

Response to CMA's proposed decision on Strategic Market Status (SMS) designation of Google and Apple mobile platforms

(Redacted) has proactively engaged with the implementation of the Digital Markets, Competition and Consumers Act (DMCCA) and worked with the Competition and Markets Authority (CMA) in their approach to bringing the Act's powers into play.

(Redacted) welcomes the proposed SMS designation of both Apple and Google's mobile platforms. As (redacted), we agree with the CMA's provisional conclusion that both Apple and Google have substantial and entrenched market power (SEMP) and a position of strategic significance (POSS) in respect of both their mobile platforms.

Both Apple and Google dominate the mobile ecosystem, which can often be to the detriment of consumers choice and options, as well as competition for other tech businesses and platforms.

Mobile platforms, such as apps and mobile browsers, are an increasingly important channel for our services, whether for researching or booking transport, accommodation or other travel services. The current structure of the mobile ecosystem, largely controlled by Apple and Google, presents significant challenges for fair competition and consumer choice.

Through the dominance of these mobile systems, both Apple and Google act as sole gatekeepers of their respective app stores. Currently, there is limited transparency and little recourse for unfair app ranking and app review decisions. Opaque decision-making when it comes to app review processes can impede or delay businesses from launching new features for consumers in a timely fashion and can have a financial impact on those businesses. Such decisions are often justified by the app store operator's interpretation of legislative or regulatory requirements, which can end up being incorrect. Appeals processes are not transparent and often take too long, compounding the harm. In the same vein, these platform owners are able to promote their own services through self-preferencing, control of payment systems, the undermining of third-party providers, and restriction of wider competition. We believe that all of these issues should be addressed as part of the CMA's Category 1 measures for both companies, should they be designated with SMS.

Furthermore, the use of proprietary in-app payment systems can result in high commissions for third-party providers. As part of the CMA's roadmap into the SMS investigation for Apple's mobile platform, we note the CMA is still considering the prioritisation of in-app payments as an area to bring in potential remedies and measures to combat the issue. We believe providing more flexibility for in-app payments should fall into Category 1 of these remedies. The current practice can lead to increased businesses costs and prices for consumers and its dominance can curb innovation for our sector as well.

When it comes to compliance solutions, we believe the CMA should pay close attention to how these firms have tried to comply with the EU Digital Markets Act (DMA), and make sure that they do not unfairly attempt to impose costs on all developers (including those that do not sell digital content) as a price for opening up their ecosystems to competitors. The CMA should ensure that compliance efforts are fair, reasonable and effective.

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We continue to advocate for a fair, open and competitive mobile ecosystem, which will support the digital economy and underpin consumer choice. We also look forward to responding to the CMA's consultation on the proposed roadmap of Conducts Requirements and Pro-Competition Interventions, this Autumn.

Yours sincerely,

(Redacted)