Market Investigation (19 December 2024), available here, para. 71.
[10] Apple, Response to CMA Provision Decision Report (Mobile Browsers and Cloud Gaming), para. 91.

Google and Apple ecosystems.[11] Far from a static, uncompetitive market, mobile ecosystems are highly dynamic, innovative, and competitive in terms of price, quality, and differentiation. This ongoing competition continues to shape market outcomes, driving innovation and investment in ways that ultimately benefit consumers and developers alike.

Existing Competitive Dynamics Benefit UK Consumers

The fundamental test of whether a market is working well is whether consumers are benefiting—through competition on price, quality, innovation, and security. In mobile ecosystems, the evidence demonstrates that Apple and Google's ongoing rivalry has delivered tangible benefits to users, including high levels of consumer satisfaction, continuous technological improvements, and enhanced privacy and security protections.

Consumer satisfaction with mobile ecosystems is exceptionally high, reflecting meaningful competition and differentiation. Surveys indicate that over 9 in 10 iPhone users satisfied with their device,[12] while nearly 7 out of 10 Android users also express high satisfaction.[13] Crucially, this satisfaction is driven not by lack of choice, but by the ability to choose between distinct ecosystems that cater to different user needs. Apple offers a tightly integrated hardware-software experience, while Android manufacturers provide greater device variety, customization, and price segmentation, ensuring that consumers at every budget level have high-quality options.

The intense competition between ecosystems has also driven device manufacturers to continuously improve performance, durability, and features. Apple has introduced proprietary silicon chip innovations, such as the A-series processors, which have led to significant gains in speed and efficiency over the past decade.[14] Meanwhile, Android manufacturers have pushed the boundaries of display technology, battery life, and form factor, including foldable smartphones and high-refresh-rate screens, responding to consumer demand for cutting-edge technology and design choices.[15] This ongoing arms race in innovation ensures that consumers benefit from rapidly improving device capabilities year after year.

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[11] Apple, "Apple Intelligence is available today on iPhone, iPad, and Mac" (28 October 2024) available here; Google "Experience Google AI in even more ways on Android" (14 May 2024), available here.
[12] Apple, Mobile Ecosystem Market Study Response to Interim Report, para. 1.
[13] CMA Mobile ecosystems market study final report (10 June 2022), available here, fn. 148.
[14] Apple, Mobile Ecosystem Market Study Response to Interim Report, para. 22.
[15] Samsung, "A Decade in the Making: How Samsung Foldables Are Defining the Future of Smartphone Innovation" (30 December 2021), available here.

Privacy and security is another key competitive dimension from which consumers of both Apple and Google products benefit. iOS and Android have each introduced advanced security architectures that protect consumers from malicious apps and cyber threats, reinforcing trust in mobile platforms. Independent research has found that iOS devices experience 15 to 47 times fewer malware infections than Android,[16] largely due to Apple's strict security policies and centralized app review process. At the same time, Android's more open model ensures that users have extensive control over permissions and alternative security configurations.

Far from a stagnant or dysfunctional market, mobile ecosystems today are delivering exceptional consumer outcomes, driven by sustained rivalry between Apple and Google. Consumers enjoy unprecedented levels of choice, whether in devices, browsers, app stores, or privacy configurations, with competition driving continuous investment and improvements in performance, security, and innovation. Regulatory intervention should be carefully considered to ensure that it does not disrupt this ongoing competitive dynamic, where differentiation between ecosystems plays a key role in maintaining high consumer satisfaction and technological progress.

Expanding Opportunities for Developers and the Broader Mobile Ecosystem

The ongoing competition between Apple and Google has not only driven direct benefits for consumers but has also expanded the entire mobile ecosystem, creating new opportunities for developers, device manufacturers, and service providers. By continually pushing each other to innovate and improve their platforms, Apple and Google have made smartphones more powerful, more feature-rich, more accessible, and more widely adopted than ever before. This expansion has dramatically increased the amount of time consumers spend engaging with apps on their devices, and thus the addressable market for developers, enabling businesses of all sizes to reach global audiences and build sustainable business models in ways that were not possible before the smartphone era.

The competition between iOS and Android has been instrumental in driving down costs while increasing device capabilities, putting smartphones into the hands of billions of users worldwide. This dynamic has created a self-reinforcing cycle: as more consumers adopt smartphones, the potential audience for developers grows, increasing demand for innovative apps and services. In the UK alone, the

[16] Apple, Mobile Ecosystem Market Study Response to Interim Report, fn. 16.

Android app ecosystem generated an estimated £9.9 billion in developer revenue and 457,000 jobs,[17] while Apple developers generated over £1.6 billion in billings in 2021[18]—figures that illustrate the scale of economic opportunity created by mobile platforms.

Beyond apps, the growth of the mobile ecosystem has opened new opportunities for complementary industries, including cloud gaming, fintech, digital health, and wearable technology. Cloud gaming services, for example, have gained traction across both iOS and Android, with platforms like Xbox Cloud Gaming and GeForce Now expanding their presence in mobile environments. In financial services, the increasing use of mobile wallets and contactless payments—now fully interoperable across platforms—has transformed how consumers engage in digital transactions, with both Apple and Google making strategic updates to support third-party payment providers. These innovations are not happening in isolation—they are a direct result of the competition between ecosystems to attract users, developers, and service providers, ensuring that mobile platforms continue to evolve in ways that benefit the entire digital economy.

