

STRATEGIC MARKET STATUS INVESTIGATION INTO APPLE'S MOBILE PLATFORM

Final Decision

22 October 2025

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1. SUMMARY

Our decision

- 1.1 The digital markets competition regime¹ gives the Competition and Markets Authority (**CMA**) the ability to designate a firm as having ‘strategic market status’ (**SMS**) in a digital activity linked to the UK.
- 1.2 Having carried out an investigation and consulted Apple and other stakeholders, we have decided to designate Apple as having SMS in the provision of its **Mobile Platform**. This document explains the reasons for our decision.²
- 1.3 Our finding that the criteria for SMS designation are met does not find or assume wrongdoing and does not make any assumptions about the next steps after designation. The SMS assessment is purely focused on the power and position of the firm in respect of the digital activity being investigated. It is an important step as designation is the gateway to possible interventions, but Parliament clearly separated the assessment of designation from the assessment required for the imposition of Conduct Requirements or Pro-Competition Interventions, which are subject to separate legal processes.

Why Apple’s Mobile Platform matters

- 1.4 Almost all adults in the UK have access to a mobile device³ (a smartphone or tablet) and almost all of these Mobile Devices use a Mobile Platform provided by Apple or Google. Mobile Devices with Apple’s Mobile Platform have a [50-60]% share of supply and those with Google’s Mobile Platform, which also include Mobile Devices made by other Original Equipment Manufacturers (**OEMs**) like Samsung, have a [40-50]% share. Consumers use the Mobile Platform on their Mobile Devices to access, view and engage with digital content and services – for example to browse the internet, engage and communicate with friends on social networks, watch videos and play games.
- 1.5 Apple’s Mobile Platform is therefore a vital gateway for hundreds of thousands of UK businesses distributing digital content and services to consumers on Mobile Devices.⁴ The UK has a vibrant app developer community, representing Europe’s largest app economy by revenue and app developer count. In total, the UK app economy generates an estimated 1.5% of the UK’s GDP while supporting approximately 400,000 jobs across direct, indirect and other supporting functions.⁵

¹ The Digital Markets, Competition and Consumers Act 2024 (the **Act**).

² We have also published an ‘SMS decision notice’ on the [case page](#).

³ Uswitch; [UK Mobile phone statistics 2025](#)

⁴ In the UK in 2024, there were [1-2] million native apps on the App Store, [0-1] million app developers distributing via the App Store and [20-30] million users downloaded a native app on the App Store each month. See Appendix A.

⁵ See [Comments of ACT the App Association to the CMA regarding its SMS Investigations into Apple’s and Google’s Mobile Ecosystems](#) and [Deloitte: the App Economy in Europe](#); We note that Apple is a sponsor of ACT, the App

It is essential that this part of the digital economy works well, creating opportunities for all market participants, large and small, to invest, innovate and grow. And when this market works well in the UK, it creates more opportunities for UK app developers to compete globally.

- 1.6 In addition, many UK businesses today use a native app as a key part of their digital offering – from transport to takeaways, retail, finance and fitness. These businesses range from large corporates to small start-ups across many different sectors of the economy. Some businesses distributing digital content and services may rely on native apps as their main channel to reach customers, without a website or physical store. This includes those operating in key growth areas of the economy like gaming and fintech, for example:
- (a) The FinTech sector plays a positive role in contributing to UK growth, with over 76,000 jobs, over half of all UK unicorn companies (more than any other sector), and more than £18bn of inward investment over the past three years.⁶
 - (b) The UK video games sector contributes £6bn of Gross Value Added annually and supports 73,000 jobs. Within this, mobile gaming is the fastest growing segment, with 34% of UK users playing games on Mobile Devices (up from 19% in 2016)⁷ and spending nearly £2bn per year on mobile games.⁸
- 1.7 It is therefore essential for a wide range of UK businesses and their customers that competition works well in relation to Apple's Mobile Platform. And where this is the case, it is expected to deliver positive growth, investment and innovation opportunities for the UK economy.
- 1.8 Given the important role Apple's Mobile Platform plays as an essential gateway for UK mobile users accessing digital content and services, and for UK businesses developing and distributing digital content and services for mobile, it is imperative that these groups are treated fairly and have trust and confidence in their ability to use it. It is important that Apple ensures users of its Mobile Platform have open choices, enabling content providers to compete on a level playing field and ensuring users have access to a wide range of innovative content and services to meet their needs.

Association; GDP contribution includes direct economic impact (direct revenue earned by companies in the sector), impact due to spillover effects (the rise of M-commerce), and indirect impact (wealth beyond the companies in the app industry, including other productive sectors and households); jobs estimates cover direct jobs (software developers, mobile app specialists), indirect jobs (suppliers to the app developers) and induced jobs (jobs created by the spending of the direct and indirect jobs).

⁶ See [FinTech Investment Landscape 2023](#) and [UK FinTech Retains Second Spot in Global Investment Rankings Amidst Tough Market Conditions](#).

⁷ See [Mobile phone gaming penetration in the United Kingdom \(UK\) from 2009 to 2024](#) (Statista).

⁸ See [Time to press start on growth – Unlocking the full potential of the UK video games industry](#) (May 2025), UKIE.

- 1.9 For businesses, effective competition within Apple's Mobile Ecosystem would mean that content providers could bring services to consumers on terms that enable them confidently to maximise investment and innovation. This could include compelling offers in areas as diverse as fintech, gaming or connected devices. For users, effective competition would ensure access to the widest range of services at attractive prices.
- 1.10 Designating Apple with SMS in relation to its Mobile Platform enables us to consider whether it is necessary and appropriate to introduce proportionate, targeted interventions to ensure that UK app developers and innovators developing and distributing content via Apple's Mobile Platform are able to innovate and grow their businesses. Before introducing such interventions, we are required to carry out further public consultation on their terms and impact.

Basis of our decision on designation

Description and scope of the digital activity, and international context

- 1.11 Under the digital markets competition regime, an SMS designation applies to a 'relevant digital activity', rather than an entire firm. This ensures that we take a targeted approach, focusing on the areas where a firm has substantial and entrenched market power (**SEMP**) and a position of strategic significance (**POSS**).
- 1.12 In line with the statutory timetable, we have carried out an in-depth nine-month investigation, during which we have considered a large amount of evidence and engaged extensively with many stakeholders, including Apple, through an invitation to comment, meetings, roundtables, and information requests. We consulted publicly in July on our proposed decision, and Apple had the opportunity to make oral representations to CMA decision-makers on this.
- 1.13 Having taken into account consultation responses, and gathered and considered further evidence, we have decided that Apple meets the test for SMS in respect of its **Mobile Platform**: the combination of its Smartphone Operating System (iOS), Tablet Operating System (iPadOS), Native App Distribution (App Store) and Mobile Browser and Browser Engine (Safari and WebKit) on Mobile Devices.
- 1.14 We define the scope of these activities as follows:
- (a) **Smartphone Operating System** – the provision of an operating system or equivalent, which acts as an intermediary between hardware and software on a smartphone, enabling software applications and services to run on the smartphone.

- (b) **Tablet Operating System** – the provision of an operating system or equivalent, which acts as an intermediary between hardware and software on a tablet, enabling software applications and services to run on the tablet.
- (c) **Native App Distribution** – the provision of a service which enables the installation, distribution and operation of native apps on Mobile Devices, which are apps written to run on the Smartphone Operating System and/or the Tablet Operating System.
- (d) **Mobile Browser and Browser Engine** – the provision of a mobile browser and mobile browser engine, which comprises:
 - (i) the provision of a software application that enables users of Mobile Devices to access and search the internet and interact with web content; and
 - (ii) the provision of a mobile browser engine, which is the underlying technology which native apps on Mobile Devices use to transform web page source code into content with which users can engage.

1.15 The component digital activities of Apple’s Mobile Platform together facilitate interactions between users and providers of digital content and services on Mobile Devices in order to allow users to access, view and engage with such content and services on their Mobile Devices. These individual digital activities together form an integrated package of complementary services and content. Accordingly, it is appropriate, for the purposes of arriving at an assessment of SMS under the Act, to consider them together, reflecting their interlinkages. The grouping of these activities as the Mobile Platform provides the framework necessary to reflect the real-world operation of these services and content, taking account of how they are offered and consumed.

1.16 Our definition of the Mobile Platform does not include Mobile Devices. However, we recognise in our analysis that the Mobile Platform and the device on which it is deployed are closely connected. Similarly, content accessed via the Mobile Platform such as apps, are not within the scope of the defined digital activity. We refer to Apple’s broader activities, including Mobile Devices, the Mobile Platform, and content accessed via the Mobile Platform as Apple’s **Mobile Ecosystem**.

1.17 The CMA is far from the only authority considering these issues. Several competition authorities globally have taken action in relation to Apple’s Mobile Platform in recent years (including the US Department of Justice (**DoJ**), European Commission, Japan Fair Trade Commission (**JFTC**) and Australian Competition and Consumer Commission (**ACCC**)). Although our SMS investigation is focused on Apple’s activities in the UK, Apple’s Mobile Platform operates globally, and we have sought to learn from international findings in conducting our own investigation.

Substantial and entrenched market power

- 1.18 We have found that Apple has substantial and entrenched market power in respect of its Mobile Platform – the first condition of the SMS test.
- 1.19 Apple's Mobile Platform operates in ways that interact and mutually reinforce one another; for Apple, for content providers and end-users. For Apple, providing its users with access to a wide range of content and services makes its Mobile Devices more attractive, leading to substantial hardware sales as well as revenues through in-app transactions. For content providers, Apple's Mobile Platform provides the infrastructure through which to offer their services to large numbers of consumers, and consumers in turn get access to all the content that is made available to them.
- 1.20 As we look across these interconnected facets of Apple's Mobile Platform, we can see that it has consistently succeeded on all fronts, and very profitably:
- (a) Apple has the largest UK Mobile Ecosystem and has held a large and stable group of end-users over a number of years, mutually reinforced by content providers wanting to be on Apple's Mobile Platform in order to reach those consumers.
 - (b) Apple's restrictions to a large degree prevent competition within the platform, with alternative app distribution, and alternative browser engines prohibited. Where there is competition - in browsers - Apple has an overwhelmingly strong position.
 - (c) Apple has been highly profitable globally for at least the last ten years, making high profits and a high return on capital globally, supported by revenues from the App Store and Safari.
- 1.21 In seeking to understand the reasons for this overall strong position, we have had to consider competitive forces at a somewhat disaggregated level, thinking about different groups of users and different digital activities. But when judging the existence or otherwise of substantial and entrenched market power, it only makes sense to carry out the assessment in the round; focusing unduly on one aspect would miss the bigger, interconnected picture. This reflects the commercial realities of what Apple is trying to do in the market; the very same realities which also underlie the decision to 'group' the various digital activities into the Mobile Platform.
- 1.22 Key elements of our detailed consideration later in this report include:
- (a) Share of end-users – substantial for Apple, and higher at the premium end of the smartphone market.

- (b) Low switching rates and relatively little consideration of switching between two differentiated Mobile Ecosystems, resulting in a stable user base.
- (c) Content providers want access to that user base, and have to go via Apple's Mobile Platform to do so.
- (d) Dampened competition between Google and Apple due to their revenue-sharing agreement.
- (e) Significant barriers facing any potential alternative Mobile Platform, such as network effects.
- (f) High profits and a high return on capital globally from Apple's Mobile Platform.

1.23 Overall, our assessment shows that Apple faces limited current competitive constraints in the provision of its Mobile Platform. Apple faces a very limited constraint with respect to content providers and consequently, any constraint in relation to end users would need to be particularly pronounced to ensure that Apple does not have substantial market power. However, our assessment shows that Google only exerts a limited competitive constraint in relation to end users.

1.24 Like any digital market, there are technological developments, particularly involving artificial intelligence (AI). However we have not seen evidence of expected or foreseeable developments that are likely (whether individually or in combination) to be sufficient in scope, timeliness and impact to eliminate Apple's substantial market power in the provision of its Mobile Platform over the next five years.

Position of strategic significance

1.25 We have also found that Apple has a position of strategic significance in the provision of its Mobile Platform – the second SMS condition.

1.26 Apple's Mobile Platform is used by a very large number of UK users (eg to access, view and engage with digital content and services on their Apple Mobile Devices) and businesses in the UK (eg as a means of reaching those users).

1.27 The services provided by Apple as part of its Mobile Platform are important to a wide range and large number of other businesses in the UK to provide digital content and services to users of Apple's Mobile Devices.

Our SMS decision

- 1.28 As set out in the SMS Decision Notice published on our case page,⁹ we are designating Apple as having SMS in the provision of its Mobile Platform with effect from the date of this decision. The designation will last for five years, subject to the provisions of the Act which allow the CMA to revoke or extend the designation.

⁹ [SMS investigation into Apple's mobile platform - GOV.UK](#)

2. CONTEXT TO THIS INVESTIGATION

This chapter sets out the context to our investigation. It provides information on the origins of the digital markets competition regime and the concepts which form part of this new legal framework. It also provides an overview of Apple's Mobile Platform.

The UK's digital markets competition regime

Overview

- 2.1 The Digital Markets, Competition and Consumers Act 2024 (the **Act**) establishes the UK's digital markets competition regime. The accompanying notes explain:¹⁰
- ‘Businesses operating in digital markets make a very significant contribution to the UK economy. However, it is the Government's view that the unprecedented market power, in relation to certain digital activities, of a small number of businesses, is holding back innovation and growth. Existing competition and consumer laws are not designed to address the unique barriers to competition in digital markets. In response, this Act establishes a new regime that is designed to boost competition in digital markets.’
- 2.2 The Act is the culmination of many years of policy development and consultation.
- 2.3 In September 2018 the government established a ‘digital competition expert panel’, led by Professor Jason Furman, to consider the opportunities and challenges the digital economy posed for competition policy. The panel's March 2019 report noted that the digital economy has benefited consumers by creating entirely new categories of products and services, and businesses by lowering start and scale-up costs. But it also noted that many digital markets are prone to ‘tipping’ in favour of a small number of large firms, which can lead to higher prices, reduced choice and quality for consumers and harm to innovation.¹¹
- 2.4 The panel recommended that ‘competition in digital markets should be sustained and promoted through a new approach, alongside the core conventional competition tools of merger control and antitrust enforcement’.¹² It considered that if implemented effectively, this approach would be ‘more flexible, predictable and timely’ than existing legal regimes.¹³
- 2.5 In March 2020 a ‘digital markets taskforce’ was established to provide advice to the government on the design and implementation of a new regime. The taskforce

¹⁰ Explanatory notes to the Act, paragraph 3.

¹¹ The [2019 ‘Furman’ Report](#), pages 3-4.

¹² The [2019 ‘Furman’ Report](#), page 8.

¹³ The [2019 ‘Furman’ Report](#), page 2.

was led by the CMA, working closely with the Office of Communications (**Ofcom**) and the Information Commissioner's Office (**ICO**). The taskforce reported in December 2020, again noting the benefits created by digital markets but also that 'The accumulation and strengthening of market power by a small number of digital firms has the potential to cause significant harm to consumers and business that rely on them, to innovative competitors and to the economy and society more widely'. To address these concerns, the taskforce recommended the creation of a new regime applicable to 'the most powerful digital firms'.¹⁴

- 2.6 Having consulted in 2021,¹⁵ in May 2022 the government committed to bringing forward legislation, noting its intent to build 'the bespoke regulatory toolkit required to address the unique issues arising from digital markets' and 'a more flexible and targeted regime that can better support innovation'.¹⁶
- 2.7 The Act came into force in January 2025. In line with the policy development that led to its creation, it establishes a framework that is flexible and forward-looking, reflecting the dynamic nature of the digital economy and providing for intervention in a bespoke and targeted way. It gives the CMA the responsibility of assessing whether firms should be subject to the regime, and if so, whether and how rules should apply to their business. In recognition of the need for clarity on how the regime applies, the CMA published statutory guidance (subject to Secretary of State approval) on how it will approach its functions under the Act.¹⁷

Strategic market status: the gateway to the regime

- 2.8 The Act empowers the CMA to designate a firm as having strategic market status (**SMS**). SMS designation is the gateway to the digital markets competition regime – it will only apply to a firm designated as having SMS in relation to a particular 'digital activity'.¹⁸ Only the largest firms can be designated: those with turnover greater than £1 billion in the UK or £25 billion globally, thresholds introduced 'to make clear that smaller firms will not be in scope'.¹⁹
- 2.9 To designate a firm which exceeds the turnover thresholds with SMS, the CMA must establish that the firm has (i) 'substantial and entrenched market power' and (ii) 'a position of strategic significance' in respect of a 'digital activity' linked to the UK.

¹⁴ 2020 [Advice of the Digital Markets Taskforce](#), pages 2 and 4.

¹⁵ A new pro-competition regime for digital markets ([CP 489](#)). See also the government's July 2021 [impact assessment](#) for the consultation, which notes: 'Government intervention is necessary as the concentration of market power and weak contestability in these markets is unlikely to be rebalanced through market forces or existing regulatory tools.'

¹⁶ The government's [2022 response to consultation](#) on a new pro-competition regime for digital markets, pages 5 and 7.

¹⁷ CMA194. The government's [2022 response to consultation](#) on a new pro-competition regime for digital markets, paragraph 46.

¹⁸ Explanatory notes to the Act, paragraph 94; 2020 [Advice of the Digital Markets Taskforce](#), paragraph 4.7.

¹⁹ The government's [2022 response to consultation](#) on a new pro-competition regime for digital markets, page 17.

Digital activities

- 2.10 Traditional competition regimes assess market power through the lens of market definition. This involves drawing boundaries by measuring how substitutable products and services are for one another, often using hypothetical models to predict how customers would respond to price increases. This can be a useful tool in many contexts. But in others, it may not reflect the reality of competition. This was recognised during the development of the digital markets competition regime.²⁰
- ‘The market power assessment should not require a formal market definition exercise, which results in a binary judgement of whether firms fall inside or outside of the market. Such a rigid approach would fail to recognise the nuanced and interconnected nature of digital products and services and underemphasise the importance of dynamic competition.’
- 2.11 The digital markets competition regime therefore does not use the concept of a relevant market. The explanatory notes to the Act confirm that the assessment of substantial and entrenched market power ‘does not require the CMA to undertake a formal market definition exercise’.²¹
- 2.12 Instead, the SMS conditions are assessed by reference to a ‘digital activity’ – a bespoke legal concept for this new legal regime.
- 2.13 The advice of the digital markets taskforce was that:²²
- ‘In order to retain a targeted, practical and proportionate approach, we do not consider that the entire SMS firm should be assessed when considering SMS designation. Rather we propose the assessment should be applied with respect to a specific activity ... A focus on activities encourages a focus on how a specific firm operates and how the products and services offered by the firm interact. This is appropriate given that the SMS regime is firm-specific.’
- 2.14 In response to its consultation on the regime, the government noted that ‘This approach was generally preferred to linking the assessment to ‘markets’, as would normally be the case in a CMA investigation’; and that ‘Stakeholders agreed that the definition of digital activities needs to allow for flexibility so that the regime can

²⁰ 2020 [Advice of the Digital Markets Taskforce](#), paragraph 4.14. See also the government’s July 2021 consultation document, A new pro-competition regime for digital markets ([CP 489](#)), paragraph 54.

²¹ Explanatory notes to the Act, paragraph 109.

²² 2020 [Advice of the Digital Markets Taskforce](#), paragraph 4.15. See also [Appendix B](#), paragraphs 13-14 and 18; A new pro-competition regime for digital markets ([CP 489](#)), paragraph 51; and the UK’s [2022 note](#) to the OECD on the evolving concept of market power in the digital economy, paragraphs 67-69.

respond to new technological developments and business models, whilst providing clarity for business.’²³

- 2.15 Rather than setting out definitions of products or services that the CMA must apply, the Act therefore requires the CMA to describe a digital activity carried out by the relevant firm.
- 2.16 The Act allows the CMA to treat two or more digital activities carried out by a firm as a single digital activity – to ‘group’ what would otherwise qualify as separate activities – where they share a common purpose or can be carried out together to fulfil a specific purpose.
- 2.17 This too allows the regime to reflect the reality of specific firms’ business models, and in particular the interconnected nature of products and services in the ‘ecosystems’ or ‘platforms’ that feature in the digital economy. The recommendation of the digital markets taskforce was that the CMA should be able to ‘group products or services supplied by a firm into a single activity when these products or services: (i) can reasonably be described as having a similar function; or (ii) can reasonably be described as fulfilling, in combination, a specific function’, giving among other examples the services offered to buyers and sellers by an online marketplace or app store.²⁴ The explanatory notes to the Act give as examples of activities that might appropriately be ‘grouped’: a social media provider offering a number of services under different brands with the common function of allowing advertisers and publishers to interact and communicate with each other; and products and services that are part of the same supply chain, such as services selling advertisements and the provision of an advertising platform.²⁵
- 2.18 A digital activity must be ‘linked to the UK’, consistent with the government’s decision to require the CMA ‘to establish a UK nexus, ensuring a focus on competition in the UK’.²⁶ Such a link exists where the digital activity has a significant number of UK users; the firm carries on business in the UK in relation to the digital activity; or the way in which the firm carries on the digital activity is likely to have an immediate, substantial and foreseeable effect on trade in the UK.

The SMS conditions

- 2.19 In addition to digital activities, the Act introduces another bespoke concept for the digital markets competition regime: ‘substantial and entrenched market power’.²⁷

²³ The government’s [2022 response to consultation](#) on a new pro-competition regime for digital markets, page 14.

²⁴ The 2020 advice of the digital markets taskforce, [Appendix B](#), paragraphs 16-17.

²⁵ Explanatory notes to the Act, paragraph 103. Further examples of when it may be appropriate to ‘group’ digital activities can be found in CMA194, paragraphs 2.14-2.15.

²⁶ The government’s [2022 response to consultation](#) on a new pro-competition regime for digital markets, paragraph 44.

²⁷ Although the Furman report proposed that ‘The ‘significant market power’ test in telecoms regulation provides a good starting point’ for the assessment of market power in the digital economy (the [2019 ‘Furman’ Report](#), paragraph 2.117), Parliament chose not to import concepts from other legal regimes. Cf, for example, the Communications Act 2003, which

This legal concept is tailored to the nature of the regime: to assess whether a firm has substantial and entrenched market power in a digital activity, the Act requires the CMA to carry out a forward-looking assessment of a period of at least five years, taking into account expected and foreseeable developments that may affect the firm's conduct in carrying out the activity.

- 2.20 The explanatory notes to the Act state that 'The underlying policy intent is that the CMA should be satisfied that the undertaking's power and influence in the digital activity is neither small nor transient, based on their consideration of competitive conditions. However, the CMA is not required to demonstrate that the undertaking's market power will definitely endure for a minimum period of five years. The intent is also that the CMA should not be prevented from considering past and present market conditions as part of this forward-looking assessment'.²⁸
- 2.21 To establish that a firm has a position of strategic significance in respect of the digital activity, the CMA must show that the firm meets at least one of the criteria set out in the Act:
- (a) a position of significant size or scale in respect of the digital activity;
 - (b) a significant number of other firms use its digital activity in carrying on their business;
 - (c) the firm's position in respect of the digital activity would allow it to extend its market power to a range of other activities; and
 - (d) the firm's position in respect of the digital activity allows it to determine or substantially influence the ways in which other firms conduct themselves.
- 2.22 To ensure clarity as to what qualifies as a position of strategic significance, this is an exhaustive list of factors.²⁹ It is complementary to the substantial and entrenched market power condition, since the government recognised that 'Digital firms may have significant size or scale or have many business and consumer users, but that does not in itself indicate a competition problem'.³⁰
- 2.23 Only where the CMA can demonstrate that all the conditions in the Act are met is it able to designate a firm as having SMS in respect of the relevant digital activity.

provides that 'significant market power' is to be construed in the same way as the concept of dominance under the Competition Act 1998: section 78.

²⁸ Explanatory notes to the Act, paragraph 109.

²⁹ The government's [2022 response to consultation](#) on a new pro-competition regime for digital markets, pages 16-17.

³⁰ Government consultation document, A new pro-competition regime for digital markets ([CP 489](#)), paragraph 62.

The process

- 2.24 Before designating a firm with SMS, the CMA must carry out an ‘SMS investigation’ to determine whether the legal tests are met.
- 2.25 This is a process of ongoing engagement with the relevant firm, stakeholders and the wider public, as part of the CMA’s ‘participative approach’ to operating the regime.³¹
- 2.26 The CMA publishes an ‘invitation to comment’ (**ITC**) encouraging those interested to provide their views. We gather evidence through formal powers, through meetings and calls, and potentially through research commissioned from third parties; and provide the relevant firm with multiple opportunities to address decision makers directly. If we propose to designate that firm, we carry out a public consultation on our proposal.
- 2.27 The CMA must reach a decision within nine months. If, having considered all the evidence and submissions received, we decide to designate the firm, we must publish our decision and the reasons for it.
- 2.28 A designation lasts, in principle, for five years. But it can be reviewed at any point and can be revoked, for example if changes in competitive conditions mean the firm no longer meets the SMS tests.
- 2.29 In designing the digital markets competition regime, the government recognised that ‘The size and presence of ‘big’ digital firms is not inherently bad’.³² There are no rules that apply automatically to designated firms, and the Act does not compel the CMA to impose any particular rules.
- 2.30 Instead, the Act allows the CMA to introduce targeted measures in relation to the digital activity, where such measures are proportionate for the purposes of specific statutory objectives – that users or potential users of the relevant digital activity:
- (a) Are treated fairly and subject to reasonable terms (fair dealing);
 - (b) Are able to choose freely and easily between firms providing services or digital content (open choices); or
 - (c) Have the information they need to understand the terms on which the activity is provided to them, and make properly informed decisions about their interaction with the firm (trust and transparency).
- 2.31 Before introducing such measures, the CMA must carry out further public consultation.

³¹ See [Overview of the CMA's provisional approach to implement the new Digital Markets competition regime](#).

³² The government’s [2022 response to consultation](#) on a new pro-competition regime for digital markets, page 7.

Background to our investigation

- 2.32 Our investigation into whether to designate Apple as having SMS in respect of its mobile operating system, native app distribution services and its mobile browser and browser engine, used on smartphones and tablets (together **Mobile Devices**) began on 23 January 2025³³ and we published our proposed decision on 23 July 2025.³⁴
- 2.33 To inform our investigation we have gathered a wide range of evidence, including from Apple, stakeholders across the digital economy, consumer research and consulted with experts and other regulators.³⁵

Introduction to Apple and its Mobile Ecosystem

- 2.34 Apple is a technology company that sells consumer electronics, including its Mobile Devices – the iPhone and iPad tablet.
- 2.35 All of Apple's Mobile Devices come preloaded with its proprietary operating system: iOS for iPhones and iPadOS for iPads. The operating system determines and controls a range of features that are important to users of Mobile Devices, ranging from the appearance of the user interface, through to the speed, technical performance and security of the mobile device. It also determines what kinds of software can run on the mobile device, including all applications, such as native apps and mobile browsers. As the developer of iOS and iPadOS, Apple specifies the terms on which apps can run on iOS and iPadOS.
- 2.36 Apps are software that provide additional functionalities to the Mobile Devices and mobile operating system on which they are installed. Apple pre-installs its own apps (like Apple Music, Photos and Calendar) on iOS and iPadOS but users can also download third-party apps from the Apple App Store.
- 2.37 Apple's App Store is the only way for UK users to download native apps on iOS and iPadOS. Alternative app stores and the ability to download native apps directly from other sources are not permitted. The App Store enables consumers to search, select, purchase, install, and review millions of apps and enables many hundreds of thousands of businesses, large and small to describe, distribute and promote their content and services, via apps to millions of users.³⁶

³³ [CMA's investigation notice to Apple in relation to the launch of initial strategic market status investigation](#) dated 23 January 2025. On the same day, we also launched an investigation into whether to designate Google with SMS in respect of its operating system, native app distribution services, and mobile browser and browser engine on Mobile Devices.

³⁴ [CMA's proposed decision](#) to designate Apple as having strategic market status dated 23 July 2025 (**Proposed Decision**).

³⁵ More information on our approach to evidence gathering is set out in Appendix C.

³⁶ ITC, paragraphs 16-17.

- 2.38 Apple sets certain standards and requirements for apps wishing to be distributed via its App Store in a number of agreements and guidelines, including the App Store Review Guidelines which are the criteria that Apple uses to review all apps and app updates submitted to the App Store from third-party app developers.³⁷ Apple also charges commission for the sale of digital content and services via apps downloaded through the App Store.
- 2.39 An important type of app is a mobile browser, which enables users to interact with content on the web. Apple's Mobile Platform comes with Apple's Safari browser pre-installed, placed prominently and set as the default browser.³⁸ On iOS and iPadOS, all browsers outside the European Economic Area (EEA)³⁹ must be built on Apple's WebKit browser engine. The browser engine is responsible for processing HTML, CSS and JavaScript code and rendering websites into the visual format that users see on their Mobile Devices. Browser engines play an important role in the user experience of mobile browsing, as they can impact speed, stability, and levels of compatibility with different web content and standards.
- 2.40 Figure 2.1 below shows the key elements of Apple's Mobile Ecosystem.

³⁷ Apple, [Agreements and Guidelines for Apple Developers](#), accessed by the CMA on 29 May 2025.

³⁸ ITC, paragraph 21.

³⁹ Although Apple permits iOS apps to use alternative Browser Engines in the EEA since March 2024, the WebKit restriction continues to apply in the UK and the rest of the world. [Using alternative browser engines in the European Union](#), accessed on 27 May 2025.

Figure 2.1: Apple's Mobile Ecosystem



2.41 Apple also produces a range of different products which work in conjunction with its Mobile Devices, including AirPods headphones and the Apple Watch.

2.42 Apple's primary source of revenue is from device sales. In the financial year ending September 2024, Apple's total global revenues were £308 billion, the majority of which (£233 billion, or 75%) was from device sales; while services revenue reached almost 25% of global revenue, up from 9% in 2015.^{40,41} Apple's device revenue is itself dominated by the sales of Mobile Devices, with iPhones accounting for 68% of device revenue in 2024, and iPads a further 9%.⁴²

2.43 In the UK, Apple's total revenue in 2024 was £[redacted] [£10 - 20] billion, of which at least £[redacted] [£5 - 10] billion was earned from mobile products and services.⁴³

⁴⁰ Segmental analysis is based on Apple's segmental reporting in its published accounts. Services revenues refers to reported revenue for Apple's Services reporting segment; device revenues refers to reported revenues for Apple's Products reporting segment, described by Apple as comprising the iPhone, the iPad, the Mac, and 'Wearables, Home and Accessories, and its Products segment. Apple, '[Form 10-K for Apple filed 1 November 2024](#)', accessed by the CMA on 16 July 2025, page 29.

⁴¹ CMA analysis of segmental revenue reporting in Apple's 2015-2025 Form 10-Ks.

⁴² In total, Mobile Device sales accounted for 77% of Apple's device revenues, and 58% of its total group revenues. CMA analysis of segmental revenue reporting in Apple, '[Form 10-K for Apple filed 1 November 2024](#)', accessed by the CMA on 16 July 2025, page 23. Device revenues calculated by reference to total revenues for Apple's Products reporting segment.

⁴³ Apple's response to section 69 notice [redacted]. Converted from USD to GBP at an average GBP vs USD exchange rate of 1.2783 (Source: Bank of England).

3. UNDERTAKING AND TURNOVER

- 3.1 This chapter considers the Apple undertaking which is the subject of our decision; and whether the ‘turnover condition’ is met in relation to the Apple undertaking.

The Apple undertaking

The Apple undertaking that the CMA is designating as having SMS in respect of its Mobile Platform includes Apple Inc. and Apple Distribution International Limited.

- 3.2 The Act provides that the CMA may designate an ‘undertaking’ as having SMS in respect of a digital activity carried out by the undertaking (where the conditions in the Act are met).⁴⁴
- 3.3 ‘Undertaking’ has the same meaning as it has for the purposes of Part 1 of the Competition Act 1998.⁴⁵
- 3.4 The concept of ‘undertaking’ covers any entity engaged in an economic activity, regardless of its legal status and the way in which it is financed. It is ‘an economic unit even if in law that economic unit consists of several persons, natural or legal’.⁴⁶ An undertaking does not therefore correspond to the commonly understood notions of a legal entity or corporate group, for example under English commercial or tax law.⁴⁷
- 3.5 Multiple persons (such as a parent company and its subsidiaries) will usually be treated as a single undertaking if they operate as a single economic entity. This will be the case where one exercises ‘decisive influence’ over another – for example, a parent company which decides the commercial policy of its subsidiaries.⁴⁸
- 3.6 The Act requires us to describe the designated undertaking.⁴⁹ Our Guidance explains that where an undertaking comprises multiple companies, we will usually seek to identify the parent company and the main subsidiaries responsible for carrying on the digital activity, and will provide a non-exhaustive list of the legal entities which form part of the undertaking to which our decision applies.⁵⁰

⁴⁴ Section 2(1) of the Act.

⁴⁵ Section 118(1) of the Act.

⁴⁶ C-97/08 *Akzo v Commission*, paragraphs 54 – 55.

⁴⁷ *Sepia Logistics Limited v Office of Fair Trading* [2007] Competition Appeal Tribunal (**CAT**) 13, paragraph 70.

⁴⁸ CMA194, footnote 2. Where a parent company holds all or virtually all of a subsidiary’s share capital or all of its voting rights, there is a rebuttable presumption that it exercises decisive influence over, and therefore forms a single undertaking with, that subsidiary. See, for example, C-97/08 *Akzo v Commission*, paragraph 60; C-595/18 P *Goldman Sachs v Commission*, paragraphs 35-36.

⁴⁹ Section 15(3)(a) of the Act.

⁵⁰ CMA194, paragraph 2.104, footnote 78, paragraph 2.90.

3.7 The Apple undertaking we are designating as having SMS in respect of its Mobile Platform includes Apple Inc. and Apple Distribution International Limited⁵¹ – respectively the parent company and the main subsidiary responsible for carrying on the Mobile Platform digital activity (and its component parts) that is the subject of this decision.⁵² These entities form part of a single economic unit engaged in an economic activity and therefore constitute an undertaking within the meaning of the Act:

(a) Apple Inc. [REDACTED];⁵³

(b) Apple Distribution International Limited [REDACTED].⁵⁴

3.8 Apple Distribution International Limited is [REDACTED].⁵⁵

The turnover condition

This section sets out that the global turnover threshold and the UK turnover threshold (either of which would suffice) are both exceeded – and therefore the turnover condition is met in relation to the Apple undertaking.

Legislation and guidance

3.9 The CMA may not designate an undertaking as having SMS in respect of a digital activity unless the ‘turnover condition’ is met in relation to the undertaking.⁵⁶

3.10 The turnover condition is met in relation to an undertaking if the CMA estimates that:

(a) the total value of the global turnover of an undertaking, or where the undertaking is part of a group,⁵⁷ the global turnover of that group in the relevant period exceeds £25 billion (the **global turnover threshold**); or

⁵¹ We did not refer to Apple Distribution International Limited in the Investigation Notice. We have included Apple Distribution International Limited in our description of the Apple undertaking in light of its involvement in the activities described in this section.

⁵² The Apple entities listed are not exhaustive. Apple entities carrying out the Mobile Platform digital activity (and its component parts) may vary from time to time eg as a result of corporate restructurings and acquisitions.

⁵³ Apple’s response to section 69 notice [REDACTED].

⁵⁴ Apple’s response to section 69 notice [REDACTED].

⁵⁵ A public listed company incorporated in California, United States of America headquartered at One Apple Park Way, Cupertino, California 95014, United States of America. The corporate structure charts Apple submitted in its responses section 69 notices [REDACTED] indicate that [REDACTED].

⁵⁶ Sections 2(3) and 7(1) of the Act.

⁵⁷ An undertaking is part of a group if one or more bodies corporate which are comprised in the undertaking are members of the same group as one or more other bodies corporate. Two bodies corporate are members of the same group if (a) one is the subsidiary of the other, or (b) both are subsidiaries of the same body corporate (section 117 of the Act).

- (b) the total value of the UK turnover⁵⁸ of an undertaking, or where the undertaking is part of a group, the UK turnover of that group in the relevant period exceeds £1 billion (the **UK turnover threshold**).⁵⁹

3.11 The ‘relevant period’, in each case, means:

- (a) the most recent period of 12 months in respect of which the CMA considers that it is able to make an estimate of the total value of the relevant turnover of the undertaking or group; or
- (b) if the CMA estimates that the relevant turnover of the undertaking or group in the period of 12 months prior to the period in (a) above was higher, that earlier period of 12 months.^{60, 61}

3.12 Our Guidance explains that the CMA’s starting point for assessing relevant turnover will usually be the undertaking and/or group’s latest published accounts.⁶² Further, the CMA expects that the most recent period of 12 months in respect of which it is able to make an estimate of the total value of the relevant turnover of the undertaking or group will in most instances be the 12-month period covered by those accounts.⁶³

Our assessment

3.13 The global turnover threshold and the UK turnover threshold (either of which would suffice) are both exceeded – and therefore the turnover condition is met in relation to the Apple undertaking:⁶⁴

- (a) Apple Inc.’s most recent published accounts report revenues of more than \$391 billion (£308 billion⁶⁵) for the financial year ending 30 September 2024.⁶⁶

⁵⁸ Turnover relating to UK users or UK customers: section 8(3) of the Act. ‘UK user’ and ‘UK customer’ are defined at section 118(1) of the Act as meaning any user or, as the case may be, customer who it is reasonable to assume (a) in the case of an individual, is normally in the UK; and (b) in any other case, is established in the UK.

⁵⁹ In each case, turnover arising in connection with any activities is taken into account: section 8(2) and (3) of the Act.

⁶⁰ Section 7(6) of the Act.

⁶¹ Further details on the methodology for estimating turnover are set out in the Digital Markets, Competition and Consumers Act 2024 and Consumer Rights Act 2015 (Turnover and Control) Regulations 2024 (the **Turnover Regulations**), Schedule 1.

⁶² Where the CMA is assessing turnover for the purposes of the UK turnover threshold, this will include considering any geographic breakdown contained in the published accounts. See CMA194, paragraph 2.37.

⁶³ See CMA194, paragraph 2.39.

⁶⁴ Pursuant to section 7(2) of the Act, where the undertaking is part of a group, the turnover of the whole group should be considered. For the avoidance of doubt, we have therefore considered the turnover of the Apple group as a whole (with Apple Inc. as the ultimate parent company) rather than just the turnover attributable to the main subsidiaries responsible for carrying on the relevant digital activity.

⁶⁵ Converted from USD to GBP at an average exchange rate of 1.2676 for the period from 1 October 2023 to 30 September 2024 (Source: Bank of England).

⁶⁶ [Form 10-K for Apple Inc.](#), filed on 1 November 2024. Given the scale by which Apple’s reported turnover exceeds the global turnover threshold, we have not conducted a more detailed assessment of its global turnover based on the methodology specified in the Turnover Regulations.

- (b) Apple Inc.'s published accounts also include a geographic breakdown of global revenues on a regional basis, based on the location of customers and sales through Apple's retail stores located in those geographic locations.⁶⁷ The UK is part of the Europe reporting segment,⁶⁸ which reported revenues of approximately \$101 billion (£80 billion⁶⁹) for the financial year ending 30 September 2024.⁷⁰
- (c) While Apple Inc.'s published accounts do not include UK-specific revenue figures, Apple has indicated to the CMA that its UK revenues are approximately (£[§])⁷¹ [10 – 20] billion) for the twelve months ending 31 December 2024.⁷² [§].^{73, 74}

⁶⁷ [Form 10-K for Apple Inc.](#), filed on 1 November 2024, Note 13.

⁶⁸ [Form 10-K for Apple Inc.](#), filed on 1 November 2024, states that 'Europe includes European countries, as well as India, the Middle East and Africa' (page 2).

⁶⁹ Converted from USD to GBP at an average exchange rate of 1.2676 for the period from 1 October 2023 to 30 September 2024. (Source: Bank of England).

⁷⁰ [Form 10-K for Apple Inc.](#), filed on 1 November 2024.

⁷¹ Converted from USD to GBP at an average exchange rate of 1.2783 for the period from 1 January 2024 to 31 December 2024. (Source: Bank of England).

⁷² Apple's response to section 69 notice [§].

⁷³ Apple's response to section 69 notice [§].

⁷⁴ We recognise there may be differences between the way a company accounts for UK turnover in its financial statements and the UK turnover threshold methodology set out in the Turnover Regulations. However, as [§], we have not conducted a full assessment of turnover relating to UK users or UK customers.

4. DIGITAL ACTIVITY

Introduction

This chapter sets out our description of the digital activities which are included in our SMS designation. These are: the Smartphone Operating System; the Tablet Operating System; Native App Distribution; and the Mobile Browser and Browser Engine.

It also sets out that we treat those activities as a single digital activity reflecting the reality of how they are offered and consumed: the Mobile Platform. The purpose of the Mobile Platform is to facilitate interactions between users and providers of digital content and services on Mobile Devices in order to enable users to access, view and engage with such content and services on their Mobile Devices.

We also conclude that Apple's provision of its Mobile Platform is linked to the UK.

Legal framework and Guidance

- 4.1 The CMA may designate an undertaking as having SMS in respect of 'a digital activity carried out by the undertaking' where the conditions in the Act are met.⁷⁵
- 4.2 For these purposes, 'digital activities' are:⁷⁶
- (a) the provision of a service by means of the internet, whether for consideration or otherwise;
 - (b) the provision of one or more pieces of digital content,⁷⁷ whether for consideration or otherwise; and
 - (c) any other activity carried out for the purposes of an activity within (a) or (b) above.
- 4.3 The Act provides that the CMA may treat (or 'group') two or more digital activities that are carried out by a single undertaking as a single digital activity where:⁷⁸
- (a) the activities have substantially the same or similar purposes; or
 - (b) the activities can be carried out in combination with each other to fulfil a specific purpose.

⁷⁵ Section 2(1) of the Act.

⁷⁶ Section 3(1) of the Act.

⁷⁷ 'Digital content' means data which is produced and supplied in digital form, section 330 of the Act. This includes software, music, computer games and apps. CMA194, paragraph 2.9.

⁷⁸ Section 3(3) of the Act.

- 4.4 The Act requires us to describe the digital activity with respect to which the SMS designation has effect.⁷⁹ The Act refers to this as the ‘relevant digital activity’.⁸⁰
- 4.5 Our Guidance states that we will indicate which of the existing products offered by the firm we consider to be within the scope of the relevant digital activity at the point of making a decision to designate the firm as having SMS.⁸¹
- 4.6 In identifying a digital activity and considering which of the firm’s products it may comprise, we will typically look at how those products are offered and consumed. For example, we may consider how the firm structures itself and its business model, how businesses and consumers use and access its products, and any interlinkages among them. In practice, this will largely focus on factual information and will not require an assessment of the competitive constraints on the firm or a market definition exercise.⁸²

Overview of Apple’s digital activities

- 4.7 In the Proposed Decision, we set out:
- (a) the description of four relevant digital activities – Smartphone Operating System, Tablet Operating System, Native App Distribution and Mobile Browser and Browser Engine – and indicated the main products likely to be included within each of these digital activities, based on Apple’s current business model;⁸³
 - (b) our reasons why the relevant digital activities were treated as a single digital activity (ie ‘grouped’ together) as the ‘Mobile Platform’ digital activity;⁸⁴ and
 - (c) our reasons why Apple’s provision of its Mobile Platform is linked to the UK.⁸⁵

⁷⁹ Section 15(3)(b) of the Act.

⁸⁰ Section 118(1) of the Act.

⁸¹ CMA194, paragraph 2.107.

⁸² CMA194, paragraph 2.10.

⁸³ Proposed Decision, paragraphs 4.61 – 4.62.

We described the following four digital activities:

- a) Smartphone Operating System, described as the provision of ‘an operating system or equivalent, which acts as an intermediary between hardware and software on a smartphone, enabling software applications and services to run on the smartphone’;
- b) Tablet Operating System, described as the provision of ‘an operating system or equivalent, which acts as an intermediary between hardware and software on a tablet, enabling software applications and services to run on the tablet’;
- c) Native App Distribution, described as the provision of ‘a service which enables the installation, distribution and operation of native apps on Mobile Devices, which are apps written to run on the Smartphone Operating System and/or the Tablet Operating System’; and
- d) Mobile Browser and Browser Engine, described as the provision of ‘a mobile browser and mobile browser engine, which comprises:
 - i. the provision of a software application that enables users of Mobile Devices to access and search the internet and interact with web content; and
 - ii. the provision of a mobile browser engine, which is the underlying technology which native apps on Mobile Devices use to transform web page source code into content with which users can engage’.

⁸⁴ Proposed Decision, paragraphs 4.77 – 4.78.

⁸⁵ Proposed Decision, paragraph 4.81.

- 4.8 In the following sections, in light of the consultation responses received, we set out our conclusions in relation to:
- (a) our descriptions of the relevant digital activities – Smartphone Operating System, Tablet Operating System, Native App Distribution and Mobile Browser and Browser Engine – and the scope of those activities;
 - (b) grouping the described digital activities as a single digital activity; and
 - (c) whether the relevant digital activity is linked to the UK.
- 4.9 In considering how the relevant digital activities are offered and consumed, in the assessment below we take account of the fact that each of the individual digital activities is provided to several customer groups. For example, in relation to Apple’s Native App Distribution service, it is provided to both app developers and end users. In each case, the activity carried out by Apple remains the same no matter which customer group it is provided to and comprises either the provision of digital content or the provision of a service by means of the internet.

Smartphone Operating System and Tablet Operating System

This section sets out our descriptions of the Smartphone Operating System and Tablet Operating System digital activities, including our response to submissions and evidence received since our Proposed Decision. Our descriptions are as follows:

- (a) **Smartphone Operating System:** the provision of an operating system or equivalent, which acts as an intermediary between hardware and software on a smartphone, enabling software applications and services to run on the smartphone; and
- (b) **Tablet Operating System:** the provision of an operating system or equivalent, which acts as an intermediary between hardware and software on a tablet, enabling software applications and services to run on the tablet.

- 4.10 We invited views from stakeholders on our proposed description and scope of Apple’s mobile operating systems in both the ITC and the Proposed Decision. The descriptions set out in the Proposed Decision were as set out above and we proposed to include certain features and functionalities related to middleware, voice assistants, connectivity and digital wallets to the extent that they play an intermediary role between hardware and software.

Submissions on our description and scope of Smartphone Operating System and Tablet Operating System

- 4.11 Apple did not disagree with our approach to treating Smartphone and Tablet Operating Systems separately. However, it submitted that our Smartphone

Operating System and Tablet Operating System descriptions are unduly inclusive and fail to reflect that many functionalities on a mobile device can act as intermediaries between hardware and software without being part of the operating system. Initially, Apple submitted that this led to a lack of clarity over the extent to which middleware, connectivity functionalities and virtual assistant functionalities are within scope. Accordingly, Apple submitted that any final designation decision should articulate clearly what functionalities fall in scope of any designated digital activity.⁸⁶

4.12 Apple subsequently made further submissions raising the following new points:⁸⁷

- (a) any final designation decision does not need to, and should not specify whether functionalities such as middleware, connectivity functionalities, or supporting functionality for Siri or Wallet are included within Apple's Smartphone and Tablet Operating Systems; and
- (b) the Proposed Decision's description of operating system software did not clearly specify whether the hardware-software intermediation concerns solely intermediation between software and hardware on a specific device (ie, iPhone and iPad), or whether it also referred to intermediating access to off-device hardware.

4.13 We also received the following third-party submissions:

- (a) Third parties were broadly supportive of the proposed scope and descriptions of the Smartphone Operating System and Tablet Operating System activities (in place of the single Mobile Operating System activity). OWA, on the other hand, submitted that iOS and iPadOS (as well as watchOS, and visionOS) should be treated as a single digital activity, as they are all subvariants of iOS, create lock-in and are updated in near lockstep in a synchronised update pattern.⁸⁸
- (b) Some third parties submitted that we should further broaden or clarify the scope in respect of certain developer tools such as iOS software development kit (**SDK**) (Epic Games),⁸⁹ connectivity functionalities (Mobile

⁸⁶ [Apple response to Proposed Decision](#), paragraphs 26 – 28.

⁸⁷ Submission from Apple [38].

⁸⁸ [OWA response to Proposed Decision](#), pages 5-7.

⁸⁹ [Epic Games response to Proposed Decision](#), page 2.

UK, [redacted]),⁹⁰ voice assistants (Radiocentre),⁹¹ digital wallets including Apple Wallet,⁹² and identity/credential functions.⁹³

Our assessment

- 4.14 The provision of a Smartphone or Tablet Operating System or equivalent constitutes ‘the provision of one or more pieces of digital content’ within the meaning of section 3(1)(b) of the Act.⁹⁴

Whether Apple’s Smartphone Operating System (iOS) and Tablet Operating System (iPadOS) are distinct operating systems

- 4.15 We have considered whether it is appropriate to describe Apple’s Smartphone Operating System (iOS) and Tablet Operating System (iPadOS) as distinct operating systems based on the submissions and evidence we received:
- (a) In line with the Guidance, we first considered how iOS and iPadOS are offered by Apple:⁹⁵
 - (i) Apple decided in 2019 to formally separate iPadOS from iOS;⁹⁶
 - (ii) Apple explained that it develops and customises iOS and iPadOS for each device and that its operating systems are much more tailored to specific devices than most other companies’ operating systems, such as Microsoft Windows or Google’s Android;⁹⁷

⁹⁰ [Mobile UK response to Proposed Decision](#), paragraph 8; [redacted] response to Proposed Decision. Mobile UK is a trade association for UK mobile networks, such as EE, Virgin Media O2 and VodafoneThree.

⁹¹ Radiocentre response to Proposed Decision, paragraph 1. Radiocentre submitted that voice assistants (**VAs**) should be included in their totality in the Smartphone Operating System and Tablet Operating System descriptions because they act at a device level, act across multiple apps and are integrated within the operating system. See also paragraph 8: ‘[i]t is clear the VA in its entirety, including the main VA interface, provides access to device data and other applications and functionalities – whether third- or first-party apps – and not just the developer framework’.

⁹² [redacted] [Anonymous Financial Services Firm response to Proposed Decision](#), pages 2 and 4. A financial services firm submitted that near field communication (**NFC**) access and digital wallets (including Apple’s Wallet) must be included in the scope of the Smartphone Operating System and Tablet Operating System activity. See also [Innovate Finance response to Proposed Decision](#), page 1: Innovate Finance welcomed the Proposed Decision’s clarification that functionalities supporting digital wallets fall within the Smartphone Operating System and Tablet Operating System activities. Innovate Finance is a UK-based industry body for FinTech, with members including Apple, Google, Microsoft and PayPal.

⁹³ [redacted] [Anonymous response to Proposed Decision](#), page 1: A digital identity and age assurance provider submitted that the identity, credential, and wallet functions must be included in the scope of Apple’s digital activities.

