

SMS Investigation into Apple's mobile platform

Spotify's response to the CMA's consultation on the Proposed Decision

Spotify strongly supports the CMA's decisive Proposed Decision to designate Apple as having Strategic Market Status (**SMS**) under the Digital Markets, Competition and Consumers Act 2024 (**DMCCA**) in relation to its mobile platform. This is a critical step toward enhancing the growth of the UK's digital economy by keeping it open, competitive, and innovation-driven.

The CMA's leadership in this space is not only commendable: it is essential. A final SMS designation, followed by swift, clear, and robust Conduct Requirements, together have the potential to deliver immediate and tangible benefits to UK businesses, particularly those in the app economy, creative industries, and fintech. These sectors are disproportionately affected by Apple's substantial and entrenched market power within its mobile platform coupled with Apple's restrictive practices. The UK is home to one of Europe's largest app economies, and its continued growth depends on a regulatory environment that enables fair access, fosters innovation, and prevents dominant platforms from distorting competition.

The CMA now has the tools and the momentum to act decisively. The DMCCA is a nimble instrument, affording the CMA the flexibility to make targeted interventions where it matters most to improve market outcomes for UK consumers and businesses. The CMA also benefits from having observed approaches taken in other jurisdictions (such as the US and the EU) – the success or otherwise of these international approaches has now become sufficiently apparent for the CMA to form a view as to what effective and proportionate enforcement should entail.

In relation to **Questions 1-8** of the Consultation, Spotify agrees with the CMA's conclusions in the Proposed Decision, and its supportive positions on these topics have been shared with the CMA as part of this SMS investigation. These findings are consistent with those in other jurisdictions, including the EU under the Digital Markets Act, and they are uncontroversial given the enormous volume of confirmatory evidence.

Conclusion

Today, UK businesses and consumers are suffering harm as a result of Apple's anti-competitive conduct. However, the CMA's SMS Investigation into Apple's mobile platform offers a vital opportunity to reset the dynamics of the mobile ecosystem.

To succeed, Apple must be designated as having SMS in respect of its mobile platform, and that decision must be backed by firm, forward-looking Conduct Requirements and enforcement that anticipates and disables Apple's calculated strategy of regulatory evasion. As Spotify's experience shows, consumers benefit directly and immediately when regulation is enforced swiftly, decisively, and proportionately.