Taken together, these developments demonstrate that Apple and Google's competition has done more than just improve smartphones—it has expanded an entire economic ecosystem. By driving greater smartphone adoption, improving accessibility, and creating viable revenue models for developers, competition has accelerated innovation across multiple industries, unlocking new possibilities for businesses, creators, and consumers alike. The CMA should recognize that this market is not just competitive—it is one of the most dynamic and rapidly evolving sectors of the global economy, with ongoing rivalry ensuring that opportunities for innovation and growth continue to expand for all participants. It is for this reason that interventions that would try to reshape these markets based on a hypothetical "even more competitive" scenario should be carefully scrutinised.

The Risks of Overenforcement in Mobile Ecosystems

While codes of conduct and pro-competitive interventions can create some benefits for some market participants, interventions in multi-sided digital markets—particularly in mobile ecosystems—carry significant risks of unintended consequences. Apple and Google's mobile platforms exist within an interdependent, rapidly evolving ecosystem where regulatory actions can unintentionally distort incentives, reduce innovation, and negatively impact

[17] Google, CMA assessment of mobile ecosystems (23 January 2025), available here.
[18] Apple, Mobile Ecosystem Market Study Response to Interim Report, para. 37.

consumers and developers alike. The CMA's assessment must therefore be guided by empirical evidence of actual competitive harm, rather than theoretical concerns about market structure or hypothetical "more competitive" counterfactuals.

In particular, intervention in mobile operating systems, browsers, and app distribution must take into account three critical risks related to (1) investment and innovation incentives, (2) unintended consumer harms, and (3) complexity of market evolutions.

Three Critical Considerations

First, investment and innovation incentives: Mobile ecosystems are built on long-term, high-risk investments in proprietary technologies, software infrastructure, and developer tools. Overly intrusive interventions—such as mandating open access to proprietary systems or imposing broad structural remedies—could erode incentives for platform improvements or the release of new products that would be unduly burdened by these interventions. Furthermore, regulatory measures that would impose uniformity or weaken differentiation between Apple and Google risk diminishing the very competition that drives ongoing investment and innovation in mobile technologies.

Second, unintended consumer harms: The current competition between Apple and Google benefits consumers through differentiated business models, platform architecture, and evolving platform features. Mandating changes—such as requiring alternative app stores or restricting platform-specific security measures—would increase consumer exposure to fraud, security threats, and fragmented user experiences, harming the very users regulation aims to serve.

Third, complexity of market evolution: Mobile ecosystems are not static, and competition in these markets is defined by rapid technological shifts rather than fixed market structures. Traditional structural measures like market share or concentration ratios fail to capture the reality of dynamic competition in mobile ecosystems. The recent surge in AI-driven smartphone features demonstrates how competition continues to accelerate innovation, forcing both Apple and Google to respond with new capabilities. Regulatory intervention that locks in static assumptions about market power risks becoming obsolete before implementation and could inadvertently disadvantage new market entrants.

Lessons from International Interventions

Past regulatory actions in digital markets have shown that well-intended interventions do not always deliver consumer benefits. In the EU, the Digital Markets Act has imposed a range of present consumer harms, ranging from inconveniences, to security vulnerabilities, in the interest of speculative future benefits.[19] The EU's experience with the DMA highlights how well-intended regulation can unintentionally diminish consumer benefits and degrade user experiences. This risk is heightened in dynamic and competitive markets like the ones under review.

For example, the Invitation to Comment states that the CMA is considering a requirement that would prevent Google from making payments to OEMs and potentially Apple.[20] This would be similar to an intervention imposed by the European Commission as a result of its *Android* case.[21] The result of this change was the introduction of an OS licensing fee paid by OEMs, and thereafter higher phone prices for consumers. One could foresee that a similar intervention in the UK would result in higher phone prices for UK citizens as well.

In light of these risks, Chamber of Progress reminds the CMA of its obligation to keep conduct requirements under continual review,[22] ensuring they remain proportionate and aligned with changing market realities. Rigorous oversight will protect consumers from potential harm while preserving dynamic competition between Google and Apple.

A Cautious, Evidence-Based Approach

Given the rapid evolution and complexity of mobile ecosystems, the risks of regulatory error are particularly high. Misguided interventions could reduce competition between Apple and Google by restricting their ability to differentiate, innovate, and incentive to invest in their ecosystems or release new innovations in the UK. The CMA should therefore adopt a measured, empirical approach, ensuring that any remedies are proportionate to the actual, observed harms in the market.

[19] For a detailed assessment of these harms, see Chamber of Progress "Europe's Digital Curtain: How the Digital Markets Act Is Turning Europeans into Second-Class Digital Citizens" (December 2024), available here.
[20] CMA - Invitation to Comment (23 January 2025), available here, para. 87.
[21] European Commission, "Antitrust: Commission fines Google €4.34 billion for illegal practices regarding Android mobile devices to strengthen dominance of Google's search engine" (18 July 2018), available here.
[22] DMCCA, Section 25

By closely monitoring the impact of any interventions, the CMA can swiftly recalibrate measures if they inadvertently stifle competition or harm end-users. Chamber of Progress stands ready to work with the CMA to promote balanced, pro-consumer policies. Thank you for your consideration of these comments.

Sincerely,

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