⁹⁴ This is because ‘digital content’ is defined in section 330 of the Act as ‘data which is produced and supplied in digital form’ and therefore encompasses the provision of an operating system as software on smartphones and tablets. [The Explanatory Notes to the Act](#) clarify that, in relation to the definition of ‘digital content’, ‘data’ would include software (paragraph 1888). The Guidance explains that digital content includes software, music, computer games and apps, CMA194, paragraph 2.9.

⁹⁵ As explained above, the Guidance explains that the CMA can adopt a functional approach to describing a digital activity by reference to the nature of the products and how they are offered and consumed: CMA194, paragraphs 2.10-2.11.

⁹⁶ Apple’s response to section 69 notice [redacted].

⁹⁷ Apple’s response to section 69 notice [redacted].

- (iii) there are differences in the iOS and iPadOS codebases, although at present [redacted] of those codebases still overlap;⁹⁸
 - (iv) a number of iOS- and iPadOS-specific features are designed for each device;⁹⁹ and
 - (v) whilst some evidence indicates that iPhone apps can run on iPads and vice versa, there is also evidence of differentiation of apps across iPad and iPhone.¹⁰⁰
- (b) We next considered how iOS and iPadOS are consumed by users:
- (i) the presence of different use cases does not in and of itself indicate that the Mobile Devices necessarily have different operating systems because: (i) other elements (eg hardware, middleware) also affect the use cases; and (ii) Mobile Devices with the same operating system can have different use cases;¹⁰¹
 - (ii) in any case, the evidence provided by Apple, which seeks to show that users use iPhones and iPads for different purposes, is mixed;¹⁰² and
 - (iii) Apple also submitted that iPhones and iPads are subject to different competitive conditions. However, as set out in the Guidance, identifying a digital activity will largely focus on factual information and will not require an assessment of the competitive constraints on the firm.¹⁰³

4.16 We note that only one third party who commented on the descriptions of the Smartphone Operating System and the Tablet Operating System suggested that they should be treated as a single digital activity.¹⁰⁴

4.17 Taking this evidence in the round and given the differentiation between the operating systems, we conclude that, for the purposes of this investigation, it is appropriate to describe two separate digital activities instead of a single digital activity: Smartphone Operating System and Tablet Operating System.¹⁰⁵

⁹⁸ Apple's response to section 69 notice [redacted].

⁹⁹ We note that the extent to which these require substantial architectural differences in the underlying design of the operating system is unclear.

¹⁰⁰ Apple's response to section 69 notice [redacted]. Apple identified a number of apps that are designed for iPad but not iPhone (and vice versa), but acknowledged that it does enable iOS apps to run on iPadOS in 'Compatibility Mode' without making any modifications. However, Apple also submitted that 'Compatibility Mode' provides [redacted] experience on iPad compared to running apps natively on an iPhone.

¹⁰¹ For example, Ulefone sells toughened Android phones with thermal imaging capabilities for industrial uses while Samsung sells Android tablets advertised for consumer productivity and creative use cases. These devices have the same operating system but different use cases.

¹⁰² Apple's response to section 69 notice [redacted]. For example, [redacted] was identified by Apple as a main use case for iPhones but not for iPads while [redacted] was identified as a main use case for iPads but not for iPhones. However, the survey and research cited by Apple also show overlaps in the main use cases for iPhones and iPads for UK end-users: eg email ([redacted] for iPhones and [redacted] for iPads) and browsing the web ([redacted] for iPhones and [redacted] for iPads).

¹⁰³ CMA194, paragraph 2.10.

¹⁰⁴ [OWA response to Proposed Decision](#), pages 5-7.

¹⁰⁵ [Proposed Decision](#), paragraphs 4.22–4.23.

Descriptions of the Smartphone Operating System and the Tablet Operating System

- 4.18 In describing the digital activities falling within this investigation we have adopted a functional approach consistent with our Guidance.
- 4.19 We therefore focus on the nature of the products and how they are offered and consumed, which includes assessing how the potential SMS firm structures itself and its business model, how businesses and consumers use and access its products and any interlinkages among them.¹⁰⁶ The focus on specific functions of particular products¹⁰⁷ seeks to ensure that all the relevant products which share the specific functions are captured within the scope of the digital activity.
- 4.20 Our descriptions capture the provision of a smartphone operating system or tablet operating system or equivalent (encompassing all component parts of that system), which act as an intermediary between hardware and software on the Mobile Device, enabling apps and services to run on the device. In this context, by software we mean all software applications running on the device which provide the interface and capabilities that UK end-users experience; whereas hardware captures all the hardware components, which play a role in a Mobile Device's performance, durability and usability, including the processor, memory, display, battery, storage, microphone and camera.
- 4.21 We note Apple's comment regarding whether the intermediation between hardware and software off device as well as on device is captured. Our description is clear that the operating system is concerned with the intermediation between hardware and software on a Mobile Device.
- 4.22 Our Guidance also explains that the CMA will indicate which of the existing products offered by the firm it considers to be within the scope of the relevant digital activity when issuing the SMS decision notice. However, the SMS firm will need to assess on an ongoing basis during the designation period which of its products fall within the description of the relevant digital activity set out in the SMS decision notice.¹⁰⁸
- 4.23 We note in this regard that features and functionalities forming part of the Smartphone and Tablet Operating Systems comprise numerous, and sometimes interconnected, layers. This indicates that each such layer may not be a standalone product or service.
- 4.24 For that reason, we do not consider that it is appropriate or practicable to list every single feature and functionality forming part of the Smartphone Operating System and the Tablet Operating System (and they may change over time). We consider

¹⁰⁶ [CMA194](#), paragraphs 2.10–2.11.

¹⁰⁷ This includes features and functionalities.

¹⁰⁸ [CMA194](#), paragraph 2.107.

that our functional description is sufficiently clear for Apple and third parties to assess what is covered over the course of the designation period. However, the following sections provide clarity on the scope of these digital activities as regards middleware, connectivity functionalities, voice assistants and digital wallets.¹⁰⁹

Whether middleware is within scope

- 4.25 Middleware is a broad term used by certain stakeholders and covers a range of features and functionalities. We acknowledge Apple's submission that it does not use the term 'middleware' in the ordinary course of business because it views its hardware and software as directly interacting, and therefore does not track which of its software components match the description.¹¹⁰ As explained above, our description does not refer specifically to the term 'middleware' but takes a functional approach.
- 4.26 In the Proposed Decision, we considered that, by way of non-exhaustive example, Apple's Metal Framework, which comprises a set of application programming interfaces (**APIs**) and other resources that allow third-party apps to access an iPhone's graphics processing unit (**GPU**) (a key piece of hardware often used to run AI models on-device and mobile games), was in scope.¹¹¹ We note Apple's acknowledgement that its Metal Framework forms part of iOS and iPadOS.¹¹²
- 4.27 We therefore consider that, whilst the term 'middleware' might not be a term that Apple uses in relation to iOS or iPadOS, some features and functionalities that other stakeholders may perceive to be middleware fall within the scope of the Smartphone Operating System and the Tablet Operating System to the extent that they act as an intermediary between hardware and software on the Mobile Device, enabling apps and services to run on the device.

Whether connectivity functionalities are within scope

- 4.28 Apple submitted that the CMA does not appropriately define or justify its inclusion of connectivity functionalities.¹¹³
- 4.29 To clarify, the description of the Smartphone and Tablet Operating System digital activities does not capture *all* connectivity functionalities. As noted above, in line with our functional description, for any features and functionalities to fall within the description of the Smartphone Operating System and Tablet Operating System digital activities, they need to have the characteristics outlined in the description of

¹⁰⁹ These are areas that were raised in stakeholder representations.

¹¹⁰ [Apple response to Proposed Decision](#), paragraph 27.

¹¹¹ [Proposed Decision](#), paragraph 4.25.

¹¹² [Apple response to Proposed Decision](#), paragraph 27.

¹¹³ [Apple response to Proposed Decision](#), paragraph 27.

the digital activity; namely they need to act as an intermediary between hardware and software, enabling applications and services to run on Mobile Devices.

- 4.30 With this in mind, we consider that APIs providing access to some connectivity functionalities fall within our description of the Smartphone Operating System and Tablet Operating System digital activities. The connectivity functionalities referred to in this context are the functionalities provided to other software that enable wireless exchange of information such as Bluetooth, network connectivity and Wi-Fi. These functionalities cover both APIs providing ‘low-level’ access, such as to networking sockets, and those providing ‘higher-level’ access, such as those supporting the use of the HTTP protocol.¹¹⁴ These APIs play an intermediary role by providing applications and services with direct or indirect access to the device’s connectivity hardware through the Smartphone Operating System and Tablet Operating System.¹¹⁵
- 4.31 However, we do not consider that other types of connectivity functionalities, such as network protocols which are implemented in native apps themselves act as an intermediary between hardware and software. This is because they are not offered to other software, and do not enable other software to function on Mobile Devices. These functionalities do not therefore fall within the scope of the Smartphone Operating System and Tablet Operating System digital activities.
- 4.32 Further, we note that the Smartphone Operating System and Tablet Operating System digital activities only concern the activity carried out by Apple and our description therefore only covers products, features and functionalities offered by Apple. Accordingly, the description does not capture third-party software that provides connectivity functionalities for a device. Furthermore, for the avoidance of doubt, in response to Apple’s submission,¹¹⁶ we consider it to be clear that our description does not capture hardware components.

Whether voice assistants are within scope

- 4.33 Voice assistant (**VA**) is AI-based software which allows users to control their device verbally.
- 4.34 In order to assess whether Apple’s VA functionalities, marketed together with other functionalities under the term ‘Siri’, is in scope, we considered the extent to which

¹¹⁴ The HTTP protocol is a standard communication protocol used by software to send and receive information over the internet, eg to and from a web server.

¹¹⁵ Mobile UK and [X] submitted that the CMA should clarify that connectivity functionality (ie functionality enabling device connectivity, whether it be through Bluetooth, wi-fi, satellite, cellular, or other technology) is intermediated by operating systems, and that such intermediation is covered by the Apple Mobile Platform designation. We consider that our descriptions of the Smartphone Operating System and Tablet Operating System digital activities already adequately cover such intermediation between hardware and software.

¹¹⁶ [Apple response to Proposed Decision](#), paragraph 27.

it falls within our descriptions of the Smartphone Operating System and Tablet Operating System digital activities.

- 4.35 Apple told us that [REDACTED].¹¹⁷
- 4.36 We consider that the VA functionality of Siri, whilst embedded into the operating system, does not itself fulfil an intermediary role between hardware and software,¹¹⁸ and therefore does not fall within the scope of the Smartphone Operating System and Tablet Operating System activities. The descriptions are not intended to capture voice assistants and all their supporting functionalities. In line with our functional descriptions, only the functionality that fits the descriptions of the Smartphone and Tablet Operating System digital activities will be caught within scope.
- 4.37 We also consider that the fact that Apple's VA may have privileged access to certain operating system functionalities (eg background execution) on Apple Mobile Devices does not, in and of itself, make Apple's VA part of the Smartphone Operating System or Tablet Operating System.
- 4.38 In contrast, we consider that features and functionalities that enable the operation of Apple's VA do fall within the scope of the designation, [REDACTED].¹¹⁹ Such features and functionalities play an intermediary role between hardware and software and include, by way of non-exhaustive examples:
- (a) SiriKit Intents framework, which is a set of methods in the operating system allowing apps to define certain actions they can take in response to user interactions including with Siri as the voice interface for the operating system. SiriKit also enables these apps to integrate with other operating system features, such as Siri Suggestions.
 - (b) App Intents framework, which is a set of methods in the operating system allowing apps to define actions they can take in response to user interactions including with Siri as the voice interface for the operating system. App Intents framework also enables apps to define how they respond to hardware interactions, such as the Action button (depending on user settings), and to integrate with other operating system features, such as Siri Suggestions.
 - (c) Siri Suggestions, which is an operating system component analysing a user's app usage patterns to suggest actions to the user.
- 4.39 Apple submitted that it is currently updating Siri and that it is premature for the CMA to define what parts of Siri, or its supporting functions, constitute part of Apple's Smartphone and Tablet Operating Systems, given that AI is a nascent

¹¹⁷ Note of meeting with Apple [REDACTED].

¹¹⁸ We understand from our engagement with Ofcom that VAs may play an intermediary role between users and content under Part 6 of the Media Act 2024 for radio selection service users.

¹¹⁹ [Apple response to Proposed Decision](#), paragraph 27. In its submission [REDACTED].

space.¹²⁰ As explained in our Guidance, the CMA will indicate which of the existing products offered by the firm it considers to be within the scope of the relevant digital activity but Apple will need to assess on an ongoing basis during the designation period which of its products fall within the description, for example as it adapts products over time.¹²¹

Whether digital wallets are within scope

- 4.40 A financial services firm submitted that digital wallets (including Apple's wallet) must also be included in the scope of the Smartphone Operating System and Tablet Operating System activities.¹²² A digital identity and age assurance provider submitted that the scope of Apple's digital activities must include not just the technical layers of the operating system and browsers, but also the identity, credential, and wallet functions that platforms bundle into them.¹²³
- 4.41 We do not consider Apple's digital wallet itself to be part of the Smartphone and Tablet Operating Systems because, whilst it interacts with the Smartphone Operating System and Tablet Operating System in order to be able to run on a Mobile Device, it does not itself fulfil an intermediary role between hardware and software.¹²⁴
- 4.42 However, operating system-level functionalities supporting digital wallets fall within the Smartphone Operating System and Tablet Operating System activities. These functionalities, which include access to the near field communication (**NFC**) chip that is key hardware for contactless transactions, play an intermediary role between hardware and software, enabling the digital wallet to operate on a Mobile Device.
- 4.43 The fact that Apple's digital wallet is not itself part of the Smartphone Operating System or Tablet Operating System digital activity does not affect our ability to intervene in relation to digital wallets in certain circumstances. For example, where appropriate and proportionate we may still apply conduct requirements for the purpose of preventing Apple from using its position in relation to the Smartphone Operating System to treat its own wallet more favourably than those of rival wallet providers.¹²⁵

Conclusion

- 4.44 We conclude that Apple carries out two separate digital activities in relation to its mobile operating systems: (i) Smartphone Operating System which is the provision

¹²⁰ Submission from Apple [🔗].

¹²¹ CMA194, paragraph 2.107.

¹²² [🔗] [Anonymous Financial Services Firm response to Proposed Decision](#), page 2.

¹²³ [🔗] [Anonymous response to Proposed Decision](#), page 1.

¹²⁴ Proposed Decision, paragraph 4.33.

¹²⁵ Section 20(3)(b) of the Act.

of an operating system or equivalent, which acts as an intermediary between hardware and software on a smartphone, enabling software applications and services to run on the smartphone; and (ii) Tablet Operating System which is the provision of an operating system or equivalent, which acts as an intermediary between hardware and software on a tablet, enabling software applications and services to run on the tablet.

4.45 These digital activities include:

- (a) the operating system currently known as iOS;
- (b) the operating system currently known as iPadOS;
- (c) features and functionalities which act as an intermediary between hardware and software on the Mobile Device, enabling software applications and services to run on the device, including in particular:
 - (i) APIs providing access to connectivity functionalities;
 - (ii) features and functionalities that enable the operation of voice assistants; and
 - (iii) operating system-level functionalities supporting digital wallets.

Native App Distribution

This section sets out our conclusions on the Native App Distribution digital activity, including our response to submissions and evidence received since our Proposed Decision.¹²⁶ Our description is as follows:

Native App Distribution: the provision of a service which enables the installation, distribution and operation of native apps on Mobile Devices, which are apps written to run on the Smartphone Operating System and/or the Tablet Operating System.

4.46 We invited views from stakeholders on our proposed description and scope of Apple's Native App Distribution service in both the ITC and the Proposed Decision. The description set out in the Proposed Decision was the same as the description which we adopted in this decision as set out above. In the following sections, we

¹²⁶ Our Proposed Decision and the ITC, paragraphs 55-56 set out that:

- (a) a 'native app' means an app that is written to run on a specific operating system;
- (b) a 'native app distribution platform' means a platform for users to discover, download, and have apps automatically updated; and for businesses to have access to a large user base to whom they can distribute their apps and associated content; and
- (c) the most common method for distributing apps is through a mobile app store such as Apple's App Store, which is pre-installed on Apple's Mobile Devices and is the only method for users to download native apps on Apple Mobile Devices.

set out the representations we received in response to the Proposed Decision, and our findings.

Submissions on our description and scope of Native App Distribution

4.47 In response to the Proposed Decision, Apple submitted that the description of Native App Distribution is inaccurate and unduly broad, for three main reasons. These are that it incorrectly includes:¹²⁷

- (a) the App Store in the same digital activity across iOS and iPadOS;
- (b) pre-installation; and
- (c) developer tools such as Xcode and TestFlight.

App Store on iOS and iPadOS

4.48 Apple submitted that the App Store on iOS and iPadOS are separate app marketplaces for users with different developer offerings and with different features and interfaces.¹²⁸ According to Apple, the type of device for which a product is made is a key consideration affecting how that product is offered and consumed.¹²⁹

4.49 In relation to how the App Store is consumed on iOS and iPadOS, Apple repeated its earlier submission¹³⁰ that:

- (a) App Store on iOS and iPadOS are used differently by (i) users, given their clearly distinguished interfaces; and (ii) app developers, given the additional time and resources required to adapt an app for marketing across the two app marketplaces;
- (b) end-users consume the iOS and iPadOS App Stores in fundamentally different ways, including in terms of number of apps, number of first-time downloads and the most popular app categories on each UK storefront. For example, [REDACTED], the most popular apps on iPad by contrast are not typically used 'on the go';¹³¹ and
- (c) each App Store is subject to different competitive conditions in the UK.¹³²

¹²⁷ [Apple response to Proposed Decision](#), paragraph 29.

¹²⁸ [Apple response to Proposed Decision](#), paragraph 31.

¹²⁹ [Apple response to Proposed Decision](#), paragraph 31.

¹³⁰ Apple's submission [REDACTED].

¹³¹ Apple's submission [REDACTED].

¹³² [Apple response to Proposed Decision](#), paragraph 32.

Pre-installation

- 4.50 In response to the Proposed Decision, Apple submitted that pre-installation is not a service and Apple has never offered pre-installation as a service; rather it is a design component of Apple's integrated Mobile Devices and should not be included in the description of Native App Distribution.¹³³
- 4.51 Epic Games invited the CMA to clarify that Apple's policies, practices and agreements which impact the pre-installation of all apps (whether first- or third-party) is a relevant activity falling within Native App Distribution.¹³⁴ The Coalition for App Fairness welcomed the inclusion of pre-installation of first party apps within the description of Native App Distribution.¹³⁵

Developer tools

- 4.52 Apple submitted in response to the Proposed Decision that developer tools should be excluded from the scope of Native App Distribution. Developer tools, such as Xcode and TestFlight, enable app developers to build and test apps to ensure compatibility and proper functioning with iOS and iPadOS.¹³⁶ According to Apple, they are fundamental to app development and testing but do not enable the installation, operation and distribution of native apps, and they are separate from Apple's App Store tools and services such as Apple Connect.¹³⁷
- 4.53 Epic Games agreed with the inclusion of developer tools in the description of Native App Distribution, as set out in the Proposed Decision.¹³⁸ The Coalition for App Fairness stated that the confirmation that Native App Distribution includes cloud management tools such as App Store Connect and developer tools such as Xcode and TestFlight is crucial.¹³⁹

Other third-party submissions

- 4.54 Epic Games said that app distribution through channels outside of app stores, discovery and review of apps, app updates, performance and design should be included within Native App Distribution.¹⁴⁰
- 4.55 Open Web Advocacy submitted that the CMA should consider a broader 'super-category' of 'app distribution; which includes both web apps and native apps as

¹³³ [Apple response to Proposed Decision](#), paragraphs 36–37.

¹³⁴ [Epic Games response to Proposed Decision](#), pages 3–4.

¹³⁵ [Coalition for App Fairness response to Proposed Decision](#), page 1. Coalition for App Fairness is an association of app developers, including Match Group, Proton and Spotify. We note that Epic is a member of the Coalition for App Fairness.

¹³⁶ [Apple response to Proposed Decision](#), paragraph 38.

¹³⁷ [Apple response to Proposed Decision](#), paragraph 38.

¹³⁸ [Epic Games response to Proposed Decision](#), page 3.

¹³⁹ [Coalition for App Fairness response to Proposed Decision](#), page 1.

¹⁴⁰ [Epic Games response to Proposed Decision](#), page 3.

sub-categories, as limiting distribution to native apps may restrict the CMA's ability to address web app distribution issues'.¹⁴¹

Our assessment

- 4.56 Native App Distribution comprises 'the provision of a service by means of the internet' within the meaning of section 3(1)(a) of the Act. This is because it is the provision of a service which enables the installation, distribution and operation of native apps on Mobile Devices, and is provided by means of the internet as commonly understood.

Whether Native App Distribution for the Smartphone Operating System and the Tablet Operating System form part of a single digital activity

- 4.57 We have considered Apple's submissions that the App Store on iOS and iPadOS are distinct. We consider that it is appropriate to describe Native App Distribution in relation to the Smartphone Operating System and the Tablet Operating System as a single digital activity for the reasons set out below.
- 4.58 When describing the Native App Distribution activity and considering which of Apple's products and services fall within its scope, we have looked at how the App Store is offered by Apple and consumed by end-users and app developers.¹⁴² The App Store is the platform through which app developers offer apps and digital content within those apps to end-users, while end-users search, download or update those apps and purchase digital content within those apps.
- 4.59 We recognise that there are differences between smartphones and tablets and we have described Apple's operating systems for smartphones and tablets as separate digital activities given the differentiation between them.¹⁴³ However, we note that the fact that there may be some differences in the particular apps distributed for each operating system and consumed on each type of device does not mean that the app store through which they are distributed necessarily forms a distinct digital activity.
- 4.60 The App Store is offered by Apple across all Apple devices on which it is available as one service for intermediating the distribution of apps and digital content: Apple does not dispute that its own description of the App Store is as a single service across all Apple devices.¹⁴⁴ Whilst Apple considers this to be 'marketing language'

¹⁴¹ [Open Web Advocacy response to Proposed Decision](#), pages 7–8. Open Web Advocacy are an advocacy group made up of software engineers from around the world.

¹⁴² As set out above, the Guidance explains that the CMA can adopt a functional approach to describing a digital activity by reference to the nature of the products and how they are offered and consumed: CMA194, paragraphs 2.10-2.11.

¹⁴³ See descriptions of the Smartphone Operating System and the Tablet Operating System in the sub-section above.

¹⁴⁴ For example, see Apple's '[App Store Features](#)' page on its Developer page. This includes the following wording indicating the App Store is referred to by Apple as a single service across all of its devices: 'The App Store makes it easy for users on iPhone, iPad, Mac, Apple TV, Apple Vision Pro, and Apple Watch to discover and download your apps, games, and sticker packs'; 'our worldwide team of editors tailors the App Store to the various Apple devices users use to shop for apps'. See also, for example, Apple's '[Get started with the App Store](#)' page on its Developer page. This includes

and an irrelevant consideration as to whether the App Store on iOS and iPadOS form part of the same digital activity,¹⁴⁵ we consider that the evidence of how Apple describes the App Store to app developers is indicative of the App Store being offered as a single service across iOS and iPadOS.

- 4.61 The App Store is also considered as one service by app developers which they use to distribute their apps and digital content to end-users on Apple's Mobile Devices.¹⁴⁶ In particular, the following evidence shows that Apple offers the App Store to app developers in the same or similar way across Apple's devices, and that app developers use and access the App Store in the same or similar way across Apple's devices:
- (a) a common set of agreements governs Apple's legal relationship with app developers, such as the Apple Developer Program License Agreement¹⁴⁷ and the Apple Developer Agreement.¹⁴⁸ These agreements apply to all app developers, irrespective of the device. Moreover, a common agreement governs the use of application development tools, in particular the Xcode and SDKs Agreement, irrespective of the device;¹⁴⁹
 - (b) app developers can upload, submit and manage their apps on the App Store, as well as access sales reports and analytics, through a single tool, the App Store Connect, irrespective of the device on which those apps are used.¹⁵⁰ Apple submitted that this simply reflects that app developers may have skills and expertise that can be applied to products across multiple platforms.¹⁵¹ However, we consider that the existence of a single developer tool applicable to the App Store across Apple devices is indicative of app developers consuming a single App Store;
 - (c) app developers can offer their apps to end-users for all Apple devices, through a 'universal purchase', whereby end-users acquire an app that can be used in all their Apple devices with a single purchase;¹⁵² and

the following wording indicating the App Store is referred to by Apple as a single service across all of its devices: 'The App Store is also a safe and trusted place for customers to discover apps and games across Apple platforms, on more than 2 billion Apple devices'.

¹⁴⁵ [Apple response to Proposed Decision](#), paragraph 34.

¹⁴⁶ We note that there has been speculation within the tech industry that Apple might split the App Store into two: one for gaming apps and another for all other apps, potentially with different applicable policies and fees. It is uncertain, however, whether this will take place and over what timeframe. Apple announced a new Games app at its latest Worldwide Developers Conference which took place between 9 June and 13 June 2025, prompting further speculation that this might create the conditions for splitting up gaming apps from the rest of the App Store.

¹⁴⁷ [The Apple Developer Program License Agreement](#).

¹⁴⁸ [The Apple Developer Agreement](#).

¹⁴⁹ [The Apple Xcode and SDKs Agreement](#).

This agreement refers to a single App Store, regardless of the operating system. For example, the agreement provides that: 'If You would like a third-party to use Your Application for iOS, watchOS, iPadOS, tvOS, or visionOS, or You would like to distribute Your Application for macOS through the App Store, then You must enter into a separate written agreement with Apple (the Apple Developer Program License Agreement)'.

¹⁵⁰ [Apple's App Store Connect](#).

¹⁵¹ [Apple response to Proposed Decision](#), paragraph 34.

¹⁵² [Apple's policy on 'universal purchase'](#), through this policy, Apple stated in a [press release](#) that app developers can 'distribute iOS, iPadOS, macOS, and tvOS versions of [their] app as a universal purchase' and that 'categories will be

- (d) evidence received from some app developers indicates that they consider the App Store on iOS and iPadOS to be the same marketplace, and that any technical differences between apps for iOS and iPadOS are minimal, both in terms of the app development process and user engagement.¹⁵³ Meta explained that while some versions of its apps are optimised for the iPad's larger screen, this is not exclusive to the iPad and can also occur on iPhones with different screen sizes.¹⁵⁴

4.62 In relation to how the App Store is consumed by end-users across iOS and iPadOS, there is strong evidence of significant similarities in relation to the end-user experience across each App Store, including that:

- (a) end-users can use the same account (Apple Account, formerly known as Apple ID) to access App Store-related services across Apple devices and to purchase in-app content.¹⁵⁵ For example, end-users can store their payment information or app data, or manage purchases and subscriptions. Apple also offers the same family sharing features across Apple devices, allowing families to share apps, subscriptions and purchases with each other;¹⁵⁶
- (b) Apple applies advertising policies for the App Store across Apple devices which do not differentiate between the devices through which the apps are accessed by end-users;¹⁵⁷
- (c) Apple offers the same support service for the App Store across Apple devices, which provides end-users with a single point of contact for issues or questions related to the App Store;¹⁵⁸ and
- (d) the App Store has common branding including the same app icon for the end-user on both iOS and iPadOS.

4.63 Apple submitted that the theoretical ability of users to purchase the same app across platforms cannot outweigh data showing that users consume apps differently across the iOS and iPadOS App Stores.¹⁵⁹

4.64 While we recognise that there are certain differences in end-user demand and the types of apps downloaded on smartphones and tablets given the different nature of the devices, the evidence set out above shows that the App Store itself, as the

unified across the App Store and Mac App Store to align with this change, and to help make [their] apps more discoverable'. Furthermore, users can choose to have apps downloaded on one device automatically downloaded on another by enabling 'Automatic Downloads', if the devices are linked through the same Apple ID. This is explained, for example, at [iPhone User Guide](#).

¹⁵³ Note of call with [X]. Note of call with [X]. Email from [X].

¹⁵⁴ Note of call with [X]. [X] [An app developer] also said that some of its apps are not optimised for display on iPadOS and run on iPad in iPhone/iPad compatibility mode only, Email from [an app developer] [X].

¹⁵⁵ [Apple Account Support](#).

¹⁵⁶ [Apple's Family Sharing feature](#).

¹⁵⁷ [Apple Advertising Policies](#).

¹⁵⁸ [Apple Support Page](#).

¹⁵⁹ [Apple response to Proposed Decision](#), paragraph 34, footnote 30.

platform through which those apps are distributed, is a single marketplace or storefront (not dissimilar to a physical store), irrespective of the device and the nature of the apps distributed. For example, the fact that the default setting for end-users to access the App Store and purchase apps is through the same Apple account, whether using an iPhone or iPad, indicates strongly that end-users consume the App Store as a single service across Apple devices.

- 4.65 Apple also submitted that each App Store is subject to different competitive conditions in the UK, which is relevant to how it is offered and consumed, although did not elaborate as to how.¹⁶⁰
- 4.66 The Guidance sets out that the CMA's approach to identifying a digital activity will largely focus on factual information and will not require an assessment of the competitive constraints on the firm.¹⁶¹ Nevertheless, we have considered all facts and evidence in the round and consider that, overall, the evidence presented above does not provide a basis for treating the App Store on iOS and iPadOS as separate digital activities.
- 4.67 No third party specifically commented on our proposal to describe Native App Distribution as one digital activity irrespective of whether it relates to the Smartphone Operating System or the Tablet Operating System.
- 4.68 Accordingly, for the reasons set out above, we describe a single Native App Distribution digital activity which includes the App Store on iOS and iPadOS.

Whether pre-installation of apps is within scope

- 4.69 In the Proposed Decision, we explained that the methods by which native apps are distributed on Mobile Devices, including pre-installation, are a form of distribution of native apps and therefore fall within the description of the Native App Distribution digital activity. We have re-considered this in light of Apple's submissions that pre-installation is not a service, that it only pre-installs first party apps and that it does not and never has pre-installed any third-party apps on its Mobile Devices.¹⁶²
- 4.70 Apple pre-installs its own apps through its operating systems, describing pre-installation as a 'design component of Apple's integrated Mobile Devices'.¹⁶³ Accordingly, we consider that the pre-installation of Apple's own apps on iOS and iPadOS devices is closely linked to Apple's provision of the Smartphone Operating System and Tablet Operating System digital activities rather than the Native App Distribution digital activity.

¹⁶⁰ [Apple response to Proposed Decision](#), paragraph 32.

¹⁶¹ CMA194, paragraph 2.10.

¹⁶² [Apple response to Proposed Decision](#), paragraph 37.

¹⁶³ [Apple response to Proposed Decision](#), paragraph 36.

- 4.71 The Native App Distribution digital activity is concerned with the provision of a service which enables the installation, distribution and operation of native apps on Mobile Devices. The pre-installation of apps does not involve the provision of a service which meets our description of this digital activity for the purposes of section 3(1)(a) of the Act and it is therefore outside of the scope of that activity.
- 4.72 Some third parties emphasised the importance of including pre-installation of first party and third-party apps within the scope of the Native App Distribution digital activity, in order to ensure that the CMA can address any Apple policies and practices which impact the pre-installation of apps.
- 4.73 We consider that our powers to impose conduct requirements could allow us to intervene where appropriate and proportionate in relation to any such concerns, without pre-installation being included within the scope of the Native App Distribution digital activity. For example, in relation to a concern around pre-installed apps being placed in a prominent position or set as a default, conduct requirements could apply for the purpose of obliging a designated undertaking to present to users any options or default settings in relation to the relevant digital activity (in this case, the Mobile Platform) in a way that allows those users to make informed and effective decisions in their own best interests about those options or settings.¹⁶⁴ The CMA also has powers to intervene where there are competition concerns about leveraging of market power.¹⁶⁵

Whether developer tools are within scope

- 4.74 In the Proposed Decision, we set out that certain tools, notably cloud management and developer tools, form part of the Native App Distribution activity. In its response, Apple noted that Apple's App Store tools and services such as App Store Connect and the Apple Developer app support the availability and management of apps, enforce content and security policies, and manage user acquisition, engagement, and updates.¹⁶⁶ An app developer and a developer association also submitted that developer tools should be included.¹⁶⁷ However, Apple disputed that its developer tools, including Xcode and TestFlight, fall within the description of Native App Distribution.¹⁶⁸
- 4.75 Having considered the representations, we have decided that developer tools are in scope of the Native App Distribution digital activity only where they fit the description of that digital activity. Our view is that the following developer tools fall

¹⁶⁴ Section 20(2)(e) of the Act.

¹⁶⁵ Sections 20(3)(b) and 20(3)(c) of the Act.

¹⁶⁶ [Apple response to Proposed Decision](#), paragraph 38.

¹⁶⁷ [Epic Games response to Proposed Decision](#), page 3; [Coalition for App Fairness response to Proposed Decision](#), page 1.

¹⁶⁸ [Apple response to Proposed Decision](#), paragraph 38.

within the scope of the Native App Distribution activity (ie they form part of that service) for the reasons set out below:

- (a) Certain cloud management tools such as App Store Connect enable the installation and/or distribution of native apps on Mobile Devices and are part and parcel of Apple's App Store service for app developers. Such tools fall within our description because they enable app developers to distribute native apps to smartphone and tablet devices.
- (b) Certain APIs enable the installation, distribution and operation of native apps on Mobile Devices, for example certain App Store Connect APIs.¹⁶⁹ As above, we understand that these interfaces are offered and consumed as part and parcel of Apple's App Store service to app developers. Such interfaces fall within our description because they enable app developers to automate aspects of application deployment and management, thereby enabling the installation, distribution and operation of native apps on smartphones and tablets.

4.76 In relation to Xcode and TestFlight:

- (a) Xcode is described by Apple to app developers as 'the suite of tools you use to build apps for Apple platforms. Use Xcode to manage your entire development workflow – from creating your app to testing, optimizing, and submitting it to the App Store'.¹⁷⁰ Apple explained that it includes the Icon Composer tool which enables app developers to design icons as a necessary precursor to distributing their apps (because it is an App Store requirement).¹⁷¹ Apple submitted that designing an icon is clearly integral to app development, not distribution.¹⁷²
- (b) TestFlight is an app development tool that enables beta testing of apps by app developers to a limited number of testers before general release on the App Store.¹⁷³

4.77 Xcode and TestFlight are not part of the service provided by Apple that enables the installation, distribution and operation of native apps on Mobile Devices. Whilst it is clear that such tools have some role in enabling app developers to prepare their apps for distribution on the App Store, in considering how these products are offered and consumed, we consider that they are app development and testing tools used by app developers to build and test their apps *before* they are distributed via the App Store.

¹⁶⁹ Descriptions of these API interfaces are available at <https://developer.apple.com/documentation/appstoreconnectapi> and <https://developer.apple.com/documentation/apple-school-and-business-manager-api>.

¹⁷⁰ [Xcode | Apple Developer Documentation](#)

¹⁷¹ Apple's submission [38].

¹⁷² Apple's submission [38].

¹⁷³ [TestFlight - Apple Developer](#).

- 4.78 An app developer also requested that the CMA expressly mentions iOS SDK as being within the scope of the relevant digital activities.¹⁷⁴ The iOS SDK comprises a broad set of features and functionality made available to app developers, including software libraries and developer tools. Our position on developer tools such as Xcode is explained above. Aside from that, certain features and functionalities within the iOS SDK may fall within the scope of the designation to the extent that they meet the description of relevant digital activities.

Whether sideloading and web apps are within scope

- 4.79 One app developer requested clarification that Native App Distribution includes the distribution of native apps through channels outside of app stores, such as sideloading.¹⁷⁵ Sideloading is where an app developer's native app is downloaded by the user directly from the developer's web page or via peer-to-peer transfer. We did not propose that sideloading should fall within the description of the Native App Distribution digital activity in the Proposed Decision. Apple's terms and conditions in relation to its Smartphone Operating System and Tablet Operating System prohibit sideloading¹⁷⁶ and in any event the act of sideloading itself is carried out by end-users and is not therefore a service which is provided by Apple. We remain of the view that this approach is appropriate.
- 4.80 Our decision that sideloading is not in scope of the Native App Distribution digital activity does not remove our ability to intervene in relation to sideloading in certain circumstances. For example, where appropriate and proportionate we may apply conduct requirements for the purpose of preventing a designated undertaking from restricting the ability of users to use products of other undertakings, which could include other apps or app stores.¹⁷⁷
- 4.81 In relation to the request by a third party to include web app distribution within scope, web apps are not native apps and so do not fall within the description of Native App Distribution. However, the functionalities which enable intermediation between software (web apps) and hardware (the Mobile Device), including the terms of such access, form part of the Smartphone Operating System and Tablet Operating System digital activities.

Conclusion

- 4.82 Native App Distribution is a digital activity which comprises the provision of a service which enables the installation, distribution and operation of native apps on Mobile Devices, which are apps written to run on the Smartphone Operating System and/or the Tablet Operating System. This includes the App Store and

¹⁷⁴ [Epic Games response to Proposed Decision](#), page 2.

¹⁷⁵ [Epic Games response to Proposed Decision](#), page 3.

¹⁷⁶ Sideloading is a violation of the iOS and iPadOS Software Licence Agreement, Apple's response to section 69 notice [8].

¹⁷⁷ Section 20(3)(h) of the Act.

features and functionalities such as cloud management tools and APIs that enable the installation, distribution and operation of native apps on Mobile Devices.

Mobile Browser and Browser Engine

This section sets out our conclusions on the Mobile Browser and Browser Engine digital activity, including our response to submissions and evidence received since our Proposed Decision.¹⁷⁸ Our description is as follows:

Mobile Browser and Browser Engine: The provision of a mobile browser and browser engine which comprises:

- (a) the provision of a software application that enables users of Mobile Devices to access and search the internet and interact with web content; and
- (b) the provision of a mobile browser engine, which is the underlying technology which native apps on Mobile Devices use to transform web page source code into content with which users can engage.

4.83 We invited views from stakeholders on our proposed description and scope of Apple's Mobile Browser and Browser Engine digital activity in both the ITC and the Proposed Decision. The description set out in the Proposed Decision was the same as the description which we adopted in this decision as set out above. The Proposed Decision further explained that we considered in-app browsing to fall within the scope of this digital activity. In the following sections we set out the representations we received in response to the Proposed Decision, and our findings.

Submissions on our description and scope of Mobile Browser and Browser Engine

4.84 In response to the Proposed Decision, Apple submitted that the description of Mobile Browser and Browser Engine is inaccurate and unduly broad, because it incorrectly:¹⁷⁹

- (a) treats Safari across iOS and iPadOS as a single digital activity;

¹⁷⁸ Our Proposed Decision and the ITC, paragraphs 62-67, set out that:

(a) a 'mobile browser' translates website code into content that is shown on the device screen to users. Mobile browsers have user-facing functionality such as favourite webpages and browsing history, and store users' data such as passwords and payment details. A default search engine is set as part of the browser;

(b) a 'mobile browser engine' is the underlying technology which browser applications on Mobile Devices use to transform web page source code into content which users can see and engage with. Browser engines are crucial for determining browser performance and functionalities;

(c) Apple's Safari browser is pre-installed on all Apple Mobile Devices and as of June 2025, had a share of 84% of usage on Apple Mobile Devices; all browsers operating on Apple Mobile Devices are required to use its WebKit browser engine; and

(d) web content can also be accessed through native apps, in 'in-app browsers'. In-app browsers are used in apps such as Snapchat, Facebook, search widgets in Google search and email clients such as Gmail.

¹⁷⁹ [Apple response to Proposed Decision](#), paragraph 40.

- (b) includes WebKit in the same digital activity as Safari; and
- (c) includes in-app browsing in the same digital activity as Safari and WebKit.

Safari on iOS and iPadOS

- 4.85 In response to the Proposed Decision, Apple reiterated points made in its earlier submissions¹⁸⁰ that Safari on iOS and iPadOS are offered and consumed separately, stating that:
- (a) Safari on iOS and iPadOS support different user needs and preferences. Specifically, Apple stated that users typically use Safari on iOS when they want to quickly look up something, while Safari on iPadOS supports a larger screen, which lends itself better to in-depth browsing. [REDACTED].¹⁸¹
 - (b) Safari for iOS and iPadOS are also offered differently. Safari for iPad brings a Mac-like browsing experience to the iPad, eg loading the desktop versions of websites. Apple pointed to sidebar as a significant feature that is available on iPad but not iPhone, and to functionalities that reflect the diverging use cases for accessing the web through Safari on iOS and iPadOS.¹⁸²
- 4.86 Open Web Advocacy supported the CMA's proposed reasons for considering Safari to be a single browser, adding that Apple's own marketing presents Safari in this way.¹⁸³ Mozilla, similarly, agreed with the CMA's proposed position, further noting that the underlying code of browsers across both iOS and iPad OS tends to be almost identical, and that, until recently, Apple had a single submission process across both platforms.¹⁸⁴

Safari and WebKit

- 4.87 Apple submitted that the Proposed Decision misunderstands how its Mobile Browser and Browser Engine are offered and consumed because Safari and WebKit:
- (a) are offered for fundamentally different purposes;
 - (b) are frequently not offered together because WebKit is also used with other browsers and apps; and
 - (c) are 'made' separately, in that WebKit is developed separately to Safari.¹⁸⁵

¹⁸⁰ Apple's submission [REDACTED].

¹⁸¹ [Apple response to Proposed Decision](#), paragraph 43; Apple's submission [REDACTED].

¹⁸² [Apple response to Proposed Decision](#), paragraph 43; Apple's submission [REDACTED].

¹⁸³ [Open Web Advocacy response to Proposed Decision](#), page 9.

¹⁸⁴ [Mozilla response to Proposed Decision](#), page 2.

¹⁸⁵ [Apple response to Proposed Decision](#), paragraph 46.

- 4.88 Apple also submitted that end-users do not ‘consume’ WebKit but rather the browser or app that calls on WebKit functionality to render web content. Similarly, if app developers are considered to be ‘consuming’ WebKit but not Safari, then there is no basis to state that Safari and WebKit are typically used as a package by end-users.¹⁸⁶
- 4.89 Mozilla, on the other hand, supported Mobile Browser and Browser Engines being a single digital activity, stating that they are closely integrated services, with all major browser engine developers seeking to base their browsers on their respective browser engines.¹⁸⁷

In-app browsing

- 4.90 In response to the Proposed Decision, Apple stated that treating in-app browsing as part of the same digital activity as Safari and WebKit is inappropriate and at odds with the Proposed Decision’s definition of in-app browsing, which acknowledges that its purpose is to access web content within a native app which is not a dedicated browser.¹⁸⁸
- 4.91 Apple noted that in-app browsing technologies generally do not allow for internet searches or website navigation via a URL bar which are core features of a browser.¹⁸⁹ Apple also noted that the ultimate control over the in-app browsing user experience remains with the third-party developer, and many developers have built their own in-app browsers based on Apple’s tools.¹⁹⁰

Other third-party submissions

- 4.92 Open Web Advocacy submitted that, given web applications are a key area of concern highlighted in this investigation and the Mobile Browsers and Cloud Gaming Market Investigation (**MBCG MI**), the CMA’s description of Mobile Browser and Browser Engine should explicitly include them. Open Web Advocacy also suggested clarifying that the scope is limited to browser engines as used on Mobile Devices only.¹⁹¹
- 4.93 Vivaldi also suggested that the description of Mobile Browser and Browser Engine should explicitly refer to web apps and progressive web apps which are managed and rendered by a browser engine, but usually without the browser’s user interface being shown.¹⁹²

¹⁸⁶ [Apple response to Proposed Decision](#), paragraph 47.

¹⁸⁷ [Mozilla response to Proposed Decision](#), page 2.

¹⁸⁸ [Apple response to Proposed Decision](#), paragraph 49.

¹⁸⁹ [Apple response to Proposed Decision](#), paragraph 50.

¹⁹⁰ [Apple response to Proposed Decision](#), paragraph 51.

¹⁹¹ [Open Web Advocacy response to Proposed Decision](#), page 8.

¹⁹² [Vivaldi response to Proposed Decision](#), pages 1–2.

Our assessment

- 4.94 The provision of a Mobile Browser and Browser Engine constitutes ‘the provision of one or more pieces of digital content’ within the meaning of section 3(1)(b) of the Act.¹⁹³

Describing Apple’s Mobile Browser on iOS and iPadOS as part of a single digital activity

- 4.95 Regarding how Safari is offered on iPhones and iPads, we note the device-specific design features pointed out by Apple that involve: (i) Safari on iPad loading the desktop, rather than mobile, version of websites; and (ii) Safari on iPad including a sidebar to account for the larger screen and multitouch interface.¹⁹⁴
- 4.96 However, we also note that there are many important similarities in how Safari is offered across Apple devices and which reflect the characteristics of the browser rather than being a function of the characteristics of each device: Apple develops and provides one version of the mobile browser as referred to in Apple’s release notes across its devices. For example, Apple’s release note from 31 March 2025 stated that ‘Safari 18.4 is available for iOS 18.4, iPadOS 18.4, visionOS 2.4, macOS 15.4, macOS Sonoma, and macOS Ventura.’¹⁹⁵ Apple also promotes Safari as a single web browser rather than a browser designed for a specific device;¹⁹⁶ and applies the same policies across iOS and iPadOS: for example the WebKit restriction applies to browsing on both iOS and iPadOS.¹⁹⁷ Apple often does not distinguish between iOS and iPadOS features for WebKit: for example, in a [REDACTED] submitted to the CMA, [REDACTED].¹⁹⁸
- 4.97 Further, website providers use the mobile browser to make websites accessible to end-users across both iPhones and iPads. Evidence from browser vendors shows that developing a browser for iPhones and iPads is nearly identical, except for a few features in the iPadOS versions that browser developers may adjust to better suit the larger screen size.¹⁹⁹

¹⁹³ This is because ‘digital content’ is defined in section 330 of the Act as ‘data which is produced and supplied in digital form’ and therefore encompasses apps and other software. [The Explanatory Notes to the Act](#) clarify that, in relation to the definition of ‘digital content’, ‘data’ would include software (paragraph 1888). The Guidance explains that digital content includes software, music, computer games and apps, CMA194, paragraph 2.9.

¹⁹⁴ [Apple response to Proposed Decision](#), paragraph 43.

¹⁹⁵ [Safari 18.4 Release Notes | Apple Developer Documentation](#).

¹⁹⁶ [Safari - Apple](#) Apple’s Safari webpage states ‘Same Safari. Different device. Safari works seamlessly and syncs your passwords, bookmarks, history, tabs and more across Mac, iPad, iPhone, and Apple Watch.’

¹⁹⁷ Apple submitted that the WebKit policy is set as an App Store requirement rather than having anything to do with how Safari is offered and consumed across platforms, [Apple response to Proposed Decision](#), paragraph 44. Given that WebKit is the underlying browser engine upon which Safari is built, we consider that Apple’s policies in relation to how WebKit is used across platforms are relevant to how it offers Safari.

¹⁹⁸ Apple response to section 174 notice [REDACTED].

¹⁹⁹ Note of call with Brave on [REDACTED]. Brave stated that there is no difference between developing a browser for the iPhones and iPads as it is the same app with the main difference being the larger screen on iPads. Brave said browsers can make the iPad version more like the desktop browser if they wish to eg by implementing features like having tabs side by side. See also Note of call with [REDACTED]. [REDACTED] stated that its app for iOS and iPadOS is currently the same, and the app adjusts screen resolution, layout, feature sets, etc. due to the difference in screen size and features such as browser

- 4.98 Regarding the consumption of Safari on iOS and iPadOS by end-users, it is used on both devices as a means of viewing and interacting with web content. Consumers enjoy a similar overall user experience browsing across both iPhones and iPads. In its submissions,²⁰⁰ Apple pointed to some differences in user needs and preferences between these devices, illustrated by the content browsed by users and [§]. We recognise these differences in how users may engage in browsing on smartphones as compared to tablets. However, as noted above, although the content viewed by end-users via their browsers might differ between Apple devices to a degree, the fundamental features and functionality of the browser in terms of how that content is rendered and delivered remain the same.
- 4.99 Apple was the only party to submit that Safari for iOS and iPadOS should be treated as separate digital activities. The two third parties who commented on this (Open Web Advocacy and Mozilla) both agreed with the approach of treating Safari across iOS and iPadOS as a single digital activity,²⁰¹ with Mozilla (a browser developer) pointing out that the underlying code of browsers across both iOS and iPadOS tends to be almost identical.²⁰²
- 4.100 Considering the above evidence in the round, our view is that the Mobile Browser and Browser Engine on iOS and iPadOS is sufficiently similar in how it is offered by Apple and consumed by end-users and browser developers to fall under the provision of a single digital activity. The fact that there may be some differences in use cases and particular features between these devices does not undermine this view.
- 4.101 Accordingly, we consider that it is appropriate to describe a single Mobile Browser and Browser Engine digital activity which includes Safari on iOS and iPadOS.

Describing Apple's Mobile Browser and Browser Engine as a single digital activity

- 4.102 The Mobile Browser and Browser Engine are closely integrated pieces of digital content which function as a package on Apple's Mobile Platform. Taking account of how Apple provides the mobile browser and browser engine to users of its Mobile Platform, how these users consume them and the interlinkages among them,²⁰³ they constitute 'the provision of one or more pieces of digital content'

tabs on the iPad which would not make sense in the iOS versions of its browsers due to the smaller screens. [§] confirmed that most of the work on its browsers on iOS and iPadOS is shared between the two with some tweaks as mentioned.

²⁰⁰ [Apple response to Proposed Decision](#), paragraph 43; Apple's submission [§].

²⁰¹ [Mozilla response to Proposed Decision](#), page 2. [Open Web Advocacy response to Proposed Decision](#), page 8.

²⁰² [Mozilla response to Proposed Decision](#), page 2.

²⁰³ Our Guidance sets out that, in identifying a digital activity and considering which of the firm's products it may comprise, 'the CMA may consider how the potential SMS firm structures itself and its business model, how businesses and consumers use and access its products **and any linkages among them**' (emphasis added). CMA195, paragraph 2.10.

under the Act,²⁰⁴ and as such form part of a single digital activity enabling end-users to browse the web on Apple devices.

- 4.103 In order to allow mobile browsing, Apple supplies the following elements which comprise the Mobile Browser and Browser Engine digital activity: (i) its back-end browser engine, currently WebKit, which renders websites that users can see and engage with; and (ii) its front-end mobile browser, currently Safari, which provides user facing functionality. Indeed, while users may not always be aware of the existence of the browser engine, it is the core underlying software component of a mobile browser that handles the rendering and display of web content.²⁰⁵ Apple also supplies its back-end browser engine, WebKit, to support third-party browsers operating on Apple's Mobile Platform.
- 4.104 In relation to how Apple offers Safari and WebKit, Apple submitted that Safari and WebKit are offered for fundamentally different purposes.²⁰⁶ However, we consider that, as a matter of fact, both Safari and WebKit are pieces of digital content offered by Apple to end-users to enable end-users to browse the web. Neither of these products could, individually and in isolation, enable web browsing on Apple devices. This is because:
- (a) The browser cannot function without the underlying browser engine, which is the core²⁰⁷ underlying software component of a mobile browser. Under Apple's current business model, Safari is never offered without WebKit.
 - (b) The browser engine alone cannot provide browser functionality without a browser user interface. Contrary to Apple's submission, Safari and WebKit are frequently offered together: 84% of iOS users use Safari, based on WebKit, to access the web.²⁰⁸ WebKit is sometimes offered by Apple without Safari to provide browsing functionality on Apple devices: this occurs for 16% of iOS users who use third-party browsers with WebKit.
- 4.105 Therefore, we consider that Apple typically offers its Mobile Browser and Browser Engine on its Mobile Platform in a closely integrated manner, comprising Safari and WebKit, or WebKit for use with a third-party browser. In the significant majority of cases on Apple's Mobile Platform, Apple's Mobile Browser and Browser Engine integrate to allow for browsing which is the core of the digital activity.

²⁰⁴ Section 3(1)(b) of the Act.

²⁰⁵ The browser engine is responsible for processing HTML, CSS, and JavaScript code, and rendering websites into the visual format that users see on their Mobile Devices. In practical terms, this means the browser engine provides important features which determine the speed and performance of the browser. See [MBCG MI Final Decision Report](#), page 46.

²⁰⁶ Apple also submitted that there are different development teams within Apple working on Safari and WebKit; however, we consider this is to be expected given the technical nature of the products. [Apple response to Proposed Decision](#), paragraph 46.

²⁰⁷ We understand that the browser engine source code can sometimes constitute the vast majority of a browser's code. Note of call [X].

²⁰⁸ ['Browser Market Share Report for 2025 Q2'](#), accessed 17 September 2025.

- 4.106 In relation to how the Mobile Browser and Browser Engine are consumed, evidence shows that end-users may not be aware of the existence of the browser engine when using a browser.²⁰⁹ This is because both products work in conjunction to offer a seamless browsing experience, eg through providing user affordances.²¹⁰ This is consistent with previous CMA findings.²¹¹ Apple's browser engine, WebKit, responds to actions and requests that come from end-users via the browser user interface which means end-users 'consume' WebKit in order to browse the web on Apple devices.
- 4.107 In relation to the use of WebKit for third-party browsers, we note that Apple supplies third-party developers (rather than end consumers) with WebKit but not Safari. In such cases, Apple provides one, rather than both, of the relevant pieces of 'digital content' within section 3(1)(b) of the Act. However, it is a vital part of digital content in that the third-party browser is then built on WebKit, and WebKit responds to actions and requests coming from end-users via the third-party browser user interface. In practical terms, the mobile browser engine provides important features which determine the speed and performance of the browser in terms of stability and compatibility with different types of web content and websites. Moreover, end-users of Apple's Mobile Platform 'consume' WebKit together with a mobile browser in order to browse the web on Apple devices, regardless of whether the browser is Safari or another WebKit-based browser, and in either case they are unlikely to know about the role played by WebKit. Accordingly, Apple's provision of a browser engine is covered by the Mobile Browser and Browser Engine digital activity whether or not it is supplied together with Safari.
- 4.108 Only one third party, a browser developer, specifically commented on our proposal to describe Apple's Mobile Browser and Browser Engine together as one digital activity and it supported our proposal, noting that the mobile browser and browser engine are closely integrated services.²¹²

²⁰⁹ As confirmed by four browser vendors: Note of calls with Mozilla on [REDACTED]; [REDACTED]. Mozilla noted that users are not typically aware of the browser engine being used in the browser, although its user research team conducted a study revealing that a non-trivial percentage of people surveyed indicated they recommended Firefox because it was not Chromium-based, suggesting some awareness of browser engine differentiation.

²¹⁰ A browser vendor stated that the line between browser and browser engine can be blurry from an end-user perspective, as both products offer a seamless browsing experience. This browser vendor also stated that the browser engine and browser user interface work in conjunction to provide user affordances, eg permission prompts from the browser to use the device's camera when joining a video call. The browser engine responds to actions and requests that come from the user via the browser user interface. [REDACTED]. Similarly, another browser vendor stated that the border between functionality from the browser versus the browser engine is not precisely defined, [REDACTED].

²¹¹ [MBCG MI Final Decision Report](#), page 98: 'from a user's perspective, a browser engine is not substitutable but rather a complement to the browser product that is built on top, as both elements are needed for the user to navigate the web. Therefore, while the two products tend to be used together, there is limited demand-side substitutability between them from a functional perspective, as the browser engine is not typically used instead of the browser but rather in conjunction with it.'

²¹² Mozilla noted that, as a practical matter, each of the major browser engine developers that remain in existence today seeks to develop a browser (Apple with Safari, Google with Chrome, and Mozilla with Firefox) based on their respective browser engine (WebKit, Blink, and Gecko respectively), [Mozilla response to Proposed Decision](#), page 2.

- 4.109 Similarly, in the CMA's separate investigation in relation to Google's Mobile Platform, Google acknowledged the interlinkages between mobile browsers and browser engines, stating that 'a browser engine provides backend infrastructure that allows a browser to work.'²¹³
- 4.110 Having considered all of the above facts and evidence in the round, we describe the Mobile Browser and Browser Engine together as the provision of a single digital activity.

Whether in-app browsing is within scope

- 4.111 In-app browsing refers to the situation in which a user accesses web content while they are already in a native app that is not a dedicated mobile browser.²¹⁴ In-app browsing relies on an underlying mobile browser engine such as WebKit to render web content.
- 4.112 Apple submitted that in-app browsing should be excluded from the scope of the Mobile Browser and Browser Engine digital activity because it does not involve a dedicated browser. However, we consider that in-app browsing is, alongside browsers, a means through which users can access and search the internet and interact with web content. The functionality of in-app browsing depends on the underlying mobile browser engine in the same manner as it does for dedicated mobile browsers.
- 4.113 Given this functional description, we consider that the provision of a mobile browser engine (currently WebKit) for in-app browsing is captured within our description of the Mobile Browser and Browser Engine digital activity.
- 4.114 We recognise that Apple does not control the user experience designed by developers of third-party in-app browsers. For the avoidance of doubt, third-party in-app browsers are not themselves in scope of the Mobile Browser and Browser Engine digital activity, in the same way that third-party mobile browsers using WebKit are not. However, the scope of the Mobile Browser and Browser Engine digital activity includes Apple's mobile browser engine, WebKit, as used in third-party in-app browsers on Apple devices.

Whether support for web apps is within scope

- 4.115 Two third parties (Open Web Advocacy and Vivaldi) submitted that the description of Mobile Browser and Browser Engine should refer to web apps and progressive web apps which are managed and rendered by a browser engine.²¹⁵

²¹³ [Google response to Google Proposed Decision](#), paragraph 108a.

²¹⁴ [MBCG MI Final Decision Report](#), paragraph 2.55.

²¹⁵ [Open Web Advocacy response to Proposed Decision](#), page 8; [Vivaldi response to Proposed Decision](#), pages 1–2.

- 4.116 Web apps are not native apps and so do not fall within the description of the browser engine element of the Mobile Browser and Browser Engine digital activity.^{216,217} However, as explained above, the functionalities which enable intermediation between software (web apps) and hardware (the Mobile Device), including the terms of such access, form part of the Smartphone Operating System and Tablet Operating System digital activities.
- 4.117 The CMA intends to undertake further work to explore the potential for progressive web apps.²¹⁸ It is not necessary for the CMA to amend its description of the Mobile Browser and Browser Engine digital activity in order to progress this work.

Conclusion

- 4.118 The Mobile Browser and Browser Engine digital activity comprises the provision of a software application that enables users of Mobile Devices to access and search the internet and interact with web content; and the provision of a mobile browser engine, which is the underlying technology which native apps on Mobile Devices use to transform web page source code into content with which users can engage. This includes the provision of Apple's mobile browser engine for use in third-party mobile browsers; and the provision of Apple's mobile browser engine as used in third-party in-app browsers on Apple devices. Apple's current products, Safari and WebKit, are within the scope of this digital activity.

Description of the digital activities

- 4.119 For the reasons set out above, we describe the following four digital activities for the purposes of this decision:
- (a) **Smartphone Operating System:** the provision of an operating system or equivalent, which acts as an intermediary between hardware and software on a smartphone, enabling software applications (referred to as applications or apps) and services to run on the smartphone.
 - (b) **Tablet Operating System:** the provision of an operating system or equivalent, which acts as an intermediary between hardware and software on a tablet, enabling software applications (referred to as applications or apps) and services to run on the tablet.
 - (c) **Native App Distribution:** the provision of a service which enables the installation, distribution and operation of native apps on Mobile Devices,

²¹⁶ In this section we use the term web apps to refer to progressive web apps and other types of web apps.

²¹⁷ In relation to this element of the digital activity, our focus is on the provision of a mobile browser engine as the underlying technology which native apps on Mobile Devices use to transform web page source code into content, ie for mobile browsers and in-app browsing.

²¹⁸ [Roadmap \(Apple\)](#), paragraphs 3.56-3.58.

which are apps written to run on the Smartphone Operating System and/or the Tablet Operating System.

- (d) **Mobile Browser and Browser Engine:** the provision of a mobile browser and mobile browser engine, which comprises:
 - (i) the provision of a software application that enables users of Mobile Devices to access and search the internet and interact with web content; and
 - (ii) the provision of a mobile browser engine, which is the underlying technology which native apps on Mobile Devices use to transform web page source code into content with which users can engage.

4.120 Based on Apple's current business model, we conclude that the above digital activities include:

- (a) For the Smartphone Operating System: the operating system currently known as iOS;
- (b) For the Tablet Operating System: the operating system currently known as iPadOS;
- (c) For the Smartphone Operating System and/or the Tablet Operating System (as applicable), features and functionalities which act as an intermediary between hardware and software on the Mobile Device, enabling software applications and services to run on the device, including in particular:
 - (i) APIs providing access to connectivity functionalities;
 - (ii) features and functionalities that enable the operation of voice assistants;
 - (iii) operating-system level functionalities supporting digital wallets.
- (d) For Native App Distribution:
 - (i) the installation, distribution and operation of native apps through the App Store; and
 - (ii) features and functionalities such as cloud management tools and APIs that enable the installation, distribution and operation of native apps on Mobile Devices.
- (e) For the Mobile Browser and Browser Engine: Apple's mobile browser, Safari; and Apple's mobile browser engine, WebKit.

- 4.121 This list may be updated by the CMA in the course of the designation period; this could be in response to developments identified by (i) Apple pursuant to its obligation to self-assess on an ongoing basis the scope of what falls within the description of the relevant digital activity; and/or (ii) further work and monitoring undertaken by the CMA.²¹⁹

Grouping Smartphone Operating System, Tablet Operating System, Native App Distribution and Mobile Browser and Browser Engine

This section explains our decision to group Apple's digital activities.

We conclude that the Smartphone Operating System, Tablet Operating System, Native App Distribution, and Mobile Browser and Browser Engine activities are a single grouped digital activity, referred to as a Mobile Platform.

These activities can be carried out in combination with each other to fulfil a specific purpose reflecting the reality of how they are provided and consumed in practice: facilitating interactions between users and providers of digital content and services on Mobile Devices in order to enable users to access, view and engage with such content and services on their Mobile Devices.

- 4.122 The CMA may treat two or more of the potential SMS firm's digital activities and the products within those as a single digital activity where either of the following conditions is satisfied: (a) they have substantially the same or similar purposes; or (b) they can be carried out in combination to fulfil a specific purpose.²²⁰
- 4.123 Where the CMA groups two or more of the potential SMS firm's activities and the products within those into a single digital activity, the SMS assessment will relate to the grouped activity as a whole.²²¹
- 4.124 We conclude that (i) the legal conditions for grouping Apple's four digital activities into a single activity are met under section 3(3)(b); and (ii) exercising the power to group Apple's activities in this case is consistent with the underlying purpose of the digital markets competition regime.

Submissions on grouping

- 4.125 In response to the Proposed Decision, Apple submitted that:
- (a) as a 'deeming provision' which Apple says assumes there to be a state of affairs which (but for the 'deeming') would otherwise not have arisen, with

²¹⁹ See CMA194, paragraphs 2.107-2.108.

²²⁰ Section 3(3) of the Act and CMA194, paragraph 2.13.

²²¹ [CMA194](#), paragraph 2.16.

significant regulatory consequences, the legal conditions for grouping set out in section 3(3) of the Act should be construed as narrowly as possible;²²² and

- (b) there should be some commonality of purpose between the digital activities that is linked to their production, marketing, sale, access, and consumption by end-users and business users. If the activities are grouped on the basis that they can be used in combination, their shared purpose must be specific.²²³

4.126 In relation to the application of section 3(3)(b) specifically, Apple submitted that:

- (a) Apple's digital activities are not carried out 'in combination' with each other, but are commonly carried out separately; and
- (b) Apple's digital activities are not used to fulfil a 'specific' purpose.²²⁴

4.127 Apple also submitted that the CMA's approach to considering whether the digital activities have the same or similar purpose under section 3(3)(a) of the Act is too broad and without merit.²²⁵

4.128 The majority of third parties who commented on the CMA's proposal to group Apple's digital activities into a single Mobile Platform activity were supportive,²²⁶ with several noting that a holistic approach is necessary to reflect the reality of Apple's business model as an ecosystem. For example:

- (a) an app developer [redacted] stated that, for third parties, competition depends not on isolated activities, but on the way the entire platform is controlled;²²⁷ and a browser vendor (Vivaldi) stated that the ecosystem is what gives Apple its 'market dominance' rather than any individual component;²²⁸
- (b) a browser vendor (Mozilla) noted that a typical 'user journey' when using their Mobile Device might involve accessing content or services via a native app and accessing other content or services through their browser, each of which is technically enabled by (and in fact cannot be separated from) the architecture of the underlying operating system;²²⁹

²²² [Apple response to Proposed Decision](#), paragraph 54.

²²³ [Apple response to Proposed Decision](#), paragraph 55.

²²⁴ [Apple response to Proposed Decision](#), paragraphs 57-60.

²²⁵ [Apple response to Proposed Decision](#), paragraphs 61 and 62.

²²⁶ [The Coalition for App Fairness response to Proposed Decision](#) page 1, [redacted] [Anonymous response to Proposed Decision](#) page 2, [Epic Games response to Proposed Decision](#) page 4, [Spotify response to Proposed Decision](#) page 1, [Innovate Finance response to Proposed Decision](#) page 1, [Open Web Advocacy response to Proposed Decision](#) page 8-9, [redacted] response to proposed decision [redacted], [Vivaldi response to Proposed Decision](#) page 2, [Mozilla response to Proposed Decision](#) page 2-4, [Japan Association of New Economy response to Proposed Decision](#) page 1-2, [Which? response to Proposed Decision](#) page 1, [an individual response to Proposed Decision](#) page 1-3. Japan Association of New Economy (JANE) is a business association, supported by a number of businesses including Rakuten.

²²⁷ [redacted] [Anonymous response to Proposed Decision](#), page 4.

²²⁸ [Vivaldi response to Proposed Decision](#), page 1.

²²⁹ [Mozilla response to Proposed Decision](#), page 3.

- (c) a consumer association (Which?) stated that, from a consumer perspective, although the digital activities may be ‘individually recognisable’ to users, it is only by using all of the digital activities in combination that users can make full use of their devices;²³⁰ and
- (d) an app developer (Epic) considered that grouping is necessary in order to ensure that Apple does not have the opportunity to evade compliance with measures imposed by the CMA in respect of one digital activity, by adopting measures in respect of other digital activities which would undermine those measures;²³¹ similarly, a browser vendor (Mozilla) noted that if the activities were not grouped together as one digital activity, there is a danger of an enforcement gap, eg where the operation of Apple’s app store and/or the iOS operating system has an effect on mobile browsers.²³²

4.129 Three third parties were unsupportive of grouping, noting the following issues: (i) the competitive dynamics differ substantially between each individual digital activity with different user and developer experience; (ii) grouping may obscure important differences in user control and competitive dynamics; (iii) grouping has implications for remedies and oversight and could have an impact on innovation and security; and (iv) the conditions for ‘clustering’ products for the purposes of analysing competition in a particular market do not appear to have been met.²³³ One third party who supported grouping of the digital activities urged the CMA to bear in mind practical and legal distinctions between the activities in its analysis.²³⁴

Our assessment

Legal framework and approach

4.130 As set out above, the Act allows us to group two or more digital activities carried out by a single undertaking as a single digital activity where:²³⁵

- (a) the activities have substantially the same or similar purposes; or
- (b) the activities can be carried out in combination with each other to fulfil a specific purpose.

4.131 The Guidance explains that the CMA will decide on the facts of each case whether or not to treat two or more of the potential SMS firm’s digital activities and the

²³⁰ [Which? response to Proposed Decision](#), page 1. Which? is a UK consumer advocacy organisation.

²³¹ [Epic Games response to Proposed Decision](#), page 4.

²³² [Mozilla response to Proposed Decision](#), page 3.

²³³ [Information Technology & Innovation Foundation response to Proposed Decision](#), pages 1–2; [Consumer Choice Center response to Proposed Decision](#), page 3; [§] [Anonymous financial services firm response to Proposed Decision](#), pages 7–8. Information Technology & Innovation Foundation (ITIF) is a nonprofit think tank for science and technology policy, funded by a number of individuals and corporations including Apple, Google, and Microsoft. Consumer Choice Center (CCC) is a consumer advocacy group.

²³⁴ [§] response to Proposed Decision, pages 3–4. [§].

²³⁵ Section 3(3) of the Act.

products within those as a single digital activity for designation purposes. The Guidance also states that, in deciding whether to group two or more digital activities, the CMA will interpret the statutory conditions broadly.²³⁶ For example, the concept of ‘purpose’ may refer to any relevant aspect of how the products are made, marketed, sold, accessed, or consumed, and may therefore relate to customer needs or preferences rather than technical complementarity. The Guidance gives a non-exhaustive list of examples of circumstances where it may be appropriate to group activities into a single activity including the example of products that are usually purchased or used in combination by potential customers.²³⁷

- 4.132 In this case, when considering the specific purpose for which the relevant digital activities may be carried out in combination under section 3(3)(b) of the Act, we have taken account of, among other things, how those activities are: (i) provided by Apple on the one hand; and (ii) consumed by users on the other. Approaching it in that manner means that any grouping of digital activities will reflect how the relevant digital activities are carried out in practice.²³⁸ That is a valuable lens through which to identify and, as appropriate, group activities in a manner which reflects the real-world connections between different products offered by a single firm (here, Apple).
- 4.133 We have also considered Apple’s submissions that section 3(3) of the Act is a deeming provision, which Apple says assumes there to be a state of affairs which (but for the ‘deeming’) would otherwise not have arisen, with the result that the deeming power should be construed as narrowly as possible.²³⁹ As explained below, we have considered carefully whether the legal conditions for grouping are met, and also whether it is appropriate to exercise that power in setting the scope of the digital activities to be subject to the designation. We have paid particular attention to ensuring that the activities can be carried out in combination with each other for the identified purpose, reflecting the reality of how they are carried out and consumed in practice. Therefore, our use of that power is aimed at identifying

²³⁶ CMA194, paragraph 2.14.

²³⁷ [The Explanatory Notes to the Act](#) also provide instructive grouping examples as follows: (i) a number of services under different brands with a common function, allowing users, such as advertisers and publishers, to communicate with each other under section 3(3)(a); and (ii) services and products which are part of the same supply chain, such as services selling advertisements and the provision of an advertising platform under section 3(3)(b).

²³⁸ Whilst we have examined Apple’s submissions concerning the prior cases relating to certain aspects of the mobile ecosystems under different legal frameworks and in different statutory contexts, we note that none of those cases involved the legal requirement to describe digital activities in respect of which a market power assessment must then be carried out. Under the Act, we are required to consider both the descriptions of the digital activities under section 3(1), and the question as to whether it would be appropriate to group those activities under section 3(3), taking a careful account of the facts and context relevant to our investigation. In other words, these prior cases under different legal regimes and in different statutory contexts in the past are not determinative of, and not necessarily instructive to, our consideration as to how we should treat the relevant digital activities for the purposes of this investigation. Having said that, we have considered those examples and where appropriate, we refer to them in our decision (for example below where we consider whether the assessment in the CMA’s [MBCG MI Final Decision Report](#) should have any bearing on our decision in this investigation).

²³⁹ [Apple response to Proposed Decision](#), paragraph 54. In other words, a deeming provision creates a statutory fiction, meaning that certain things are assumed as true for legal purposes, even if they may not be factually accurate.

the relevant digital activities as carried out by Apple and consumed by users of Apple's Mobile Platform, based on the existing 'state of affairs' as we evaluate it.

Whether the activities can be carried out in combination with each other to fulfil a specific purpose

- 4.134 The four relevant digital activities (the Smartphone Operating System, Tablet Operating System, Native App Distribution, and Mobile Browser and Browser Engine) each consist of the provision of a service by means of the internet or the provision of digital content, by Apple.
- 4.135 Each of the four digital activities has its own functionalities, and if seen in isolation their respective purposes could be described in different ways depending on the particular context.²⁴⁰ However, they are each important building blocks within Apple's Mobile Platform in facilitating interactions between users of Mobile Devices on the one hand, and providers of digital content and/or services on Mobile Devices on the other. Thus:
- (a) Apple's iOS and iPadOS operating systems are pre-installed software that act as the intermediaries between its hardware (Mobile Devices, namely iPhones and iPads) and software; this software (ie the operating systems) therefore facilitates interactions between users and providers of digital content and services by providing the necessary technical bridge between the user of the Mobile Device itself and the content providers;
 - (b) Apple's native app distribution, through the App Store, provides the channel through which native apps are provided on Apple Mobile Devices; facilitating interactions between users and providers of digital content and services and which relies upon the operating system to reach the device;
 - (c) Apple's mobile browser and browser engine, which includes Safari and WebKit, provides the route by which users access content offered on the web by content providers; again, this digital activity facilitates interactions between users and providers of digital content and services by providing the user interface and underlying technology to transform web page source code into content with which users can engage via their Mobile Devices. While there are alternatives to Safari, they are all powered by Apple's WebKit and most

²⁴⁰ In the [MBCG MI Final Decision Report](#), the CMA decided that there are separate product markets for mobile operating systems, mobile app distribution, mobile browsers and browser engines. However, under section 3 of the Act we are concerned to identify whether *different* products and services, which may well be in different product markets, can be provided in combination to fulfil a specific purpose. The fact that a set of products and services when seen in isolation may serve different purposes within their respective product markets does not mean that they cannot *also* be supplied *in combination* to fulfil a specific purpose.

consumers use Safari which is pre-installed and set as a default on their Mobile Devices.²⁴¹

- 4.136 In practice, and consistent with our prior work in respect of mobile ecosystems,²⁴² the evidence shows that Apple's operating systems, app store and browser and browser engine across its Mobile Devices are provided (or 'carried out') in a tightly integrated manner:
- (a) In as early as 2010, Apple's then-CEO Steve Jobs set out Apple's vision to 'tie all of our products together, so we further lock customers into our ecosystem' and 'make Apple ecosystem even more sticky'.²⁴³ In 2013, Apple's senior executives (in an internal email exchange involving now-CEO Tim Cook) reiterated this goal to 'get people hooked to the ecosystem'.²⁴⁴
 - (b) Apple's submissions in this investigation further support the tightly integrated nature of the individual digital activities. For example:
 - (i) In its ITC response, Apple explained that it offers integrated products that combine hardware and software to create a highly differentiated user experience; iPhone and iPad include an operating system, the App Store, apps, and hardware components that Apple designed from scratch to maximise performance, usability, privacy, and security.²⁴⁵
 - (ii) Apple further noted that it does not consider its operating systems, the App Store, browser, and browser engine to be distinct products. Instead, these are all aspects of iPhone, iPad, and other integrated Apple products.²⁴⁶
 - (c) In its public filing, Apple similarly stated that it 'designs and develops nearly the entire solution for its products, including the hardware, operating system, numerous software applications and related services'.²⁴⁷
- 4.137 End-users receive and use the various services and digital content in an integrated manner. A consumer purchasing an Apple Mobile Device will obtain with the device, the operating system, the browser and browser engine, and the App Store app which is necessary to obtain Native App Distribution services. As is

²⁴¹ As described in Appendix A – Market Outcomes, Safari has a share of supply of 86% on iOS, which has been consistent for many years.

²⁴² [Mobile ecosystems market study final report \(MEMS\)](#), June 2022, paragraphs 2.20 and 2.45.

²⁴³ Don Reisinger, 'Steve Jobs wanted to 'further lock customers' into Apple's ecosystem', published on CNET on 2 April 2014. See also Sean Hollister, 'Sweetheart deals and plastic knives; All the best emails from the Apple vs. Epic trial', published on Verge on 19 August 2021.

²⁴⁴ Sean Hollister, 'Sweetheart deals and plastic knives; All the best emails from the Apple vs. Epic trial', published on Verge on 19 August 2021.

²⁴⁵ Apple's [ITC response](#), paragraph 1.3.

²⁴⁶ Apple's [ITC response](#), paragraph 1.5.

²⁴⁷ [Apple Form 10-K for the fiscal year ended 28 September 2024](#).

recognised in the quotes from Apple above, the different digital activities form part of a single integrated 'ecosystem'.

- 4.138 We recognise that the four digital activities are not *all* provided to *all* end-users (for example because not all end-users have both iPads *and* iPhones). We also recognise that most end-users are unlikely to make use of *all* of the digital activities *simultaneously* (which, if taken literally, would mean an end-user simultaneously using an iPad and an iPhone, browsing the internet and downloading a native app). However, those considerations do not detract from the fact that Apple carries out the activities (ie it provides the services and digital content), and that users can consume them, as an integrated package of complementary services and content (as many users do – see below in relation to iPads and iPhones).²⁴⁸
- 4.139 Taken together, the provision of these activities as an integrated package of complementary services and content fulfils the purpose of facilitating interactions between users and providers of digital content and services on Mobile Devices, in order to enable users to access, view and engage with such content and services on their Mobile Devices. As some of the evidence cited above notes, the integrated package provided by Apple (and consumed by users) encompasses a wider range of integrated products and services than the four activities which we have identified, including in particular a range of pre-installed first party apps such as Mail, Notes, iMessage, clock app, the reminders app, calendar, maps, torch, or Apple's productivity software suite iWork (including Pages, Numbers and Keynote). However, our regulatory focus does not extend to that wider range of products, and it would not be appropriate to encompass them within the designation. Instead, we have focused on the use of a subset of Apple's products for what we consider to be a precise and clearly defined purpose in the context of its broader Mobile Ecosystem.
- 4.140 Whilst it might be possible to identify a narrower subset of products with a different purpose, for example by treating 'browsing the internet' and 'app distribution' as distinct purposes, we have exercised our regulatory judgement as to what is an appropriate purpose for this investigation. There are differences between accessing content and services through a browser, as opposed to by downloading an app, but there are also many similarities, and indeed in many situations end-users and providers have a choice over which route to use (with a large number of providers making their content and services available through apps *and* websites).
- 4.141 Submissions from other stakeholders were supportive of our grouping proposal overall and emphasised the appropriateness of grouping given the close

²⁴⁸ As Which? put it, it is only by using all of the digital activities in combination that users can make full use of their devices, [Which? response to Proposed Decision](#), page 1. Similarly, Mozilla explained that while in theory, one could access content or services only through browsers, or only through native apps, in practice the vast majority of users use both; they are used in combination, [Mozilla response to Proposed Decision](#), page 3.

interlinkages and seamless integration between the elements of the Mobile Platform in fulfilling the purpose of connecting users and content providers.²⁴⁹

- 4.142 In addition, we understand that the interlinkages between these digital activities are likely to remain in place and potentially become a more important characteristic of Apple's Mobile Ecosystem over the forward-looking assessment period of the next five years. We received third-party submissions that technological developments such as AI and connected devices are likely to enhance the importance of integration for competition in Mobile Ecosystems and for how users and developers interact with Mobile Devices.²⁵⁰
- 4.143 Some third parties contended that there are different competitive dynamics between each individual digital activity which makes grouping of them inappropriate.²⁵¹ A third party also raised a concern that the conditions for 'clustering' products for the purposes of analysing competition in a particular market do not appear to have been met.²⁵² As explained above, the assessment of the relevant digital activities under section 3(3) is different in nature from a formal market definition exercise.²⁵³
- 4.144 In relation to the concern that grouping may obscure important differences in competitive dynamics between the individual digital activities, we note that grouping does not restrict the CMA's ability to consider those differences in the competitive assessment. It is important to consider the competitive dynamics affecting the Mobile Platform as a whole as well as its constituent elements: this is how we have approached our assessment of SEMP later in this report.
- 4.145 Grouping Apple's digital activities also reflects how competition between Mobile Platforms works in reality. As explained later in this report, Apple's Mobile Platform comprises interconnected components and in order to compete effectively with Apple's Mobile Platform, a rival would need to be able to provide a version of each of these components, configured to work together. If there were to be unexpected market developments during the forward-looking period which affected particular elements of the Mobile Platform, the CMA would work with Apple and the industry

²⁴⁹ [The Coalition for App Fairness response to Proposed Decision](#) page 1, [§] [Anonymous response to Proposed Decision](#) page 2, [Epic Games response to Proposed Decision](#) page 4, [Spotify response to Proposed Decision](#) page 1, [Innovate Finance response to Proposed Decision](#) page 1, [Open Web Advocacy response to Proposed Decision](#) page 8-9, [§] response to proposed decision [§], [Vivaldi response to Proposed Decision](#) page 2, [Mozilla response to Proposed Decision](#) page 2-4, [Japan Association of New Economy response to Proposed Decision](#) page 1-2, [Which? response to Proposed Decision](#) page 1, [an individual response to Proposed Decision](#) page 1-3.

²⁵⁰ See Chapter 8 and Mozilla's response to Proposed Decision, page 3.

²⁵¹ [Information Technology & Innovation Foundation response to Proposed Decision](#), pages 1-2; [§] [Anonymous financial services firm response to Proposed Decision](#), pages 7-8.

²⁵² [Information Technology & Innovation Foundation response to Proposed Decision](#), pages 1-2.

²⁵³ As noted in 'Legal framework and approach' above and in the CMA's Guidance, the CMA's approach to identifying digital activities is distinct from a formal market definition exercise and the CMA is not required to define a relevant market when assessing SMS.

to ensure that the grouped digital activity remained appropriate as the basis for designating and regulating Apple.²⁵⁴

Commonality of purpose between Smartphone Operating System and Tablet Operating System

- 4.146 As part of our overall assessment across the four digital activities explained above, we have given particular consideration to whether and, if so, how the identification of two separate digital activities for operating systems (the Smartphone Operating System and the Tablet Operating System) impacts our grouping assessment.
- 4.147 We recognise that the Smartphone Operating System and the Tablet Operating System are not necessarily both provided *to each end-user*. Each operating system functions independently, and many consumers have an Apple smartphone but not an Apple tablet (or vice versa).
- 4.148 However, whether a consumer uses an Apple smartphone or an Apple tablet, in addition to being provided with the relevant operating system they will also be provided with the services and content comprised in Native App Distribution and Mobile Browser and Browser Engine.²⁵⁵ Those digital activities are common to users of Apple smartphones and tablets. Thus, viewed from the perspective of end-users, it is not the case that a smartphone user wishing to use their device to access third-party services and content would use a completely different package of Apple's digital activities to those which a tablet user would use. Rather, both users would use a package which includes (in addition to the operating system) Native App Distribution and Mobile Browser and Browser Engine.
- 4.149 Furthermore, although not all consumers have an Apple smartphone and a tablet, Apple provides the various digital activities in an integrated manner which is intended to, and does, facilitate seamless engagement and user experience across Apple devices (and thus across operating systems). This is reflected in Apple's marketing and design of its products.²⁵⁶ For example:
- (a) On a webpage with the headline 'All your devices. One seamless experience', Apple describes how users 'can do so much more' when using Apple's devices together. It gives examples of that 'seamless experience', including: (i) a feature enabling a user to take and make iPhone calls on their

²⁵⁴ The Act gives the CMA the power to give a revised version of its SMS decision if it changes its view of the undertaking or the digital activity, provided that the undertaking or digital activity, as the case may be, remains substantially the same (section 15(4)), as well as the power to commence a new SMS investigation and revoke the existing designation at any time during the designation period relating to that designation (sections 10 and 16 of the Act).

²⁵⁵ As explained above, each of Native App Distribution; and Mobile Browser and Browser Engine is one digital activity across both types of Mobile Device.

²⁵⁶ Apple submitted in footnote 63 of its [response to the Proposed Decision](#) that the fact that two products integrate with each other (as explained in Apple's own statements) does not mean that they are used in combination for a specific purpose. In its plain meaning, 'integrate' denotes combining one thing with another to form a whole, which by its very definition means that the two integrated things can be, and often are, used in combination with each other for a specific purpose.

iPad; (ii) a feature called 'Handoff' enabling a user to write an email on their iPhone and continuing on their iPad; and (iii) a feature called 'Universal Clipboard' enabling a user to copy images, video or text from an app on their iPhone or iPad and paste into an app on another device.²⁵⁷

- (b) Apple's cloud storage solution iCloud 'is built into every Apple device', which Apple characterises as providing 'one powerfully connected experience'. Among other things, iCloud enables a user to access files and folders from the Files App on both iOS and iPadOS and keeps data on their iPhone and iPad automatically backed up.²⁵⁸
- (c) Each Apple device user has an Apple Account (formerly Apple ID) that gives them 'access to all Apple services and makes all of [their] devices work seamlessly'.²⁵⁹ Apple specifically calls out iCloud and the App Store as services that users can access with their Apple Account.²⁶⁰

- 4.150 Apple also markets iOS and iPadOS as tightly integrated with each other to app developers. Specifically, Apple recommends that developers building apps for iPadOS should 'consider adding support for iOS at the same time', noting that 'iOS and iPadOS share many of the same technologies, making it easy to support both with the same executable.'²⁶¹
- 4.151 The provision by Apple of an integrated suite of complementary services across Apple devices is reflected in user behaviour. In particular, [§].²⁶² Accordingly, while it is right to say that many consumers use only an Apple smartphone or tablet, it is also true that a very significant cohort of consumers use both. Thus, not only *can* the four activities be provided and used in combination: in a very large number of cases, they *are* provided and used in combination.
- 4.152 Lastly, whilst there are some differences in the ways in which end-users use smartphones and tablets to access third-party services and content, taken as a whole our view is that the similarities in use case are far stronger than the differences, with end-users and developers treating the App Store as a single app marketplace across Apple devices and Safari as a single browser.
- 4.153 For these reasons, the identification of two separate digital activities for operating systems does not undermine our conclusion as set out below.
- 4.154 In assessing the appropriate exercise of the grouping power under section 3(3)(b) of the Act, we have also taken account of Apple's position that, if we are to group digital activities, which Apple disagrees with, we should consider separately

²⁵⁷ [macOS - Continuity - Apple \(UK\)](#)

²⁵⁸ [iCloud](#).

²⁵⁹ [Apple Account Support](#)

²⁶⁰ [How to create a new Apple account](#).

²⁶¹ [Get Started - iPadOS - Apple Developer](#)

²⁶² Apple's submission [§].

grouping the digital activities carried out on iPhones and those activities carried out on iPads.²⁶³ As set out above, we have concluded that grouping of the four digital activities satisfies the legal test under section 3(3)(b) of the Act. In contrast, the suggested two separate groupings of the activities for each of iPhones and iPads are not aligned with the scope of the digital activities; in particular, this approach would be inconsistent with our conclusions that each of the Native App Distribution activity and the Mobile Browser and Browser Engine activity is a single activity carried out across iPhones and iPads as defined under section 3(1) of the Act.

Consistency with the underlying purpose of the digital markets competition regime

- 4.155 Under section 3(3) of the Act, where two or more activities within subsection (1) can be carried out in combination with each other to fulfil a specific purpose, the CMA may (but is not obliged to) treat them as a single digital activity.
- 4.156 Treating the activities as a single digital activity means that the CMA's assessment of the next statutory steps, namely whether Apple has substantial and entrenched market power and whether it has a position of strategic significance, is directed at that single activity (the provision of a Mobile Platform). This is important because it reflects the reality that the four activities are provided (and consumed) in an integrated and overlapping way.
- 4.157 Additionally, we consider that treating the four activities as a single digital activity will have benefits when the CMA considers potential conduct requirements, insofar as these might pursue an overarching goal of promoting greater competition such that UK app developers and innovators developing and distributing content via Apple's Mobile Platform are able to innovate and grow their businesses. Given the integrated nature of the activities, it is likely that some potential conduct requirements may relate to Apple's ability to use its substantial and entrenched market power across the Mobile Platform and/or relate to more than one of the four digital activities.²⁶⁴
- 4.158 Given the forward-looking nature of the regime, grouping the digital activities also ensures that the designation is sufficiently flexible and future-proof to account for future technological advances affecting more than one aspect of Apple's Mobile Platform or where there may be different permutations of how the digital activities are provided and consumed in the future, eg AI tools.

²⁶³ Apple, Oral Representations transcript, [38].

²⁶⁴ We note that one third party ([38] [Anonymous financial services firm](#)) raised concerns that grouping could limit the CMA's ability to design targeted and proportionate remedies and have an impact on innovation and security. It submitted that disaggregating the activities may allow for more nuanced and effective interventions. We consider the opposite to be true because conduct requirements do not have to relate to the Mobile Platform activity in its entirety but can focus on particular aspects where we have identified competition concerns which we have prioritised to investigate.

- 4.159 There is no risk of ‘over-regulation’ because the grouped activity is no wider than the sum of its constituent parts. In practice, this means that if Apple starts to provide a new digital activity which does not fall within the specific descriptions of the single digital activities under section 3(1) of the Act as set out in this decision, such a new activity will not fall within the description of the grouped digital activity.
- 4.160 For these reasons we treat the four activities as a single digital activity: the provision of a Mobile Platform.

Potential grouping under section 3(3)(a) of the Act

- 4.161 In the Proposed Decision, we explained that given our provisional conclusion that the relevant digital activities can and should be grouped as a single Mobile Platform digital activity under section 3(3)(b), it was not necessary to determine whether the activities also have substantially the same or similar purposes under section 3(3)(a). However, we went on to indicate that the available evidence suggested that the activities could have substantially the same or similar purposes. Apple disagreed with this assessment.
- 4.162 In light of our decision to group the digital activities under section 3(3)(b), we do not need to decide whether it may be possible and appropriate to use our power under section 3(3)(a) of the Act.

Conclusion

- 4.163 Our conclusion is that the four digital activities which we have identified (the Smartphone Operating System, the Tablet Operating System, Native App Distribution, and Mobile Browser and Browser Engine) can be carried out in combination with each other to fulfil a specific purpose, namely facilitating interactions between users and providers of digital content and services (as applicable) on Mobile Devices in order to enable users to access, view and engage with such content and services on their Mobile Devices. We refer to that single activity as the provision of a Mobile Platform.
- 4.164 We therefore conclude that (i) the legal conditions for grouping Apple’s four digital activities into a single activity are met under section 3(3)(b); and (ii) exercising the power to group Apple’s activities in this case is consistent with the underlying purpose of the digital markets competition regime.

The digital activity is linked to the UK

This section considers whether Apple’s provision of the digital activity is ‘linked to the UK’. We conclude that each of the conditions in the Act (any one of which would suffice) is satisfied and therefore that Apple’s provision of its Mobile Platform is linked to the UK.

- 4.165 The CMA may designate an undertaking as having SMS in respect of a digital activity carried out by the undertaking where the CMA considers that the digital activity is ‘linked to the UK’.²⁶⁵
- 4.166 A digital activity is linked to the UK if:
- (a) the digital activity has a significant number of UK users;²⁶⁶
 - (b) the undertaking that carries out the digital activity carries on business in the UK in relation to the digital activity; or
 - (c) the digital activity or the way in which the undertaking carries on the digital activity is likely to have an immediate, substantial and foreseeable effect on trade in the UK.²⁶⁷
- 4.167 Based on the evidence we have obtained, we consider that each of the conditions in the Act (any one of which would suffice) is satisfied and therefore that Apple’s provision of its Mobile Platform is linked to the UK. As set out below, this is the case across the component parts of its Mobile Platform: namely, its Smartphone Operating System, Tablet Operating System, Native App Distribution, and Mobile Browser and Browser Engine – and so for the Mobile Platform as a whole.

Smartphone and Tablet Operating Systems

- 4.168 Apple’s Smartphone Operating System and Tablet Operating System each have a significant number of UK users:
- (a) In 2024, there were [X] [40-50] million accounts making transactions on iPhones (using iOS) and [X] [10-20] million accounts making transactions on iPads (using iPadOS) in the UK.²⁶⁸ This is a very significant number of users in the UK, particularly in the context of a UK population of 69 million.²⁶⁹
 - (c) Apple has consistently been one of the largest suppliers of each of smartphone operating systems and tablet operating systems in the UK for almost a decade. In each year from 2015 to 2024, [X] [50 – 60]% of active

²⁶⁵ Section 2(1)(a) of the Act.

²⁶⁶ There is no quantitative threshold for how many UK users can be considered ‘significant’: the CMA’s assessment may consider the firm’s absolute position and/or the number of UK users it has relative to other undertakings (CMA194, paragraph 2.22).

²⁶⁷ Section 4 of the Act.

²⁶⁸ Transacting accounts are those accounts that made a free or paid app download or paid in-app purchase or subscription across Apple’s services in the calendar year 2024. Apple’s response to section 69 notice [X].

²⁶⁹ According to estimates reported by [Worldometer](#), in 2024, the UK population was around 69 million.

smartphones were iOS devices.²⁷⁰ In each year from 2017 to 2024, [REDACTED] [50 – 60]% of active tablets were iPadOS devices.²⁷¹

4.169 Apple carries on business in the UK in relation to the provision of a Smartphone Operating System and a Tablet Operating System because it supplies its operating systems to users in the UK.

4.170 As the provider of one of the main smartphone operating systems and tablet operating systems in the UK, and the only operating systems used on Apple smartphones and tablets, the effect on trade in the UK of Apple's provision of its Smartphone Operating System and its Tablet Operating System is likely to be immediate, substantial and foreseeable.

Native App Distribution

4.171 Apple's Native App Distribution has a significant number of UK users:

- (a) Apple's App Store has a significant number of active users in the UK. For example, in the UK in 2024, it had [REDACTED] [20 – 30] million monthly active users (meaning users that download at least one app per month).²⁷²
- (b) There are also a significant number of app developers listing apps on the App Store. For example, in 2024 in the UK, the average number of app developers with apps available on the App Store at the end of each month was approximately [REDACTED] [0 – 1 million], and the average number of native apps available on the App Store at the end of each month was approximately [REDACTED] [1 – 2] million.²⁷³

4.172 Apple carries on business in the UK in relation to Native App Distribution: In 2024, the value of customer billings and net revenues on the UK App Store were £[REDACTED] [0 – 5] billion and £[REDACTED] [0 – 2 billion] respectively.^{274,275}

²⁷⁰ The CMA has measured shares of supply on the basis of active devices. We note Apple's submission that its operating systems are not separate products from the devices they operate on and thus do not have distinct competitive conditions. Apple's response to section 69 notice [REDACTED]. CMA analysis of data from market participants, in particular Apple's response section 69 notice [REDACTED]; Google's response to section 69 notice [REDACTED]; and Huawei's response to section 69 notice [REDACTED]. More detail on shares of supply is set out in Appendix A.

²⁷¹ The CMA has measured shares of supply on the basis of active devices. We note Apple's submission that its operating systems are not separate products from the devices they operate on and thus do not have distinct competitive conditions. Apple's response to section 69 notice [REDACTED]. CMA analysis of data from market participants in particular Apple's response to section 69 notice [REDACTED]; Google's response to section 69 notice [REDACTED]; Amazon's response to section 69 notice [REDACTED]; and Huawei's response to section 69 notice [REDACTED]. More detail on shares of supply is set out in Appendix A.
²⁷² We have calculated the monthly active users for 2024 taking the average of the monthly data Apple provided. See Apple's response to section 69 notice [REDACTED]. See Appendix A for further information.

²⁷³ We have calculated monthly averages based on data from Apple. See Apple's response to section 69 notice [REDACTED]. See Table A.1 in Annex A for further information.

²⁷⁴ Apple's response to section 69 notice [REDACTED]. See Appendix A for further information.

²⁷⁵ Customer billings means the value of user spend within apps via Apple's in-app purchase (IAP) and net revenue means the value of customer billings retained by Apple via its IAP. IAP refers to in-app purchase, Apple's proprietary payment system as described in Section 3.1.1 of Apple's App Review Guidelines.

4.173 Apple's provision in Native App Distribution is likely to have an immediate, substantial and foreseeable effect on trade in the UK: in its response to the CMA's ITC, Apple noted that, '[t]he App Store facilitated more than \$1.1 trillion in billings and sales worldwide in 2022, with the UK alone enjoying \$48 billion in billings and sales, by far the largest in all of Europe.'²⁷⁶

Mobile Browser and Browser Engine

4.174 Apple's Mobile Browser and Browser Engine have a significant number of UK users:

- (a) In June 2025 in the UK, Safari had an 84% share of supply of browsers on iOS (including iPadOS).²⁷⁷ In 2024, it had a share of supply across all Mobile Devices in the UK of 43%.²⁷⁸
- (b) WebKit has a 100% share of supply for browser engines on Apple's Mobile Ecosystem in the UK due to the fact that WebKit is the only browser engine permitted to be used on Apple iPhone and iPad.

4.175 Apple carries on business in the UK in relation to the provision of its Mobile Browser and Browser Engine as it supplies them in the UK.

4.176 As the provider of one of the two main Mobile Browsers and Browser Engines in the UK for Mobile Devices, and the main mobile browser and only browser engine used within Apple's Mobile Ecosystem in the UK, the effect on trade in the UK of Apple's provision of a Mobile Browser and Browser Engine is likely to be immediate, substantial and foreseeable.

²⁷⁶ Apple's [ITC response](#), paragraph 1.14.

²⁷⁷ CMA analysis of publicly available Cloudflare data as set out in Appendix A. Due to the specific methodology used, we note that some browser traffic on iPadOS may be captured under MacOS which means that these figures could be understated.

²⁷⁸ CMA analysis of publicly available Statcounter data as set out in Appendix A. Due to the specific methodology used, we note that some browser traffic on iPadOS may be captured under MacOS which means that these figures could be understated.

5. THE SMS CONDITIONS: OVERVIEW

In this chapter we provide an overview of the substantive conditions set out in the Act for determining whether an undertaking has SMS – substantial and entrenched market power (**SEMP**) and a position of strategic significance (**POSS**) – and we explain the approach we have taken to our assessment as to whether Apple meets these conditions in respect of its Mobile Platform.

Apple's Mobile Platform operates in ways that interact and mutually reinforce one another: for Apple, for content providers and end-users. For Apple, providing its users with access to a wide range of content and services makes its Mobile Devices more attractive, leading to substantial hardware sales as well as revenues through in-app transactions. For content providers, Apple's Mobile Platform provides the infrastructure through which to offer their services to large numbers of consumers, and consumers in turn get access to all the content that is made available to them.

In seeking to assess Apple's position, we have had to consider competitive forces at a somewhat disaggregated level, thinking about different groups of users and different digital activities. But when judging the existence or otherwise of substantial and entrenched market power, it only makes sense to carry out the assessment in the round; focusing unduly on one aspect would miss the bigger, interconnected picture. Considering the picture in the round reflects the commercial realities of what Apple is trying to do in the market; the very same realities which also underlie the decision to 'group' Apple's various digital activities into the Mobile Platform.

Our assessment considers: (i) the competitive constraints on Apple's Mobile Platform from rival Mobile Ecosystems (as set out in chapter 6); (ii) competitive constraints on Apple's mobile content provision and distribution from alternatives within its Mobile Ecosystem, as well as non-mobile alternatives (chapter 7); and (iii) the final elements of our SEMP analysis as well as our POSS assessment (chapter 8).

As set out in chapter 8, we conclude that Apple meets both SMS conditions in respect of its Mobile Platform. For the avoidance of doubt, the evidence set out in this report also supports the conclusion that Apple would meet both SMS conditions in respect of each of the core components of the Mobile Platform as set out in chapter 4.

The framework for our assessment

- 5.1 The CMA may designate an undertaking as having SMS in respect of a digital activity carried out by the undertaking where the CMA considers that the undertaking meets the SMS conditions in respect of the digital activity. The SMS conditions are that the undertaking has substantial and entrenched market power

(**SEMP**) and a position of strategic significance (**POSS**) in respect of the digital activity.²⁷⁹

Substantial and entrenched market power

- 5.2 The first SMS condition requires an assessment of a firm's market power. This is largely an assessment of the available alternatives and the extent to which they provide a competitive constraint on the firm's product or service. This includes alternatives available in the present and possibilities for entry and expansion.
- 5.3 Where a firm operates a two-sided (or multi-sided) platform serving distinct but related customer groups (such as content providers and end users), we will generally consider both customer groups and the alternatives available to each; and the interlinkages between the sides of the platform, including the role of network effects.²⁸⁰
- 5.4 To assess whether an undertaking has substantial and entrenched market power in respect of a digital activity,²⁸¹ the CMA must also carry out a forward-looking assessment of a period of at least five years, taking into account developments that:²⁸²
- (a) Would be expected or foreseeable if the CMA did not designate the undertaking as having SMS in respect of the digital activity; and
 - (b) may affect the undertaking's conduct in carrying out the digital activity.
- 5.5 Our Guidance explains the approach we will take and the types of evidence we may draw upon in assessing the first SMS condition.²⁸³ In particular:
- (a) While 'substantial' refers to the extent of market power and 'entrenched' is intended to ensure a firm is not designated where its market power is only transient, our assessment of each element will typically draw on a common set of evidence.²⁸⁴
 - (b) Where the CMA 'groups' two or more of the firm's digital activities into a single digital activity, the SMS assessment will relate to the grouped activity as a whole. In practice, we may consider evidence relevant to market power of individual products and whether and how any interlinkages between these may contribute to market power across the digital activity; for example,

²⁷⁹ Section 2(2) of the Act.

²⁸⁰ CMA194, paragraph 2.52.

²⁸¹ Paragraph 109 of the Explanatory Notes explain in respect of the legal test under section 5 that: '(t)he underlying policy intent is that the CMA should be satisfied that the undertaking's power and influence in the digital activity is neither small nor transient, based on their consideration of competitive conditions.'

²⁸² Section 5 of the Act.

²⁸³ CMA194, paragraphs 2.50-2.65.

²⁸⁴ CMA194, paragraph 2.54.

whether the firm's position in one activity in the group reinforces its position in another.²⁸⁵

'Substantial' market power

- 5.6 Market power arises where a firm faces limited competitive pressure and individual consumers and businesses have limited alternatives to its product or service, or even if they have good ones, they face barriers to shopping around and switching. It is often thought of as the power to price above competitive levels, but it can also relate to the extent to which a firm faces competitive pressures to raise quality and innovate.²⁸⁶
- 5.7 Market power is 'substantial' when a firm does not face strong competitive constraints in respect of the digital activity.²⁸⁷
- 5.8 The Act creates a new legal regime with a separate framework and purpose from the Competition Act 1998. It does not refer to dominance but instead, as set out above in the 'Context to this investigation' section, adopts the test of 'substantial and entrenched market power'.²⁸⁸ The frame of reference for that test is not a product and geographic market, established by a process of market definition, but instead the more flexible concept of a 'digital activity'.²⁸⁹
- 5.9 As explained above, Apple's Mobile Platform comprises four individual digital activities, each of which encompasses a number of products, functionalities, 'layers' (in the case of the Smartphone Operating System and Tablet Operating System) or services. While, in principle, Apple may face stronger competitive constraints in relation to some of those products, functionalities, layers or services than in relation to others,²⁹⁰ the question we have to answer is whether Apple has substantial and entrenched market power in respect of the digital activity of its Mobile Platform.
- 5.10 This is the legal test that we have applied to the evidence. As our Guidance explains, this entails a case-specific assessment and there is no exhaustive list of factors that must be present for a firm to have substantial market power.²⁹¹ Relevant evidence may include indicators such as the level and stability of shares of supply, the number and strength of competitive constraints to incumbent firms,

²⁸⁵ CMA194, paragraph 2.65. See also paragraph 2.16.

²⁸⁶ CMA194, paragraph 2.51 and footnote 43.

²⁸⁷ CMA194, paragraph 2.55.

²⁸⁸ Unlike other regimes: for example, the Communications Act 2003, which provides expressly that 'significant market power' is to be construed in the same way as the concept of dominance under the Competition Act 1998: section 78.

²⁸⁹ CMA194, paragraphs 2.63-2.64. See also Explanatory Notes to the Act, paragraph 109: section 5 of the Act 'does not require the CMA to undertake a formal market definition exercise as part of an SMS investigation'.

²⁹⁰ By way of example, the Foundation Model Framework provides app developers with access to Apple's on-device foundation models. However, if so inclined, app developers can instead use their own or a third party's foundation model and run them on the device. It is not necessary for Apple to have substantial and entrenched market power in respect of foundation models for the Foundation Model Framework to form part of the relevant digital activity (here, the Mobile Platform).

²⁹¹ CMA194, paragraph 2.55.

profitability levels and levels of customer switching. The sources of market power may include supply-side factors (eg network effects, economies of scale and scope, integration into wider ecosystems) and demand-side factors (eg switching costs, behavioural biases, and the role of brand and reputation).²⁹²

‘Entrenched’ market power

- 5.11 Our Guidance explains that when carrying out that forward-looking assessment, we will consider developments that may affect the firm’s market power, including: (i) market developments such as emerging technology, innovation and new entrants; and (ii) regulatory developments.²⁹³
- 5.12 We will not seek to make precise predictions about the likely development of the industry. Instead, we will consider whether relevant developments are likely to be sufficient in scope, timeliness and impact to eliminate the firm’s substantial market power.²⁹⁴ Where the CMA has found evidence that the firm has substantial market power at the time of the SMS investigation, and where there is no clear and convincing evidence that relevant developments will be likely to dissipate the firm’s market power, this will generally be supportive of a finding that market power is entrenched.²⁹⁵
- 5.13 With any ex ante assessment, there will necessarily be some uncertainty as to the future evolution of a sector. However, such uncertainty does not preclude the CMA from finding substantial and entrenched market power based on the evidence available to it when making its assessment.²⁹⁶ We have assessed the evidence on the balance of probabilities, and with no presumption one way or the other.
- 5.14 As explained in our Guidance, our assessment of whether market power is entrenched starts with market conditions and market power as of now and considers expected and foreseeable developments over the designation period, as required by the Act.²⁹⁷ We consider what the sources of Apple’s market power have been, whether these are likely to remain in the future and whether Apple’s market power has endured through previous market developments.²⁹⁸
- 5.15 In the sections that follow, we set out the evidence we have obtained in this investigation in relation to the SMS conditions and the conclusions we draw from it. In response to our Proposed Decision, Apple disputed the probative value, and our assessment, of individual aspects of that evidence base.²⁹⁹ Whilst in arriving at our decisions we have carefully considered Apple’s submissions on each of these

²⁹² CMA194, paragraph 2.53.

²⁹³ CMA194, paragraph 2.59.

²⁹⁴ CMA194, paragraph 2.60.

²⁹⁵ CMA194, paragraph 2.62.

²⁹⁶ CMA194, paragraph 2.58.

²⁹⁷ CMA194, paragraphs 2.60 to 2.62.

²⁹⁸ CMA194, paragraph 2.61.

²⁹⁹ See submission from Apple [38]. The CMA addresses Apple’s submissions in Appendix C.

aspects of the evidence base, our findings are based on the totality of the evidence, taken in the round and applying the balance of probabilities.³⁰⁰

Position of Strategic Significance

5.16 An undertaking has a position of strategic significance in respect of a digital activity where one or more of the following conditions is met:³⁰¹

- (a) the undertaking has achieved a position of significant size or scale in respect of the digital activity;³⁰²
- (b) a significant number of other undertakings use the digital activity as carried out by the undertaking in carrying on their business;³⁰³
- (c) the undertaking's position in respect of the digital activity would allow it to extend its market power to a range of other activities; and
- (d) the undertaking's position in respect of the digital activity allows it to determine or substantially influence the ways in which other undertakings conduct themselves, in respect of the digital activity or otherwise.

5.17 Our Guidance provides further details as to how the CMA will assess each condition.³⁰⁴

Our assessment approach

5.18 Our analysis of the SMS conditions has three parts.

- (a) Chapter 6 considers SEMP and **competitive constraints on Apple's Mobile Platform from rival Mobile Ecosystems**. We consider the competitive constraints in relation to each group: end-users and content providers who use each side of the platform. We also consider the impact of revenue sharing arrangements between Apple and Google as well as barriers to entry and expansion for Mobile Ecosystems and the extent to which Apple faces a competitive constraint from the threat of a new Mobile Ecosystem emerging.

³⁰⁰ CMA194, paragraph 2.80.

³⁰¹ Section 6 of the Act.

³⁰² A position of significant size could refer to the number of users in relation to the relevant digital activity. A position of significant size or scale may also depend on the undertaking's size relative to the digital activity. There is no quantitative threshold for when size or scale can be considered 'significant'. Explanatory Notes to the Act, paragraph 114. See also CMA194, paragraph 2.70.

³⁰³ Our Guidance explains that this condition can be assessed, for example, by reference to the number of businesses, products and services 'hosted' on the firm's platform, and/or the proportion of other firms' sales it facilitates. See CMA194, paragraphs 2.68-2.70. See also Explanatory Notes to the Act, paragraph 114.

³⁰⁴ CMA194, paragraphs 2.68 to 2.75.

(b) Chapter 7 focuses on SEMP and **competitive constraints on Apple's mobile content provision and distribution** from alternatives **within its Mobile Ecosystem** as well as **non-mobile alternatives**.

(c) Chapter 8 sets out the final elements of our SEMP analysis: a profitability analysis, and our assessment of competition to Apple's Mobile Platform arising from wider technological and market, regulatory and other developments. We also present our assessment of whether Apple has a position of strategic significance. Finally, we **conclude on whether Apple's Mobile Platform meets both SMS conditions**.

5.19 We consider forward-looking developments as part of our assessment in Chapters 6 and 7, as relevant. In Chapter 8, we then set out our assessment of wider technological and market, regulatory and other developments together with our conclusions on all the evidence relating to forward-looking developments in the round.

5.20 As set out in the summary box at the start of this chapter, whilst we have considered competitive constraints across different groups of users and digital activities, we take all of these into account in coming to our overall assessment of substantial and entrenched market power.

6. SEMP: CONSTRAINTS ON APPLE'S MOBILE PLATFORM FROM RIVAL MOBILE ECOSYSTEMS

This chapter considers the extent of competitive constraints on Apple's Mobile Platform from rival Mobile Ecosystems.

We consider the strength of competitive constraint from the perspective of users on both sides of the platform:

- In relation to **the availability of alternatives to Apple's Mobile Platform for end-users**, we find that Apple's Mobile Platform holds a share of [50-60]% of device sales in the UK, with its only major rival, Google's Mobile Platform, holding a share of [40-50]%. Apple's share is highest among higher priced devices: 82% of smartphones over £600. Apple differentiates its Mobile Ecosystem from Google's and, as a result, end-users do not perceive the two ecosystems to be close substitutes. End-users considering switching are likely to be among the most contested by Apple and Google, but this group is a minority. The vast majority of users do not consider switching at all and there are both actual and perceived barriers to switching, for example concerns about loss of data (such as photos) when moving between platforms. Taking all of the evidence in the round, our conclusion is that **Apple faces a limited constraint from rival Mobile Ecosystems in competing for end-users overall.**
- In relation to **competition to attract content providers to Apple's Mobile Platform**, Apple's Mobile Platform is a must-have platform, as it is the only means of accessing the large group ([50-60]%) of mobile end-users in the UK with an Apple device. Even with some limited competition for end-users as set out above, the extent of this end-user base has remained persistently large over time. Overall, we conclude that **Apple's Mobile Platform faces very limited constraint from rival Mobile Ecosystems in competing for content providers.**

The revenue sharing agreement between Apple and Google further limits their incentive to compete with each other as the arrangement is of high strategic and financial importance to both.

Furthermore, the extent of the competitive constraint from any Mobile Platforms beyond Google is very limited which is exacerbated by high barriers to entry and expansion. A rival mobile platform would need to attract a sufficient number of app developers to be attractive for consumers, as well as attract a sufficient number of end-users to make the platform attractive for app developers. These 'indirect network effects' are a particularly strong barrier which large companies including Microsoft, Samsung, Mozilla and Amazon have been unable to successfully overcome.

Bringing all these dimensions together to consider the strength of competitive constraint across Apple's Mobile Platform as a whole, **we conclude that Apple's Mobile Platform faces limited competitive constraint from rival Mobile Ecosystems.**

Competition for end-users

When an end-user purchases an Apple Mobile Device, it comes pre-loaded with Apple's Smartphone or Tablet Operating System, iOS or iPadOS, Apple's App Store, and the Safari browser using the WebKit browser engine. Each of the elements of Apple's Mobile Platform is typically used by end-users to access content on their Mobile Devices.

This section assesses the extent to which Apple's Mobile Platform faces competition for end-users from rival mobile ecosystems, focusing on the constraint from Google as the evidence illustrates that Google has consistently been the only sizeable competitor to Apple's Mobile Platform. We find that Apple's Mobile Platform faces only a limited constraint when competing for end-users overall.

- The main parameters of competition on which Apple's Mobile Platform competes with Google's for end-users are price, quality and brand.
- Apple and Google have held high and stable shares over a sustained period, with Apple's share of device sales [50-60]% and Google's [40-50]%. Other mobile ecosystems account for only a small share. Apple's share is highest among higher priced devices (82% of smartphones over £600).
- Apple differentiates its Mobile Ecosystem from Google's and, as a result, end-users do not generally perceive the two ecosystems to be close substitutes.
- Those considering switching are likely to be among the most contested by Apple and Google but this group is a minority. The vast majority of users do not consider switching at all. There are both actual and perceived barriers to switching, for example concerns about loss of data (such as photos) when moving between Mobile Platforms.
- We cannot robustly infer whether relatively high levels of innovation and customer satisfaction are driven by competition or other factors. Improvements in quality are consistent with Apple's incentives to increase revenues from its existing user base and to encourage users to upgrade their devices.
- Other Mobile Ecosystems, such as Amazon, only provide a very limited constraint on Apple's Mobile Platform.

Parameters of competition for end-users

Context

- 6.1 When choosing a Mobile Device, an end-user does not pick a mobile platform in isolation, but rather chooses a mobile ecosystem, considering the Mobile Device, the mobile platform and the content that can be accessed via that mobile platform.³⁰⁵ As set out below, our representative consumer survey³⁰⁶ results show that end-users purchasing a smartphone care about both hardware and software features across the wider mobile ecosystem.³⁰⁷ When assessing the competitive constraint on Apple's Mobile Platform for end-users, it is therefore often necessary to consider the broader Mobile Ecosystem (especially the mobile device hardware), rather than only focus on the core software and digital content components that make up the Mobile Platform. This is reflected in our assessment.
- 6.2 In its response to the Proposed Decision, Apple submitted that it competes with numerous large and deep-pocketed OEMs like Samsung, Google, Amazon, and Microsoft³⁰⁸ and that this competition from other devices requires Apple to invest heavily in the development of iOS, iPadOS, the App Store, Safari, and the other software that Apple integrates into its devices.³⁰⁹
- 6.3 However, as set out in our share of supply analysis below, we find that only Apple, Google, Amazon and Huawei have mobile platforms in the UK. Other manufacturers of Mobile Devices such as Samsung and Oppo do not supply mobile platforms themselves; they use Google's Android operating system and so for the purposes of our assessment are part of the Google Mobile Ecosystem.
- 6.4 We recognise that Apple competes with OEMs at the Mobile Device level and this competition can translate into improvements and innovations to the Mobile Device hardware (eg improvements to camera or screen resolution). Because of the integration between hardware and software, some changes may need to be made to the OS and other software to enable the new or updated hardware to function. However, we do not consider that this translates into an additional constraint on

³⁰⁵ Our assessment concentrates more on smartphones, due to the fact that smartphones account for around 80% of Mobile Devices in 2024 and because the evidence we have received has focused predominantly on smartphones. We draw out differences for tablets where relevant.

³⁰⁶ For this investigation we commissioned a survey of 2,851 UK smartphone users. See Consumer Survey report on [SMS investigation into Apple's mobile platform - GOV.UK](#). We refer to our consumer survey evidence throughout this report and consider certain issues related to the methodology and interpretation of the survey in Appendix C.

³⁰⁷ For example, our consumer survey found that important factors when choosing a smartphone included the following: (i) 50% of iOS users and 53% of Android smartphone users mentioned 'camera'; (ii) 46% of iOS users and 56% of Android smartphone users mentioned 'battery life'; (iii) 41% of iOS users and 50% of Android smartphone users mentioned 'storage capacity/memory'; (iv) 36% of iOS users and 43% of Android smartphone users mentioned 'screen size'; (v) 23% of iOS users and 16% of Android smartphone users mentioned 'security features'; and (vi) 17% of iOS users and 11% of Android smartphone users mentioned 'privacy features'. [Accent Mobile Consumer Survey](#), Figure 9.

³⁰⁸ [Apple's response to Proposed Decision](#), paragraph 71. Apple noted that Samsung, in particular, has a sizeable share of devices in the UK and provides users with an ecosystem of first-party software and hardware, paragraph 72.

³⁰⁹ [Apple's response to Proposed Decision](#), paragraph 80.

Apple at the mobile platform level. Whilst users interact with the mobile platform through device hardware, mobile platforms have many functions beyond simply enabling hardware features and it is the competition at the mobile platform level that will primarily drive innovation within this digital activity.³¹⁰ Any constraint on Apple's Mobile Platform from these OEMs' Mobile Devices and related products and services is therefore incorporated within our assessment of the constraint from Google's Mobile Ecosystem.

- 6.5 As set out in Chapter 4, smartphones and tablets using Apple's Mobile Platform differ slightly in terms of how they are consumed by users, mainly relating to certain differences in use case. We have assessed competition for end-users with this in mind and draw out below any differences in the evidence we have gathered for the two types of devices where relevant.
- 6.6 End-users generally do not have both an iOS and an Android device (most end-users single-home)³¹¹ and the large majority of device purchases relate to replacement Mobile Devices, meaning that most end-users are already within either Apple's or Google's Mobile Ecosystem. This is especially the case for smartphones in the UK where the market is mature and the vast majority of users purchase a replacement device.³¹²

Key parameters

- 6.7 Evidence from our consumer survey shows that Apple competes with Google for end-users over the parameters of price, quality and brand.³¹³
- (a) Price. Our consumer survey showed that the price of the smartphone was an important factor in end-users' smartphone purchase decision, although there was a significant difference in its importance between Android and Apple users – 58% of all Android smartphone users mentioned 'overall price' as an important factor in their decision to purchase a new smartphone, with 30% considering it the most important factor. In contrast, only 33% of iOS users

³¹⁰ Figure 4 in Apple's response to the proposed decision report (**PDR**) lists a number of innovations made by Apple, Google (both Android-wide and Pixel-specific) and other OEMs. Apple submitted that this illustrates the diffusion of smartphone features across various device manufacturers over time ([Apple's response to Proposed Decision](#), paragraph 80). As set out in the 'Outcomes for innovation' section, we consider that both Apple and Google have made material improvements to their Mobile Platforms. As we explain in the Outcomes for innovation section, it is not clear whether it is competition and/or other factors that is driving these improvements. In any case, whilst we expect that these innovations would become available on both Apple and Android devices (including Pixel and Samsung devices), we do not consider that this constitutes evidence that OEMs impose an additional constraint on Apple in relation to Mobile Platforms that we do not already take into account in our assessment.

³¹¹ [MEMS final report](#), June 2022, paragraph 3.39 and 4.149. An Apple internal document [§]. We note there is some evidence of a greater degree of multi-homing across smartphones and tablets (eg a user owning an Android smartphone and an iPad) and between work and personal smartphones (eg a user owning an Android personal smartphone and an iOS work phone) but this is still considered to be limited.

³¹² Our consumer survey found that for only 1% of users their current smartphone is their first smartphone. [Accent Mobile Consumer Survey](#), page 27.

³¹³ The data presented here regards the factors users considered most important when they last got a new smartphone (in response to the question "Thinking back to when you first got your current personal smartphone. Which factors were MOST important at the time in your decision to get that particular personal smartphone?" [Accent Mobile Consumer Survey](#), page 17).

mentioned it as an important factor, with 10% considering it the most important factor.³¹⁴

- (b) Quality. End-users care about a number of factors related to the quality of mobile ecosystems, including:
- (i) Hardware features. This includes factors such as the battery life, camera quality and screen size among others.³¹⁵ Our consumer survey results indicate that Android smartphone users are slightly more focused on specific hardware features than Apple users, whilst product design overall was more important to Apple users.³¹⁶
 - (ii) Operating system and software features. Our consumer survey found that 35% of iOS users and 37% of Android smartphone users selected the operating system as an important factor in their smartphone purchase decision.³¹⁷ More Apple users selected security and privacy features as being important.³¹⁸
 - (iii) Content available on their devices. Generally, mobile ecosystems that allow end-users to access more and better-quality content, whether via native apps or mobile browsers, will be more attractive to end-users. This will primarily depend on the app store(s) available to end-users on that Mobile Device. Our consumer survey found that: (i) the range and quality of mobile apps that can be installed on the phone was cited as an important reason for purchasing their phone by 17% of iOS users and 15% of Android smartphone users; (ii) the availability of web browsers was cited by 10% of iOS users and 12% of Android smartphone users; and (iii) the range and quality of mobile apps that come with the phone was cited by 12% of iOS users and 8% of Android smartphone users.^{319,320}

³¹⁴ [Accent Mobile Consumer Survey](#), Figure 9, Figure 13, Figure 12.

³¹⁵ For example, our consumer survey found that important factors when choosing a smartphone included the following: (i) 50% of iOS users and 53% of Android smartphone users selected 'camera'; (ii) 46% of iOS users and 56% of Android smartphone users selected 'battery life'; (iii) 41% of iOS users and 50% of Android smartphone users selected 'storage capacity/memory'; and (iv) 36% of iOS users and 43% of Android smartphone users selected 'screen size'. [Accent Mobile Consumer Survey](#), Figure 9.

³¹⁶ For example, in relation to hardware features: (i) 46% of iOS users and 56% of Android smartphone users selected 'battery life'; (ii) 41% of iOS users and 50% of Android smartphone users selected 'storage capacity/memory'; and (iii) 36% of iOS users and 43% of Android smartphone users selected 'screen size'. 'Product design' was selected by 32% of iOS users and 23% of Android smartphone users as important in their smartphone purchase decision. [Accent Mobile Consumer Survey](#), Figure 9.

³¹⁷ [Accent Mobile Consumer Survey](#), Figure 9.

³¹⁸ Our consumer survey found 23% of iOS users and 16% of Android smartphone users selected 'security features' and 17% of iOS users and 11% of Android smartphone users selected 'privacy features' as an important factor in their smartphone purchase decision. [Accent Mobile Consumer Survey](#), Figure 9.

³¹⁹ [Accent Mobile Consumer Survey](#), Figure 9.

³²⁰ As set out above, the factors that are important to a user choosing which smartphone to purchase are likely to be different to factors that are more generally important to users regarding their smartphone and the associated Mobile Ecosystem. The survey response proportions presented here are specific to the most important factors when choosing a smartphone. As we detail below, Apple's iOS and Google's Android are the only established smartphone Mobile Ecosystem options in the UK and users are primarily choosing between these two options. Both have established and

- (iv) Interoperability. For many end-users, the ability of the mobile platform to interoperate with a range of other devices that they have (other Mobile Devices or ‘connected’ devices such as smart watches), is an important factor. In our consumer survey, 39% of iOS users and 20% of Android users selected ‘compatibility with other personal devices’ as an important reason for choosing their current phone.³²¹
- (c) Brand. For a large number of end-users, the brand of the mobile ecosystem, including the associated mobile operating system, is an important factor in their choice of Mobile Device. End-users’ perceptions of each brand will be driven by a variety of factors including past user experience, marketing and the parameters of competition outlined above. Our consumer survey found that 57% of iOS users and 45% of Android smartphone users selected brand as an important factor in their smartphone purchase decision, with 24% of iOS users and 12% of Android smartphone users selecting it as the most important factor.³²²

6.8 Evidence from Apple and third parties is consistent with the parameters of competition identified above.

- (a) Apple stated that Mobile Devices compete on a range of factors, with the price and quality of its Mobile Devices, as well as the appeal of its mobile operating systems, ultimately driving device sales.³²³
- (b) Google submitted that: (i) its Android operating system competes on quality parameters, which can be measured as releases of new versions of Android, as well as innovations and features included in new versions; and (ii) its Pixel devices compete on both price and quality metrics (eg battery life, user interface, processing speed and security).³²⁴ Google also submitted that brand factors into a user’s choice of mobile device and noted that Apple has an ‘exceptionally strong brand’.³²⁵
- (c) [X] submitted that providers of Mobile Devices compete across a range of factors, including price and quality.³²⁶
- (d) Samsung submitted that the key dimensions of competition are pricing and quality factors, including the processor, screen, battery and camera.³²⁷

extensive app stores. We note that users may find this factor more important if purchasers were instead considering potential rival Ecosystems with a more limited mobile content offering.

³²¹ [Accent Mobile Consumer Survey](#), Figure 9.

³²² [Accent Mobile Consumer Survey](#), Figure 9, Figure 12, Figure 13.

³²³ Apple’s response to section 69 notice [X].

³²⁴ Google’s response to section 69 notice [X].

³²⁵ Google’s response to section 69 notice [X].

³²⁶ [X] response to section 69 notice [X].

³²⁷ Samsung’s response to section 69 notice [X].

- 6.9 The above evidence shows that whilst some of the same factors are important to both Apple and Android users, there are some notable differences. In particular, brand and interoperability with other devices appear to be more important to Apple users, whilst price is more important to Android users. These differences are consistent with other evidence (for example on shares of supply) and relevant to the nature and closeness of competition between the two Mobile Platforms.
- 6.10 Apple competes over many of these parameters of competition on a global basis, as its Mobile Platform is broadly the same worldwide.³²⁸ For example, Apple's incentives to innovate and improve the quality of its Mobile Platform are likely to be determined globally. Indeed, new versions of iOS and iPadOS have global release dates.³²⁹

Shares of supply

Overall shares of supply

- 6.11 In this section, we set out the shares of supply in the UK based on the mobile ecosystem used by end-users, for smartphones and tablets separately.³³⁰ We explain our methodology and the data we have used to calculate shares of supply in Appendix A.

Smartphone shares of supply

- 6.12 Smartphones using Apple's Mobile Ecosystem have accounted for a persistently material and stable share of supply in the UK in each of the last ten years. As set out later in this report, evidence does not indicate that Apple's shares of supply are likely to change significantly over the next five years.
- 6.13 Figure 6.1 shows that, based on the volume of active smartphones in the UK, Apple's and Google's Mobile Ecosystems have been the two largest providers in terms of shares of supply in the UK in the period 2015 to 2024.³³¹ Specifically:
- (a) Apple's iOS devices have accounted for between [] [50 – 60]% of active smartphones in each year;³³² and

³²⁸ We note that there are some differences between Apple's Mobile Platform between jurisdictions. For example, the apps offered on the App Store vary between jurisdictions.

³²⁹ Endoflife.date, 'Apple iOS', 30 September 2025, accessed by the CMA on 6 October 2025; and 'Apple iPadOS', 30 September 2025, accessed by the CMA on 6 October 2025.

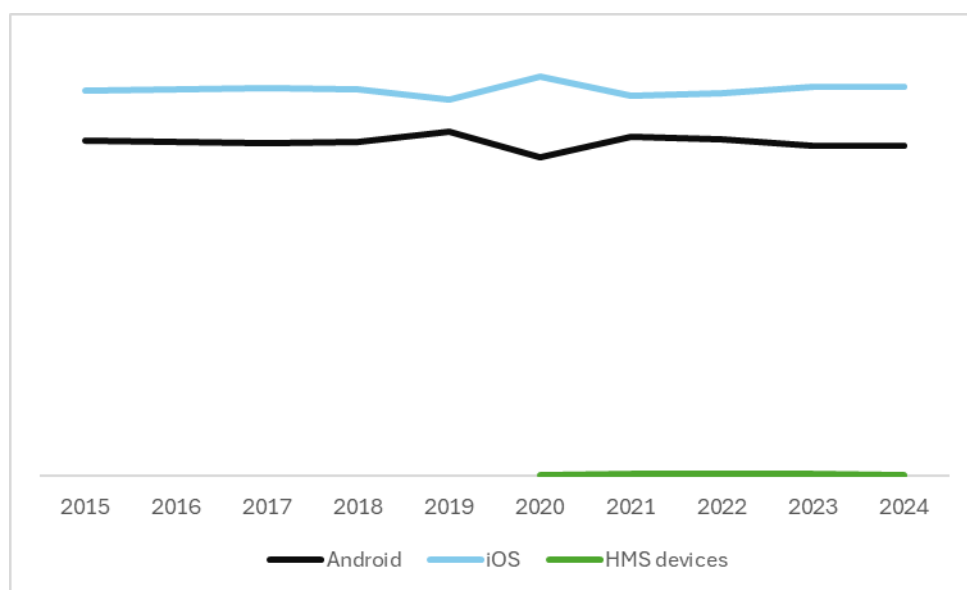
³³⁰ As set out in Chapter 4, a mobile ecosystem includes the mobile platform, the Mobile Devices themselves, and the digital content accessible via the platform. Apple's Mobile Ecosystem is offered across both smartphones and tablets, and we consider users effectively make a choice as to which Mobile Ecosystem they use when purchasing a mobile device as that device will come pre-loaded with an operating system associated with a given ecosystem. Thus, the number of users of a given operating system equals the users of the corresponding Mobile Ecosystem. We explain our methodology and the data we have used to calculate shares of supply in Appendix A.

³³¹ The following shares have been calculated based on data from market participants. In particular: Apple's response to section 69 notice []; Google's response to section 69 notice []; and Huawei's response to section 69 notice [].

³³² CMA's analysis of data from market participants including Apple's response to section 69 notice [].

- (b) Android devices have accounted for between [REDACTED] [40 – 50]% of active smartphones in each year.³³³

Figure 6.1: Mobile operating system shares of supply based on volume of active smartphones in the UK (2015-2024)



Source: CMA analysis of data from market participants. Notes: (i) For confidentiality purposes there is no y-axis on this graph. The lines plotted on the graph show the relative positions of market participants in terms of their shares of supply. (ii) HMS devices are devices that meet Google Android compatibility requirements but rely on Huawei's Huawei Mobile Services (instead of GMS). Huawei was only able to provide data from 2020.³³⁴

- 6.14 There are smartphones active in the UK using mobile ecosystems other than those of Apple, Google and Amazon, such as /e/, and CalyxOS. However, each account for a negligible number of active smartphone users. We have found that there is no operating system provider in active smartphones besides Apple and Google that has a share of supply of more than [REDACTED] [0 – 5]% in any of the last five years,³³⁵ and the data collected on Huawei's Huawei Mobile Services (**HMS**) devices indicates that it represented [REDACTED] [0 – 5]% of active smartphones since 2020.³³⁶
- 6.15 Apple is by some distance the largest smartphone provider in the UK. Unlike for iOS, which can only be used on smartphones manufactured by Apple, devices running Google's Mobile Ecosystem are manufactured by a number of different OEM³³⁷ suppliers. Figure 6.2 shows that, based on the volume of new

³³³ CMA's analysis of data from market participants including Google's response to section 69 notice [REDACTED].

³³⁴ [MEMS final report](#), page 30, paragraph 3.6.

³³⁵ CMA analysis based on data from market participants: Apple's response section 69 notice [REDACTED]; Google's response to section 69 notice [REDACTED]; Huawei's response to 69 notice dated [REDACTED]; Statcounter data (see [Mobile Operating System Market Share United Kingdom | Statcounter Global Stats](#)); and IDC data from "IDC Worldwide Quarterly Mobile Phone Tracker, February 2025".

³³⁶ Huawei was only able to provide this data from 2020 due to the availability of data in its database. CMA's analysis of data from market participants based on Huawei's response to section 69 notice [REDACTED].

³³⁷ We use the terms OEM and device manufacturer interchangeably.

smartphones in the UK, Apple has held the largest share of supply in each of the last ten years from 2015 to 2024.³³⁸ Specifically:

- (a) Apple has been the leading provider of new smartphones in the UK in each year of this period, with a share of supply between [redacted] [40–50]%.^{339,340}
- (b) Samsung has accounted for between [redacted] [20 – 30]% of new smartphones over this period, making Samsung the second largest smartphone manufacturer and largest manufacturer of smartphones running Google’s Mobile Ecosystem.³⁴¹
- (c) Huawei’s share of supply peaked at [redacted] [5 – 10]% in 2019. Its sales declined after it moved to using Huawei Mobile Services in 2019 and no new Huawei smartphone models have been made available in the UK market since early 2023.^{342,343}
- (d) Google has manufactured its own smartphones (the Google Pixel) since October 2016,³⁴⁴ but these represent only a small amount of new smartphones, with its share of supply peaking at [redacted] [0 – 5]% in 2023.^{345,346}

³³⁸ The following shares have been calculated based on data from market participants. In particular: Apple’s response to section 69 notice [redacted]; Samsung’s response to section 69 notice [redacted]; Huawei’s response to section 69 notice [redacted]; and Google’s response to section 69 notice [redacted].

³³⁹ CMA’s analysis of data from market participants including Apple’s response to section 69 notice [redacted].

³⁴⁰ We note that the shares of supply set out here for Apple in its capacity as a device manufacturer differ to those set out above for Apple as an operating system provider. This is because the manufacturer shares of supply are based on sales of new devices, whereas the operating system shares of supply are based on active devices (which includes existing devices).

³⁴¹ CMA’s analysis of data from market participants including Samsung’s response to section 69 notice [redacted].

³⁴² CMA’s analysis of data from market participants including Huawei’s response to section 69 notice [redacted].

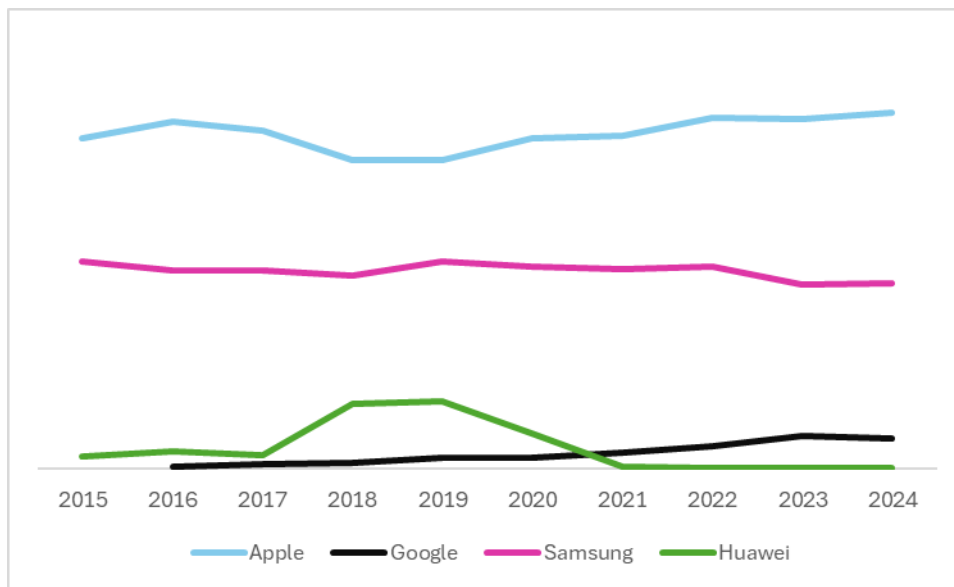
³⁴³ Huawei’s HMS Mobile Devices were first launched in 2019 following US legislation in May 2019 which meant that it could no longer access Google’s apps and services, including GMS. Huawei’s response to section 69 notice [redacted].

³⁴⁴ Google’s response to section 69 notice [redacted].

³⁴⁵ CMA’s analysis of data from market participants including Google’s response to section 69 notice [redacted].

³⁴⁶ In 2024, Google Pixel smartphones accounted for [redacted] [5 – 10]% of new Android smartphone sales and [redacted]% of active Android smartphones. CMA analysis based on Google’s response to section 69 notice [redacted].

Figure 6.2: Manufacturer shares of supply based on volume of new smartphones in the UK (2015 – 2024)



Source: CMA analysis of data from market participants.

Notes: (i) As we have received data from a limited number of manufacturers, we have based the total volume of new Mobile Devices on operating systems data (which covers all Mobile Devices). As such, the shares shown for this set of manufacturers do not add to 100%. We have received data from smartphone manufacturers with a share of supply of at least 10% in any year since 2015 according to Statcounter data, and Google. (ii) For confidentiality purposes there is no y-axis on this graph. The lines plotted on the graph show the relative positions of market participants in terms of their shares of supply. (iii) Huawei's data includes both its GMS and HMS Mobile Devices. HMS Mobile Devices are Mobile Devices that meet Google Android compatibility requirements but rely on Huawei's Huawei Mobile Services (instead of GMS).³⁴⁷

6.16 Finally, Apple has the largest smartphone manufacturer share of supply in terms of value (between [redacted]% and [redacted]%) throughout 2022 to 2024, followed by Samsung ([redacted]%).³⁴⁸

Tablet shares of supply

6.17 The position for tablets is slightly different to that of smartphones, due to the presence of Amazon's Fire OS, which is an Android Fork. Figure 6.3 shows tablets using Apple's Mobile Ecosystem are the largest in terms of active tablets in the UK for the period 2017 to 2024.³⁴⁹ Specifically:

- (a) Apple iPads have accounted for between [redacted] [50 – 60]% of active tablets in each year;³⁵⁰

³⁴⁷ MEMS final report, page 30, paragraph 3.6.

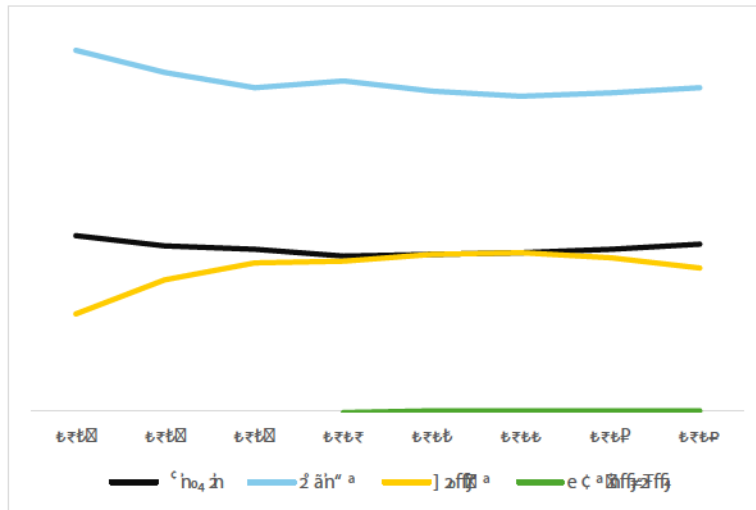
³⁴⁸ CMA's analysis of IDC data from "IDC Worldwide Quarterly Mobile Phone Tracker, February 2025". See Appendix A.

³⁴⁹ The following shares have been calculated based on data from market participants. In particular: Apple's response to section 69 notice [redacted]; Google's response to section 69 notice [redacted]; Amazon's response to section 69 notice [redacted]; and Huawei's response to section 69 notice [redacted].

³⁵⁰ CMA's analysis of data from market participants including Apple's response to section 69 notice [redacted].

- (b) tablets running on Google's Mobile Ecosystem have accounted for between [redacted] [20 – 30]% of active tablets in each year,³⁵¹ and
- (c) tablets running on Amazon's Mobile Ecosystem have accounted for between [redacted] [10 – 20]% and [redacted] [20 – 30]% in each year.³⁵²

Figure 6.3: Operating system shares of supply in active tablets in the UK (2017 – 2024)



Source: CMA analysis of data from market participants.

Notes: (i) For confidentiality purposes there is no y-axis on this graph. The lines plotted on the graph show the relative positions of market participants in terms of their shares of supply. (ii) HMS Mobile Devices are Mobile Devices that meet Google Android compatibility requirements but rely on Huawei's Huawei Mobile Services (instead of GMS). Huawei was only able to provide data from 2020.³⁵³

6.18 Figure 6.4 shows that, based on the volume of new tablets in the UK, Apple has also been the largest tablet device manufacturer since 2018.³⁵⁴ Specifically:

- (a) Apple has had a share of supply between [redacted] [30 – 40]% and [redacted] [40 – 50]% in the period 2015 to 2024.³⁵⁵
- (b) Amazon has accounted for between [redacted] [10 – 20]% and [redacted] [30 – 40]% of new tablets over this period.³⁵⁶
- (c) Samsung has accounted for between [redacted] [10 – 20]% and [redacted] [10 – 20]% of new tablets over this period.³⁵⁷

³⁵¹ CMA's analysis of data from market participants including Google's response to section 69 notice [redacted].

³⁵² CMA's analysis of data from market participants including Amazon's response to section 69 notice [redacted].

³⁵³ [MEMS final report](#), page 30, paragraph 3.6.

³⁵⁴ The following shares have been calculated based on data from market participants. In particular: Apple's response to section 69 notice [redacted]; Amazon's response to section 69 notice [redacted]; Samsung's response to section 69 notice [redacted]; Huawei's response to section 69 notice [redacted]; and Google's response to section 69 notice [redacted].

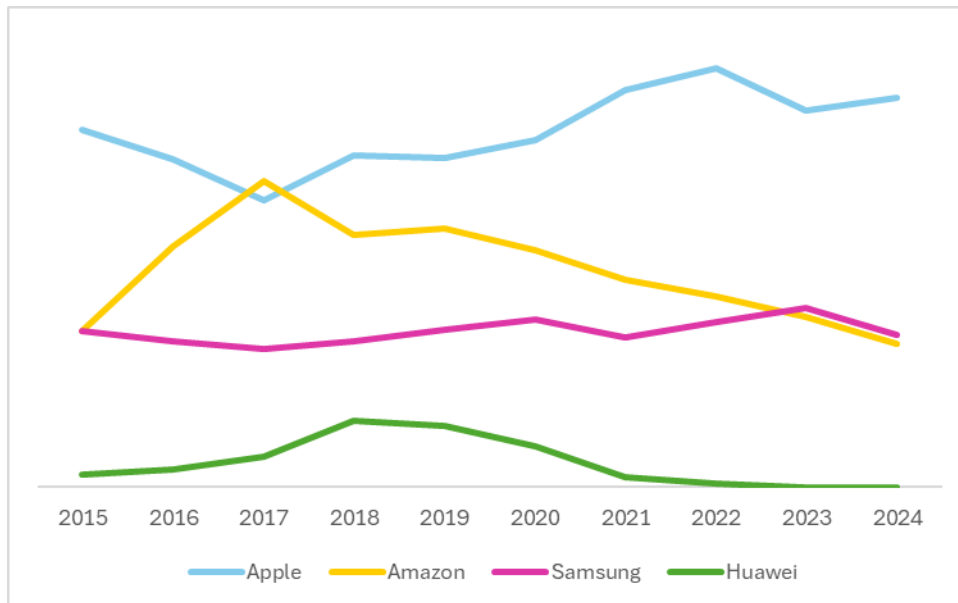
³⁵⁵ CMA's analysis of data from market participants including Apple's response to section 69 notice [redacted].

³⁵⁶ CMA's analysis of data from market participants including Amazon's response to section 69 notice [redacted].

³⁵⁷ CMA's analysis of data from market participants including Samsung's response to section 69 notice [redacted].

- (d) Huawei's sales declined after it moved to using Huawei Mobile Services in 2019, with a very small share between [redacted] [0 – 5]% of new tablets being sold by Huawei since 2020.³⁵⁸

Figure 6.4: Manufacturer shares of supply in new tablets in the UK (2015 – 2024)



Source: CMA analysis of data from market participants.

Notes: (i) As we have received data from a limited number of manufacturers, we have based the total volume of new Mobile Devices on operating systems data (which covers all Mobile Devices). As such, the shares shown for this set of manufacturers do not add to 100%. We have received data from tablet manufacturers with a share of supply of at least 10% in any year since 2015 according to Statcounter data, and Google and Huawei. Google has been excluded from this chart as it has had a very small share ([redacted] [0 – 5]%) in active tablets since it released its Pixel tablet in 2023.³⁵⁹ (ii) For confidentiality purposes there is no y-axis on this graph. The lines plotted on the graph show the relative positions of market participants in terms of their shares of supply. (iii) Huawei's data includes both its GMS and HMS Mobile Devices. HMS Mobile Devices are Mobile Devices that meet Google Android compatibility requirements but rely on Huawei's Huawei Mobile Services (instead of GMS).³⁶⁰

Shares of supply based on price segments

6.19 We are unaware of any standard, industry-wide definitions for whether, and if so how the smartphone market is segmented. However, we note that it is commonplace for stakeholders to refer to different 'segments', 'price bands' or 'tiers of devices'. To support our assessment of the competitive dynamics across different price segments, we generally use the term premium to relate to smartphones sold for more than £600. We also consider the price segments of £300-600 and below £300 in more detail as appropriate.^{361,362}

³⁵⁸ CMA's analysis of data from market participants including Huawei's response to section 69 notice [redacted].

³⁵⁹ CMA's analysis of market participant data including Google's response to section 69 notice [redacted]. Google released its Pixel tablet in June 2023 (see Tech Advisor, '[Google Pixel Tablet Release Date, Price & Specs - Tech Advisor](#)', 7 May 2024, accessed by the CMA on 30 June 2025).

³⁶⁰ MEMS final report, page 30, paragraph 3.6.

³⁶¹ Several third-party reports submitted by Apple break the market down into different price segments and contain [redacted]. Different breakdowns we have seen include: [redacted].

³⁶² The lack of standard, industry-wide definitions means that it is not always clear which segment is being referred to by stakeholders. We have been mindful of this when assessing evidence.

6.20 As set out in Table 6.1, Apple holds a higher share of premium smartphones priced over £600, and Google holds a higher share of non-premium smartphones sold for less than £600. These differences are particularly pronounced when shares are viewed in more detail:

- (a) No new iOS smartphones were sold for £300 or less and smartphones using Google's Mobile Platform accounted for 100% of this category of new smartphone devices in 2024. Smartphones that sell for less than £300 account for 23% of all new smartphone sales in the UK in 2024.³⁶³
- (b) Google's Mobile Platform also had a higher share of new smartphones that sold in the £300 to £600 range in 2024, accounting for 61% of all sales in this category. This category of smartphones accounted for 19% of all new UK smartphone sales in 2024.³⁶⁴
- (c) iOS smartphones accounted for 82% of sales of new premium smartphones over £600 in 2024, whilst Android accounted for 18%. Devices priced at over £600 accounted for 58% of all new UK smartphone sales in 2024.³⁶⁵

Table 6.1: Mobile Ecosystem and overall shares of supply by price segment based on volume of smartphones shipped into the UK – IDC data (2024)

Price Segment	Android	iOS	All smartphones
£0 - 300	100%	0%	23%
£300 - 600	61%	39%	19%
£600+	18%	82%	58%

Source: CMA analysis of IDC data from "IDC Worldwide Quarterly Mobile Phone Tracker, February 2025".

Notes: for the purposes of this analysis we have not split out Huawei's HMS devices from Android devices.

6.21 We have also considered how smartphone sales break down across price categories for each Mobile Platform. Figure 6.5 shows the proportion of new smartphones shipped into the UK by £100 price bands in 2024, separately for iOS and Android.

- (a) 51% of new smartphones using Google's Mobile Platform were sold for £300 or less in 2024, and 77% sold for £600 or less.³⁶⁶
- (b) No new iOS smartphones were sold for £300 or less in 2024, and 14% were sold for £600 or less.³⁶⁷

³⁶³ CMA analysis of IDC data from "IDC Worldwide Quarterly Mobile Phone Tracker, February 2025".

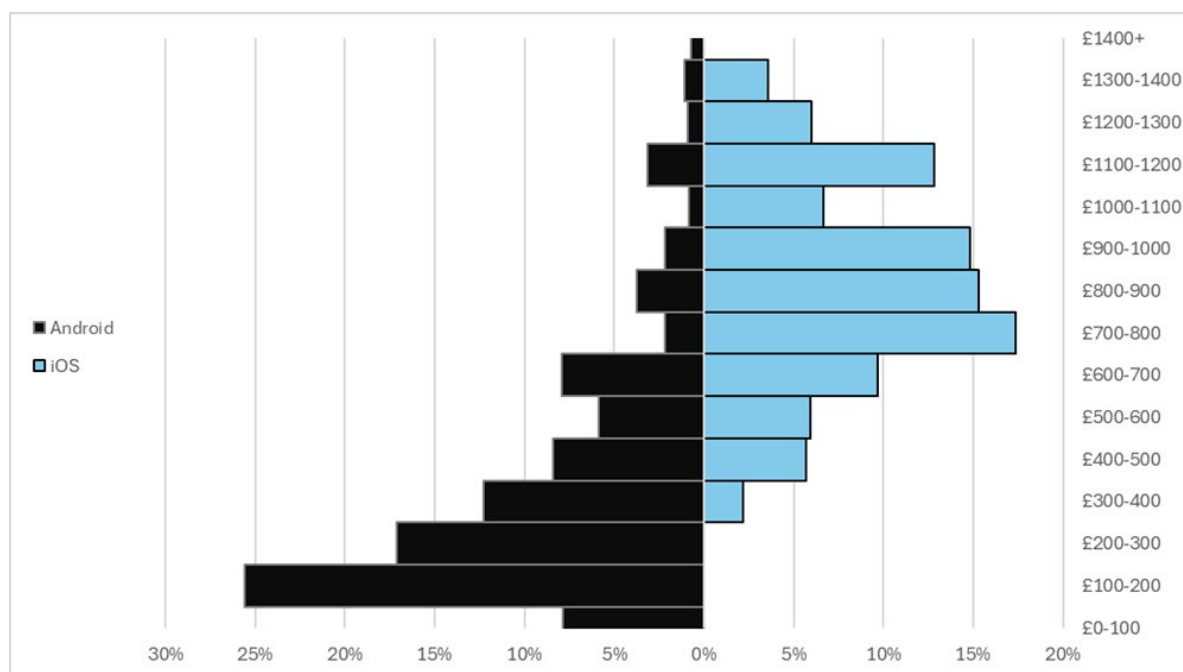
³⁶⁴ CMA analysis of IDC data from "IDC Worldwide Quarterly Mobile Phone Tracker, February 2025".

³⁶⁵ CMA analysis of IDC data from "IDC Worldwide Quarterly Mobile Phone Tracker, February 2025".

³⁶⁶ CMA analysis of IDC data from "IDC Worldwide Quarterly Mobile Phone Tracker, February 2025".

³⁶⁷ CMA analysis of IDC data from "IDC Worldwide Quarterly Mobile Phone Tracker, February 2025".

Figure 6.5: Proportion of smartphones shipped into the UK by £100 price bracket for iOS and Android respectively (2024)



Source: CMA analysis of IDC data from “IDC Worldwide Quarterly Mobile Phone Tracker, February 2025”.

Notes: For the purposes of this analysis, we have not split out Huawei’s HMS devices from devices using Google’s Mobile Platform.

6.22 In relation to tablets, as detailed further in Appendix A, the International Data Corporation (**IDC**) pricing data indicates that:

- (a) The majority of new Android tablets (86%) were sold for £300 or less in 2024, compared to 24% of new Apple iPads.³⁶⁸
- (b) There is more overlap between iPadOS and Android in the range above £300. However, 76% of new iPads sold for over £300 in 2024, compared to 14% of new Android tablets.³⁶⁹

6.23 In response to the Proposed Decision, Apple submitted that Apple and Android devices are both offered at a number of price tiers and iPhones are constrained by a range of alternative Android devices, offering similar quality and features in a similar price range.³⁷⁰

6.24 We consider the above analysis illustrates that while Apple and Google overlap in higher-priced devices (>£300), Apple’s and Google’s presence differs across different price segments. This finding is supported by a range of other evidence, including Apple’s internal documents.³⁷¹

³⁶⁸ CMA’s analysis of IDC data from “IDC Worldwide Quarterly Personal Device Tracker, February 2025”.

³⁶⁹ CMA’s analysis of IDC data from “IDC Worldwide Quarterly Personal Device Tracker, February 2025”.

³⁷⁰ [Apple’s response to Proposed Decision](#), paragraph 74.

³⁷¹ Third-party reports submitted by Apple are consistent with our pricing analysis, including two presentations which show that: (i) [redacted] (Apple’s internal document, [redacted]); and (ii) [redacted] (Apple’s internal document, [redacted]). We note that this

- 6.25 Apple, Google and Samsung submitted that Mobile Devices using Google's Mobile Platform and Apple Mobile Devices compete with one another, with Android and iOS devices available at most pricing points.³⁷² However, [redacted] and Samsung recognised that Apple is particularly strong in premium segments.³⁷³
- 6.26 We note that the IDC pricing analysis above relates to UK Mobile Devices and that, as set out in the 'parameters of competition' section, Apple competes over certain parameters on a global basis. When viewed from a global perspective, Apple's and Google's presence in different price segments is even starker, with a much larger proportion of Android users using lower-priced devices compared to in the UK.³⁷⁴

Extent of differentiation with Google's Mobile Platform

- 6.27 As set out above, end-users of mobile ecosystems have different preferences. Companies differentiate their products to appeal to these preferences. By using this strategy companies highlight unique product attributes, such as price, quality or brand to influence consumer choice and build brand loyalty. Product differentiation is a key strategy employed by Apple in relation to its Mobile Ecosystem.³⁷⁵ In the context of our assessment, this differentiation means that Apple's Mobile Ecosystem and Google's Mobile Ecosystem are less substitutable.³⁷⁶
- 6.28 As set out above, Apple customers are less focused on price than Android customers, and more focused on overall product design, security and privacy features, the compatibility of their smartphone with other personal devices, and on brand.^{377,378}

evidence is consistent with internal documents relied on by the US Department of Justice (DoJ) in its case against Apple, which indicated that Apple does not view entry-level smartphones as competing with the iPhone ([DoJ Apple complaint](#), filed March 2024, paragraph 167).

³⁷² Google's response to section 69 notices [redacted]; and [redacted]; Google's submission, [redacted].; and Samsung's response to section 69 notice [redacted].

³⁷³ Samsung's response to section 69 notice [redacted]; and [redacted].

³⁷⁴ See [the CMA's Decision to designate Google with strategic market status \(SMS\) in respect of its Mobile Platform](#) 'Shares of supply based on price segments' for more detail.

³⁷⁵ In response to the Proposed Decision Apple submitted that it competes and differentiates through the technical integration of its operating systems, apps, and services on each of its devices. For example, Apple stated that, to the extent that its services are not made available on third-party platforms, this is part of its decision to differentiate and compete by selling integrated devices. [Apple's response to Proposed Decision](#), paragraph 19 and 97.

³⁷⁶ The extent of differentiation between Apple's and Google's Mobile Ecosystems is relevant to our assessment because if there is evidence that consumers perceive their offerings as close alternatives, whether they are or not, then (all else being equal) the constraint Google imposes on Apple would be greater. Conversely, if consumers perceive Google's and Google's Mobile Ecosystems to be different, they are less likely to be competing closely and the constraint imposed by Google would be more limited. See [CC3 \(Revised\), Guidelines for market investigations](#), paragraph 198

³⁷⁷ [Accent Mobile Consumer Survey](#), Figure 9, Figure 12, Figure 13.

³⁷⁸ Our consumer survey results also indicate that the features of brand that are important to users are familiarity (cited by 24% of respondents), ease of use (cited by 23% of respondents), compatibility with other devices (cited by 16% of respondents) and trustworthiness/reliability (cited by 16% of respondents). Source: [Accent Mobile Consumer Survey](#), Figure 14. Responses were unweighted.

- 6.29 These preferences are consistent with how Apple differentiates its products. Apple focuses on positioning itself as a premium brand.³⁷⁹ By offering a tightly controlled and integrated Mobile Ecosystem, it seeks to maintain a reputation for high quality devices and to deliver a secure and polished user experience.³⁸⁰ Apple's tightly controlled and integrated Mobile Ecosystem is in large part designed to deliver the Apple experience to users. Apple's co-founder Steve Jobs described this as Apple seeking to ensure the products and services 'just work'. Its products are 'designed to be loved' with a focus on a highly accessible, intuitive and easy to use customer experience.³⁸¹ This product focus is combined with a marketing strategy which includes high profile launch events, with customers historically camping outside stores or enduring long waiting lists to acquire the latest Apple products.³⁸² [REDACTED] is a key reason why users purchase Apple Mobile Devices and, relative to Android device alternatives, Apple typically sees [REDACTED].³⁸³
- 6.30 On the other hand, Google serves a wider audience with devices using Google's Mobile Platform offered via third-party OEMs at a wide range of price points, from high-specification premium devices to more basic lower-end devices.³⁸⁴ Google caters to diverse needs and budgets³⁸⁵ and this strategy has enabled it to build up a very large user base across the world,³⁸⁶ delivering extensive user attention³⁸⁷ and data to support its advertising business.³⁸⁸ Google's Android is typically considered to have a less intense brand ethos than Apple's iOS. Some users like that, in some ways, Android is less restrictive than Apple's tightly integrated Mobile Ecosystem; this can be perceived as offering a greater degree of freedom, customisation, and more innovative technology.³⁸⁹

³⁷⁹ [Apple's response to invitation to comment](#) dated 12 February 2025, page 2.

³⁸⁰ Apple told us that its integrated approach allows it to 'deliver a high-quality user experience that emphasizes user privacy and security', and that it seeks to deliver a premium consumer experience with basic and essential functionality available out-of-the-box, for example by providing apps like Messages and Reminders. Apple's response to section 69 notice [REDACTED].

³⁸¹ In its response to the Proposed Decision, Apple submitted that it focuses on selling devices consisting of seamlessly integrated hardware and software, and that Apple is consistently recognised for its user-friendly products. For example, Apple noted that it preinstalls certain apps on iPhones and iPads to deliver the premium out-of-the-box experience that its users expect. [Apple's response to Proposed Decision](#), paragraph 36 and 78.

³⁸² For example, see [Apple Events - Apple \(UK\)](#), accessed by the CMA on 21 October 2025; The i Paper, [Apple fans camp out as iPhone 11 and iPhone 11 Pro go on sale in the UK](#), accessed by the CMA on 21 October 2025; The i Paper, [Apple's biggest iPhone overhaul in years ignites upgrade frenzy](#), accessed by the CMA on 21 October 2025.

³⁸³ Google's internal document, [REDACTED].

³⁸⁴ For example, Google told us that the Pixel series is aimed at users who seek a tech-forward experience - with the Pixel "A" series offering the essentials of a top-tier Pixel experience at a more accessible price. Google's response to section 69 notice [REDACTED].

³⁸⁵ For example, Google told us that it releases a single version of the Android OS for use on all Android devices regardless of price, and that it does not selectively deploy improvements to the operating system to certain subsets of users. Google's submission [REDACTED]; and Transcript of Google oral representations, [REDACTED].

³⁸⁶ As set out in Appendix A, Google's Mobile Ecosystem has been the largest in the world since 2014 with its share of supply ranging between 65% and 72% since 2016.

³⁸⁷ The CMA explained in its online platforms and digital advertising market study (**DAMS**) ([final report](#), para 5.2) that "The more user attention a platform or publisher has, the more advertising it will be able to show, and the more revenue it will earn".

³⁸⁸ For example, Google told us that it may use metrics such as [REDACTED]. Google's response to section 69 notice [REDACTED].

³⁸⁹ Google's internal document, [REDACTED].

- 6.31 The evidence indicates that end-users also perceive the two Mobile Ecosystems to be different.
- (a) Our consumer survey indicates that operating system preferences affect smartphone users' decisions on whether to switch mobile ecosystem. For example, not liking the iPhone or Android operating system was cited as a reason for not switching by 34% of users who did not consider switching (fifth most popular reason) and 20% of users who considered switching (ninth most popular reason). Identifying more closely with the iOS or Android operating system was cited as a reason for not switching by 37% of users who did not consider switching (second most popular reason) and 24% of users who considered switching (sixth most popular reason).³⁹⁰
 - (b) Google's internal documents show that there are some specific mobile ecosystem preferences which differ among different demographic groups. For example, a presentation [REDACTED] explained that [REDACTED].³⁹¹ Other documents indicate that [REDACTED].³⁹²

Assessing competition for different customer groups

- 6.32 Our analysis of Apple's market power relates to consumers across all price points. However, we have also considered whether there might be important differences in competitive dynamics for different customer groups. As set out above Apple has a clear focus on premium users and on positioning itself as a premium brand. This is where it is seeking to win customers and it is very successful at doing so. As set out in the 'Shares of supply' section, Apple sells 82% of devices priced above £600. Overall, users with these more expensive devices make up slightly more than half (58%) of all device users, but more than four fifths (86%) of Apple users.³⁹³
- 6.33 In what follows, we have considered evidence on the proportion of users that switch or consider switching between mobile platforms across the whole spectrum of end-users. We have considered the switching behaviour of customers in different price segments before concluding on what this tells us about competition for end-users in the round.

³⁹⁰ [Accent Mobile Consumer Survey](#), Table 13.

³⁹¹ Google's internal document, [REDACTED].

³⁹² Google's internal document, [REDACTED]; and Google's internal document, [REDACTED].

³⁹³ See Appendix A for more detail.

End-user switching between Apple and Google Mobile Ecosystems

Context

- 6.34 When consumers single-home, effective competition relies on consumers being willing and able to switch to an alternative service provider if it has a superior offering.³⁹⁴ A strong competitive constraint would therefore typically manifest itself in a sizeable proportion of users switching suppliers. However, low switching can be consistent with strong competition if there is a material proportion of customers actively *considering* switching (but choosing not to do so), and these customers are well-informed about their choices and face low switching barriers (perceived and actual). This means that evidence on switching levels must be considered alongside evidence on consumer behaviour (including in particular whether consumers consider switching) and switching barriers. We consider all of these in our analysis below.
- 6.35 When interpreting switching levels between mobile platforms, it is important to remember that end-users are typically limited to choosing between just two.³⁹⁵ While there are some circumstances in which duopolies, in particular in undifferentiated goods markets can, in theory, lead to competitive outcomes,³⁹⁶ the evidence does not support such a finding in this case. As already established above, mobile platforms is a complex digital activity and Apple and Google offer differentiated products aimed at somewhat different customer segments. Evidence, including our survey results, shows that many mobile platform users prefer one to another for a multitude of reasons, amplified by brand loyalty and price segmentation. There are also high barriers to entry. We do not generally expect this type of duopoly, which departs significantly from the conditions under which duopolies in theory lead to competitive outcomes, to generate effective competition.
- 6.36 In the absence of other alternatives for end-users, we expect there to be some switching between Apple and Google. However, for the switching evidence to show that Google is a strong constraint on Apple (given the differentiated product duopoly context above), we would need to see high levels of switching. Absent that, we would need to see sufficient evidence that Apple's share of end-users is highly contestable – this would require evidence that a large proportion of end-users actively consider Google's Mobile Platform and face low barriers should they choose to switch.

³⁹⁴ [Unlocking digital competition: Report from the Digital Competition Expert Panel](#), paragraph 1.84.

³⁹⁵ As explained below, Google's Mobile Platform faces very limited competitive constraints from non-Apple Mobile Platforms for end-users, such as those operated by Amazon and Huawei.

³⁹⁶ For example, in the Bertrand competition model (which is based on the assumption that firms set their prices and let the market determine the quantity sold), when firms are selling identical products and there are no capacity constraints, the Bertrand equilibrium leads to the outcome where the price equals marginal cost. Varian, *Intermediate Microeconomics* page 512-513

Levels of switching and consideration of switching

Overall levels of switching

- 6.37 Evidence from our consumer survey shows that only a small proportion of end-users switched from Apple's iOS smartphones to Google's Android and switching from Google to Apple, whilst higher, is still limited.
- 6.38 Our consumer survey specifically considered the degree to which end-users moved, or considered moving, between mobile ecosystems when they last replaced their smartphone.^{397,398}
- (a) For those end-users whose previous smartphone was an Apple iPhone:
- (i) 4% switched from iOS to Android.
 - (ii) 11% considered switching but ultimately did not do so.
 - (iii) 85% did not consider switching at all.
- (b) For those end-users whose previous smartphone was based on Google's Android:
- (i) 14% switched from Android to Apple's iOS.
 - (ii) 10% considered switching but ultimately did not do so.
 - (iii) 76% did not consider switching at all.³⁹⁹
- 6.39 When considering all users, 9% switched (from iOS to Android or vice versa), 11% considered switching but ultimately did not do so and 81% did not consider switching at all.⁴⁰⁰
- 6.40 Apple submitted that it does not have its own comprehensive market-wide end-user switching data, but referred to a range of surveys conducted by third parties which consider the levels of switching by end-users of Mobile Devices.⁴⁰¹ As set out in more detail in Appendix C, we note that it is difficult to draw direct comparisons between the switching rates from our consumer survey and the switching rates from the third-party surveys referred to by Apple, as these are based on different methodologies. We consider our consumer survey to be more

³⁹⁷ The consumer survey undertaken by Accent Research used a random probability methodology and surveyed 2,851 smartphone users. [Accent Mobile Consumer Survey](#)

³⁹⁸ Our consumer survey did not target tablet users but did ask some questions which about barriers to switching where the presence of devices linked to the user's operating system was an option users could choose. Further detail can be found in [Accent Mobile Consumer Survey](#).

³⁹⁹ [Accent Mobile Consumer Survey](#), Figure 27.

⁴⁰⁰ [Accent Mobile Consumer Survey](#), Figure 26 and 27.

⁴⁰¹ Apple highlighted the following key findings from these surveys: (i) [redacted]; (ii) [redacted]; (iii) [redacted]; and (iv) in relation to tablets, a [redacted]. Apple's response to section 69 notices: [redacted] and [redacted].

reliable as it was designed to provide robust evidence which is directly relevant to the issues considered as part of this investigation. Nevertheless, we note that the switching rates in Apple's submitted surveys are of a similar order of magnitude to those we find in our consumer survey.

- 6.41 We asked third parties for their views on the level of switching between Apple and Google. Google submitted that switching rates from Mobile Devices utilising its Mobile Platform to Apple's Mobile Platform were material and particularly high for higher-priced Mobile Devices.⁴⁰² However, third-party OEMs told us that there is limited switching between mobile ecosystems.⁴⁰³ In particular:

(a) [REDACTED].⁴⁰⁴

(b) Motorola stated that switching between iOS and Android is less frequent than within the same ecosystem. It further expanded that most users consider their current smartphone brand when shopping and the majority stay within the same mobile operating system.⁴⁰⁵

(c) Sony submitted that it is generally easier for users to continue using the same mobile operating system because they can keep using the same apps and are familiar with the system.⁴⁰⁶

Consideration of switching

- 6.42 The strength of the competitive constraint Apple faces and its incentive to improve its offering in order to gain or retain customers will depend on the relative size of the group of customers who switch or consider switching compared to the proportion who do not consider switching. It is therefore important to consider the extent of customers who did not consider switching. More than three quarters of customers did not consider the alternative mobile ecosystem and the size of the group who considered switching is small in comparison. As set out above, low switching levels are generally indicative of a limited competitive constraint unless there is evidence of customers actively considering their options. We do not observe this in the survey data.

⁴⁰² Submission from Google [REDACTED].

⁴⁰³ We note that in response to the ITC: (i) Chamber of Progress highlighted that switching between Apple's Mobile Ecosystem and Google's Mobile Ecosystem is viable and actively facilitated, for example by Google making core services like Chrome, Search, Gmail, and Maps available on Apple's Mobile Devices, which reduces switching costs for consumers ([Chamber of Progress's response to invitation to comment dated 12 February 2025](#), pages 1 to 4.); and (ii) International Center for Law and Economics argued that there is high user churn between iOS and Android, with consumers frequently switching between the two and therefore not suffering from 'lock-in'. It further noted that data portability measures, such as Apple's 'Move to iOS' and Google's 'Data Transfer Tool', further reduce switching costs. ([International Center for Law and Economics' response to invitation to comment dated 12 February 2025](#), page 3 to 6.)

⁴⁰⁴ [REDACTED].

⁴⁰⁵ Motorola's response to section 69 notice [REDACTED].

⁴⁰⁶ Sony's response to section 69 notice [REDACTED].

6.43 In response to the Proposed Decision, Apple submitted that [REDACTED].⁴⁰⁷ However, Apple has provided no evidence that [REDACTED]. As explained in the section titled 'Context' above, whether a material proportion of customers actively consider switching is a relevant factor in understanding the extent of competitive constraint. Further, as we discuss later in this chapter, strong brand loyalty such as we see in relation to Apple's Mobile Platform can also act as a friction to switching because consumers may stick with a brand out of habit and not explore the products of other firms, even where better options are available. In our view, the Accent survey represents an accurate assessment of the proportion of consumers who consider switching at the point of buying a new device (a relatively infrequent purchase) and we consider this is highly relevant to our assessment of the competitive constraint faced by Apple's Mobile Platform. We consider Apple's submissions on consumer satisfaction in the 'Outcomes of competition for end-users' section below.

Level of switching by price segment

- 6.44 We also considered the evidence on switching in different price segments.⁴⁰⁸ Our consumer survey results show that among iOS smartphone users, switching is lower in the premium segment than for lower-priced devices. The survey data shows that 2% of premium users whose previous phone was iOS had switched to an Android smartphone. In comparison, in the £301 to £600 segment, 5% of users whose previous phone was iOS had switched to an Android smartphone; and in the segment of phones priced at £300 or less, 14% of users whose previous phone was iOS had switched to an Android smartphone.⁴⁰⁹
- 6.45 The opposite was true for those who switched from Android to iOS smartphones. The rate of switching to iOS in the premium segment was 20% of users whose previous phone was Android, 13% in the £301-£600 segment, and 6% in the £300 or less segment.^{410,411}
- 6.46 The differences above are averaged out when switching in both directions is taken into account. When considering all smartphone users (both iOS and Android), premium users were no more likely to switch operating system than non-premium users. The percentage of users switching operating systems when they last purchased their current smartphone was similar for users with smartphones

⁴⁰⁷ Submission from Apple, [REDACTED].

⁴⁰⁸ Respondents were instructed to estimate the purchase price of their current phone from a range of price bands (price as new if gifted/refurbished). Discrete price band estimates are likely to contain measurement error. Error is likely to be greater where phones were purchased less recently, gifted or refurbished. Discrete price bands have been aggregated to address these issues.

⁴⁰⁹ CMA analysis of the Accent Mobile Consumer Survey.

⁴¹⁰ CMA analysis of the Accent Mobile Consumer Survey.

⁴¹¹ Respondents were instructed to estimate the purchase price of their current phone from a range of price bands (price as new if gifted/refurbished). Discrete price band estimates are likely to contain measurement error. Error is likely to be greater where phones were purchased less recently, gifted or refurbished. Discrete price bands have been aggregated to reduce the effect of this measurement error.

costing less than £300 (8%), £301-£600 (9%), £601-£900 (7%) and £901+ (9%).⁴¹² The proportion of premium users that do not consider switching Mobile Ecosystem is just as high as it is for other price segments.

- 6.47 The survey data is consistent with other evidence that indicates that switching between mobile ecosystems often involves users upgrading or downgrading into a different price segment, rather than switching between similarly priced Mobile Devices⁴¹³ and in particular that Apple faces a limited threat of customers switching to Android when users are purchasing a more expensive device.⁴¹⁴ We consider that this supports our finding that Apple's brand and offering is more targeted at the premium end of the market relative to Google.
- 6.48 In response to the Proposed Decision, Apple submitted that buyers of smartphones and tablets consider devices across a broad price range, suggesting strong substitutability and competitive constraints extending beyond narrow price bands. In addition, it submitted that analysis of a Kantar survey shows iOS users switch to and from Android smartphones across a wide price range, with a material proportion of smartphone switchers moving to or away from an Android phone costing less than £300.⁴¹⁵
- 6.49 Our above analysis shows that switching between Apple and Android devices does take place across a range of price points and there is other evidence that end-users that switch are often moving from one price segment to a higher or lower one. We consider that this shows that the constraint from Android devices on Apple is not confined to higher-priced devices and lower-priced Android devices (including Android smartphones <£300) do provide a degree of constraint on Apple. However, this constraint is limited. As set out above, we find that there is limited switching (both across all devices and when considering different price segments) and most end-users (85% of users whose previous smartphone was an iPhone) do not consider switching at all.
- 6.50 In addition, we consider the evidence that end-users are often moving into a different price segment when they switch is consistent with the differentiation between the offerings of Apple and Google, with end-users being more likely to buy an Apple device when buying a more expensive device and more likely to buy an Android device when downgrading into a lower price segment.

⁴¹² [Accent Mobile Consumer Survey](#), Figure 32.

⁴¹³ Google submitted a presentation from 2023 which illustrates that user switching typically occurs between price segments. The document indicates that [§]. The document shows that [§]. Google's internal document, [§]. Whilst this document refers to global switchers, we note that switching patterns appear to be broadly consistent for the UK (for example see Google's internal document, [§]).

⁴¹⁴ [§].

⁴¹⁵ Apple's analysis of Kantar's Worldpanel ComTech Mobile Survey. Apple noted that 38% of users that switched to iOS and 36% of users that switched away from iOS switched to or from an Android phone costing less than £300. [Apple's response to Proposed Decision](#), paragraphs 75 and 76.

Future changes affecting switching behaviour

- 6.51 The evidence does not indicate that switching behaviour is likely to change significantly over the next five years in a way that would materially alter this element of our assessment.
- (a) Apple submitted that given the dynamic nature of competition in Mobile Devices, it cannot predict how user switching will change over the next five years, but that given users can easily switch, switching rates could rapidly change depending on relative attractiveness of competing Mobile Devices.⁴¹⁶
 - (b) Google submitted that switching tools have the potential to lead to a greater number of users switching between mobile ecosystems in future, while also making Android a more attractive proposition for users switching between operating systems.⁴¹⁷
 - (c) Xiaomi suggested that some Apple mobile device users might be tempted to switch if Mobile Devices using Google's Mobile Platform continue to offer cutting-edge innovations, and conversely that Apple's innovations could further solidify Apple's position.⁴¹⁸
 - (d) Huawei considered that user switching behaviour was [REDACTED].⁴¹⁹
 - (e) Motorola anticipated that ecosystem loyalty would continue.⁴²⁰

Barriers to switching

- 6.52 Evidence from our consumer survey, internal documents from both Apple and Google and third-party responses indicate that barriers may contribute to the fact that there is limited switching from Apple's to Google's Mobile Ecosystem.
- 6.53 Barriers to switching are factors that may cause users to perceive switching to be difficult or costly (eg because they would pose a 'hassle'), discouraging potential switchers, and/or impose actual costs on users that do switch (eg financial, time or learning costs).
- 6.54 Our findings on barriers to switching are as follows:
- (a) We have found substantial evidence from our consumer survey, internal documents (from both Apple and Google) and third-party responses of material perceived barriers to switching related to: (i) learning costs

⁴¹⁶ Apple's response to section 69 notice [REDACTED].

⁴¹⁷ Google's response to section 69 notice [REDACTED].

⁴¹⁸ Xiaomi's response to section 69 notice [REDACTED].

⁴¹⁹ Huawei's response to section 69 notice [REDACTED].

⁴²⁰ Motorola's response to section 69 notice [REDACTED].

associated with switching;⁴²¹ (ii) transferring data and apps across Mobile Devices;⁴²² and (iii) losing access to other devices (including connected devices) and having a worse experience of interacting with friends' and family's devices.^{423,424}

- (b) Our consumer survey results indicate that material perceived barriers apply to switching both to iOS and to Android. For iOS users who did not consider switching, 26% mentioned one barrier to switching, 20% mentioned two barriers to switching and 25% mentioned three or more barriers to switching. Barriers appear to be lower but still material for Android users; our consumer survey results indicate that 27% of Android smartphone users who did not consider switching mentioned one barrier to switching, 15% mentioned two barriers to switching and 13% mentioned three or more barriers to switching.⁴²⁵
- (c) Where a consumer has imperfect information or knowledge about a product or service,⁴²⁶ brand effects can help them to make faster and more confident purchasing decisions without the need for extensive research. However, strong brand loyalty can also act as a friction to switching because consumers may stick with a brand out of habit and not explore the products of other firms, even where better options are available. As set out above, brand is important to mobile platform end-users and this brand loyalty presents a further switching barrier.⁴²⁷ This is particularly the case for Apple where the brand is a key reason why users purchase Apple Mobile Devices.
- (d) Our consumer survey results also indicate that, in addition to perceived barriers, there is evidence of actual barriers to switching. The Accent survey found that 35% of all smartphone users who switched to iOS or Android experienced some difficulty with at least one aspect of the switching journey, implying that barriers to switching impose at least some actual costs on users that do switch.⁴²⁸ Apple submitted that actual switching costs and barriers are low, noting that our consumer survey found that 65% of users who switched to or from an iPhone did not encounter any barriers in doing so and found the switching process easy. It also noted that the ability to seek assistance can

⁴²¹ For example: (i) a Google internal document from October 2022 stated: [REDACTED]; and (ii) an Apple internal document from September 2023 [REDACTED].

⁴²² For example: (i) an internal document submitted by Google from May 2022 stated: [REDACTED]; and (ii) the Apple internal document cited below also found [REDACTED].

⁴²³ A number of Google internal documents recognised the importance of connected devices and the broader ecosystem for user retention. For example: (i) an undated internal document submitted by Google stated that [REDACTED]; and (ii) another Google internal document [REDACTED].

⁴²⁴ [Accent Mobile Consumer Survey](#), Table 13, Figure 35 and Figure 36.

⁴²⁵ CMA analysis of the Accent Mobile Consumer Survey.

⁴²⁶ We consider the purchase of a Mobile Devices is a relatively complex, multi-faceted purchasing decision.

⁴²⁷ Our consumer survey found that 57% of iOS users and 45% of Android smartphone users selected brand as an important factor in their smartphone purchase decision, with 24% of iOS users and 12% of Android smartphone users selecting it as the most important factor. [Accent Mobile Consumer Survey](#), Figure 9, Figure 12, Figure 13.

⁴²⁸ [Accent Mobile Consumer Survey](#), page 64.

help users overcome any difficulties they may encounter during the switching process, with our consumer survey finding that 75% of users who switched reported availing of some form of assistance.⁴²⁹ The Accent survey shows that actual barriers faced by those switching were lower than the perceived barriers among users that did not switch. However, 35% of users who switched experienced actual switching costs and this is a material proportion of users.⁴³⁰ In addition, while it is true that assistance can facilitate switching, we consider that the high use of assistance indicates that switching is not straightforward. Furthermore, the switching barriers described in this section were identified by consumers despite the availability of various forms of assistance.

- (e) Apple also submitted that: (i) our consumer survey results indicate that most non-switchers stated a preference or satisfaction with their current platform as a reason for not switching; (ii) certain response options classified as switching barriers in our consumer survey are actually driven by platform preferences; and (iii) the majority of users selecting switching barriers also state platform preferences.⁴³¹ As explained below, we recognise that there is evidence of relatively high levels of user satisfaction. However, we have also found substantial evidence of material perceived barriers to switching. User satisfaction and the presence of perceived barriers to switching are not mutually exclusive – both factors can together contribute to the level of switching between Apple’s and Google’s Mobile Ecosystems. This is consistent with Apple’s findings that non-switchers state preferences or satisfaction as a reason for not switching and that most respondents selected both preferences and barriers as reasons for not switching. As detailed further in Appendix C, we do not consider that our consumer survey results indicate that response options classified as switching barriers are actually driven by preferences.

6.55 Apple submitted that switching costs do not imply weak competitive constraints.⁴³² The presence of switching costs may in some circumstances benefit customers by intensifying competition for new customers.⁴³³ However, this is much less likely to

⁴²⁹ Apple pointed to other evidence that users do not face material barriers to switching, including: (i) [redacted]; (ii) the CMA’s survey in MEMS, which found that 81% of users found switching operating system easy; and (iii) analysis from the Progressive Policy Institute concluded that “consumers are not locked into high-priced smartphones when cheaper smartphones are Available”. [Apple’s response to Proposed Decision](#), paragraphs 88 and 89. Submission from Apple, [redacted].

⁴³⁰ For example, in reconnecting to other devices, concerns of users that did not switch were notably greater than the experiences of those who did switch (25% of users who did not switch selected ‘I had other devices linked to my current phone/operating system’ as a reason for not switching; by comparison, just 6% of users who did switch experienced difficulty with ‘reconnecting to other devices (eg smartwatch, smart home devices, wireless headphones)’.) [Accent Mobile Consumer Survey](#), Table 13, Figure 50.

⁴³¹ Submission from Apple [redacted]. We provide a more detailed assessment of this submission in Appendix C.

⁴³² Apple noted that switching costs may result in lower prices and quoted an article by Dube et al (2009) which explained that this is because ‘the incentive for a firm to lower its prices and “invest” in customer acquisition is found to outweigh the incentive for a firm to raise its price and “harvest” its existing customer base’. Submission from Apple, [redacted].

⁴³³ [CC3 \(Revised\), Guidelines for market investigations](#), paragraph 317.

be the case in mature markets with large established players.⁴³⁴ In the case of mobile platforms, as already highlighted above, the vast majority of users are buying a replacement device and hence the pool of 'new' customers is relatively small compared to the pool of existing customers. Both Apple's and Google's strategies will therefore be largely driven by what is profitable in relation to the customers who are already within their mobile ecosystems. The presence of switching costs would therefore, on balance, reduce rather than intensify competition. We therefore disagree with Apple's submission that switching costs do not imply weak competitive constraints. Further, some academic literature (including the paper cited by Apple) indicates that the magnitude of switching costs is important, and when switching costs are high they could dampen the positive effect on competition.⁴³⁵ We consider that switching costs in mobile platforms are high, for the reasons already set out in this section.⁴³⁶

6.56 Based on the evidence set out above, we consider that end-users of Apple's Mobile Platform face significant barriers to switching.

6.57 In addition, the evidence does not indicate that switching barriers are likely to change and weaken significantly over the next five years. Apple and Google told us they are jointly working on a new data migration tool that will provide a means for users to transfer data between Apple's and Google's Mobile Ecosystems when switching their mobile device. However, [redacted] [redacted].⁴³⁷

Outcomes of competition for end-users

Context

6.58 In this section we assess evidence in relation to levels of innovation and consumer satisfaction and consider what we can infer from these in relation to the strength of competition for end-users.⁴³⁸

6.59 Mobile ecosystems are characterised by material levels of innovation including quality improvements and relatively high consumer satisfaction. This applies to Apple's Mobile Platform.

⁴³⁴ Ofcom report titled '[Strategic review of consumer switching](#)', section on 'Impact of maturity of markets and market share', dated 10 September 2010, accessed by the CMA on 14 October 2025.

⁴³⁵ For large enough switching-cost levels, the strategic effects (of firms lowering their prices to defend themselves against other firms' attempts to steal customers) are dampened... [T]he impact of switching costs on equilibrium prices is an empirical question about the magnitude of switching costs. Dube et al (2009) Do Switching Costs Make Markets Less Competitive?

⁴³⁶ In particular, we consider them to be higher than in many of the markets studied in academic literature where switching costs were found to reduce prices (for example, the findings in the paper cited by Apple relate to consumer goods such as orange juice).

⁴³⁷ Apple's response to section 69 notice [redacted]; Google's response to section 69 notice [redacted].

⁴³⁸ Outcomes related to the price of Mobile Devices are considered in the 'Competition from Google for end-users: Shares of supply' section.

- 6.60 Evidence on consumer outcomes (such as quality and innovation or customer satisfaction) can be a useful indicator of the extent of competitive pressures. As with other indicators, it is important to examine what is driving these outcomes. That driver could be competitive pressure; however, it is well established that other motivations - which are consistent with a lack of competitive constraint - may also spur positive end-user outcomes.⁴³⁹
- 6.61 This evidence also needs to be looked at in the context of the overall picture in this case of high and stable shares, split fairly evenly and with limited switching between two differentiated players.

Outcomes in terms of quality and innovation

Level of quality improvements and innovation

- 6.62 Both Apple and Google have made material improvements to the quality of their Mobile Platforms over time.⁴⁴⁰ These include: (i) new iOS or iPadOS and Android releases; (ii) introducing AI functionality (ie Apple's Apple Intelligence and Google's Gemini); (iii) improvements to the quality and quantity of content, services and features offered through app stores and browsers; and (iv) greater focus on security and privacy.
- 6.63 We do not consider that it is informative to attempt to benchmark the level of innovation we see in mobile platforms against those in other technology products given the case-specific nature of the analysis required.

Drivers of quality improvements and innovation

- 6.64 Digital markets are typically characterised by frequent innovation, and, as set out above, high levels of innovation may not be strong evidence of effective competition. In the case of mobile platforms, it may be that innovations are driven by other factors such as to encourage users to upgrade their mobile device (in order to take full advantage of the latest features) and/or to increase monetisation (for example increase in-app transactions or usage of services carrying advertising). Further, it is key to note that innovation by its very nature is multi-dimensional and inherently difficult to measure. An observed high level of innovation may not necessarily be aligned with consumers' needs; and it is innovation that is driven by competition, that is most likely to be beneficial to consumers.⁴⁴¹

⁴³⁹ See, for example, '[OECD - Competition and Innovation: A Theoretical Perspective policy paper \(2023\)](#)', accessed by the CMA on 8 October 2025.

⁴⁴⁰ Apple's response to section 69 notice [38]; and Google's response to section 69 notice [38].

⁴⁴¹ Although innovations driven by factors other than competition may benefit consumers, and could be compatible with vigorous competition, such innovations could also occur in situations with low or even no competition. Further,

- 6.65 Apple has submitted that improvements in quality and innovation reflect the competitive pressure it faces from Google:
- (a) Apple submitted that it faces strong competitive pressure from the Google Mobile Platform to innovate and that it must continuously innovate or risk losing customers to competitors.⁴⁴² It stated that competition with rival devices drives it to compete strongly across a range of competitive parameters, including quality, and iOS and iPadOS features, with this representing Apple competing ‘on the merits’.⁴⁴³ Apple also stated that it is ‘acutely aware of the competitive threat from innovations pursued by other market players, and strives hard to retain its users.’⁴⁴⁴
 - (b) Apple provided examples of software improvements it has implemented over time, including Crash Detection and Apple Intelligence.⁴⁴⁵ Apple also provided several examples of where it has responded to competition from the Play Store by enhancing the services and features offered to users on the App Store – for example, by introducing ‘offer codes’ for app subscriptions, after Google launched promo codes; or launching App Clips⁴⁴⁶ in response to Google’s Instant Apps in 2020.⁴⁴⁷ Apple submitted that it is also incentivised to improve Safari and WebKit, noting that this is demonstrated by its extensive investments in marketing Safari’s privacy features.⁴⁴⁸
- 6.66 We have considered the available evidence on the factors driving the observed improvements in quality and innovation:
- (a) Some internal documents show Apple monitoring features or developments from rivals in Mobile Devices,⁴⁴⁹ native app distribution,⁴⁵⁰ and mobile browsers.⁴⁵¹ Other internal documents show Apple benchmarking its own features against rivals.⁴⁵² This indicates that competition may be a factor driving quality improvements and innovations.
 - (b) However, overall the documentary evidence of Apple monitoring or benchmarking features against rivals is limited. In addition, some innovations

innovations motivated by factors other than competition may be less aligned with customer preferences, and therefore less likely to maximise consumer welfare.

⁴⁴² Apple’s response to section 69 notice [REDACTED].

⁴⁴³ [Apple’s response to Proposed Decision](#), paragraphs 73, 78, and 80.

⁴⁴⁴ [Apple’s response to Proposed Decision](#), paragraph 82.

⁴⁴⁵ [Apple’s response to Proposed Decision](#), paragraph 80.

⁴⁴⁶ App Clips allow users to try lightweight versions of apps without having to download the app to their mobile device.

⁴⁴⁷ Apple’s response to section 69 notice [REDACTED].

⁴⁴⁸ Submission from Apple [REDACTED].

⁴⁴⁹ One document, [REDACTED]. Apple’s internal document, [REDACTED].

⁴⁵⁰ A document dated September 2023 [REDACTED]. Apple’s internal document, [REDACTED]. A document dated October 2023 [REDACTED].

Apple’s internal document, [REDACTED].

⁴⁵¹ A document dated 2022 shows [REDACTED]. Apple’s internal document, [REDACTED]. An internal email dated November 2024 [REDACTED].

Apple’s internal document, [REDACTED].

⁴⁵² One document dated 2022 [REDACTED]. A document dated February 2024 reports [REDACTED]. A document dated May 2024 [REDACTED].

introduced by Apple are only compatible with newer devices.⁴⁵³ This is consistent with Apple being incentivised to encourage existing users to upgrade.

- (c) This latter evidence is consistent with Apple's incentives and business model. Apple makes the majority of its revenues from selling devices and, as almost all Mobile Devices purchased in the UK are replacement devices, Apple has a strong incentive to offer some new features and functionality to encourage iPhone and iPad end-users to buy a new mobile device, as set out in Appendix B. Apple also has an incentive to innovate in ways that increase the usage of Mobile Devices by end-users (eg in terms of engagement or time spent) or increase the offerings available through apps (if innovations allow app developers to offer additional services or features that are charged for). This increases opportunities for generating additional revenue from existing users. As set out in Appendix B, we note that Apple's revenue mix has been increasingly shifting away from devices and towards services. Furthermore, there is evidence that innovations have been held back in mobile ecosystems due to a lack of competition.⁴⁵⁴

6.67 We conclude that whilst the evidence of quality improvements and innovation is relevant to our assessment, it is not clear what is driving such innovation: competition and/or other factors, such as revenue maximisation and encouraging users to upgrade their device. Accordingly, we take broad account of this evidence in the round alongside other relevant evidence when considering competition for end-users.^{455, 456}

⁴⁵³ For example, Apple Intelligence is only compatible with newer iPhones and iPads, see Apple, '[Apple Intelligence](#)' accessed by the CMA on 19 September 2025; Several features implemented in iOS 26 are also only available on newer iPhones, see 9to5Mac, '[These iOS 26 features will only be available on newer iPhones](#)', 16 July 2025, accessed by the CMA on 19 September 2025.

⁴⁵⁴ The CMA's previous work has identified a range of areas where innovations have been held back in Mobile Ecosystems due to a lack of competition. For example, the [MBCG MI](#) found that Apple's ban on alternative browser engines in its Mobile Platform, and therefore the lack of competition faced by Apple's WebKit browser engine, had materially limited the capabilities of mobile browsers and web apps. See [MBCG MI, Final Decision Report](#) paragraphs 4.287 to 4.296. In addition, in support of its finding that Apple can and does profitably forego innovation without fear of losing customers to competitors, the US District for the District of New Jersey cited Apple's vice president of iPhone marketing who explained in February 2020: 'In looking at it with hindsight, I think going forward we need to set a stake in the ground for what features we think are 'good enough' for the consumer. I would argue were [sic] already doing *more* than what would have been good enough.' After identifying old features that 'would have been good enough today if we hadn't introduced [updated features] already', she explained, 'anything new and especially expensive needs to be rigorously challenged before it's allowed into the consumer phone.' See [DoJ complaint](#), paragraph 187.

⁴⁵⁵ As a general observation, the presence of innovation can be consistent with a firm facing limited competitive constraints. For example, even a monopolist may have incentives to innovate and improve quality, but the level might be lower and different in nature than in a more competitive market.

⁴⁵⁶ For innovations relating to Apple's App Store and Safari mobile browser, it is possible that these are driven by competition from within Apple's Mobile Ecosystem, or from non-mobile alternatives. However, as set out in Chapter 7 we find that the App Store and Safari face limited competitive constraints. This further supports our conclusions that any observed improvements in quality or innovations on the App Store or Safari are unlikely to be driven by vigorous competition.

Consumer satisfaction

- 6.68 There is evidence of relatively high levels of consumer satisfaction in respect of Apple's Mobile Platform. This is reflected in our consumer survey where we found that 50% of iOS non-switchers (and 47% of all smartphone users that did not switch) selected 'I was happy with/preferred my existing smartphone brand' as a reason for not switching.⁴⁵⁷ The CMA's survey in its Mobile Ecosystem Market Study (**MEMS**) found that 74% of iOS users indicated their degree of satisfaction for their current smartphone was between 8 and 10, when asked about the level of satisfaction on a scale of 0 to 10 (where 0 was very dissatisfied and 10 was very satisfied).⁴⁵⁸
- 6.69 In response to the Proposed Decision, Apple submitted that evidence is consistent with high awareness of alternative platforms and high satisfaction.⁴⁵⁹ We consider Apple's submissions below and assess certain aspects of its submissions related to the survey evidence in Appendix C.⁴⁶⁰
- 6.70 Evidence of high consumer satisfaction can be an indicator of competition when assessed alongside other evidence. However, high consumer satisfaction can also be present when there is a lack of effective competition. It is therefore necessary to consider what can be inferred from the relatively high customer satisfaction we observe in the case of Apple's Mobile Platform. It is also necessary to then assess those findings alongside a range of other evidence relating to the competitive constraints faced by Apple.
- 6.71 Mobile platforms are highly complex technical products which consumers may find difficult to appraise and may do so by reference to previous versions of the same products. There are only two main providers of mobile platforms to compare, and some consumers are likely to have direct experience of only one. Moreover, due to the global nature of mobile platforms, consumers are unable to identify a more competitive benchmark in a different country or region.⁴⁶¹
- 6.72 This means that when consumers report that they are satisfied with their mobile platform, we do not consider that it would be appropriate to infer from that evidence alone that innovation and quality levels are objectively high and that there is effective competition.⁴⁶² This takes account of our conclusion above that

⁴⁵⁷ [Accent Mobile Consumer Survey](#), Figure 35, Table 13.

⁴⁵⁸ [Consumer purchasing behaviour in the UK smartphone market for the CMA's Mobile Ecosystems Market Study](#), Figure 11.

⁴⁵⁹ For example, Apple stated that: (i) the CMA consumer survey found that nearly half of iOS users previously owned Android devices and that users actively compare platforms before choosing; (ii) a Kantar survey found that 33% of satisfied iOS users still consider non-Apple brands like Samsung and Google for their next purchase; and (iii) [REDACTED].

[Apple's response to Proposed Decision](#), paragraphs 91 and 92; Submission from Apple, [REDACTED].

⁴⁶⁰ See in particular section 'Consumer awareness and preferences'.

⁴⁶¹ This is unlike in some other markets (eg telecoms) where there may be awareness of what a more competitive market can deliver.

⁴⁶² Further, this may be particularly true if in the presence of more intense competition there would have been significant, disruptive innovation. There is evidence (referred to in [MBCG MI, Final Decision Report](#) section 6, paragraph 6.24) that

improvements in quality and innovation are themselves not necessarily indicative of competition and could be driven by other factors.⁴⁶³

6.73 Apple also made the following submissions in response to the Proposed Decision:

- (a) Loyalty to mobile operating systems is driven by customer satisfaction. Apple noted that evidence indicates customers are highly satisfied with iPhones and iPads.^{464, 465}
- (b) The Kantar Survey shows that users upgrading their Mobile Device, whether within the same platform or switching platforms, experience similar satisfaction gains indicating the absence of material switching barriers. Apple submitted that if device choice was driven by consumer 'lock-in', switchers who overcame the alleged 'lock-in' would have been expected to show higher increases in satisfaction than 'upgraders'.⁴⁶⁶
- (c) Infrequent switching occurs when individual preferences and companies' product offerings are stable over time.⁴⁶⁷ [REDACTED]⁴⁶⁸[REDACTED].⁴⁶⁹

6.74 We do not consider that the Kantar Survey findings that 'switchers' and 'upgraders' experience similar satisfaction gains imply an absence of material switching barriers. The results referred to by Apple do not refer to the number of 'switchers' compared to 'upgraders'. Further, as explained above, given the complexity of mobile platforms, we consider that both 'switchers' and 'upgraders' may find it difficult to appraise their options and/or appreciate what innovations they might be missing out on as compared to a situation where competition between Apple and Google was stronger.

6.75 Similarly, in respect of stable consumer preferences, these may be driven by consumers not being aware of and/or having limited alternatives available and/or due to switching barriers such as brand loyalty, rather than being indicative of the

innovations have been held back in Mobile Ecosystems due to a lack of competition. Missing out on disruptive innovation may be particularly difficult for consumers to observe.

⁴⁶³ Apple has also disagreed with our suggestion in the PDR that users cannot assess whether they are satisfied ([Apple's response to Proposed Decision](#), paragraph 92. Submission from Apple, [REDACTED]). For the reasons set out in this section, we continue to believe that consumers may not always be well placed to appraise different Mobile Platforms.

⁴⁶⁴ Apple pointed to evidence of high user satisfaction from [REDACTED], a Kantar Worldpanel ComTech Mobile Survey, the CMA's survey in MEMS, and our consumer survey. [Apple's response to Proposed Decision](#), paragraphs 90 to 92; Submission from Apple, [REDACTED]. Apple's response to section 69 notice [REDACTED].

⁴⁶⁵ Apple also submitted that the Kantar Worldpanel ComTech Mobile Survey shows that the points of dissatisfaction mentioned by dissatisfied upgraders concern specifically their old phone (such as battery life, camera quality, storage capacity and processor speed) rather than their chosen Mobile Platform, Submission from Apple, [REDACTED].

⁴⁶⁶ Submission from Apple, [REDACTED].

⁴⁶⁷ Apple cited one article to support this statement. We note that the article analysed brand choices within the consumer-packaged goods category using data on brand switching during stock-outs caused by hurricanes. [Levine, J., & Seiler, S. (2023). Identifying State Dependence in Brand Choice: Evidence from Hurricanes. *Marketing Science*, 42(5).] Apple also pointed to evidence from a Kantar survey which indicates that the choice to upgrade within the same platform is driven by stable preferences. Submission from Apple, [REDACTED].

⁴⁶⁸ Apple also pointed to evidence from a Kantar survey which it submitted shows that platform upgraders and switchers had comparable levels of increase in satisfaction. Submission from Apple, [REDACTED].

⁴⁶⁹ Submission from Apple, [REDACTED].

competitive constraints that Apple and Google impose on each other or degree of consumer satisfaction. Indeed, according to the above, [REDACTED],⁴⁷⁰ which suggests that the improvements that have been made to Apple's Mobile Platform have not been sufficiently significant to lead to changes in its product positioning.

- 6.76 Having assessed the facts and circumstances of this case, we consider that there is insufficient evidence to conclusively determine whether in this case consumer satisfaction is reflective of competitive pressures or whether other factors are also at play. We take account of this evidence in the round alongside other relevant evidence when considering competition for end-users. This includes our consideration of the switching rates among other things.

Competition from non-Google mobile platforms for end-users

- 6.77 Apple's Mobile Platform faces very limited competitive constraints from non-Google mobile platforms for end-users, such as those operated by Amazon and Huawei.
- 6.78 Apple submitted that the mobile platform market is dynamic and that its Mobile Platform is subject to a number of competitive constraints beyond Google's Android. Apple submitted that:
- (a) iPad faces fierce competition from devices including: (i) forked Android devices, most notably Amazon's Fire OS; (ii) Microsoft's tablets and laptop-tablet hybrid devices; and (iii) ChromeOS devices.⁴⁷¹
 - (b) The mobile market is dynamic and there have been a number of new market entrants providing alternative operating systems, including: HarmonyOS, Funtouch OS, SteamOS, ChromeOS, Windows, Meta's custom form of Android for its Meta AI glasses, KaiOS, Sailfish OS, PureOS, PostmarketOS, Ubuntu Touch, LineageOS, /e/, and CalyxOS.⁴⁷²
- 6.79 We also received submissions from third parties who considered that potential entry of new mobile operating systems from firms such as Huawei, Samsung, Xiaomi, Microsoft and Oppo may weaken Apple's position – including in relation to the iOS and iPadOS operating systems and the App Store.⁴⁷³
- 6.80 Amazon's Mobile Platform holds a material share of supply of tablets in the UK. Amazon's Fire OS has been the third largest provider in terms of active tablets, with the proportion of active tablets running on Fire OS ranging between [REDACTED] [10 –

⁴⁷⁰ Submission from Apple, [REDACTED].

⁴⁷¹ Submission from Apple [REDACTED].

⁴⁷² Apple's response to section 69 notice [REDACTED].

⁴⁷³ 6 responses to section 69 notices: [REDACTED].

20]% and [] [20 – 30]% in the period 2017 to 2024.⁴⁷⁴ However, Amazon's Mobile Platform presents a very limited constraint on Apple's Mobile Platform for the following reasons:

- (a) Amazon's Mobile Platform is only available on tablet devices and not smartphones. Tablet devices represented only 21% of all active Mobile Devices in 2024.⁴⁷⁵
- (b) Evidence indicates that Amazon's Fire OS tablets and Apple's iPads are focused on different price segments. In particular, Fire OS are lower end devices, with 100% of Fire OS tablets being sold for £300 or less over the period 2019 to 2024, whereas Apple's iPads hold a higher share of higher-priced devices, accounting for between 85% and 90% of tablets sold for more than £300 over this period.⁴⁷⁶
- (c) While Fire OS is an Android fork, it does not include the Google Mobile Services (**GMS**) suite of apps. Evidence also indicates that the proprietary app store of Amazon's Fire OS tablets had around half as many apps as Apple's App Store in 2024.⁴⁷⁷
- (d) [].

6.81 Huawei's operating system also presents a very limited constraint on Apple's Mobile Platform:

- (a) we note that historically the company had a larger presence in the UK and supplied Mobile Devices with its own version of Android. Huawei supplied devices using 'Huawei Mobile Services' from May 2019 following US legislation which meant that Huawei could no longer access Google's apps and services, including GMS.⁴⁷⁸ The last Huawei smartphone device model was sold in early 2023, and subsequently no new Huawei smartphone models have been available in the UK.⁴⁷⁹
- (b) There is evidence that Huawei is putting significant effort and resources into its own operating system, HarmonyOS, and this alternative Mobile Platform appears to have gained some traction in China.⁴⁸⁰ We discuss this below.

⁴⁷⁴ CMA's analysis of data from market participants including Amazon's response section 69 notice [].

⁴⁷⁵ CMA's analysis of market participant data based on Apple's response to section 69 notice []; and Google's response to section 69 notice [].

⁴⁷⁶ CMA's analysis of IDC data from 'IDC Worldwide Quarterly Personal Device Tracker, February 2025'.

⁴⁷⁷ Amazon's Appstore in the UK in 2024 had an average monthly number of approximately [] [0 – 1] million native apps, Amazon's response to section 69 notice []. Apple's App Store in the UK in 2024 had an average number of native apps available on the UK App Store at the end of each month of approximately [] [1 – 2] million. Apple's response to section 69 notice [].

⁴⁷⁸ MEMS, paragraph 3.6.

⁴⁷⁹ Huawei's response to section 69 notice [].

⁴⁸⁰ Huawei's response to section 69 notice [].

- (c) However, Huawei told us that it remains subject to restraints on its ability to compete which have had a major impact on its smartphone business in the UK.⁴⁸¹ Huawei explained that [REDACTED].⁴⁸² Huawei therefore provides very little constraint on Apple's Mobile Platform in the UK and the evidence does not indicate that this position is likely to change significantly in the next five years.

6.82 With respect to the other operating system entrants mentioned by Apple, none of these pose a material constraint to Apple's Mobile Platform:

- (a) Our shares of supply analysis shows that these alternative mobile platform providers have achieved negligible shares of supply in the UK (collectively less than 1%).⁴⁸³
- (b) Many of the alternatives mentioned are not consistent with our description of mobile operating systems in Chapter 4 – for example: (i) Microsoft does not consider Windows to be a mobile operating system;⁴⁸⁴ (ii) Google supplies ChromeOS on laptops and desktops, but not on Mobile Devices;⁴⁸⁵ and (iii) SteamOS is designed for gaming on PCs.⁴⁸⁶
- (c) Where the alternatives mentioned relate to Mobile Devices, they appear to target niche segments which typically make them poor alternatives for most end-users of Apple's Mobile Devices. For example, CalyxOS appears to be very privacy focused.⁴⁸⁷
- (d) We have also seen no mention of these other non-Google mobile platform providers in Apple's internal documents.

6.83 Furthermore, in Chapter 8, we note that third parties generally do not consider that the overall position of Apple's Mobile Platform will change significantly over the next five years, which further supports the view that operating system entrants are unlikely to impose a significant competitive constraint in this period.

Conclusion on competition for end-users

6.84 We conclude that Apple's Mobile Platform faces only a limited constraint from other mobile platforms when competing for mobile end-users as a whole. In particular:

⁴⁸¹ Following US legislation from May 2019, Huawei can no longer access Google's apps and services, including GMS (MEMS, paragraph 3.6).

⁴⁸² Huawei's response to section 69 notice [REDACTED].

⁴⁸³ See Appendix A.

⁴⁸⁴ Microsoft's response to section 69 notice [REDACTED].

⁴⁸⁵ Google's response to section 69 notice [REDACTED].

⁴⁸⁶ Apple's response to section 69 notice [REDACTED].

⁴⁸⁷ CalyxOS, '[CalyxOS](#)', accessed by the CMA on 10 October 2025.

- (a) Apple's Mobile Platform has held a stable share of supply (between [X] [50 – 60]%) over the past seven years in all Mobile Devices.
- (b) Apple's share of supply varies greatly across mobile device price tiers. Apple's Mobile Platform accounted for 82% of users who purchased smartphones over £600 in 2024. On the other hand, no new iOS smartphones were sold for £300 or less.
- (c) Apple differentiates its Mobile Ecosystem from Google's and, as a result, end-users do not generally perceive the two ecosystems to be close substitutes. Apple positions itself as a premium brand and its customers are more brand and design-focused whilst being less price-sensitive. Price is the most important factor for Android end-users. End-users perceive the two ecosystems to be less substitutable – for example the evidence shows that a significant proportion of customers have specific preferences for either the Apple or Google Mobile Platform.
- (d) Only a small proportion of end-users switched from Apple's iOS smartphones to Google's Android and switching from Google to Apple, whilst higher, is still relatively low. Those considering switching are likely to be among the most contested by Apple and Google but this group is a minority. The vast majority of users do not consider switching at all. There are both actual and perceived barriers to switching, for example concerns about loss of data like photos when moving between platforms, and we find these have a significant impact in both directions.
- (e) Apple has made improvements to its Mobile Platform over time and there are relatively high levels of customer satisfaction. However we cannot robustly infer whether these outcomes are driven by competition or other factors. Improvements in quality and innovation are equally consistent with Apple's incentives to encourage users to upgrade devices or increase revenues from its existing user base.
- (f) Other mobile platforms pose only a very limited competitive constraint. Amazon's mobile platform in tablets offers limited competition to Apple's Mobile Platform and there is even less constraint from other non-Google mobile platforms which have negligible shares of supply (collectively less than 1%).
- (g) Finally, the evidence does not indicate that the above findings are likely to change significantly over the next five years. This is consistent with our findings elsewhere in this report that, based on the evidence we have seen, market, technological, regulatory or other developments are unlikely to change Apple's position significantly in terms of competition for end-users over the next five years.

Competition to attract content and service providers

The purpose of Apple's Mobile Platform is to facilitate interactions between end-users and providers of digital content and services, and to enable end-users to access, view and engage with digital content and services.

App developers and providers of web content use Apple's Mobile Platform to provide their content and services to end-users. The main way users access content on Mobile Devices is via an app or through a browser and businesses can choose to distribute their content and services as an app and/or as web content.

In this section we consider the competition that Apple's Mobile Platform faces from other mobile ecosystems to attract such content and service providers. We conclude that Apple faces only a very limited constraint from other mobile ecosystems to attract content and service providers to develop content for its Mobile Platform.

In relation to competition for app developers:

- The size of the end-user base to which a Mobile Platform provides access is the most important factor in attracting app developers to write content for the Mobile Platform. As set out above, [50 – 60]% of end-users use Apple's Mobile Platform and [40 – 50]% use Mobile Devices with Google's Mobile Platform. These two groups of end-users are distinct as most end-users single home. Even with some limited competition for end-users as set out above, the extent of this end-user base has remained persistently large over time. Apple's and Google's Mobile Platforms therefore provide access to large and distinct customer groups and app developers must ensure their content is available on both Mobile Platforms to reach all end-users.
- We have considered evidence on outcomes in terms of commission fees and innovation and whether the observed outcomes are driven by competition or other factors. We found that reductions in commission fees are unlikely to be significantly driven by competition. We also found that we cannot robustly infer whether improvements in quality are driven by competition or other factors, however we note that improvements in quality are consistent with Apple's incentives to increase revenues.
- In relation to web content, Apple and Google do not compete for web content to be made available on their Mobile Platforms. Rather, content providers write content once for distribution across different platforms. Content providers therefore do not choose whether to distribute on one platform or another, as by its very nature web content is broadly available.
- We also find that smaller non-Google mobile ecosystems provide a very limited constraint on Apple's Mobile Platform when competing for content providers.

Competition to attract app developers

Parameters of competition

- 6.85 For an app developer, the choice of what platform to develop content for, and how to distribute that content on the platform are closely related. As we set out in Chapter 7, Apple's App Store is the only distribution route for app developers on Apple's Mobile Platform. Therefore, in deciding to make content available on Apple's Mobile Platform, an app developer is in practice deciding both to develop for Apple's Mobile Platform and to distribute through the App Store.
- 6.86 Apple competes with alternative suppliers of mobile platforms to attract app developers to write and distribute content for their platform, over the following parameters:
- (a) Users. The value of a mobile platform to a content provider is largely determined by the number of users it can access through it. Based on evidence received from app developers, while user experience, costs and time required to develop apps and functionality available were all cited as important, the size of a user base was the most frequently cited factor driving app developer choices of where to develop and distribute.⁴⁸⁸
 - (b) Price. As noted below, the vast majority of app developers primarily fund their apps through advertising. However, where an app developer monetises their content through paid apps and in-app purchases, it will be subject to a commission fee charged for customer billings processed through each platform's own app store and its billing system. Apple submitted that its App Store commission fee supports its entire platform and the App Store itself, [redacted].⁴⁸⁹
 - (c) Quality. As above, app developers also consider the quality of services provided by a mobile platform. This includes the tools and support it provides to app developers, the access to functionality to enable app developers to innovate on new app features, means to increase apps' discoverability and user reach, services to help app developers manage their users, and to help them monetise their content.

⁴⁸⁸ The importance of the size of a user base is consistent with indirect network effects driving the value of a Mobile Platform ie as noted above, a Mobile Platform is more valuable to a content provider the more users it can access through it. See for example, 12 parties responses to section 69 notices; [redacted].

⁴⁸⁹ Apple's response to the section 69 notice [redacted].

Availability of native apps and app developers on Apple's and Google's Mobile Platforms

- 6.87 As set out in more detail in Chapter 4, the evidence shows that the App Store constitutes a single app marketplace through which apps can be distributed to Apple Mobile Devices. For native app developers, the App Store is the route to all users of Apple devices, including both smartphones and tablets. In addition, app developers face the same commission rates, App Review Guidelines, and legal agreements governing their relationship with Apple and can access the same tools on the App Store for both smartphones and tablets. We have therefore assessed competition for app developers by considering Mobile Devices as a whole.
- 6.88 The App Store on Apple's Mobile Platform and the Play Store on Google's Mobile Platform are by far the two largest app stores in the UK, and are comparably sized.⁴⁹⁰ For example, in 2024 and across all Mobile Devices in the UK:
- (a) The average number of native apps available on the App Store at the end of each month was approximately [X] [1 - 2] million. The Play Store hosted [X] [2 - 3] million.⁴⁹¹
 - (b) The average number of app developers with apps available across both app stores was similar. The average number of app developers with apps available on the App Store at the end of each month was approximately [X] [0 - 1] million. There were approximately [X] [0 - 1] million app developers with apps available on the Play Store.⁴⁹²

Constraint from app developers' switching

Considering the need from app developers to be on both platforms

- 6.89 Apple and Google are the two largest Mobile Platforms: Apple supplies [50-60]% of end-users and Google supplies [40-50]%. These platforms serve distinct groups of customers.⁴⁹³ Therefore to access all these customers, app developers must make their content available on both platforms. This is consistent with the evidence from app developers discussed below which indicates that they consider both the App Store and the Play Store as 'must-have' distribution options and that their choice to develop and distribute content for the App Store and the Play Store

⁴⁹⁰ Whilst there are other app stores on Google's Mobile Ecosystem which may be competing with the App Store on Apple's Mobile Platform, such as Samsung's Galaxy Store, are materially smaller in scale compared to the App Store. For example, Samsung's Galaxy Store had an average monthly number of approximately [X] [0 - 1] million native apps, [X] [0 - 50,000] app developers. Samsung's response to section 69 notice [X]. We also note that Amazon's Appstore is no longer be supported on Android from August 2025. Amazon developer, '[Upcoming changes to Amazon Appstore for Android devices and other programs](#)', 20 February 2025, accessed by the CMA on 14 May 2025.

⁴⁹¹ Apple's response to the section 69 notice [X]. Google's response to section 69 notice [X].

⁴⁹² Apple's response to section 69 notice [X]. Google's response to section 69 notice [X].

⁴⁹³ As explained in 'Parameters of competition' section, evidence indicates that most users single-home.

is driven by their ability to access two distinct sets of users on Apple's and Google's Mobile Ecosystems.^{494, 495}

- 6.90 The evidence also shows that for this reason, app developers, currently developing for both Google's and Apple's Mobile Platforms, are unlikely to delist their apps on the App Store and by doing so, impose a constraint on it.
- (a) The App Store represents an essential source of revenue for app developers in the UK. Currently, the App Store provides app developers access to [redacted] [50 - 60] million transacting user accounts on Apple's Mobile Platform⁴⁹⁶ which accounts for [redacted] of active smartphone and tablet users in the UK⁴⁹⁷ and [redacted] of customer billings generated from these users.⁴⁹⁸ Apple's Mobile Platform is therefore vital for app developers seeking to distribute their content and services to those users. That is, if an app developer is delisted from the App Store, it is likely that this would have significant negative impact on the app developer's user base and revenue opportunities overall. Furthermore, a decision by an app developer to develop for the Play Store and not the App Store is unlikely to trigger significant switching on the user side to Google's Mobile Ecosystem. Users do not tend to consider availability and/or quality of content as one of the most important factors when switching between Apple's and Google's Mobile Ecosystems.⁴⁹⁹
- (b) This is consistent with evidence we have gathered from third parties. A range of native app developers submitted that developing and distributing content via both the App Store and Play Store is the only way to reach sufficient user scale including the only way to access two distinct sets of users on each

⁴⁹⁴ 22 parties in total. 2 parties responses to section 69 notices; [redacted]. 16 parties responses to questionnaires; [redacted]. 4 notes of meetings; [redacted].

⁴⁹⁵ Whilst app developers can in principle access users on Google's Mobile Ecosystem through app stores other than the Play Store, as noted above, these app stores such as Samsung's Galaxy Store, are much smaller in scale. Given the importance of scale for app developer choices, we consider that the alternative app stores within Google's Mobile Ecosystem will impose a much weaker constraint on the Apple's Mobile Platform whereas the Play Store is the closest competitor to Apple's App Store. The above is consistent with third-party evidence indicating that generally app developers view Google's Play Store as an essential distribution channel and alternative app stores on Google's Mobile Ecosystem are generally considered to be inferior substitutes. 37 parties total. 16 responses to section 69 notices; [redacted]. 14 parties responses to questionnaires; [redacted]. 6 notes of meetings; [redacted]. 1 email correspondence: [redacted].

⁴⁹⁶ As set out in Chapter 8, in 2024 in the UK there were [redacted] [40 – 50] million accounts making transactions on iPhones (using iOS) and [redacted] [10 – 20] million accounts making transactions on iPads (using iPadOS).

⁴⁹⁷ As such the App Store is also an important source of user reach for the vast majority of app developers who primarily fund their apps through advertising. As discussed below, just under 90% of app developers distributing their apps on the App Store do not generate any revenue through the Apple's In-App Payment system.

⁴⁹⁸ Shares of customer billings is based on data from Apple, Google, Samsung, Amazon, and Huawei. Apple's response to section 69 notice [redacted]; Google's response to section 69 notice [redacted]; Google's response to section 69 notice [redacted]; Samsung's response to section 69 notice [redacted]; Amazon's response to section 69 notice [redacted]; Huawei's response to section 69 notice [redacted].

⁴⁹⁹ Evidence from our consumer survey indicates that only 14% of users who switched selected 'I thought iOS/Android had access to a wider range of mobile app/the apps I wanted to use' as a reason for switching (8th most popular reason cited) and an even smaller proportion of users (2%) cited this as the most important factor. Accent Mobile Consumer Survey, Figure 47; Accent Mobile Consumer Survey, Technical Use and Behaviour Data Tables, Q24. As noted in the section 'Parameters of competition for end-users', the survey data likely reflects the context that both App Store and Play Store are well established and extensive app stores.

respective Mobile Ecosystem, indicating both are ‘must-have’ distribution options.⁵⁰⁰ In addition, many of these⁵⁰¹ and several other app developers⁵⁰² submitted that losing access to either the App Store or the Play Store would have a significant impact on their ability to serve their customers on Mobile Devices. For example, one large native app developer stated that losing access to the Play Store would mean losing access to roughly half the UK market.⁵⁰³ Another large native app developer submitted that it would not withdraw its apps from the App Store if Apple increased its commission charges by 5-10%, noting it is an essential method of distribution.⁵⁰⁴ Further, there is a range of evidence which indicates that app developers, particularly large app developers with the most popular apps, typically develop and distribute apps on both the App Store and the Play Store.^{505,506}

Prioritising development for one platform before the other

- 6.91 We have also considered whether there is evidence that app developers, whilst developing for both Mobile Platforms, prioritise Google’s Play Store over the App Store. Apple submitted that content providers may prioritise other digital platforms, such as game consoles⁵⁰⁷ or Android, and allocate investment away from, postpone their entry on, or even completely avoid iOS and iPadOS.⁵⁰⁸
- 6.92 The evidence indicates that app developers do not generally prioritise the Play Store over the App Store (or Google’s Mobile Platform over Apple’s Mobile Platform) other than for a limited period of time and would not generally do so in order to benefit from better features or terms on the Play Store. This is consistent

⁵⁰⁰ Not all app developers that we have contacted during this investigation were asked explicitly about this and / or provided an explicit view on this. 32 parties total. 3 parties responses to section 69 notices; [REDACTED]. 19 parties responses to questionnaires; [REDACTED]. 9 notes of meetings; [REDACTED]. 1 email correspondence; [REDACTED].

⁵⁰¹ Some responses did not distinguish between the impact of leaving just the Play Store, while most noted impact of leaving both the Play Store and the App Store. 19 parties total. 17 parties responses to section 69 notices; [REDACTED]. 2 notes of meetings; [REDACTED].

⁵⁰² Some responses did not distinguish between the impact of leaving just the Play Store, while most noted impact of leaving both the Play Store and the App Store. 9 parties responses to section 69 notices; [REDACTED].

⁵⁰³ [REDACTED] response to section 69 notice [REDACTED].

⁵⁰⁴ [REDACTED] response to MEMS section 69 notice [REDACTED]. Note that this was submitted in response to the CMA’s MEMS, but the party submitted to the CMA’s SMS investigation that this response holds true today - [REDACTED] response to section 69 notice [REDACTED].

⁵⁰⁵ Apple submitted that of the top 25 free apps on its App Store as of 21 February 2025, 24 were available for download on the Play Store. Apple’s response to section 69 notice [REDACTED]. Similarly, according to a survey commissioned by Google of 500 app developers across the UK and EU, [REDACTED]% [80 – 90]% of app developers distribute via two or more app stores, including Apple’s App Store and Google’s Play Store. Google’s response to section 69 notice [REDACTED]. All but one of the 55 native app developers we gathered evidence from (including 35 large and 20 small native app developers) confirmed that they distributed their apps via both the App Store and the Play Store. 55 parties total. 47 parties responses to section 69 notices; [REDACTED]. 8 notes of meetings; [REDACTED].

⁵⁰⁶ We consider that, even to the extent there are a small proportion of app developers who currently distribute only on Apple’s Mobile Platform, these app developers are unlikely to see Google’s Mobile Platform as a substitute since, as set out above, it offers access to a distinct set of users. In addition, there are material costs to redeveloping apps for use on the Play Store which affects app developers’ distribution choices. Specifically, a number of app developers submitted that cost and time required to develop content is an important parameter affecting their content distribution choices. 7 parties responses to section 69 notices; [REDACTED].

⁵⁰⁷ The extent of competitive constraint from non-mobiles alternatives is further considered in Chapter 7.

⁵⁰⁸ Apple’s response to section 69 notice [REDACTED].

with our conclusions above that app developers must distribute on both Mobile Platforms.

- (a) Out of the wide range of app developers that were specifically asked whether they prioritise distributing their apps on either the App Store or Play Store, nearly all stated that they do not prioritise either app store and instead seek to release apps and/or updates on both app stores simultaneously.⁵⁰⁹ Many of these app developers further explained that where their releases of apps or updates across the two app stores are not aligned, this is due to operational constraints⁵¹⁰ or for testing purposes,⁵¹¹ rather than their own commercial desire.
- (b) Only one small app developer submitted to us that it prioritises the Play Store over other app stores (ie Apple's App Store) and that it views the Play Store as its 'primary' distribution channel on mobile overall.^{512 513}

Switching by app developers in the future

- 6.93 Additionally, the evidence does not indicate that switching by app developers to the Play Store is likely to change significantly over the next five years such that it would materially constrain the App Store. Indeed, out of the native app developers who commented on their future expectations for how they distribute apps on mobile, most did not expect any substantial change by 2030 (as set out in Chapter 7), nor did any party suggest any plans to stop multi-homing across both of these two key Mobile Platforms.⁵¹⁴ This is consistent with evidence set out elsewhere in this chapter and Chapter 7 that emergence of alternative Mobile Platforms and or other content distribution channels within Apple's Mobile Ecosystem is unlikely, indicating that Apple's Mobile Platform will remain an essential content distribution option for app developers within this period.⁵¹⁵

⁵⁰⁹ 25 parties total. 20 parties responses questionnaires; [REDACTED]. 5 notes of meetings; [REDACTED].

⁵¹⁰ 10 parties total. 8 parties responses questionnaires; [REDACTED]. 2 notes of meetings; [REDACTED].

⁵¹¹ 3 parties responses questionnaires; [REDACTED].

⁵¹² [REDACTED] response to section 69 notice [REDACTED].

⁵¹³ However, two app developers also identified the App Store as the primary app store (ie that they prioritise the App Store over other app stores) because users of Apple Mobile Devices tend to spend more money in apps. One of those developers explained that, at present, it normally prioritises the App Store during initial few months but would seek to reach parity between the app stores after that. 2 notes of meetings; [REDACTED].

⁵¹⁴ 30 parties responses to section 69 notices; [REDACTED]. 2 notes of calls; [REDACTED].

⁵¹⁵ See Chapter 7, where we set out that the evidence overall does not indicate that market participants expect a significant change to distributing primarily via the App Store within Apple's Mobile Ecosystem over the next five years, and Chapter 6, where we set out that the evidence overall does not indicate that alternative (non-Google) Mobile Platforms are likely to emerge as commercially viable alternatives to Apple's and Google's Mobile Platforms within this period, including as a result of future technological and market developments, discussed in Chapter 8.

Outcomes of competition for app developers

Context

- 6.94 This section considers evidence on a range of outcomes and considers what we can infer from these in relation to the constraint that Apple's Mobile Platform faces from Google's Mobile Platform in relation to app developers.
- 6.95 As set out earlier in this chapter, evidence on outcomes can be a useful indicator of the extent of any competitive pressures present. However, it is important to examine what is driving these outcomes. That driver could be competitive pressure; however, it is well established that other motivations - which are consistent with a lack of competitive constraint - may also spur positive customer outcomes.
- 6.96 This evidence also needs to be looked at in the context of the overall picture of Apple and Google both being 'must have' platforms for app developers, and therefore app developers needing to develop and distribute their content through both platforms, even if one platform offers better commercial terms and/or quality improvements.
- 6.97 We also note that outcomes, to the extent they are driven by competition, will be determined not only by the constraint that the App Store faces from the Play Store but also from alternative means of distributing content within Apple's Mobile Ecosystem as well as constraints from non-mobile alternatives. As such, when considering the extent to which outcomes are consistent with effective competition, we have also taken the evidence set out elsewhere in this chapter as well as Chapter 7 into account.

Commission fees for app developers

- 6.98 This section considers the extent to which Apple's App Store competes with Google's Play Store on commission fees for app developers, particularly in light of various submissions from Apple that the reductions in those fees should be interpreted as evidence that the App Store faces strong competition.
- 6.99 As noted above, whilst the vast majority of app developers monetise their content through advertising, a small proportion of app developers are monetising their content through paid apps and in-app purchases and as such, are subject to commission fees. Overall, whilst some evidence indicates that the App Store's fees have slightly fallen in the past, there is evidence to indicate some of those reductions might have been driven by factors unrelated to competition. In addition, other evidence is consistent with the App Store facing limited competition on fees. As such, we find that reductions in commission fees are unlikely to be significantly driven by competition.

- 6.100 Reductions in commission fees could be consistent with the App Store facing increasing competition from rival mobile platforms or other forms of content distribution. In markets subject to effective competition firms will seek to win business by improving their prices and other aspects of their offer. However, prices in the market can also be affected by factors unrelated to competition and reductions in prices can be observed even under monopoly. Therefore, evidence of reductions in commission fees alone may not be indicative of whether the App Store faces effective competition.
- 6.101 We have therefore considered in our assessment: (i) whether there is evidence of material reductions in the commission fees charged by Apple's Mobile Platform; and (ii) the extent to which any such reductions are indicative of the strength of competitive constraints on Apple.
- 6.102 The evidence shows that over time Apple has made some reductions to its commission rates for app developers. Apple currently charges a headline commission of 30% for payments for digital content made via Apple IAP billing system.⁵¹⁶ Apple submitted that it has reduced its commission rate over time and narrowed its application to ensure that Apple remains an attractive platform to app developers and provided a number of examples of such changes in the past.⁵¹⁷ For example, it charges a lower commission rate in certain circumstances, such as where an app developer is eligible for those lower rates under the Small Business Program⁵¹⁸ or where rates apply to subscription renewals.⁵¹⁹
- 6.103 However, the reductions in those rates are not as extensive and widespread as Apple suggests and do not indicate a sustained and material downward trend:
- (a) First, we note that no major changes to the App Store's commission rates have been announced in the last four years, ie since 2021.
 - (b) Our analysis set out in Appendix A shows that the App Store's annual average commission rate per transaction decreased slightly from [redacted] [20 – 30]% to [redacted] [20 – 30]% in the period between 2020-2024.⁵²⁰ However, the decline in average commission rates was only observed in and around 2021, coinciding with the timing of the last changes to the commission rates implemented by Apple.⁵²¹ In addition, the average commission rate remained

⁵¹⁶ Apple's response to section 69 notice [redacted].

⁵¹⁷ Apple's response to section 69 notice [redacted]. [Apple's response to Proposed Decision](#), paragraph 112.

⁵¹⁸ In January 2021, Apple introduced the Small Business Program (see Apple Developer, '[App Store Small Business Program](#)', accessed by the CMA on 10 June 2025), where app developers that earn no more than \$1 million in the previous year pay 15% on in-app transactions.

⁵¹⁹ In 2016, Apple reduced the commission on subscriptions after their first year to 15%. Apple Developer, '[Auto-renewable Subscriptions - App Store - Apple Developer](#)', accessed by the CMA on 10 June 2025.

⁵²⁰ Apple's response to section 69 notice [redacted].

⁵²¹ As set out in Appendix A, the average commission rate on Apple's IAP billing system reduced from [redacted]% [20 – 30]% in 2020 to [redacted]% [20 – 30]% in 2021 and then stayed constant over the period 2021 to 2024.

largely stable over the last four years and this is consistent with the lack of changes to the App Store's commission rates in the last four years.

- (c) Furthermore, the average commission rate of [redacted] [20 – 30]% remains relatively close to the headline rate of 30%. This implies that the reduced rates apply only to a small proportion of the total value of transactions and the vast majority of revenue earned by app developers is charged at the headline rate of 30% - which has not been reduced since Apple launched the App Store in 2008.⁵²²
- (d) Our analysis in Appendix A on Market Outcomes also indicates that over the period from 2020 to 2024, the proportion of app developers paying reduced rates has increased,⁵²³ whereas the proportion of app developers paying headline rates has decreased.⁵²⁴ However, as per above, these changes have not been reflected in any material changes to the average commission rates over this period, implying that the app developers moving from higher fees to reduced fees account for a very small proportion of the total value of transactions.

6.104 Apple submitted that it analyses and benchmarks its commission rate against rival marketplaces, including the Play Store, Amazon and Samsung, to remain attractive for app developers.⁵²⁵ However as set out above, prices can also be affected by factors unrelated to competition and so such price changes may therefore not be the outcome of competitive pressure. Furthermore, other evidence in relation to the commission fees is consistent with the App Store facing limited competition:

- (a) A range of app developers indicated that the level of commission fee rates on the App Store are too high⁵²⁶ and only some⁵²⁷ indicated that they felt the rates were fair.⁵²⁸

⁵²² Apple's response to section 69 notice [redacted].

⁵²³ From 2020 to 2024, the proportion of app developers who pay an average rate of 15-19.99% has increased by [redacted] percentage points [0 – 10]%. See Appendix A.

⁵²⁴ From 2020 to 2024, the proportion of app developers who are subject to an average rate of 29% or higher has decreased by [redacted] percentage points [0 – 10]%. See Appendix A.

⁵²⁵ Apple's response to section 69 notice [redacted].

⁵²⁶ 24 parties total. 22 parties responses to section 69 notices; [redacted]. 2 notes of meetings; [redacted].

⁵²⁷ 3 parties total. 2 responses to section 69 notices; [redacted]. Note of call with [redacted].

⁵²⁸ In its response to the Proposed Decision, Apple further submitted that 30% is a commonplace headline commission rate across mobile and console app market places which contradicts third-party submissions that Apple's commission is high ([Apple's response to Proposed Decision](#), paragraph 112). We do not consider that commonplace rates necessarily imply those rates are reflective of effective competition. Furthermore, we do not consider that the rates across other mobile and console app market places are likely to be informative of competitive levels of commission rates on the App Store. This is because some of those fees charges by the Play Store or alternative app stores refer to prices that are not themselves the product of effective competition. As explained above, app developers typically distribute their apps on both the Play Store and the App Store as 'must-have' and distinct distribution channels, indicating that the Play Store does not face a strong constraint to attract app developers, including by offering them competitive commission rates. As part of this investigation, we have not assessed whether the fees charged by other app stores in the UK are set at competitive levels such that they could act as appropriate comparators. However, we note that there are material barriers to entry and expansion (discussed below) which may limit competition on commission fees. Furthermore, we have not

- (b) We did not find evidence in Apple's internal documents from 2022 to 2024 of Apple monitoring Google's fees or responding to competition from Google in setting its own fees in the UK (consistent with no major changes to the Play Store's commission rates announced since 2021).
- (c) This is also consistent with our profitability analysis set out in Chapter 8, showing that Apple was and is expected to continue to make high profits and that Apple is not being forced to erode those profits by responding to competition, eg through reductions in commission rates.

6.105 The above is consistent with evidence indicating that some of the most recent changes to Apple's commission rates including the Small Business Program⁵²⁹ and the changes to the 'Reader Rule' in 2021⁵³⁰ may have come, at least in part, due to other factors unrelated to competition such as regulatory, legislative, and enforcement pressure.⁵³¹

6.106 Overall, some evidence indicates that the App Store's fees have slightly fallen in the past but there is evidence to indicate some of those reductions might have been driven by factors unrelated to competition. There is also evidence consistent with the App Store facing limited competition on fees. Apple has not reduced the App Store fees since 2021 nor [✂].

6.107 Therefore, we find that reductions in commission fees are unlikely to be significantly driven by competition. Accordingly, we take broad account of this evidence in the round alongside other relevant evidence when considering competition for content providers.

assessed competitive conditions in non-mobile content distribution as part of this investigation (such as non-mobile game consoles) nor determined whether factors driving prices on these non-Mobile Platforms could be analogous to those driving the App Store's commission fees.

⁵²⁹ Apple's CEO, Tim Cook, stated during the testimony in the Epic case that the reduction to 15% for the Small Businesses Program in 2021 was driven by a desire to help small businesses during Covid-19, while also being aware of pressure from on-going lawsuits and other regulatory investigations: 'Q. [Ms. Moyé] When did Apple first start to consider the Small Business Program that you just referenced, the most recent commission reduction? A. [Tim Cook] It probably has its origins from several years ago. Q. And why did Apple decide to implement that program now? A. What was in my mind at the time was I was very worried about COVID and the effect of COVID on small businesses in particular. Q. And did Apple consider litigation, regulatory issues when deciding to implement the Small Business Program? A. It was -- it was, you know, things in my mind, sure. That was in the back of my mind. But the primary reason was COVID.' *Epic Games, Inc. v. Apple Inc.*, 4:20-cv-05640, (N.D. Cal.), [Transcript of Proceedings held on May 21, 2021](#), page 33, lines 5 – 16, accessed by the CMA on 13 October 2025.

⁵³⁰ The 'Reader Rule' which allows app developers of pre-defined reader apps (magazines, newspapers, books, audio, music, and video) to allow a user to access previously purchased content or content subscriptions was first introduced by Apple 2011. It initially prohibited 'reader' apps from including external links that directed users to the relevant website if they wanted to create a new, or manage an existing, account. Apple proposed changes to the 'Reader Rule', effective from early 2022, which allowed 'reader' apps to provide a single in-app link to an external website where the users could set up and manage their accounts. These changes have been proposed in order to close an investigation by the Japan Fair Trade Commission under the provisions of the Antimonopoly Act in Japan since October in 2016. [Apple, '[Japan Fair Trade Commission closes App Store investigation](#)', 1 September 2021, accessed by the CMA on 10 June 2025]

⁵³¹ In its response to the Proposed Decision, Apple submitted that it is not the case that recent reductions in Apple's commission rates are driven by regulation rather than competition. However, it provided no arguments or evidence to support its submission. [Apple's response to Proposed Decision](#), paragraph 112.

Quality improvements and innovation for app developers

- 6.108 This section considers evidence on quality improvements and innovation to the service and features offered to app developers on Apple's App Store⁵³² and considers whether these are likely to have been driven by competitive pressure. We conclude that we cannot robustly infer what is driving such innovation: competition and/or other factors. Accordingly, we take broad account of this evidence in the round alongside other relevant evidence when considering competition for content providers.
- 6.109 As set out earlier in this chapter, outcomes relating to quality improvements and innovation can be a useful indicator of the extent of the competitive pressures. But as with other indicators, it is important to examine what is driving these outcomes. That driver could be competitive pressure; however, it is well established that other motivations - which are consistent with a lack of competitive constraint - may also spur the outcomes for end-users and app developers.⁵³³ Also, mobile ecosystems are characterised by significant levels of innovation including quality improvements. This applies to Apple's Mobile Platform.
- 6.110 The evidence indicates that Apple has implemented certain quality improvements to its Mobile Platform and particularly to the App Store over time.
- 6.111 Apple has submitted that these improvements reflect competitive pressures:
- (a) Apple submitted that the App Store faces competition from many other platforms and it competes on a range of non-price parameters in that context, including service features (for example, security features), relative performance, service quality and reliability, innovation, marketing and distribution capability, service and support (on the app developer side), and corporate reputation.⁵³⁴
 - (b) It stated that 'intense competition between alternative channels manifests in feature innovation for users and developers', including as examples of features which benefit app developers Accessibility Nutrition Labels, updates to the age rating system for apps, and Peer Group Benchmarks.⁵³⁵
 - (c) Apple provided several examples of developments and innovations which have benefitted app developers and users, including examples of improvements that it claimed have been launched on the App Store in response to competition from the Play Store; for example, enhancements to

⁵³² We note that there is not always a clear distinction between improvements aimed at app developers and end-users. There is therefore some overlap between the evidence considered here, and that considered earlier in this chapter.

⁵³³ For example, even a monopolist may have incentives to innovate and improve quality, but the level might be lower and different in nature than in a more competitive market.

⁵³⁴ Apple's response to section 69 notice [38].

⁵³⁵ [Apple response to Proposed Decision](#), paragraph 111.

Apple's Game Centre in 2021⁵³⁶ and introduction of Benchmarks for App Analytics in 2022.⁵³⁷

- 6.112 We have considered the available evidence on the factors driving the observed improvements in quality and innovation. In this context, one internal document shows [REDACTED], which may indicate that competition is a factor driving new features and innovations.⁵³⁸ However, overall, there is very limited internal document evidence indicating that competition is driving quality improvements or innovation in the App Store.⁵³⁹
- 6.113 We consider there are factors other than competition which could also be driving Apple's improvements to its Mobile Platform for app developers, for example increasing revenue earned from existing app developers. Some of the innovations highlighted by Apple, such as 'win-back offers', 'App Benchmark' and 'contingent pricing', appear aimed at increasing app developers' ability to monetise and therefore earn more revenue.⁵⁴⁰ Although improvements aimed at helping app developers increase revenue could be consistent with attracting app developers to the App Store, they could also be motivated by increasing revenue for Apple from existing developers. Further, there is not always a clear distinction between improvements aimed at users and those aimed at developers, therefore some features which benefit developers may be driven by Apple's incentive to increase revenue from existing users, for example by encouraging users to try more apps in the App Store.
- 6.114 Given the limitations in being able to assess whether the observed levels of innovation are indicative of Apple facing significant competitive constraints, we have also considered third-party evidence on quality.
- 6.115 This evidence indicates that overall there are material concerns amongst app developers regarding the quality of services on the App Store. Some third parties suggested that there may be some competition on quality between Apple's App Store and Google's Play Store,⁵⁴¹ and some stated that the App Store does bring benefits to app developers, for example in terms of discoverability⁵⁴² and in terms

⁵³⁶ Apple's response to section 69 notice [REDACTED].

⁵³⁷ In 2022, in response to many analytics services offered by other platforms, Apple also introduced Benchmarks for App Analytics as a tool that enables app developers to gain valuable insights on their app's performance relative to similar apps (at no additional charge). Apple's response to section 69 notice [REDACTED].

⁵³⁸ This document concludes that for the App Store [REDACTED] and that [REDACTED] Apple's internal document [REDACTED].

⁵³⁹ In addition to the above document, a few of Apple's internal emails contain news article summaries which refer to developments in the mobile space more generally, including [REDACTED]. However these documents do not link these developments to the App Store. Apple's internal documents; [REDACTED].

⁵⁴⁰ Apple's response to section 69 notice [REDACTED].

⁵⁴¹ Two other third parties (industry associations) submitted views that the App Store faces strong competition on quality from the Play Store. Parties responses to ITC dated 23 January 2025; [Chamber of Progress](#) (pages 1,2 & 4); [Communications Industry Association](#) (page 3). We note that both Apple and Google are members of the Chamber of Progress (Chamber of Progress, '[Partners - Chamber of Progress](#)', accessed by the CMA on 15 September 2025) and Communications Industry Association (CCIA, '[Members - CCIA](#)', accessed by the CMA on 15 September 2025).

⁵⁴² 6 parties responses to section 69 notices; [REDACTED].

of user trust.⁵⁴³ However, a range of native app developers⁵⁴⁴ submitted to us that they have concerns in relation to how Apple operates the App Store, and these concerns relate to several key aspects of app distribution, such as app discoverability, listing or updating apps, and Apple's use of app developers' data. The significant level of concerns raised by a range of app developers, in relation to key aspects of app distribution on the App Store is consistent with there being limited competition between Apple and Google on quality to attract app developers.⁵⁴⁵

- 6.116 Further, where quality improvements and innovation are driven by competition, we expect to see at least some dynamic competitive fluctuations, driven by app developers' willingness and ability to switch to alternatives which have a superior offering. This does not appear to be the case here with the App Store facing very limited constraints from Google's Mobile Platform and limited competitive constraints from other alternative ways of distributing content within its Mobile Ecosystem as well as non-mobile alternatives. We would also expect to see more evidence in internal documents of a market player monitoring others' performance and responding to other market participants' innovations, which again overall does not appear to be the case based on our review of Apple's and Google's internal documents.⁵⁴⁶
- 6.117 In light of the above, our view is that whilst it is likely that a degree of competitive pressure may create some incentive for Apple to improve quality and innovate, other factors are also likely to be important drivers.
- 6.118 We conclude that whilst the evidence of quality improvements and innovation is relevant to our assessment, it is not clear what is driving such innovation: competition and/or other factors. Accordingly, we take broad account of this evidence in the round alongside other relevant evidence when considering competition for content providers.

Competition from other Mobile Platforms to attract app developers

- 6.119 We find that Apple's Mobile Platform faces a very limited constraint from non-Google mobile platforms, including from Amazon's Appstore (on Fire OS) and Huawei's AppGallery, to attract app developers:

⁵⁴³ For example see 3 parties responses to section 69 notices; [§§].

⁵⁴⁴ 29 parties responses to section 69 notices; [§§]. 3 notes of meetings; [§§]. One party's response to section 174 notice in relation to MBCG MI RFI [§§].

⁵⁴⁵ In response to the Proposed Decision, Apple submitted that the findings 'are based on views expressed by a minority of third parties, with no evidence of widespread harm or dissatisfaction' (see [Apple's response to Proposed Decision](#), paragraph 18.) Appendix C outlines our approach to assessing third-party evidence.

⁵⁴⁶ As described in Appendix C, as the only other significant provider of a Mobile Platform, we would expect to see at least some reference to Apple in Google's internal documents, and therefore do not conclude that Apple imposes a significant constraint based on the relatively limited references we have seen.

- (a) As set out above, app developers consider both Apple's and Google's Mobile Platforms as 'must-have' and distinct distribution channels and, as such, app developers switching or threatening to switch to other rival Mobile Ecosystems are unlikely to impose significant constraint on Apple.
- (b) No app developer we gathered evidence from indicated they would prioritise distributing their native apps on non-Google Mobile Ecosystems and only a small number of app developers identified app stores on these platforms – ie Amazon's Appstore⁵⁴⁷ and Huawei's AppGallery⁵⁴⁸ as options they actively use, with some of these app developers submitting that they consider them as complements to the App Store.⁵⁴⁹
- (c) Both Amazon's Appstore and Huawei's AppGallery have significantly smaller user bases and generate significantly less net revenue from customer billings,⁵⁵⁰ indicating that for app developers, these app stores act as inferior substitutes to the App Store.
- (d) Despite Apple's submission that it competes against platforms such as Amazon's Appstore, [REDACTED].

Competition from Google's Mobile Ecosystem to attract web developers

6.120 In this section we consider the extent to which Apple's Mobile Platform faces competition from Google's Mobile Ecosystem to attract web developers.

6.121 As set out in more detail in Chapter 4, Apple provides one version of its browser, Safari across its Mobile Devices and users consume Safari on both Mobile Devices as a means of viewing and interacting with web content on both iPhones and iPads. Consistent with the scope of the digital activity, we have assessed competition for web content by considering Mobile Devices as a whole.

6.122 In relation to web content, web developers write content once for distribution across different platforms (eg the Apple and Android mobile operating systems), devices (eg mobile, desktop, or console), and browsers (eg Chrome, Safari, Firefox etc).⁵⁵¹ Content providers therefore do not choose whether to distribute on one platform or another, as by its nature web content is broadly available. As a

⁵⁴⁷ 7 total parties. 5 parties responses to section 69 notices; [REDACTED] 2 notes of meetings; [REDACTED].

⁵⁴⁸ 2 parties responses to section 69 notices; [REDACTED].

⁵⁴⁹ 5 total parties. 3 parties responses to section 69 notices; [REDACTED] 2 notes of meetings; [REDACTED].

⁵⁵⁰ Amazon's Appstore had an average monthly number of [REDACTED] [0 – 1] million active users and generated approximately £[REDACTED] [0 – 50] million in net revenue from customer billings in 2024. Amazon's response to section 69 notice [REDACTED].

Huawei's AppGallery had an average monthly number of [REDACTED] [0 – 1] million active users and generated approximately £[REDACTED] [0 – 50] million in net revenue from customer billings in 2024. Huawei's response to section 69 notice dated 3 February 2025, question 39. This compares against [REDACTED] [20 – 30] million monthly active users on the App Store which generates £[REDACTED] [0 – 2] billion of net revenue in 2024. Apple's response to section 69 notice [REDACTED].

⁵⁵¹ Jigsaw Research (2024), Qualitative Research with Developers on Mobile Browsers and Mobile Browser Engines, page 5.

result, web content providers cannot ‘switch away’ from either Mobile Platform, and Apple, Google and other rivals therefore do not compete for web content to be made available on their mobile platforms.⁵⁵²

6.123 In limited circumstances, compatibility issues mean that web content may not work as intended with certain browsers or browser engines.⁵⁵³ However, web developers have indicated that they tend to test for compatibility against the browsers with the most users and therefore both Chrome and Safari are prioritised:

- (a) Compatibility issues could impact the quality of web content available on a platform. For example, if WebKit encountered significant web compatibility issues, this would reduce the quality of web content accessible on Apple’s Mobile Platform. Mobile platforms may therefore compete to be prioritised by web developers for compatibility testing, which would reduce the risk of compatibility issues arising on the platform.
- (b) Internal documents from Apple and Google indicate that compatibility is important for their browsers, with web developer views being considered, and targets being set for compatibility.⁵⁵⁴
- (c) Web developers have indicated that they tend to test for compatibility against the browsers with the most users. This means that they mainly test against Chrome and Safari, and to a lesser extent smaller less popular browsers such as Firefox, Edge, and Brave.⁵⁵⁵ The evidence also indicates that compatibility issues with browsers are less frequent than in the past, and any issues tend to be minor.⁵⁵⁶
- (d) Any competition to be prioritised for compatibility testing is therefore in the form of having more users of the browsers and browser engines on a platform. Given the significant number of users of Safari and WebKit, and Chrome and Blink, both tend to be prioritised by web developers for

⁵⁵² Although mobile browser and browser engine providers do develop new functionalities which can be used by web developers, to the extent that this is linked to competition, we consider that this is more likely to be linked to competing for users, by increasing the quality of web content available on their mobile browser or browser engine, rather than the threat of web developers switching.

⁵⁵³ Apple’s response to section 69 notice [REDACTED] and Google’s response to section 174 notice [REDACTED].

⁵⁵⁴ An Apple document, provided in the context of the MBCG MI [REDACTED], the document reports it is ‘[REDACTED] Apple internal document [REDACTED]. Apple internal document [REDACTED]; An Apple email provided in the context of the MBCG MI also mentions [REDACTED]. Apple internal document [REDACTED]. A Google document states that one of Google’s motivations for having good quality technology stacks (ie the combination of technologies required to build a website) is so that [REDACTED]. Google’s internal document [REDACTED].

⁵⁵⁵ [Jigsaw Research \(2024\), Qualitative Research with Developers on Mobile Browsers and Mobile Browser Engines](#), page 7; See Appendix A for more detail on shares of supply in mobile browsers.

⁵⁵⁶ [Jigsaw Research \(2024\), Qualitative Research with Developers on Mobile Browsers and Mobile Browser Engines](#), pages 8 and 25; . Responses to section 69 notice; [REDACTED]; [REDACTED] response to section 174 notice in relation to MBCG MI [REDACTED]; [REDACTED] response to section 174 notice in relation to MEMS notice [REDACTED].

compatibility testing, although there is some evidence of Safari and WebKit having greater issues with compatibility.⁵⁵⁷

- 6.124 Consequently, the extent of any competition between Apple and Google to ensure that web content providers make their content available on Apple's and Google's Mobile Platforms respectively is very limited, as web content is generally made available cross-platform. To the extent that there is competition, this is in the form of having more users and therefore being prioritised by web developers in compatibility testing. Additionally, the evidence does not indicate that this is likely to change significantly over the next five years.

Conclusions on competition to attract content providers

- 6.125 We conclude that Apple's Mobile Platform faces very limited competitive constraint from other Mobile Ecosystems to attract content providers:

- (a) With respect to app developers:
 - (i) Each of Apple's Mobile Ecosystem and Google's Mobile Ecosystem serves a large and distinct group of users (consistent with our conclusions that these platforms have a different focus when competing for users) and we find the evidence shows both are considered by app developers as 'must-have' distribution options to access those user groups. Similarly, we find that app developers are unlikely to delist or generally deprioritise their listings on Apple's Mobile Platform or otherwise generally prioritise developing content for Google's Mobile Platform (other than for a limited period of time).
 - (ii) We have considered evidence on outcomes in terms of commission fees and innovation and found that the observed outcomes could be consistent with some competition but could also be driven by factors unrelated to competition. We find that reductions in commission fees in the past may have been driven by factors unrelated to competition. In addition, wider evidence is consistent with the App Store facing limited competition on fees. As such, we find that reductions in commission fees are unlikely to be significantly driven by competition. We consider the evidence shows Apple has made improvements to its Mobile Platform over time. However, there is also evidence that this could be driven by its desire to increase revenues from existing app developers and users.

⁵⁵⁷ [MBCG MI Final Decision Report Appendix A](#), paragraph 4.

- (iii) When considering all the above evidence in the round, we find that there is very limited competition between these two key platforms for attracting app developers.
- (b) With regard to web content, this is made broadly available by content providers and as a result, competition between Apple's Mobile Platform and Google's Mobile Platform for these content providers is very limited.
- (c) We also find that smaller non-Google mobile ecosystems provide a very limited constraint on Apple's Mobile Platform when competing for content providers.
- (d) Finally, the evidence we have seen does not indicate that the above findings are likely to change significantly over the next five years. This is consistent with our findings elsewhere in this report that, based on the evidence we have seen, technological, market, regulatory or other developments are unlikely to change significantly Apple's position in terms of competition for content providers over the next five years (as set out in chapter 8).

Impact of Apple's revenue sharing agreement with Google

In this section, we consider the revenue sharing agreement (known as the Information Services Agreement (**ISA**)) between Apple and Google and the extent to which it limits Apple's and Google's incentives to compete against each other.

We find that the ISA materially limits Apple's and Google's incentives to compete, and this dampens the extent of competition between Apple's Mobile Ecosystem and Google's Mobile Ecosystem.

6.126 Apple and Google have an agreement known as the Information Services Agreement (**ISA**) which was first entered into in 2002. Under the current terms of the ISA:

- (a) Apple sets Google Search as the default search engine on the Safari, Siri and Spotlight search access points on all Apple devices (including Apple Mobile Devices) in several territories including the UK, EEA and US.⁵⁵⁸
- (b) In return, Google pays Apple a significant amount of its search advertising revenue for searches conducted via Google Search on Apple devices (including Apple Mobile Devices) in several territories including the UK, EEA and US, using Apple's Safari, Siri and Spotlight and Google's Chrome

⁵⁵⁸ [MBCG MI, Final Decision Report](#) paragraphs 9.1 to 9.5 and 9.48; in [the CMA's Decision to designate Google as having strategic market status \(SMS\) in general search services](#), paragraph 5.92 and 5.173; and Apple's response to section 174 [x].

browser. In 2022, this amounted to USD 20 billion globally.⁵⁵⁹ In the UK, Google paid Apple approximately £[§] [1-3 billion] under the ISA in relation to search access points on Safari, Chrome [§] across all Apple Mobile Devices in 2024.⁵⁶⁰

- 6.127 The ISA has significant commercial and strategic importance to both firms. For Apple, the scale of Google's payments under the ISA makes Google one of Apple's largest sources of revenue and profits.⁵⁶¹ For Google, the CMA's Search SMS Investigation found that Google's default agreements including the ISA create a significant barrier to entry and expansion to rivals of Google's general search products – as such, these agreements play an important role in supporting Google's highly profitable position in search.⁵⁶² In the US Search Litigation, Sundar Pichai, CEO of Alphabet, confirmed that default placements – including on iOS Mobile Devices via the ISA – are valuable to Google despite costing billions of dollars a year.⁵⁶³
- 6.128 We consider that the mutually beneficial, commercially and strategically important relationship created by the ISA is likely to dampen any competition between Apple's and Google's Mobile Platforms which would risk disrupting that relationship.
- 6.129 Specifically, we consider that the ISA particularly limits the scope for dynamic competition between these two platforms given that the ISA reinforces the important differences in Apple's and Google's overarching revenue models⁵⁶⁴ and limits Apple's and Google's incentives to introduce innovations that may disrupt

⁵⁵⁹ MBCG MI, paragraph 9.1 to 9.4; Google's response to section 69 notice [§]; and Apple's response to section 174 [§]. Under the ISA, Google pays Apple a significant percentage of its net advertising revenue from traffic that takes place via Safari and Chrome. ([MBCG MI Final Decision Report](#), paragraph 9.4).

⁵⁶⁰ See Appendix B, section titled 'Advertising'.

⁵⁶¹ See Appendix B.

⁵⁶² The ISA allows Google to ensure that Google Search is used on the large majority of Mobile Devices in the UK because it is set as the default search provider on Safari which has c.43% share of browser usage on Mobile Devices in the UK and is used extensively on Chrome which accounts for further c.46% share of mobile browser usage in the UK (see Appendix A). The importance of default positions and the impact of these on competition in general search is discussed in [the CMA's Decision to designate Google as having strategic market status \(SMS\) in general search services](#), section titled 'User access and default positions' (in particular, see paragraph 5.177 to 5.186). Also, see [the CMA's Decision to designate Google as having strategic market status \(SMS\) in the provision of its Mobile Platform](#), Appendix B for our analysis of Google's revenues and profits from mobile search advertising.

⁵⁶³ Reuters, '[Google CEO acknowledges importance of being default search engine in US trial](#)', 31 October 2023, accessed by the CMA on 26 September 2025.

⁵⁶⁴ There are important differences in Apple's and Google's overarching revenue models, whereby Apple makes the majority of its Mobile revenue from device sales (see Appendix B, section titled 'Segmental reporting'), and Google makes most of its Mobile revenues from services, including search and other advertising (Google, '[Form 10-K for Alphabet INC filed 2 May 2025](#)', accessed by the CMA on 8 October 2025, page 64). Furthermore, as set out above in the section 'Extent of differentiation with Google's Mobile Platform', Apple focuses on offering a tightly controlled and integrated Mobile Ecosystem and delivering a secure and polished user experience to support selling high quality devices; whereas Google's primary focus is to support its advertising business by building and maintaining a very large user base with devices using Google's Mobile Platform offered via third party OEMs across a range of needs and budgets. As such, Google's reliance on advertising revenues and limited presence in Mobile Devices (via Pixel) means that users' spend on acquiring Android devices has a much less direct impact on Google's revenues compared to Apple (which generates the majority of its revenue from users on Apple's Mobile Devices). The ISA reinforces that because its terms ensure that Google can earn consistently high revenues in search advertising (by securing key user access points for Google Search on iOS) without having to win mobile users away from Apple's Mobile Platform.

existing differentiation in business focus. Limited constraint from Google's Mobile Ecosystem is likely to be particularly detrimental given that it is the main source of constraint that Apple's Mobile Ecosystem faces, with very limited constraints from alternative mobile ecosystems (as set out elsewhere in this chapter).

- 6.130 In addition to the above dynamic impacts, the ISA impacts Google's static incentives to compete against Apple's Mobile Platform (and as discussed in Chapter 7; it also limits competition on browsers within Apple's Mobile Ecosystem). This is because the terms of the ISA limit the financial benefit that Google derives from both retaining a mobile user on its Mobile Ecosystem or winning a mobile user from Apple.
- 6.131 Specifically, the terms of the ISA which result in Google being set as the default on a number of access points on Apple devices mean that, if an Android end-user using Google Search switches to an Apple mobile device, Google is likely to retain that user as a user of Google Search⁵⁶⁵ and can retain material search revenue from that user (as discussed below).
- 6.132 Further, where a user within Apple's Mobile Ecosystem already uses Google Search, the incremental revenue Google earns from winning such users to its own Mobile Ecosystem is limited.
- 6.133 Analysis from Compass Lexecon submitted by Google in its response to our Proposed Decision⁵⁶⁶ confirms that Google earns material search revenue from Apple's iOS users, accounting for a significant proportion of revenue it would generate from a premium Android device user.
- 6.134 Considering that revenue from mobile search (including through the ISA) accounts for the majority [≈] % of Google's mobile revenues in the UK,⁵⁶⁷ we consider that these static impacts of the ISA materially limit Google's incentives to compete for mobile users and therefore the constraint it exerts on Apple's Mobile Platform. Furthermore, in the dynamic context, this may also dampen the extent of the constraint that Apple exerts on Google's Mobile Ecosystem, as Apple will respond to the limited competitive constraint from Google (which, as discussed elsewhere in this chapter, is the main competitive constraint Apple faces).

⁵⁶⁵ This is because end-users rarely change the preset default. For more detail see in [the CMA's Decision to designate Google as having strategic market status \(SMS\) in general search services](#), 'User access and default positions' section (in particular, paragraph 5.182).

⁵⁶⁶ Google submitted a piece of analysis from Compass Lexecon which it said shows that Google 'earns substantially more revenues' from 'high-value' Android users relative to iOS users and therefore has 'an extremely strong incentive to win and retain users on Android'. [Google's response to Google's Proposed Decision](#), paragraphs 33 to 42 and [≈]. However, our view is not that the ISA removes entirely the financial incentive for Google to compete against Apple or that there is no constraint between the two but rather that the ISA materially limits Google's incentives to compete for mobile users against Apple's Mobile Ecosystem and that this dampens competition between them.

⁵⁶⁷ See the CMA's [Decision to designate Google as having strategic market status \(SMS\) in the provision of its Mobile Platform](#), Appendix B.

- 6.135 In its response to the Proposed Decision, Apple submitted that the ISA has no impact or, in fact, has a positive impact on Apple's and Google's incentives to compete.⁵⁶⁸
- 6.136 We have considered these submissions but remain of the view that the ISA materially limits Apple's and Google's incentives to compete, and, in particular, the competitive constraint that Google exerts on Apple's Mobile Platform:
- (a) First, Apple submitted that the ISA has no impact on its incentives to compete 'primarily in the device market', particularly because Apple [REDACTED]. It further added that the ISA could result in 'higher payments' to Apple if it leads to 'more qualifying searches in Safari' and thus could increase its incentives to compete at the device level.⁵⁶⁹ We agree that the ISA does not limit Apple's financial losses when a user switches to Google's Mobile Ecosystem (whereas the ISA does limit Google's losses associated with a user switching to Apple's Mobile Ecosystem, as set out above). However, while in principle we agree that at the margin the ISA may provide Apple with an enhanced financial incentive to capture users from Google,⁵⁷⁰ we note that Apple did not provide evidence to indicate how material it considers such impacts to be. More generally, we consider that any positive static impacts from Apple's enhanced financial incentives to capture users at a margin, to the extent they arise, are unlikely to offset the material loss of competitive constraint from Google's Mobile Ecosystem and the wider dampening of dynamic competition between the two Mobile Platforms discussed above.
- (b) Second, Apple also submitted that even under the ISA, Google has substantial financial incentives to attract and retain users, including to its Pixel smartphones.⁵⁷¹ We note that Google similarly submitted that its Pixel devices were released to compete against iOS devices in the premium segment, [REDACTED].⁵⁷² Both of these objectives are reflected to a degree in Google's internal documents.⁵⁷³ However, as noted above, our view is not that the ISA removes entirely the incentives for Google to compete for mobile users against Apple's Mobile Ecosystem but that those incentives are materially limited as a result of the terms of the ISA. Consistent with that, Pixel devices do not appear to have exerted a strong constraint on Apple – while Pixel device sales are growing,⁵⁷⁴ Pixel's share of UK mobile device sales has remained low, accounting for [REDACTED] [0 - 5]% of active Android

⁵⁶⁸ [Apple's response to Proposed Decision](#), paragraph 95.

⁵⁶⁹ [Apple's response to Proposed Decision](#), paragraph 95.

⁵⁷⁰ We understand this is because Apple may be able to generate greater revenue per user from search services as a result of Google's ISA-related payments.

⁵⁷¹ [Apple's response to Proposed Decision](#), paragraph 95.

⁵⁷² Google's response to section 69 notice [REDACTED].

⁵⁷³ Google's internal documents; [REDACTED].

⁵⁷⁴ For example, see Google's internal document [REDACTED].

devices in the UK in 2024.⁵⁷⁵ This is further reflected in documentary evidence from Apple and Google. For example, our analysis of [REDACTED] indicates that it is unlikely a Pixel launch will take share from Apple, and that the launch will be more concerning for rival Android smartphones.⁵⁷⁶ Google internal analysis [REDACTED] also shows that most Pixel users switch from other Android devices, not iOS devices.^{577,578}

6.137 Finally, Apple submitted that there is no basis in law or economic theory⁵⁷⁹ to assume that a revenue share agreement between conglomerate firms weakens platform-level competition.

- (a) Apple cites an academic and one empirical study, which it submits ‘confirm positive effects from revenue sharing agreements on consumer welfare.’⁵⁸⁰ We do not consider this as informative in understanding the economic impacts of the ISA on competitive constraints on Apple.⁵⁸¹
- (b) As set out in Chapter 4, our analytical approach focuses on the competitive constraints that the potential SMS firm faces in respect of a digital activity, including for example evidence of substitutability, competitive rivalry and barriers to entry and expansion.⁵⁸² Our analysis is not predicated on an assumption that revenue sharing agreements weaken platform-level competition. As part of our assessment of competitive constraints faced by Apple’s Mobile Platform, we have considered the extent of rivalry between Apple and Google, which is informed by the terms of the ISA and its impact on the incentives of Apple and Google to compete.

6.138 We therefore conclude that the revenue sharing agreement between Apple and Google materially limits their incentives to compete in relation to their Mobile Ecosystems. This reinforces the conclusions elsewhere in this chapter of the limited competitive constraint imposed on Apple by Google.

⁵⁷⁵ CMA analysis based on Google’s response to section 69 notice [REDACTED].

⁵⁷⁶ [REDACTED].

⁵⁷⁷ Google’s internal document [REDACTED].

⁵⁷⁸ This is further confirmed by an internal document from Google [REDACTED]. Google’s internal document [REDACTED].

⁵⁷⁹ [Apple’s response to Proposed Decision](#), paragraph 96.

⁵⁸⁰ [Apple’s response to Proposed Decision](#), paragraph 96.

⁵⁸¹ We note in particular that neither of the studies consider welfare effects of a revenue sharing agreement between vertically integrated firms that also compete horizontally, such as Apple and Google. Specifically, both studies analyse welfare impacts of revenue sharing agreements between an upstream supplier and a downstream retailer (ie vertically related firms). An empirical study by Mortimer (2007) finds positive welfare effects of a revenue sharing agreement between the upstream supplier and downstream retailer in the rental video market in the US, based on data covering the period from 1998 to 2000. Hagiu and Wright (2018) find that revenue sharing contracts between an upstream firm and a downstream firm can have positive welfare effects because such contracts provide a means for an upstream firm to adjust their investment in line with the demand shocks that are only directly observed by a downstream firm.

⁵⁸² Paragraph 2.63 of the Guidance.

Barriers to entry and expansion in mobile platforms

In this section, we consider the extent to which Apple is constrained by the threat of entry and expansion of competing mobile platforms. We considered four main categories of barriers to entry and expansion that a rival supplier of mobile platforms may face and find that Apple faces limited constraint from the threat of entry or expansion occurring:⁵⁸³

- Indirect network effects which result from the fact that a mobile platform is two-sided, connecting users with content providers. We find that there are strong indirect network effects, especially for native apps, which act as a barrier to entry and expansion for rival mobile platform providers.
- Barriers to providing individual components of a mobile platform. As noted above, Apple's Mobile Platform comprises interconnected components, namely: (a) a Smartphone Operating System; (b) a Tablet Operating System; (c) Native App Distribution; and (d) a Mobile Browser and Browser Engine. Therefore, in order to compete effectively with Apple's Mobile Platform, a rival would need to be able to provide (either itself or by outsourcing to a third party) a version of each of these components, in which they are configured to work together. We find that some components of the mobile platform, such as the browser, are likely to be easier for a new entrant to provide than others.
- Barriers relating to Mobile Devices. A rival will also need Mobile Devices for its mobile platform to be installed upon. In other words, it would need to either produce its own Mobile Devices, or license its mobile platform to third-party mobile device OEMs. We find that a new entrant is unlikely to be able to replicate the payments Google makes to OEMs, and manufacturing its own Mobile Devices is likely to require resources and expertise.
- Ecosystem-wide barriers. In addition to the barriers inherent in producing individual components of a mobile platform and the Mobile Device, there are additional barriers which apply at the mobile ecosystem level, such as getting users to switch from their existing mobile platform or replicating the broader ecosystem of integrated connected devices.

Indirect network effects

6.139 Mobile platforms exhibit strong indirect network effects which act as a barrier to entry and expansion. This is because, as set out in Chapter 4, a mobile platform is two-sided, connecting end-users with mobile content providers. The more end-users can access mobile content through the mobile platform, the more they value

⁵⁸³ We here assess the likelihood that a rival can enter or expand with a mobile platform like those of Apple and Google. The possibility of disruptive entry by a rival with a different offering or business model, potentially linked to technological developments such as AI, is covered in the section 'Competition to Google's Mobile Platform arising from wider technological and market developments' below.

the mobile platform. In turn, content providers value a mobile platform more the greater the number of end-users using it.

- 6.140 The presence of indirect network effects therefore creates a ‘chicken and egg’ problem where a mobile platform needs a critical mass of end-users to attract content providers, but it equally needs to offer a critical mass of mobile content to attract end-users. This means it is difficult for a new entrant to gain traction as it cannot attract one set of customers without the other.
- 6.141 A range of stakeholders, including Apple, confirmed the importance of indirect network effects as a barrier to entry and expansion in mobile platforms:
- (a) Apple submitted that a mobile operating system’s success depends on the value it offers to third parties and end-users and it competes strongly to attract both users and developers to its Mobile Devices,⁵⁸⁴ but focuses on attracting app developers as part of its commercial strategy since a vibrant app offering is a driving factor of devices sales.⁵⁸⁵
 - (b) Microsoft, Samsung and Mozilla all submitted that their attempts to enter failed because they were unable to attract enough app developers to create apps for their mobile platforms.⁵⁸⁶ In addition, one of the reported reasons for the lack of success of Amazon’s Fire Phone, which used Amazon’s Fire OS and launched in the UK in September 2014 but exited a year later, was its narrow selection of apps, including its inability to offer the GMS suite of apps.⁵⁸⁷
 - (c) Third parties, including many major manufacturers of Mobile Devices and app store providers, confirmed that indirect network effects constitute a very significant barrier to entry. In particular, most third-party mobile device manufacturers and app store providers confirmed that network effects were an important feature of mobile platforms.⁵⁸⁸ A number of app developers also confirmed this or submitted that the number of users they can reach influences where they choose to distribute their apps.⁵⁸⁹ Most browser vendors submitted that web compatibility can limit the ability of smaller browsers to grow.⁵⁹⁰ Web compatibility generates an indirect network effect as web developers maintain compatibility with browsers with enough users, which limits smaller browsers’ ability to grow.

⁵⁸⁴ [Apple’s response to invitation to comment](#), page 2, paragraph 1.6.

⁵⁸⁵ Apple’s response to section 69 notice [redacted].

⁵⁸⁶ 3 responses to section 69 notices; [redacted] from Microsoft [redacted]; [redacted] from Samsung [redacted]; [redacted] from Mozilla [redacted].

⁵⁸⁷ [MEMS final report](#), June 2022, paragraph 3.56, footnote 109.

⁵⁸⁸ Some OEMs are also app store providers. The count for number of app store providers therefore overlaps with the OEM count. 9 responses to section 69 notices; [redacted].

⁵⁸⁹ 23 parties responses to section 69 notices; [redacted]; One party’s submission to the CMA [redacted]; 4 notes of meetings; [redacted].

⁵⁹⁰ 5 responses to section 69 notices; [redacted]; 1 response provided in the context of the CMA’s MBCG MI [redacted].

- 6.142 The strength of these indirect network effects depends to some extent on the type of mobile content. In particular, there is a distinction between:
- (a) Content that is consumed through native apps where many content providers develop their application specifically for use on a given operating system. As set out in the next chapter, in order to distribute its app via a new mobile platform, each individual app developer would need to substantially recreate its native app(s) for the operating system of the alternative mobile platform and incur significant development costs; and
 - (b) Mobile content that is consumed through a mobile browser or web-based applications where web developers need to create their content only once using web programming languages (ie common standards of the open web) and have it work across all consumer devices that can access the web through a web browser.^{591,592}
- 6.143 We find that there are strong indirect network effects, especially for native apps, which act as a barrier to entry and expansion for rival mobile platform providers. We take this into account below in our assessment of the barriers to entry and expansion for each component and the mobile platform as a whole.

Barriers to providing individual components of a mobile platform

- 6.144 A new mobile platform would need to be able to offer each component of the platform, whether through developing its own software or accessing existing alternatives. Therefore, we consider in this section the barriers to providing a mobile operating system, native app distribution services, and a mobile browser and browser engine. Broader possibilities for entry and expansion by alternatives to these components (for example from AI) are considered in later sections.

Mobile operating system

- 6.145 A rival mobile platform would broadly have two options for supplying a mobile operating system: licensing an existing operating system or developing a new operating system.
- 6.146 Apple's iOS and iPadOS and Amazon's Fire OS are currently used exclusively as part of their own mobile platforms.⁵⁹³ In response to the Proposed Decision, Apple

⁵⁹¹ Although compatibility issues may result in some web content not functioning correctly with all browsers, we understand the vast majority of web content works with all browsers.

⁵⁹² Mobile browsers are themselves a type of native app which need to be written for each specific operating system, but a Mobile Ecosystem supplier could self-supply a mobile browser or would need only one third-party provider to make its mobile browser available on its mobile operating system, to allow end-users to access web-based content.

⁵⁹³ Apple's response to section 69 notice [38]; and Amazon's response to section 69 notice [38].

and Google submitted that anybody can license the open-source Android operating system for free.⁵⁹⁴

- 6.147 While this is true, we note that in order to use the Android brand to market a device, Google requires OEMs to agree to the Android Compatibility Commitment (**ACC**) under which OEMs agree to maintain compatibility with a baseline version of Android as set out in the Compatibility Definition Document (**CDD**).⁵⁹⁵ This means that Android forks do not have access to Google's popular native apps including the Play Store, limiting the ability of new suppliers using an Android fork to offer a competitive rival Mobile Platform (see above).
- 6.148 In addition, it follows from our analysis that the agreements between Google and Android OEMs create substantial financial incentives for OEMs to: (i) promote Google's apps and services on their Mobile Devices; and (ii) use a compatible version of the Android operating system, as Google's Placement Agreement and Revenue Sharing Agreement with OEMs is conditional on OEMs joining the EMADA agreement which is in turn conditional on OEMs first having agreed to the ACC. This is covered in more detail in Appendix C of the CMA's Decision in respect of Google's Mobile Platform.
- 6.149 Google submitted in response to the Proposed Decision that OEMs using a compatible version of Android can modify the operating system to an extent, such as by differentiating the user interface.⁵⁹⁶ However this is insufficient, in our view, to consider them as independent competitors to Google's Mobile Platform given the similarity in features and control Google can exert over the operating system by virtue of the various agreements.
- 6.150 Mobile operating systems are subject to strong indirect network effects (see above) given their function as an intermediary between hardware and software on a mobile device. A successful mobile operating system therefore needs both a critical mass of end-users and content providers.
- 6.151 A significant portion of the costs involved in developing and maintaining a new operating system are fixed and do not vary with the number of users of the operating system, making it more difficult for a new entrant to compete against established operating systems with large numbers of users and therefore lower costs per user.⁵⁹⁷

⁵⁹⁴ [Apple's response to Proposed Decision](#), paragraph 97.

⁵⁹⁵ [Google's response to the CMA's Proposed Decision to designate it as having strategic market status \(SMS\) in the provision of its mobile platform](#), paragraph 86. See also Android Developers, 'Brand guidelines', dated 21 July 2025, accessed by the CMA on 8 August 2025 and Android Open Source Project, 'Android Compatibility program overview', dated 11 March 2025, accessed by the CMA on 8 August 2025.

⁵⁹⁶ [Google's response to Google's Proposed Decision](#), paragraph 87

⁵⁹⁷ Apple submitted that it has invested billions of dollars in its mobile operating systems and that a portion of the costs are fixed (i.e. do not depend on the size of the user base). Apple's response to section 69 notice [38]; and Google submitted that Android is the product of effort and investment. Google's response to section 69 notice [38].

- 6.152 In response to the Proposed Decision, Apple and Google submitted that new entrants do not necessarily need to develop a mobile operating system from scratch due to the availability of open-source solutions (including Android where the source code is publicly available),⁵⁹⁸ and using one of these existing open-source solutions can facilitate time and cost savings.⁵⁹⁹
- 6.153 While we acknowledge that this is true, we note that Amazon submitted that its Android fork operating system still required investment.⁶⁰⁰ Nonetheless, Apple submitted that the digital sector attracts high levels of capital investment.⁶⁰¹
- 6.154 We therefore find that whilst a new mobile platform could use a forked version of Android, this would come without the Google suite of apps, limiting its success, and would still require investment.

Native app distribution

- 6.155 Native apps are the primary way that end-users consume content on their Mobile Devices and therefore being able to offer a wide range of native apps is important for a mobile platform to be attractive to users.⁶⁰² Native apps are most commonly accessed by users via an app store⁶⁰³ and so as part of their offering, mobile platform providers will typically need to provide an equivalent app marketplace.^{604,605}
- 6.156 We have considered the ease with which a new mobile platform provider could supply native app content, either by using an existing app store or developing its own app store.
- (a) Native apps are written to run on a specific operating system: so a new mobile platform provider with its own operating system could not use an app store (or the associated catalogue of apps) from an existing mobile platform.⁶⁰⁶ This might be less of an issue if the rival mobile platform provider

⁵⁹⁸ [Apple's response to Proposed Decision](#), paragraph 97; and [Google's response to the CMA's Proposed Decision to designate it as having strategic market status \(SMS\) in the provision of its mobile platform](#), paragraph 88. For example, Amazon entered the UK market with its own operating system (Fire OS) which was forked from Android.

⁵⁹⁹ [Google's response to Google's Proposed Decision](#), paragraph 86 and 88; [Apple's response to Proposed Decision](#), paragraph 97.

⁶⁰⁰ Amazon submitted that it had considered [X]. It submitted that the total cost of developing and maintaining its Android fork FireOS, the devices that run it, and its native apps [X]. Amazon's response to section 69 notice [X].

⁶⁰¹ [Apple's response to Proposed Decision](#), paragraph 97.

⁶⁰² For example, in March 2023 users in the UK spent on mobile apps over five times the hours they spent on mobile web browsers. See Statista, '[UK time spent on browsers and apps 2023](#)', dated 22 July 2025, accessed by the CMA on 12 September 2025.

⁶⁰³ We note that an app store is required as it would be very difficult for one firm to develop a wide range of native apps themselves.

⁶⁰⁴ For example, on Apple Mobile Devices, the App Store is the only way to access native apps.

⁶⁰⁵ For example, Apple's 'App Store', Google's 'Play Store' and the 'Amazon Appstore'.

⁶⁰⁶ We understand that an operating system that has been forked from Android may retain some compatibility with Android apps but apps will typically not work or will only work with reduced functionality if they utilise Google APIs. This is the case for the majority of the most popular apps on the Play Store. [X] response to section 174 notice in relation to MEMS [X].

were able to use one of the existing established operating systems. However, as set out above, options for this are limited.

- (b) There are very strong indirect network effects related to native app distribution (as set out above): it is likely to be difficult for a new entrant to convince third parties to develop their apps for its nascent mobile platform which only has a small number of end-users.
- (c) Apple and Google own a number of the most popular mobile apps and are able to restrict access to these apps: Google's first party apps, in particular, are among the most used mobile apps – for example in the UK in 2024, [redacted].⁶⁰⁷ A new entrant's competitive offering will be materially weakened if it is unable to offer these apps that are important for end-users.^{608,609}
- (d) A new entrant will incur material costs related to the development and ongoing operation of an app store: a significant portion of these costs are fixed and do not vary with the number of users of the app store, making it more difficult for a new app store to compete against established app stores, with large numbers of users and therefore lower costs per user, and who have already sunk these costs.
- (e) As set out in Chapter 7, we do not consider that any of the alternatives to native app distribution via an app store (eg web apps) provide a viable substitute at present and the evidence does not indicate that this is likely to change significantly over the next five years.

6.157 We find that the main challenge is likely to be getting app developers to develop their content for a new mobile operating system.

Mobile browsers and browser engines

6.158 Mobile browsers and browser engines are, alongside native apps, the main avenue through which end-users consume mobile content on their devices. A rival mobile platform would therefore need to include a mobile browser (built on a browser engine) to allow users to access web content, either by gaining access to an existing browser or developing its own mobile browser.

- (a) The strength of the indirect network effects is more limited for web content: only one mobile browser needs to be developed as a native app to allow end-users to access all web-based mobile content. A rival mobile platform would

⁶⁰⁷ Apple's response to section 69 notice [redacted].

⁶⁰⁸ We note that Apple typically does not allow its first party apps to be used outside of its Mobile Ecosystem (with some exceptions including Apple TV, Apple Music and Move to iOS).

⁶⁰⁹ For example, as set out in the 'Competition from non-Google Mobile Platforms for end-users' section, Amazon's Fire OS does not have access to Google's suite of apps (available to Android compatible versions of its operating system through the GMS suite of apps) which materially weakens the strength of its tablet offering.

therefore only need to persuade one or a small number of third-party browser providers to develop for its mobile operating system, or it could self-supply the browser. As set out in Chapter 7, there are various browser vendors that are active in the UK which a rival mobile platform may be able to partner with to provide a mobile browser eg through an upfront payment to cover the cost of porting the browser to a new operating system.⁶¹⁰

- (b) The costs related to developing a browser for use on the new mobile platform are likely to be relatively modest given the existence of open-source browsers and browser engines, and existing mobile browsers on other mobile platforms which could be adapted for the new operating system. Using an existing open-source browser engine eg Blink, WebKit, or Gecko, provides a relatively low-cost entry route for new mobile browser entrants.⁶¹¹ The main cost for a new mobile platform entrant or rival (or, indeed, for a browser vendor operating on other platforms) would therefore be the cost of porting an existing open-source browser engine to the new operating system. Google submitted that it would need around [redacted] [<20] full-time equivalent (**FTE**) engineers for a year to develop a competitive Blink-based version of Chrome for iOS, which it described as a [redacted] investment.⁶¹² This indicates that the cost of porting an existing browser and browser engine to a new operating system is relatively limited. We note that Amazon supplies its own mobile browser 'Amazon Silk' on its Amazon Fire tablets.
- (c) As set out in the next chapter, developing and maintaining a browser engine involves much higher development costs. A new mobile platform entrant which wanted to develop its own browser engine, or substantially modify an existing one, would therefore incur greater costs. Whilst this would not be a necessity to enable users to access web content, it would provide the mobile platform provider with greater control over how web content is accessed on its platform.

6.159 We find that a new mobile platform would likely face fairly low barriers to be able to provide a browser for its platform that is built on an existing browser engine such as Blink. Developing and maintaining a new browser engine is likely to involve much higher development costs.

⁶¹⁰ Porting refers to the process of taking software developed for one operating system, and adapting it to work on another operating system.

⁶¹¹ Apple's submission to the CMA [redacted]; Google response to section 174 notice [redacted]; Google response to section 69 notice [redacted]; [Google response to the CMA's MBCG MI Working Paper 1](#), paragraph 39.

⁶¹² Google's response to section 174 notice in relation to MBCG MI [redacted].

Barriers relating to Mobile Devices

6.160 A mobile platform needs to be installed on a Mobile Device. We have therefore considered the ease with which a rival mobile platform could secure this by licensing its platform to an existing OEM or developing its own Mobile Devices.

- (a) Options for licensing to existing OEMs are limited: Apple, Google and [redacted] [Third Party] manufacture Mobile Devices to be used exclusively with their own mobile platform.⁶¹³ We note that there is some evidence of new Mobile Device manufacturers entering the market.⁶¹⁴ However these have not gained material scale in the UK.⁶¹⁵ Third-party OEMs (such as Samsung and Oppo) use Google's Android Mobile Platform and are unlikely to use any available rival mobile platform because:
- (i) OEMs will only want their devices to use a new mobile platform if it offers their end-user customers what they want across the parameters of competition set out earlier in this chapter.⁶¹⁶ The various barriers to entry and expansion also set out in this section means that this is unlikely to be the case;
 - (ii) OEMs told us that they would face significant financial⁶¹⁷ and resource/time costs⁶¹⁸ if they moved away from using Google's Android operating system; and
 - (iii) Many OEMs receive substantial payments from Google under revenue sharing agreements.⁶¹⁹ A rival Mobile Platform would be unlikely to be able to replicate Google's payments because of the importance of scale in the search market.⁶²⁰ As set out in our SMS investigation into Google in relation to its provision of general Search services, Google is by far the largest provider of services in general search and search advertising.⁶²¹ Its leading position in search advertising means that Google is able to extract more value per mobile end-user than a rival who is able to access the same data.⁶²²

⁶¹³ Apple's response to section 69 notice [redacted]; [redacted]; and Google's response to section 69 notice [redacted].

⁶¹⁴ For example, Nothing released its first phone in 2022 (see BBC, '[Nothing 1 phone quirky design aims to light up market](#)', dated 12 July 2022, accessed by the CMA on 22 September 2025).

⁶¹⁵ See Appendix A.

⁶¹⁶ 3 responses to section 69 notices; [redacted].

⁶¹⁷ 3 responses to section 69 notices; [redacted].

⁶¹⁸ 3 responses to section 69 notices; [redacted].

⁶¹⁹ [redacted].

⁶²⁰ See [CMA's Decision to designate Google as having strategic market status \(SMS\) in general search services](#) 'User access and default positions' for more detail.

⁶²¹ See [CMA's Decision to designate Google as having strategic market status \(SMS\) in general search services](#) Figure 5.1 and Figure 5.5.

⁶²² See [CMA's Decision to designate Google as having strategic market status \(SMS\) in general search services](#) 'Competition from Bing and other traditional general search providers' and 'Competition from specialised search providers' for more detail.

- (b) Brand is an important factor in end-users' choice of mobile device, as detailed earlier in this chapter. Relative to existing Mobile Device manufacturers (such as Apple and existing Android OEMs), new manufacturers will not have had the opportunity to build up their brand and, as noted above, existing manufacturers are unlikely to switch away from their current mobile platform.
- (c) Manufacturing a Mobile Device requires resources and expertise: modern Mobile Devices are relatively high-tech pieces of hardware, requiring the sourcing and assembly of many components including the touchscreen, camera, processor, memory, speaker, and microphone. Producing Mobile Devices efficiently requires the establishment of a well-organised production process.^{623,624} In response to the Proposed Decision, Apple submitted that entrants can outsource manufacturing to alleviate the need to establish a production process (including the resources and expertise required for this) and reduce costs.⁶²⁵ While this is true, we note that outsourcing manufacturing may reduce the mobile platform provider's ability to control the quality of its devices,⁶²⁶ which is a key parameter of competition in mobile platforms.

6.161 We find a new entrant is unlikely to be able to replicate the payments Google makes to OEMs and so use an OEM device, and manufacturing its own Mobile Devices is likely to require resources and expertise and such devices will likely lack an established brand reputation.

Mobile ecosystem level barriers

6.162 There are additional barriers which apply at the combined mobile ecosystem level:

- (a) The component parts need to be integrated effectively so that they work well together as a mobile ecosystem: our consumer survey results indicate that when purchasing a smartphone, end-users look for a product that combines

⁶²³ Financial Times, '[Why Trump can't build iPhones in the US](#)', 28 April 2025, accessed by the CMA on 4 June 2025; and Apple's response to section 69 notice [§<].

⁶²⁴ For example, see Medium, '[The Best Supply Chain in the World – Apple Inc](#)', 2 January 2024, accessed by the CMA on 4 June 2025.

⁶²⁵ [Apple's response to Proposed Decision](#), paragraph 97.

⁶²⁶ For example, a Tech Times article notes that Samsung has increased the number of devices for which it outsources manufacturing but that this largely relates to its budget smartphones, with high-end models manufactured in-house to maintain quality and design standards. Tech Times, '[Samsung Plans to Outsource 25% of Smartphone Production to Chinese Companies](#)', 26 May 2024, accessed by the CMA on 11 September 2025. An article by the Financial Times notes Apple played an integral role in co-designing production processes in China, ensuring the compliance of its suppliers and spending significant funds on machinery and developing expertise. Financial Times, '[How Apple tied its fortunes to China](#)', 17 January 2023, accessed by the CMA on 12 September 2025. A further Financial Times article discusses challenges faced by Apple in increasing production outside of China to diversify its supply chain, noting it is similarly involved in establishing manufacturing processes in India and has experienced issues with the quality of components produced. Financial Times, '[Apple's manufacturing shift to India hits stumbling blocks](#)', 14 February 2023, accessed by the CMA on 12 September 2025].

what they want across the hardware and software components we have considered above.⁶²⁷

- (b) Getting end-users to switch from their existing mobile ecosystem is likely to be challenging: this is because, as set earlier in this chapter, end-users typically 'single-home' and are often 'sticky' and disinclined to switch mobile ecosystem due to a combination of barriers to switching, brand loyalty and reported user satisfaction.
- (c) Some mobile end-users value being part of a wider ecosystem which includes products and services beyond the mobile platform.⁶²⁸ for example, we note that Apple's Mobile Ecosystem extends well beyond the core components of its Mobile Platform; it includes devices like the Apple Watch, AirPods, HomePods, AirTags and services such as iCloud, AirDrop and Apple Photos.
- (d) The absence of a wider mobile ecosystem may also limit the ability of the entrant to monetise or support its mobile platform: as set out in more detail in our SMS investigation into Google in relation to its provision of general Search services, we note that Google, in particular, is able to use its market power in general search services⁶²⁹ to support its Mobile Platform. Google is able to monetise the consumption of content on its Mobile Platform directly through its search advertising businesses in a way that would not be possible for a rival mobile platform.⁶³⁰

Conclusion on barriers to entry and expansion

6.163 Apple submitted that the presence of several alternative mobile operating systems indicates that there are no significant barriers to entry or expansion, and it is not

⁶²⁷ In particular, both iOS and Android users mentioned hardware and software features as being important in their smartphone purchase decision. For example: (i) in relation to hardware features, camera was mentioned by 50% of iOS users and 53% of Android smartphone users, and battery life was mentioned by 46% of iOS users and 56% of Android smartphone users; and (ii) in relation to software features, the operating system was mentioned by 35% of iOS users and 37% of Android smartphone users. [Accent Mobile Consumer Survey](#), Figure 9. Further, we note that certain smartphone features and functionalities require both hardware and software capabilities. For example, the quality of modern smartphone cameras depends on software-based processing in addition to physical hardware, and certain software features may not run (or run as well) on devices with hardware limitations.

⁶²⁸ For example, our consumer survey found that: (i) 39% of iOS users and 20% of Android smartphone users selected compatibility with other devices as an important factor in their smartphone choice; and (ii) 80% of iOS users had at least one other Apple device and 53% of Android smartphone users had at least one other Google device. [Accent Mobile Consumer Survey](#), (i) Figure 9, (ii) page 77.

⁶²⁹ As set out in [CMA's Decision to designate Google as having strategic market status \(SMS\) in general search services](#), Annex B: Market outcomes Google's share of supply in general search on Mobile Devices has been between [90 – 100]% and [90 – 100]% throughout the last seven years; and as set out in [CMA's Decision to designate Google as having strategic market status \(SMS\) in general search services](#), Google's share of UK search advertising by providers of general search has exceeded [90 – 100]% in every year since 2020.

⁶³⁰ See the 'Barriers to Monetisation' section of [CMA's Decision to designate Google as having strategic market status \(SMS\) in general search services](#).

aware of any reason why these conditions would not continue for the next five years.⁶³¹

- 6.164 We found that there are high barriers to entry and expansion and Apple faces a very limited constraint from the threat of entry and expansion of competing suppliers of mobile platforms.
- 6.165 The barriers identified for each component above have a cumulative effect in the sense that a rival mobile platform would need to provide all of these components.
- 6.166 While a rival mobile platform provider is unlikely to face significant barriers associated with gaining access to an existing browser, developing its own mobile browser, or obtaining the resources to develop and maintain a mobile operating system particularly one based on an open-source option, a rival provider would face significant overall barriers to entry and expansion in providing a competing mobile platform, with the indirect network effects related to attracting native app developers to a new operating system forming a particularly strong barrier. This is illustrated by the exit or unsuccessful entry of well-resourced companies in smartphones such as Microsoft and Amazon and the difficulties faced by those using versions of Android without GMS.⁶³²
- 6.167 This means that the reduction or removal of any single barrier will likely be insufficient to facilitate the entry of a rival mobile platform.

Conclusion on competition from other mobile ecosystems

- 6.168 Bringing our assessment together to consider the strength of the competitive constraint across Apple's Mobile Platform as a whole, we conclude that Apple's Mobile Platform faces limited competitive constraint from rival mobile ecosystems.
- (a) Apple's Mobile Platform faces limited competitive constraint from other mobile ecosystems in relation to end-users. Apple and Google have held high and stable shares of supply over a sustained period, with Apple's share of supply [50– 60]%, and Google's [40– 50]%. Apple's share is highest among higher priced devices (82% of smartphones over £600) whilst Google has a much higher share in the mid and lower priced devices (accounting for 61% of new smartphones between £300 to £600 and 100% of sales of new devices under £300). Apple differentiates its Mobile Ecosystem from Google's, and as a result end-users do not perceive the two ecosystems to be close substitutes. Those considering switching are likely to be the most

⁶³¹ Apple's response to the section 69 notice [38].

⁶³² For example: (i) Amazon entered with its Mobile Platform Fire OS which is based on the open-source version of Android but, as set out in the 'Competition from non-Google Mobile Platforms for end-users' section, it only has a relatively small presence in low-end tablets and, as set out in the 'Indirect network effects' section above, it was unsuccessful in smartphones, and (ii) Huawei's share of new sales declined materially after it could no longer access Google's apps and services, including GMS (see [MEMS Final Report, June 2022](#), paragraph 3.126).

contested by Google and Apple but this group is a minority. The vast majority of users do not consider switching at all and there are both actual and perceived barriers to switching, for example concerns about loss of data when moving between platforms.

- (b) Apple's Mobile Platform faces very limited competitive constraint from other mobile ecosystems to attract content providers. Apple's iOS and iPadOS are must-have platforms, the only means of accessing a large group of users ([50-60]% of mobile users in the UK) with an Apple device. Even with some limited competition for end-users as set out above, the extent of this end-user base has remained persistently large over time. There are very few alternative methods of content distribution available on Apple's Mobile Platform (for example web apps or alternative mobile browsers as set out in Chapter 7), so the constraint from these alternatives in terms of accessing or monetising users is limited
- (c) Besides Apple and Google, Amazon is the only other mobile platform provider with a material share of supply in the UK. It provides a weak constraint on Apple as it only supplies tablets which are typically much cheaper than Apple's iPads and Amazon's tablets are focused on a different price segment to Apple, with 100% of Fire OS tablets being sold for less than £300.
- (d) The revenue sharing agreement between Apple and Google further limits their incentive to compete with each other as the arrangement is of high strategic and financial importance to both.
- (e) There are significant barriers to entry and expansion in providing a competing mobile platform and therefore Apple faces limited constraint from the threat of such entry or expansion occurring. The indirect network effects related to attracting native app developers to a new operating system are a particularly strong barrier.

6.169 The evidence we have seen does not indicate that Apple's position across its Mobile Platform as a whole is likely to change significantly over the next five years.

7. SEMP: COMPETITION FROM ALTERNATIVES TO APPLE'S MOBILE CONTENT PROVISION AND DISTRIBUTION

This chapter sets out the competitive constraints on Apple's mobile content provision and distribution within Apple's Mobile Ecosystem.

We have considered the competitive constraint from alternatives to Apple's native app distribution within Apple's Mobile Ecosystem, such as web-based content and emerging forms of distribution. We also considered the constraint from non-mobile alternatives such as gaming platforms. We find that such alternatives only provide a limited competitive constraint on Apple's App Store.

We then considered the competitive constraint from alternatives to Apple's Mobile Browser and Browser Engine, both within Apple's Mobile Ecosystem and from non-mobile alternatives like desktop browsing. We find that these alternatives provide a limited constraint on Apple's Safari browser and very limited constraint on its WebKit browser engine.

Competition from alternatives to Apple's Native App Distribution

In this section we consider the competitive constraints that Apple's App Store may face from alternatives, including web apps and cloud-based gaming platforms, both now and in the future. We find that these alternatives provide a limited constraint on Apple's App Store:

The App Store is the only app store within Apple's Mobile Ecosystem. Therefore there is no constraint from alternative app stores.

Competition from other forms of content distribution within Apple's Mobile Ecosystem, including web apps and cloud-based gaming platforms, is also limited. These channels do not provide a viable alternative to distributing via the App Store for developers, and have limited usage amongst users.

Non-mobile alternatives are also not a good substitute for distributing via the App Store for developers, and are instead generally viewed as complementary. Although the ability of users to make purchases on non-mobile platforms provides a constraint on the App Store, the evidence indicates that this represents only a limited constraint for a sub-set of app developers and for certain users.

This is consistent with the evidence on outcomes set out in Chapter 6.

- 7.1 As set out in Chapter 2, most services accessed as apps on Mobile Devices are developed as dedicated native apps and downloaded using an app store

controlled by the operating system provider such as the App Store on Apple's Mobile Platform.

- 7.2 There are other ways for users to access and for app developers to distribute native apps, including preinstallation of native apps by OEMs;⁶³³ alternative app stores;⁶³⁴ and sideloading.⁶³⁵ However, Apple does not allow alternative native app distribution channels such as third-party app stores⁶³⁶ and sideloading within its Mobile Ecosystem.⁶³⁷ Apple submitted that it has no plans to change its policies on alternative app stores and sideloading in the UK by the end of 2030.⁶³⁸ In addition, Apple also does not currently, and indeed never has, pre-installed any third-party apps on its Mobile Devices.⁶³⁹
- 7.3 Despite these restrictions, Apple submitted that its App Store faces a competitive constraint from a range of alternate means of content distribution.

Competition from web apps within Apple's Mobile Ecosystem

- 7.4 This section considers the competitive constraint on the App Store from web apps within Apple's Mobile Ecosystem. For the reasons set out in this section we find that web apps provide a limited competitive constraint on the App Store.
- 7.5 Web content can be made available to users through traditional websites, web apps⁶⁴⁰ or PWAs,⁶⁴¹ all of which are typically enabled through a mobile browser.⁶⁴² In this section we focus mainly on web apps and PWAs rather than other web-based content (ie traditional websites) because web apps and PWAs have added functionality compared to traditional websites, making them more likely to be substitutable for native apps.
- 7.6 Apple submitted that:

⁶³³ Where device manufacturers can pre-install their own apps or apps from third-party app developers on their Mobile Devices which means those apps are available to users at the device set up.

⁶³⁴ Where users can use more than one app store without switching their mobile device.

⁶³⁵ Where an app developer's native app is downloaded by the user directly from the developer's web page or via peer-to-peer transfer.

⁶³⁶ Clause 3.3.1.B of the [Apple Developer Program License Agreement](#) and clause 3.2.2.(i) of the [App Review Guidelines](#) (accessed by the CMA on 21 May 2025).

⁶³⁷ Sideloading is a violation of the iOS and iPadOS Software License Agreement, such that Apple may deny services for Apple Mobile Devices that have sideloaded apps. Apple's response to section 69 notice [38].

⁶³⁸ Apple's response to section 69 notice [38].

⁶³⁹ Apple's response to section 69 notice [38].

⁶⁴⁰ We define web apps as applications built based on open standards and accessible through a Browser on the open web. Different from Native Apps, Web Apps are designed to be agnostic to the Operating System in use.

⁶⁴¹ We define progressive web apps (**PWAs**) as particular versions of web apps which aim to create an experience even more similar to a Native App compared to a normal Web App.

⁶⁴² Note that web-based content can range from being very simple (eg static, non-interactive websites such as blogs) to very complex and interactive PWAs (eg sophisticated software products such as games). As explained in the section titled 'Competition from alternatives to Apple's Mobile Browser and Browser Engine', the users can interact with web content through in-app browsing, too.

- (a) On iOS and iPadOS, app developers have multiple web-based distribution options, including web apps⁶⁴³ and web browsers and that the App Store is ‘constrained by these alternatives’.⁶⁴⁴
- (b) Web apps and PWAs often have a similar appearance, user experience and functionality as a native app and app developers can sell the same or very similar content via a traditional website as through a native app.⁶⁴⁵ Apple highlighted several examples of apps that are available both as web apps and on the App Store, and noted that cloud gaming services allow video games to be streamed via web apps.⁶⁴⁶
- (c) There are no factors that cause users to face difficulties in switching between using native apps and web apps or home-screen web apps on iOS or using a combination of these distribution methods.⁶⁴⁷
- (d) It expects to continue to support tools for web apps and PWAs⁶⁴⁸ and it will likely remain straightforward for users to access web apps and PWAs on iOS by the end of 2030.⁶⁴⁹

7.7 Web apps may provide a competitive constraint in two ways: firstly, as a substitute for distributing content through the App Store for app developers, and secondly, where content is available on both the App Store and via a web app, as an alternative channel for users to access content on, and then make purchases through, outside of the App Store.

7.8 The evidence indicates that for content providers, at present, web apps are not a viable substitute for native apps downloaded from the App Store. This is despite web apps in principle being an attractive option for content providers because they involve lower development and maintenance costs compared to native apps.⁶⁵⁰ Specifically, a range of content providers we gathered evidence from indicated that web apps are not viable substitutes to native apps,⁶⁵¹ and a number of these content providers indicated that substitutability is particularly limited in terms of

⁶⁴³ A ‘web app’ is software that is built and accessed using web technologies.

⁶⁴⁴ Apple’s response to section 69 notice [§].

⁶⁴⁵ Apple’s response to section 69 notice [§].

⁶⁴⁶ [Apple response to Proposed Decision](#), paragraph 109.

⁶⁴⁷ Apple’s response to section 69 notice [§].

⁶⁴⁸ A progressive web app is a web app that is installed on the home screen of a device and which has a user interface similar to a native app.

⁶⁴⁹ Apple’s response to section 69 notice [§].

⁶⁵⁰ The content provider (in this case, a web developer) can develop one web app which can be used across browsers on any operating system due to the common standards of the open web whereas native apps need to be developed for each operating system separately.

⁶⁵¹ Of the remaining 38 content providers, 6 believed web apps were good substitutes and 32 gave no clear view. 80 parties total, split across CMA investigations. 19 responses to section 69 notices; [§]. [Epic’s response to invitation to comment](#), dated 23 January 2025, page 2. 21 responses to requests for information provided in the context of CMA’s MEMS; [§]. 7 responses provided in the context of CMA’s MBCG MI; [§].

functionality⁶⁵² and discoverability,⁶⁵³ which are important factors for app developers' distribution choices.⁶⁵⁴ Several content providers further submitted that functionality issues with web apps are due to restrictions that Apple has imposed on web browsers within its Mobile Ecosystem.⁶⁵⁵

- 7.9 This indicates that there is limited competitive constraint on the App Store from the threat of app developers switching away to distribute by web apps, and that where web apps are used, it is generally as a complement to listing on the App Store.
- 7.10 For users, the evidence shows that within Apple's Mobile Ecosystem, web apps are used far less frequently than native apps. This is supported by data from Apple and from our consumer survey:
- (a) Data from Apple in relation to the usage of PWAs⁶⁵⁶ shows that the total number of PWA activations was estimated at [redacted] [0 – 10] million in February 2025 across all Apple's Mobile Devices, and this was a slight increase from [redacted] [0 – 10] million activations in August 2023.⁶⁵⁷ While we do not have equivalent data on native app usage on iOS, we expect the usage of native apps to be substantially higher than PWA activations. For example, in 2024 alone, there were [redacted] [1 – 1.5] billion first time downloads of native apps and we would expect those native apps to be typically accessed multiple times by a user in the course of that period.
 - (b) The above data is broadly consistent with the evidence from our consumer survey which shows that while a proportion of users with an iOS smartphone do access content through web apps, their main way of accessing content remains through the App Store. Specifically, 92% of users with an iOS smartphone used the App Store and 30% used web apps on their current smartphone at any point in the past.⁶⁵⁸ However, of the iOS smartphone users that used multiple methods for getting apps on their smartphone, 97% of iOS users stated that the App Store was their primary method and only 3% identified web apps as their primary method.⁶⁵⁹

⁶⁵² Three app store providers and 21 native app developers submitted that web apps within Apple's Mobile Ecosystem have reduced functionality relative to native apps in terms of performance and access to the capabilities of the device they are running on. 18 responses to section 69 notices; [redacted] 2 responses to invitation to comment from [Epic](#) (page 2); [Juul Labs](#); 4 notes of calls: [redacted].

⁶⁵³ Five large app developers submitted that web apps suffer from reduced discoverability. 5 responses to section 69 notices; [redacted].

⁶⁵⁴ For example, several app developers have indicated that functionality and discoverability is an important factor shaping their choices how to distribute their apps. 4 responses to section 69 notices [redacted].

⁶⁵⁵ 5 responses total. Including 2 responses to section 69 notices [redacted]. As well as 3 notes from calls [redacted].

⁶⁵⁶ Note that Apple's data was drawn from a [redacted] sample of iOS devices in the UK. Apple's response to section 69 notice [redacted].

⁶⁵⁷ The number of PWAs activations was materially lower on Apple's tablets compared to Apple's smartphones, as set out in Appendix A.

⁶⁵⁸ [Accent Mobile Consumer Survey](#), Figure 53.

⁶⁵⁹ [Accent Mobile Consumer Survey](#), Figure 54. A very small minority of iOS users did not use either method. These users are excluded from the base of this estimate.

- 7.11 As set out in Appendix A, the use of web apps has slightly increased over time. However, the evidence overall does not indicate that developments in web apps are likely to change significantly the current position of Apple's App Store over the next five years:
- (a) Two OEMs and a range of app developers submitted that web apps may advance technologically or increase in use and that this could reduce users' dependency on Apple's App Store⁶⁶⁰ and a few app developers⁶⁶¹ submitted they may invest more in web apps if their performance improves sufficiently.
 - (b) However, several large app developers, an app store provider and an OEM submitted that they doubt web apps will become a viable substitute for native apps or be widely adopted by 2030.⁶⁶² Furthermore, several app developers indicated that they will continue to use the App Store as their primary distribution channel within Apple's Mobile Ecosystem over the next five years.⁶⁶³ Only a small number of app developers expected to increase their use of web apps and/or alternative app stores, and where they did this was only as a complementary distribution channel to the App Store.^{664,665} More generally, only a few content providers considered emerging modes of distributing digital content, including web apps, would have a significant impact on competitive dynamics in Mobile Platforms over the next five years,⁶⁶⁶ and many third parties indicated that they do not expect Apple's (or Google's) position in app distribution to diminish significantly over the next five years.⁶⁶⁷
 - (c) This is generally consistent with Apple's submissions and its internal documents from the last three years. Apple submitted that it cannot predict whether anything will change in relation to web apps as a potential constraint on the App Store by 2030.⁶⁶⁸ In our analysis of Apple's internal documents we did not find evidence to indicate that Apple currently monitors the future impact of web apps on its Mobile Ecosystem.

⁶⁶⁰ 12 responses to section 69 notices; [REDACTED].

⁶⁶¹ 3 responses to section 69 notices; [REDACTED].

⁶⁶² 7 responses to section 69 notices; [REDACTED].

⁶⁶³ 24 total including: 19 responses to section 69 notices; [REDACTED]. 2 parties call notes; [REDACTED]. Note several further third parties specified that this was dependent on there being no significant change to the options available to them due to regulatory intervention: 5 responses to section 69 notices; [REDACTED].

⁶⁶⁴ 6 parties total. 5 responses to section 69 notices; [REDACTED]. Note of meeting with [REDACTED].

⁶⁶⁵ The remaining 17 out of 55 app developers gave no view.

⁶⁶⁶ 5 responses to section 69 notices [REDACTED]. For third parties who did not consider emerging modes of digital content to have a 'substantial' impact, see: 15 responses to section 69 notices [REDACTED].

⁶⁶⁷ 15 parties total. 12 responses to section 69 notices; [REDACTED]. 2 notes of meetings with [REDACTED]; 2 responses to the invitation to comment dated 23 January 2025 from [Epic](#) (page 9); [Coalition for App Fairness ITC](#) (page 3).

⁶⁶⁸ Apple's response to section 69 notice [REDACTED].

Competition from cloud-based gaming platforms and super apps within Apple's Mobile Ecosystem

- 7.12 Both cloud-based gaming platforms and super apps can facilitate distribution of other apps and digital content within them.⁶⁶⁹ Therefore, at least in principle, both of these distribution methods replicate some of the functions of an app store, such as acting as a point of distribution for app developers within a given mobile ecosystem, allowing users to access content from more than one app developer and performing diverse tasks through a single app. However, cloud-based gaming platforms and super apps could only partially constrain the App Store insofar as they are used for distributing gaming apps or another subset of apps - ie cloud-based gaming cannot act as a substitute for the distribution of non-gaming apps on the App Store.

Competition from cloud-based gaming platforms

- 7.13 This section considers the competitive constraint on the App Store from cloud-based gaming platforms within Apple's Mobile Ecosystem. For the reasons set out in this section we find that cloud-based gaming platforms provides a limited competitive constraint on the App Store.
- 7.14 Cloud-based gaming platforms, where users are able to stream a catalogue of games within a single app or web app, could provide an alternative channel for developers to distribute games, and for users to access gaming content, therefore providing a potential substitute for the App Store:
- (a) Apple identified cloud-based gaming apps as one of the categories of platforms that imposes a competitive constraint on the App Store.⁶⁷⁰ Apple made changes to the App Store Review Guidelines in January 2024, which enable cloud-based gaming platforms to provide multiple streaming games within a single app.⁶⁷¹
 - (b) Some cloud gaming services are expanding their offerings. For example, Microsoft recently announced that Xbox Cloud Gaming has exited 'Beta', will

⁶⁶⁹ Cloud-based apps are apps which do not include the majority of their functionality in the app files downloaded onto the device, but stream their content from the cloud. An example of this is cloud gaming apps, which run video games using storage and computing power hosted in the cloud, streaming only the video and audio output of the game to the device. This allows users to play technologically complex games on less powerful devices that may otherwise lack the computing power or storage to support them – such as Mobile Devices. See for example, [CMA's Microsoft / Activision Blizzard merger inquiry \(Microsoft/Activision\) Final Report](#), paragraph 4.32.

⁶⁷⁰ Apple's response to section 69 notice [38].

⁶⁷¹ Prior to 25 January 2024, Apple's App Review Guideline 4.7 required each streaming game to be submitted to the App Store for review as an individual app. There were no cloud gaming services native apps on Apple Mobile Devices in the UK and it was only possible for users to access cloud gaming on Apple Mobile Devices through web apps. Some CGSPs submitted that Apple's previous Guideline 4.7 amounted to a de facto ban on cloud gaming services being offered as a native app on Apple Mobile Devices. On 25 January 2024, Apple stated publicly that 'developers can now submit a single app with the capability to stream all of the games offered in their catalogue'. We understand these changes effectively allowed a single app to stream multiple games without the need to submit each game separately for the App Review process and loosened a restriction on apps which distribute code. Apple's response to section 69 notice [38]; [MBCG MI, Final Report](#), paragraphs 12.93 to 12.96.

be available to more Game Pass subscribers, and will have access to over 400 games and enhanced streaming quality for Game Pass Ultimate⁶⁷² subscribers.⁶⁷³ Amazon also made a recent announcement about the relaunch of its Luna cloud gaming service.⁶⁷⁴

- (c) Several game developers distribute through cloud gaming services, including large developers such as Ubisoft and EA. Although only two app developers we spoke to identified cloud-based apps as a distribution channel that they use for reaching users within Apple's Mobile Ecosystem in the UK, we note that cloud gaming may be more likely to be utilised by developers who don't typically distribute on mobile, for example developers of console games.⁶⁷⁵

7.15 However, the evidence we have seen and which we have considered in the round, indicates that cloud gaming services are currently a limited constraint on the App Store:

- (a) Cloud gaming services only provide a constraint for gaming, and user uptake of cloud gaming services is low. A major cloud gaming provider submitted that this distribution method does not reach a 'commercially significant number of users' and that [redacted] nearly all of its mobile app revenue globally comes from the App Store and Google's Play Store.⁶⁷⁶ We find that this view is supported by data gathered in the context of the MBCG MI. That data shows that in January 2024 in the UK, there were only [redacted] monthly active users on Mobile Devices, of which [redacted] were on iOS.⁶⁷⁷
- (b) Some of the major cloud-based gaming platforms, such as Amazon Luna, NVIDIA's GeForce Now and Microsoft's Xbox Cloud Gaming are only available within Apple's Mobile Ecosystem as a web app. Evidence indicates that as a web app, a cloud-based gaming platform is affected by a range of limitations relative to native apps, for example relating to controller support, audio routing, and touch input.⁶⁷⁸ These are in addition to those discussed above in the section 'Competition from web apps with Apple's Mobile Ecosystem'.

⁶⁷² Xbox Game Pass Ultimate is the highest subscription tier for Game Pass.

⁶⁷³ Xbox Wire, '[Updates to Xbox Game Pass: Introducing Essential, Premium, and Ultimate Plans](#)', accessed by the CMA on 7 October 2025.

⁶⁷⁴ Amazon Games, '[Introducing the All-New Amazon Luna: A New Era of Gaming for Everyone](#)', 1 October 2025, accessed by the CMA on 7 October 2025.

⁶⁷⁵ 2 responses to section 69 notices; [redacted].

⁶⁷⁶ [redacted] response to section 69 notice [redacted].

⁶⁷⁷ This figure is based on the cloud gaming services which provided data to the CMA, which included the major providers of cloud gaming services. CMA analysis of data from market participants. 3 responses provided in the context of the CMA's MBCG MI investigation; [redacted].

⁶⁷⁸ [redacted] submitted that Apple's (and Google's) restrictions on alternative distribution and alternative billing systems have prevented it from offering a fully functioning cloud game streaming service to users. [redacted] response to section 69 notice [redacted]. [redacted] submitted evidence that cloud gaming web apps have many limitations in terms of functionality relative to native apps [redacted] response to section 174 notice in relation to MBCG MI [redacted].

- (c) There are barriers to using cloud gaming services ‘on the go’, which could limit the extent to which they are substitutes to gaming via native apps on Mobile Devices for users. Cloud gaming requires a strong stable internet connection, and often requires a separate gaming controller for input.⁶⁷⁹
- (d) The relaunch of Amazon’s Luna cloud gaming service indicates that it is targeting gaming in the home and on large screens, indicating that it will only provide a limited substitute for gaming on Mobile Devices which are generally used ‘on the go’. The announcement from Amazon states that ‘the most magical moments in gaming are when you’re playing with family and friends in the living room on the big screen’. It further states that Luna ‘reimagines what it means to play games in the living room’ and is ‘play reinvented for the modern living room.’⁶⁸⁰
- (e) Our analysis of Apple’s internal documents from the last three years found no evidence that Apple monitors cloud gaming as a competitive constraint to its app distribution in the UK.

7.16 Evidence does not indicate that developments in cloud-based gaming platforms are likely to change significantly the App Store’s position in the next five years:

- (a) A number of third parties submitted that cloud gaming is likely to grow over the next five years,⁶⁸¹ and this is broadly consistent with the findings in the CMA’s MBCG MI.⁶⁸² Further, some third parties considered that the growth in cloud gaming will impact or has the potential to impact the App Store’s position.⁶⁸³
- (b) However, no party we spoke to indicated that the limited competitive constraint on the App Store from cloud-based gaming platforms is likely to become substantially stronger.
- (c) Apple submitted that the future growth of cloud gaming apps and how much they will impact overall competition is ‘unclear’ and that cloud gaming in particular faces ‘challenges across all platforms’.⁶⁸⁴
- (d) As noted above, only a small proportion of content providers considered that emerging modes of distributing digital content such as cloud-based gaming platforms would have a significant impact on competitive dynamics in mobile

⁶⁷⁹ For example, instructions for Xbox Cloud Gaming on Android note possible connection issues with cellular gameplay, and state that ‘Although touch controls are enabled for select titles, an Xbox Wireless Controller connected via Bluetooth or USB cable is recommended.’ See Xbox Support, ‘[Set up your Android device for cloud gaming](#)’, accessed by the CMA on 8 October 2025.

⁶⁸⁰ Amazon Games, ‘[Introducing the All-New Amazon Luna: A New Era of Gaming for Everyone](#)’, 1 October 2025, accessed by the CMA on 7 October 2025.

⁶⁸¹ 7 responses to section 69 notices; [REDACTED] 2 notes of meetings; [REDACTED].

⁶⁸² MBCG MI, [Final Report](#), paragraphs 12.21 and 12.26 to 12.32.

⁶⁸³ 2 responses to section 69 notices; [REDACTED]. Note of meeting with [REDACTED].

⁶⁸⁴ Apple’s response to section 69 notice [REDACTED].

platforms over the next five years.⁶⁸⁵ Additionally, some third parties suggested this may be due to Apple's ability to restrict the emergence of cloud-based app distribution on its Mobile Ecosystem.⁶⁸⁶

- (e) Finally, as we explain above, third parties expect that Apple's App Store will remain the key distribution channel they will continue to use within Apple's Mobile Ecosystem and that Apple's position in app distribution will not significantly diminish over the next five years.

Competition from super apps

- 7.17 This section considers the competitive constraint on the App Store from super apps⁶⁸⁷ within Apple's Mobile Ecosystem. For the reasons set out in this section we find that super apps impose a very limited competitive constraint on the App Store.
- 7.18 Super apps are significantly less prevalent in the UK compared to regions such as East and Southeast Asia, where they offer a much wider range of services, and examples of super apps such as WeChat and Grab are widely used.
- 7.19 Whilst permitted on Apple's Mobile Ecosystem,⁶⁸⁸ there are only a few examples of native apps which could potentially be considered as a super app in the UK. Some market participants, like Uber, TikTok and Facebook, have expanded their in-app offerings beyond one distinct service in the UK and therefore could be said to be moving towards a super app model.
- 7.20 The evidence indicates that super apps impose a very limited competitive constraint on the App Store:
 - (a) Apple did not explicitly state that super apps act as a competitive constraint on the App Store. Consistent with that, in our analysis of the internal documents from Apple we found no evidence to indicate that Apple monitors the competitive constraint from super apps.⁶⁸⁹

⁶⁸⁵ 5 responses to section 69 notices; [REDACTED]. For parties who did not consider emerging modes of digital content to have a 'substantial' impact, see: 15 responses to section 69 notices; [REDACTED]; [REDACTED]; [REDACTED].

⁶⁸⁶ 2 responses to section 69 notices; [REDACTED].

⁶⁸⁷ A super app is a mobile application that combines multiple services into one platform, allowing users to perform diverse tasks within a single application

⁶⁸⁸ Apple submitted that in 2017 and 2024, it made changes to the App Store Review Guidelines in order to enable and provide greater flexibility to app developers offering certain super apps. Specifically, Apple submitted that it changed its App Store Review Guidelines in 2017 to allow HTML5-based mini-apps and games to be distributed within native Apple apps, whereas this was previously disallowed. We understand that embedding this type of in-app software allows apps to function in a similar manner to 'super apps' on Apple Mobile Devices in the UK. Apple also submitted that in 2024, Apple introduced additional changes that provided greater flexibility to this category of app. Apple's response to section 69 notice dated [REDACTED].

⁶⁸⁹ We have only one reference to apps which may be considered as super-apps in Apple's internal documents from the last three years. This document, an internal email from 2023, contained [REDACTED]. Apple's internal document [REDACTED].

- (b) No app developer identified super apps as a distribution channel that they use for reaching users within Apple's Mobile Ecosystem in the UK or a competitive constraint on the App Store. Two third parties⁶⁹⁰ submitted that Apple has restricted the development of super apps in the past and another large app developer⁶⁹¹ submitted that the structure of Apple's in-app purchase commission rates can deter app 'consolidators' like super apps.⁶⁹²
- (c) Finally, we note that super apps can only be distributed through the App Store within Apple's Mobile Platform, which limits the extent to which they can act as a substitute and a competitive constraint to the App Store (eg in relation to commission rates offered to app developers).

7.21 While some app developers might be shifting towards a super app model, the evidence does not indicate that the developments related to super apps are likely to change significantly the App Store's position in native app distribution over the next five years:

- (a) We understand that OpenAI is launching new functionality for the ChatGPT app on iOS which is being rolled out for UK users.⁶⁹³ [REDACTED].⁶⁹⁴
- (b) Apple's submissions⁶⁹⁵ as well as submissions from a range of third parties⁶⁹⁶ generally indicate that the future growth of super apps will be modest or uncertain. Only one smaller browser provider, an OEM and two app developers submitted that they expect usage of super apps to increase by 2030.⁶⁹⁷
- (c) Furthermore, as noted above, only a small proportion of content providers considered emerging modes of distributing digital content, including super apps, would have a significant impact on competitive dynamics in mobile platforms over the next five years⁶⁹⁸ and most app developers expected the App Store to remain the key distribution channel within Apple's Mobile Ecosystem.

⁶⁹⁰ Note of meeting with [REDACTED] and 2 responses to section 69 notices; [REDACTED].

⁶⁹¹ [REDACTED].

⁶⁹² This is because super apps are more likely to be subject to the headline commission rate of 30% and less likely to benefit from the reduced rates of 15% which is charged on revenue up to \$1m pa.

⁶⁹³ OpenAI, '[Introducing apps in ChatGPT and the new Apps SDK | OpenAI](#)', accessed by the CMA on 8 October 2025.

⁶⁹⁴ Note of meeting with [REDACTED].

⁶⁹⁵ Apple's response to section 69 notice

⁶⁹⁶ 13 responses to section 69 notices; [REDACTED].

⁶⁹⁷ This is explored in greater detail in the 'Competition on Android' section of the Browsers section of this paper. 4 responses to section 69 notices; [REDACTED].

⁶⁹⁸ 5 responses to section 69 notices [REDACTED]. For third parties who did not consider emerging modes of digital content to have a 'substantial' impact, see: 15 third-party responses to section 69 notices [REDACTED].

Competition from AI-based content distribution

- 7.22 This section considers the competitive constraint on the App Store from AI-based content distribution within Apple's Mobile Ecosystem.⁶⁹⁹ For the reasons set out in this section we find that AI-based content distribution imposes a very limited competitive constraint on the App Store.
- 7.23 We have not seen evidence that AI-related developments are likely to change significantly the App Store's position over the next five years:
- (a) Only some parties submitted that AI may lead to alternative distribution methods emerging for digital content on mobile or that AI agents may reduce users' reliance on native apps which at least in principle could weaken the position of the App Store.⁷⁰⁰
 - (b) However, a large app developer submitted that AI assistants are unlikely to replace the roles of apps or disrupt the standard model of mobile platforms (ie an operating system with native apps) in a widespread or commercialised manner in this period.⁷⁰¹ Additionally, an OEM submitted that integrating AI tools in the App Store may provide Apple with greater control over how apps are presented to users, thus reinforcing its current position.⁷⁰²
 - (c) Apple submitted that AI-related technologies could enable it to enhance its App Store's existing services and features,⁷⁰³ provide an interface for users to perform tasks and as such impact how users interact with their Mobile Devices and services (eg grocery ordering apps and browser apps) and connect with app developers.⁷⁰⁴ In our assessment of Apple's internal documents from the last two years, we found only limited mention of AI developments in the context of competition facing the App Store. Apple submitted some third-party reports that monitored developments in AI and one document referred to [REDACTED].⁷⁰⁵ Apple's internal documents do not indicate these developments are likely to have a material impact on the App Store's position.
 - (d) We also understand that as native apps, any third-party AI-based content distribution models will remain reliant on Apple's App Store for distribution within Apple's Mobile Ecosystem and that their access to inputs such as on-

⁶⁹⁹ The potential impact of wider technological and market developments, including AI, on Apple's position in Mobile Platforms more broadly is considered in Chapter 8.

⁷⁰⁰ 4 responses to section 69 notices; [REDACTED].

⁷⁰¹ [REDACTED] response to section 69 notice [REDACTED].

⁷⁰² [REDACTED] response to section 69 notice [REDACTED].

⁷⁰³ For example, by enhancing developer tools, enabling more efficient content discovery with personalised user experiences and facilitating more 'intelligent, context-aware and proactive' interactions between app developers and users.

⁷⁰⁴ Apple's response to section 69 notice [REDACTED].

⁷⁰⁵ Apple's internal documents: [REDACTED].

device AI compute will likely be controlled by Apple as the operating system provider. This is consistent with our view set out in Chapter 6, that Apple's Mobile Platform and its wider Mobile Ecosystem may ultimately benefit from AI-related developments rather than experience a weakening of its position.

Competition from non-mobile alternatives

- 7.24 This section considers the competitive constraint on the App Store from non-mobile alternatives. For the reasons set out in this section we find that non-mobile alternatives impose a limited competitive constraint on the App Store.
- 7.25 Content providers distribute content and users access it across both mobile and non-Mobile Devices, including gaming consoles, televisions and desktop computers. We have therefore considered the extent to which non-mobile alternatives provide a competitive constraint to Apple's App Store.
- 7.26 Non-mobile alternatives may provide a competitive constraint in two ways; firstly as a substitute for distributing content through the App Store, and secondly, where content is available on both the App Store and alternative platforms, as an alternative channel for users to spend time and to make purchases, and therefore for developers to earn revenue.
- 7.27 Apple submitted that it competes against PC and console app platforms such as Microsoft's Xbox, Sony's PlayStation, and the Nintendo Switch⁷⁰⁶ particularly as users are able to choose from several devices to access similar content (for example, access gaming content on gaming consoles).⁷⁰⁷ Apple further submitted that an increasing number of non-Mobile Devices other than desktop computers and gaming consoles (eg notebooks, televisions, cameras, cars, speakers and eBook readers) are becoming methods of distributing apps to consumers and that these devices also impose a competitive constraint on Apple's Mobile Platform.⁷⁰⁸
- 7.28 Apple further submitted that the App Store is constrained by app developers' options to monetise their apps outside of the App Store on non-mobile platforms and therefore avoid paying commission to Apple. Apple highlighted the example of 80% of Roblox usage being on mobile, but only 47% of sales going through the App Store or the Play Store.⁷⁰⁹ Apple also provided analysis showing that for third-party music streaming services, of the estimated £806 million of revenue earned from iOS and iPadOS users, only £[redacted] [0 – 200] million was billed through Apple's

⁷⁰⁶ Apple's response to section 69 notice [redacted].

⁷⁰⁷ Apple's response to section 69 notice [redacted].

⁷⁰⁸ Apple's response to section 69 notice [redacted].

⁷⁰⁹ [Apple's response to Proposed Decision](#), paragraph 109-110.

in-app purchase system, with equivalent figures of £2.2 billion and £[REDACTED] [200 – 400] million for video streaming services.⁷¹⁰

- 7.29 Consistent with Apple’s submissions, several third parties submitted that they distribute digital content for both Mobile Devices and other devices such as augmented reality/virtual reality (**AR/VR**) devices and gaming consoles.⁷¹¹ Some third parties also submitted that users are increasingly accessing and consuming similar content across platforms, including both off- and on-Mobile Devices.⁷¹²
- 7.30 However, third-party evidence overall indicates that non-mobile gaming and content distribution is viewed as a complementary, separate category of content distribution, rather than a viable substitute to the App Store:
- (a) A range of native app developers submitted that their users can and do use additional distribution channels alongside mobile distribution channels to purchase or access apps and content.⁷¹³ However, all those that gave a view did not consider the non-mobile channels as viable substitutes to distributing their apps on Mobile Devices via the App Store and Play Store.⁷¹⁴
 - (b) Some app and game developers submitted that Mobile Devices are generally used on the go whilst other devices are typically used in a static location,⁷¹⁵ and that there are key differences in functionality such as screen sizes and keyboards.⁷¹⁶ Therefore, they generally have different – albeit often complementary – use cases (eg in a maps app designed for hiking, users might plan their route in greater detail on desktop devices before navigating the route ‘on the go’ with the mobile app). This is broadly consistent with user research indicating that mobile and desktop browsing fulfil different use cases, as discussed below.
 - (c) A few gaming developers submitted that certain games work best for Mobile Devices or may not function properly on other devices such as PCs or on portable gaming consoles.⁷¹⁷ For example, certain games are embedded in social media apps and rely on Mobile Devices’ call functionality, and certain games require access to functionality such as GPS and the device’s camera.⁷¹⁸

⁷¹⁰ Apple response to Proposed Decision [REDACTED].

⁷¹¹ 4 responses to section 69 notices; [REDACTED]; 2 parties submissions; [REDACTED]; 2 notes of meetings; [REDACTED].

⁷¹² [REDACTED] note of meeting [REDACTED]; [REDACTED] submission [REDACTED] submission [REDACTED].

⁷¹³ 20 parties total. 14 responses to questionnaires; [REDACTED]. 6 notes of meetings; [REDACTED].

⁷¹⁴ 17 parties total. 12 responses to questionnaires; [REDACTED]. 5 notes of meetings; [REDACTED].

⁷¹⁵ 2 notes of meetings; [REDACTED].

⁷¹⁶ 2 notes of meetings; [REDACTED].

⁷¹⁷ 2 notes of meetings; [REDACTED].

⁷¹⁸ 2 notes of meetings; [REDACTED].

- (d) A few games developers told us that there are differences in the user bases and reach of distribution methods on and off Mobile Devices.⁷¹⁹ One games developer explained that there is likely to be more overlap between the user bases for mobile portable gaming devices (eg Nintendo Switch) and PC games than there is for either of these two user groups and mobile device gaming users. This is consistent with evidence from our consumer survey, which found that only 24% of respondents who had an Apple smartphone also had a gaming console.⁷²⁰
- (e) Some app developers submitted that their content will not always be available across native apps on Mobile Devices and other platforms.⁷²¹ For example, low-end games for Mobile Devices may not be suitable for game consoles which usually offer high-end games that require considerable investment.

7.31 Although there may be some competition for user time and user spend between the App Store and non-mobile platforms, particularly for gaming, our view is that this is also likely to be limited.

- (a) As described above, Mobile Devices and non-Mobile Devices generally have different use cases, including for gaming, with mobile being used more 'on the go' and alternatives such as PCs and consoles being used in the home. Although the availability of portable or hybrid consoles may provide an alternative to mobile gaming for some users, we note that ownership of such consoles is likely to be limited relative to ownership of Mobile Devices.
- (b) This is consistent with the survey evidence described above, showing that 24% of respondents who had an Apple smartphone also had any gaming console, indicating that ownership of a hybrid or portable console alongside an Apple Mobile Device is therefore likely lower. Therefore, only in limited cases is gaming on non-Mobile Devices a substitute for gaming on mobile. Further, we have seen very limited references in Apple's internal documents to hybrid or portable consoles taking users from Apple's Mobile Ecosystem.

7.32 The evidence indicates that the ability to monetise on non-mobile platforms provides an alternative to the App Store for some users and app developers. However, this is only utilised by a sub-set of app developers, and the extent of this constraint is limited by app developers' ability to steer users towards making purchases on other platforms, which the evidence indicates can be limited. It therefore only represents a limited constraint on the App Store:

⁷¹⁹ 2 notes of meetings; [REDACTED]. [REDACTED] response to supplementary questions [REDACTED].

⁷²⁰ [Accent Mobile Consumer Survey](#), Figure 61. Note that the proportion might be higher for users using gaming content – for example, the [MEMS survey](#) found that, in 2022, 43% of iOS users used a mobile app for gaming on their smartphone; Of this 43%, 36% also accessed gaming apps using a games console.

⁷²¹ 2 responses to questionnaires; [REDACTED].

- (a) Some app developers submitted that they monetise their apps and services on non-mobile platforms in addition to their mobile apps – ie ‘cross-monetise’.⁷²² For instance, some noted they have websites where they sell in-app consumables or where their users can pay for subscriptions.⁷²³ One app developer submitted that it offered lower prices to encourage users to make purchases on non-mobile platforms.⁷²⁴
- (b) Some of these app developers noted that there are limitations in the take-up and ability to do so.⁷²⁵ For instance, user friction was flagged as a barrier since users typically want to be able to purchase or subscribe from the platform they are currently using (eg via their Mobile Devices), without having to navigate away to another platform to perform the transaction.⁷²⁶ This issue was additionally raised in light of anti-steering restrictions put in place by Apple in native apps downloaded via the App Store – discussed further below.
- (c) One gaming distribution platform provider submitted that Mobile Devices are currently siloed from gaming on non-Mobile Devices because Apple imposes various restrictions that make its Mobile Ecosystem less accessible to third parties. This includes restrictions on alternative methods of app distribution and preventing app developers from steering users to external websites for app discovery and purchases.⁷²⁷ We received further submissions on Apple’s steering restrictions from other app developers, which indicates these may be acting as a barrier to cross-platform integration for other content providers (including outside of gaming).⁷²⁸
- (d) We do not consider that the examples from the music and video streaming industries submitted by Apple provide a full picture of the competitive constraint imposed by non-mobile platforms on the App Store. As ‘reader apps’, which allow a user to access previously purchased content or content subscriptions, they are likely to have a higher proportion of revenue transacted outside the App Store than other types of app.⁷²⁹ Further, even for developers who are able to earn significant revenue outside of the App Store, this does not necessarily mean that they would be able to influence where users spend, and spending patterns may instead reflect other factors such as usage patterns or where a user first engages with an app. Even if a relatively small proportion of a developer’s revenue is transacted through the

⁷²² 8 parties total. 5 responses to questionnaires; [REDACTED]. 3 notes of meetings; [REDACTED].

⁷²³ 6 parties total. 3 responses to questionnaires; [REDACTED]. 3 notes of meetings [REDACTED].

⁷²⁴ Note of meeting with [REDACTED].

⁷²⁵ [REDACTED] response to a questionnaire [REDACTED]. Note of meeting with [REDACTED].

⁷²⁶ [REDACTED] response to a questionnaire [REDACTED]. Note of meeting with [REDACTED].

⁷²⁷ [REDACTED] submission dated [REDACTED].

⁷²⁸ 5 parties total. 3 responses to section 69 requests; [REDACTED]. [REDACTED] submission [REDACTED]. Note of meeting with [REDACTED].

⁷²⁹ See Apple Developer Support, ‘[Distributing “reader” apps with a link to your website](#)’, accessed by the CMA on 3 October 2025.

App Store, if those users have a strong preference for spending on mobile, then any constraint from non-mobile platforms is likely to be limited.⁷³⁰

- (e) We note that the ability to monetise outside of the App Store is only available to developers which distribute their content outside of the App Store, and for users who access content through both channels. It therefore only applies to a sub-set of app developers and for certain users.

7.33 Some third parties submitted that cross-platform integration might further increase in the future,⁷³¹ but we have not seen evidence that this development is likely to change significantly Apple's position in native app distribution over the next five years.

7.34 In addition, whilst our analysis of Apple's internal documents shows that [REDACTED],⁷³²[REDACTED],⁷³³ the documents Apple submitted [REDACTED].

Conclusion on competition from alternatives to Apple's Native App Distribution

7.35 We conclude that the alternatives available within Apple's Mobile Ecosystem, such as web-based content distribution, cloud-based gaming platforms and super apps impose only a limited competitive constraint on the App Store. We have not seen evidence of expected or foreseeable developments indicating that this is likely to change significantly over the next five years.⁷³⁴

7.36 This is supported by the evidence showing limited usage of these methods. Further, while the usage of some of methods such as web apps may have exhibited some growth, the evidence overall does not indicate that these developments, the growth of cloud-based gaming or the emergence of super-apps or AI-based content distribution methods are likely to change significantly the App Store's position over the next five years.

7.37 The App Store faces a limited competitive constraint from non-mobile content distribution alternatives. The evidence in the round indicates that on-mobile and off-mobile content distribution are generally considered to be complements rather than substitutes, even though these two channels (particularly in relation to gaming content), due to their complementarity, have become more integrated over time. The ability of users to make purchases on non-mobile platforms provides an

⁷³⁰ Likewise, if a high proportion of a developer's revenue were transacted through the App Store, but those users were willing and able to switch spending to another platform, for example if Apple increased prices, then the constraint from non-mobile platforms could be stronger.

⁷³¹ Note of meeting with [REDACTED]; [REDACTED] submission [REDACTED].

⁷³² Apple's internal documents; [REDACTED].

⁷³³ Apple's internal documents; [REDACTED].

⁷³⁴ In Chapter 6 we considered evidence on outcomes in terms of commission fees, innovation and revenue shares and found that the observed outcomes could be consistent with some competition but could also be driven by factors unrelated to competition.

alternative to the App Store. However, the evidence indicates that this represents only a limited constraint for a sub-set of app developers and for certain users.

Competition from alternatives to Apple's Mobile Browser and Browser Engine

In the previous Chapter, we concluded that Apple's Mobile Platform faces only limited competition from rival Mobile Platforms. We considered the extent to which Apple competes with other Mobile Platforms to attract web developers and found that, as web content is made broadly available by content providers, Apple does not compete for web content to be made available on its Mobile Platform.

In this section we consider the extent to which Apple faces competition within its Mobile Ecosystem from alternatives to its mobile browser, Safari, and its mobile browser engine, WebKit. We find that Safari faces limited competitive constraints and this is unlikely to change significantly over the next five years.

Safari has consistently been the most used mobile browser within Apple's Mobile Ecosystem, with an 84% share of supply in June 2025. As regards WebKit, alternative browser engines are not permitted within Apple's Mobile Ecosystem and WebKit's share of supply is therefore even higher at 100%.

Although several alternative mobile browsers are available to users within Apple's Mobile Ecosystem, evidence indicates that these impose a limited competitive constraint on Safari. Rivals are limited by several barriers to entry and expansion, and Safari's consistently high share of supply indicates that these are a limited competitive constraint.

Although AI is likely to impact mobile browsers, we have not seen evidence that its impact is likely to change significantly the position of Safari in the next five years.

Apple's mobile browser engine and in-app browsing implementations face very limited constraints within Apple's Mobile Ecosystem.

There are significant barriers to entry and expansion for rival mobile browsers and browser engines within Apple's Mobile Ecosystem. Choice architecture practices are a particularly important barrier, which provide Safari with an advantage in terms of distribution.

Competition from alternatives to mobile browsing, namely native apps, AI tools, and desktop browsing, is also limited, as these generally fulfil a different purpose to mobile browsers.

7.38 We assess the competitive constraints on Apple's mobile browser, browser engine, and in-app browsing implementations separately. We focus primarily on competition at the mobile browser level, since this is where competition for users and monetisation of mobile browsing primarily take place. However, we note that

competition between mobile browsers is closely interlinked with competition in browser engines and in-app browsing. For example, greater use of a provider's browser engine or in-app browsing implementations will increase its share of web traffic, thereby providing advantages in terms of web compatibility which will benefit its browser.

Competitive dynamics in mobile browsing

- 7.39 Mobile browsers are generally offered free of charge to users. They are monetised in various ways, including through agreements with search engine providers (whereby search advertising revenue is shared by a search engine provider with the browser developer), advertising, or premium services such as built-in virtual private networks (**VPNs**). Some browser developers offer browsers to support other products or services they offer, such as Mobile Devices (eg Apple and Samsung), or search engines (eg Google, Microsoft, and DuckDuckGo). Mobile browser developers compete for users to increase their share of web traffic and therefore generate greater revenue (or for alternative motivations such as promoting their other products eg search engines).
- 7.40 Evidence from browser developers indicates that the key parameters of competition between browsers include security, privacy, speed, compatibility with web content, and innovative features.⁷³⁵ The quantitative research carried out by Verian asked respondents for the reasons for using their preferred browsers. The most commonly selected answers were familiarity, ease of use, brand, using the same browser as on other devices, and access to saved information such as passwords and bookmarks.⁷³⁶
- 7.41 Competition for end-users takes place at the browser level. Browser engines compete to be chosen by browser developers as the browser engine on which to base their browser. The parameters of competition for browser engines are therefore similar, as the features that are important to users in a browser will also be important to a browser developer in a browser engine. In addition, if a browser engine is used by more browser developers, it will increase its share of web traffic, which brings benefits as it will lead to more web developers making their content compatible with that browser engine.
- 7.42 Both mobile browsers and browser engines seek to attract the largest possible range of web developers and online content providers. Although in theory web content is accessible through any browser or browser engine, issues may exist where web content is not fully compatible with a given browser. By having a large number of users or share of web traffic, browsers and browser engines are more likely to be prioritised for compatibility by web developers. Browsers and browser

⁷³⁵ 5 responses provided in the context of CMA's MEMS; [28].

⁷³⁶ Verian Group UK, [Mobile Browsers Quantitative Consumer Research](#), Figure 6.5. Other available options were speed, stability, compatibility, design, security features, privacy features, fewer adverts, and availability of extensions.

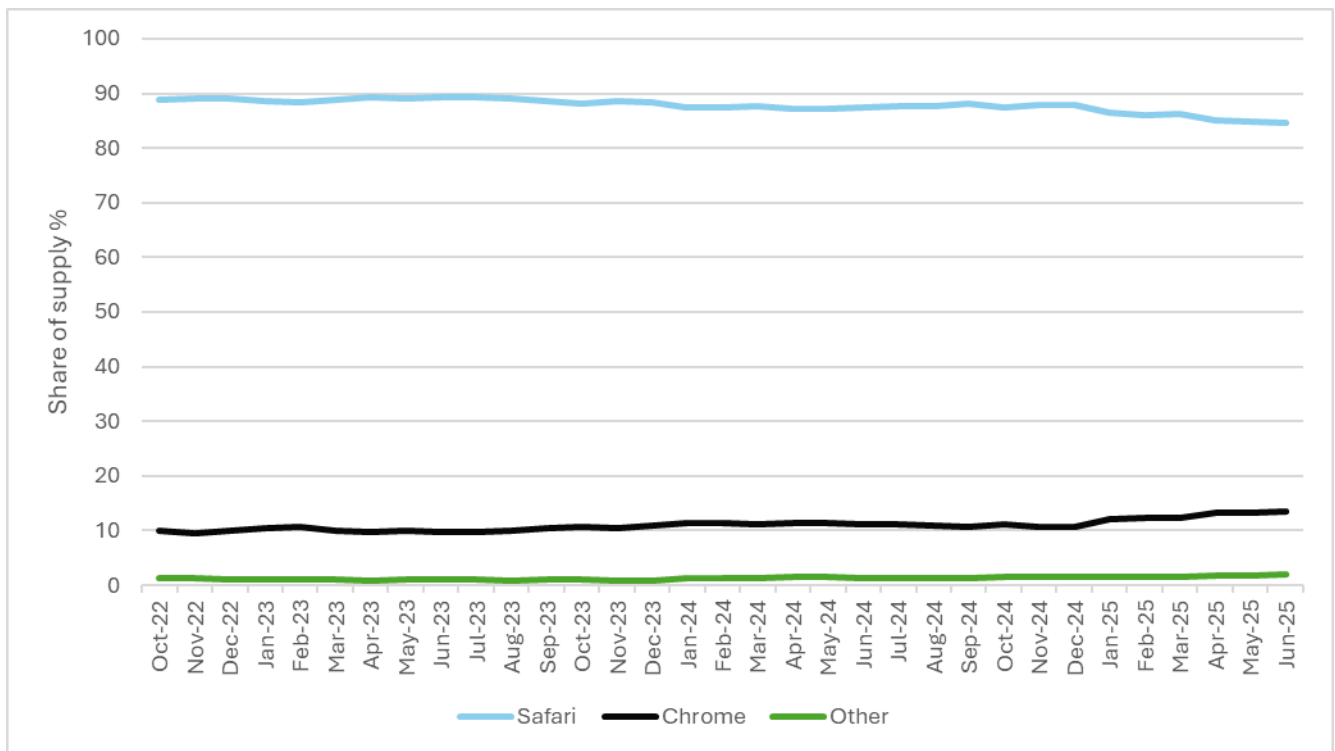
engines can also seek to attract web developers by offering new, innovative features.

Shares of supply

- 7.43 In this section, we analyse data on UK shares of supply for mobile browsers and browser engines within Apple's Mobile Ecosystem.
- 7.44 We find that Apple's Safari has held an extremely high and stable share of supply over a substantial period which suggests that it is subject to limited competition within Apple's Mobile Ecosystem. The WebKit restriction means that Apple's browser engine does not face competition within Apple's Mobile Ecosystem.
- 7.45 Many mobile browsers are available to users within Apple's Mobile Ecosystem. These include Apple's Safari, Google's Chrome, and Mozilla's Firefox.
- 7.46 In June 2025, Safari had a web traffic share of supply of 84% on Apple's Mobile Ecosystem in the UK. Chrome had a share of supply of 13%, with smaller browsers making up the remaining 2%. These shares of supply have remained similar over the period for which data is available (October 2022 to June 2025, see Figure 7.1).⁷³⁷

⁷³⁷ Figures may not sum to 100% due to rounding. Appendix A describes shares of supply in mobile browsers on Apple's Mobile Ecosystem in more detail.

Figure 7.1: UK mobile browser shares of supply on Apple Mobile Devices from October 2022 to June 2025 using Cloudflare Radar data on web traffic



Source: [Cloudflare Radar](#)

Competitive constraints on Apple’s mobile browser, browser engine and in-app browsing

7.47 In this section we consider the evidence on competition from competing mobile browsers, browser engines and in-app browsing implementations. We find that Safari and WebKit face only limited competitive constraints.

Competition from rival mobile browsers

7.48 In this section we consider competition from alternative mobile browsers within Apple’s Mobile Ecosystem and find that Safari faces limited constraints. Whilst there is uncertainty about how competition will develop, particularly with regard to AI, we have not seen evidence that these developments are likely to change significantly Apple’s position in relation to its Mobile Platform in the next five years.

7.49 Apple submitted that competition among mobile browsers on its Mobile Ecosystem ‘is, and will remain, vigorous’, with Chrome a particularly strong competitor:

- (a) It stated that there are more than 100 mobile browsers available, and that users can easily download new mobile browsers and switch their defaults. As a result, Apple consistently offers new features, innovations and performance enhancements to ensure that Safari maintains its competitive edge against

competing browsers.⁷³⁸ Apple stated that users choose Safari due its quality, reflecting competition on the merits.⁷³⁹

- (b) Apple stated that in particular it faces strong competition from Google's Chrome browser. It stated that [REDACTED].⁷⁴⁰

7.50 Google submitted that Chrome has strong incentives to win users from Safari within Apple's Mobile Ecosystem, and competes strongly with significant investment and marketing efforts.⁷⁴¹ Internal documents from Google are also consistent with it competing for users within Apple's Mobile Ecosystem.⁷⁴²

7.51 However, we have found that there are limits to the extent to which alternative mobile browsers provide a competitive constraint on Safari:

- (a) As described above, Safari has had a consistently high share of supply for many years. This is consistent with Safari facing limited competitive constraints.
- (b) As described in more detail below, evidence shows that rival mobile browsers face several barriers to entry and expansion within Apple's Mobile Ecosystem, which limit the competitive constraint they impose on Safari.⁷⁴³ These barriers also impact Google, and it submitted that [REDACTED].⁷⁴⁴
- (c) The ISA between Apple and Google also serves to limit the competitive constraint that Chrome imposes on Safari within Apple's Mobile Ecosystem.⁷⁴⁵ Pursuant to this agreement Google has agreed to pay Apple a significant percentage of its advertising revenue for web searches that take place via Safari (36% of revenue), and a lower but similar share for web searches that take place via Chrome ([REDACTED] of revenue) on Apple's Mobile Ecosystem, and requires Apple to set Google as the default search engine on Safari for all its Mobile Devices. As a result, the financial incentives for

⁷³⁸ Apple's response to section 69 notice [REDACTED]; Apple's submission [REDACTED]; [Apple's response to Proposed Decision](#), paragraph 113.

⁷³⁹ [Apple's response to Proposed Decision](#), paragraph 113.

⁷⁴⁰ Apple's response to section 69 notice [REDACTED]; [Apple's response to Proposed Decision](#), paragraph 94.

⁷⁴¹ [Google's response to the CMA's MBCG MI PDR](#), paragraphs 10, 22, and 23.

⁷⁴² A Google internal document presenting research on mobile users benchmarked Chrome's perceived strengths and weaknesses against Safari. [REDACTED]; another internal document monitoring Chrome's browser competition focused on Safari over other smaller competitors. [REDACTED]; Another internal document detailing a 'situation assessment' compared Chrome and Safari's features. This document showed that the EU Browser choice screen had led to a large increase in Chrome usage on iOS in the EU. [REDACTED].

⁷⁴³ In response to the Proposed Decision, Apple submitted that the Proposed Decision gives insufficient weight to its own finding that developing a browser is unlikely to pose a significant barrier ([Proposed Decision](#), paragraph 6.120), see [Apple's response to Proposed Decision](#), paragraph 113. However, this finding relates to whether developing a mobile browser to allow users to access web content would pose a significant barrier for a new Mobile Platform. This section instead discusses barriers to entry and expansion for mobile browsers competing with Safari on Apple's Mobile Platform, and finds that these are significant.

⁷⁴⁴ Google's response to section 69 notice [REDACTED].

⁷⁴⁵ See Chapter 6 for more detail on this agreement.

Apple and Google to compete in mobile browsers on Apple's Mobile Ecosystem are dampened.⁷⁴⁶

- (d) Internal documents provided by Apple on competitive trends for Safari on Apple's Mobile Ecosystem are consistent with it facing limited competitive constraints. There is limited internal document evidence of monitoring rival browsers, [redacted].⁷⁴⁷

Impact of AI

- 7.52 We have considered the impact that AI is expected to have on competition in mobile browsers. AI is already being incorporated into mobile browsers, with several mobile browsers implementing AI features,⁷⁴⁸ and the entry of new competitors with an AI focus.^{749, 750} The competitive constraint from AI-based alternatives to browsers such as chat-bots, is considered below.⁷⁵¹
- 7.53 Apple submitted that AI will have a significant impact on competition in mobile browsers, stating that 'the rapid growth of AI tools and services threatens to change fundamentally how browsers and web content are provided to, and consumed by, users.'⁷⁵² It also stated that AI will become a 'key dimension of competition for mobile browsers', [redacted].⁷⁵³
- 7.54 Google submitted that mobile browsers 'will need to keep up the rapid pace of innovation brought about by advancements in AI.' It stated that OpenAI and Perplexity have announced browsers which may fundamentally change how mobile browsers are used.⁷⁵⁴ Google also highlighted an interview with Microsoft's CEO of AI, describing conversational AI as 'the future of the web'.⁷⁵⁵
- 7.55 Evidence from third parties on the impact of AI is mixed. Whilst a few third parties state that AI could potentially have an impact on competition in mobile browsers, more third parties did not mention it as a potential significant development:
- (a) A range of third parties submitted that AI could impact competition in mobile browsers over the next five years. These third parties submitted that AI could

⁷⁴⁶ See MBCG MI, [Final Report](#), paragraphs 9.1-9.5.

⁷⁴⁷ Apple internal documents; [redacted].

⁷⁴⁸ For example, Opera [\[link\]](#), accessed by the CMA 7 October 2025. Brave [\[link\]](#), accessed by the CMA 7 October 2025. Microsoft [\[link\]](#), accessed by the CMA 7 October 2025. Google [\[link\]](#), accessed by the CMA 7 October 2025.

⁷⁴⁹ For example, Perplexity [\[link\]](#), accessed by the CMA on 7 October 2025. OpenAI [\[link\]](#), accessed by the CMA on 7 October 2025.

⁷⁵⁰ The competitive constraint from AI-based alternatives to browsers eg chat-bots, is considered below.

⁷⁵¹ The potential impact of wider technological and market developments, including AI, on Apple's position in Mobile Platforms more broadly is considered in Chapter 8.

⁷⁵² [Apple's response to Proposed Decision](#), paragraph 113.

⁷⁵³ Apple's response to section 69 notice [redacted]; Apple's submission [redacted].

⁷⁵⁴ Google's submission [redacted].

⁷⁵⁵ [Google response to Proposed Decision](#), paragraph 100h. The Verge, 'Interview with Microsoft AI chief Mustafa Suleyman', 9 December 2024, accessed by the CMA on 16 September 2025.

significantly change how users interact with the web and therefore disrupt current market positions; however they indicated that this was uncertain.⁷⁵⁶

- (b) One of these third parties (which competes in AI) submitted that any impact of AI on Apple's market position is likely to be limited due to Apple's control of its Mobile Ecosystem.⁷⁵⁷
- (c) A range of third parties submitted that they did not expect significant changes in competition in mobile browsers over the next five years (whether due to AI or other technological developments).⁷⁵⁸
- (d) Some browser vendors told us more about the expected impact of AI: they expect AI to be incorporated and have an impact on mobile browsers. There are different potential models for use of AI, including use of AI features or AI-assisted browsers, and agentic browsers. It is currently unclear which model is likely to prevail.⁷⁵⁹ Web content is expected to change to become more readable by AI agents.⁷⁶⁰
- (e) One browser vendor said that AI has increased the ability of browsers to compete with Safari and Chrome.⁷⁶¹ One browser vendor stated that agentic browsers will see increasing consumer adoption, but are still far from disrupting default browsers on Mobile Platforms today.⁷⁶² One browser vendor stated that the WebKit restriction may impede the use of agentic browsers, which require access to the browser engine to work effectively.⁷⁶³
- (f) Other browser vendors said that control of the operating system, and therefore over pre-installation and default status, meant that market positions were unlikely to change.⁷⁶⁴

7.56 Whilst new entry from AI-focused competitors has the potential to impact competition, its precise implications are unclear, and we have not seen evidence that this is likely to impact significantly the position of Safari on iOS:

⁷⁵⁶ 9 responses to section 69 notices; [redacted].

⁷⁵⁷ [redacted] response [redacted] to section 69 notice [redacted]. [redacted] (Submission from Apple [redacted]). [redacted].

⁷⁵⁸ 22 responses to section 69 notices; [redacted].

⁷⁵⁹ 3 notes of meetings; [redacted].

⁷⁶⁰ 2 notes of meetings; [redacted].

⁷⁶¹ Note of meeting with [redacted].

⁷⁶² Note of meeting with [redacted].

⁷⁶³ Note of meeting with [redacted].

⁷⁶⁴ 2 notes of meetings; [redacted].

- (a) OpenAI submitted that its ‘Operator’ product is ‘an agent that can go to the web to perform tasks for the user.’⁷⁶⁵ It described Operator as [REDACTED]. It stated that Operator [REDACTED]. It stated that [REDACTED].⁷⁶⁶
- (b) Perplexity has also released a browser, described as ‘an AI-powered browser that acts as a personal assistant and thinking partner.’ It is currently only available on desktop platforms, and was made available to all users in October 2025, having previously been available by invitation only.⁷⁶⁷ However, it is expected to be released on more platforms, likely including mobile platforms.⁷⁶⁸
- (c) Opera has released an agentic browser, Opera Neon, separate to its standard browser. This is currently only available for desktop, and by invitation only. A mobile release is planned.⁷⁶⁹ Opera stated that agentic browsers will lead to new user experiences and see increasing consumer adoption, but are still a new concept in the early stages of R&D, and are far from disrupting the default browsers on mobile platforms today.⁷⁷⁰

7.57 This is further reinforced by barriers to entry and expansion faced by competitors set out in more detail below. Notably through its current position with Safari, and its control of its Mobile Ecosystem, Apple will continue to benefit from advantages such as pre-installation and default status, which are likely to limit the ability of new entrants to compete. Internal documents from Apple show that whilst the use of AI by competitors and potential rivals is monitored, there is limited evidence that it is [REDACTED].⁷⁷¹

7.58 Therefore, the evidence we have seen indicates that, whilst AI is likely to impact mobile browsers, its precise implications are unclear and we have not seen evidence that it is likely to change significantly the position of Safari in the next five years.

Competition from rival mobile browser engines

7.59 In this section, we consider the competitive constraint on WebKit from alternative browser engines within Apple’s Mobile Ecosystem. On Apple Mobile Devices, all

⁷⁶⁵ OpenAI’s response [REDACTED] to section 69 notice [REDACTED].

⁷⁶⁶ OpenAI’s response [REDACTED] to section 69 notice [REDACTED]. In response to the Proposed Decision, Apple submitted that [REDACTED] (Submission from Apple [REDACTED]).

⁷⁶⁷ Perplexity, ‘[The Internet is Better on Comet](#)’, 2 October 2025, accessed by the CMA on 7 October 2025.

⁷⁶⁸ Perplexity, ‘[Perplexity – Comet Browser](#)’, accessed by the CMA on 22 September 2025.

⁷⁶⁹ Opera, ‘[Opera ships the Opera Neon AI agentic browser](#)’, 30 September 2025, accessed by the CMA on 7 October 2025. Opera, ‘[Opera Neon – Frequently Asked Questions](#)’, accessed by the CMA on 7 October 2025.

⁷⁷⁰ Note of call with Opera, [REDACTED].

⁷⁷¹ Apple monitors AI developments in relation to browsers, however AI is identified as a competitive threat only in limited ways. [REDACTED].

mobile browsers are required to use Apple's WebKit browser engine, as specified in Apple's App Store Review guidelines.⁷⁷²

- 7.60 Apple therefore does not face competition from rival mobile browser engines within its Mobile Ecosystem. This position will not change unless Apple lifts its prohibition on the use of alternative browser engines within its Mobile Ecosystem.

Competition from rival in-app browsing implementations

- 7.61 We consider the competitive constraint on Apple from alternative in-app browsing implementations within Apple's Mobile Ecosystem and find that Apple faces no competitive constraints.
- 7.62 On Apple's Mobile Devices, app developers have two options for implementing in-app browsing, both of which are provided by Apple and based on the WebKit browser engine.⁷⁷³ Apple therefore does not face competition in the provision of in-app browsing implementations within its Mobile Ecosystem.⁷⁷⁴ This position will not change unless Apple lifts its total prohibition on the use of alternative in-app browsing implementations within its Mobile Ecosystem.

Barriers to entry and expansion for rival browsers on Apple's Mobile Ecosystem

- 7.63 We have found that Safari has held a high and stable share of supply within Apple's Mobile Ecosystem over a significant period of time and that Apple faces limited constraints from alternative mobile browsers.
- 7.64 This section considers to what extent barriers to entry and expansion for rival mobile browsers within Apple's Mobile Ecosystem may limit the competitive constraint on Apple.

Low user awareness and engagement

- 7.65 In this section, we consider whether low user awareness of alternative mobile browsers (and the unique functionalities or features that each of them has) may act as a barrier to entry and expansion for rival mobile browsers within Apple's Mobile Ecosystem. We find that users generally lack awareness and engagement

⁷⁷² Apple, [App Review Guidelines](#), accessed by the CMA on 15 May 2025; The WebKit restriction is specified in guideline 2.5.6. More specifically, all apps which browse the web, including standalone mobile browsers and in-app browsing, must use WKWebView, the framework provided by Apple and based on WebKit.

⁷⁷³ App developers may use the system webview, WKWebView, or the system view controller, SFSafariViewController. See MBCG MI, [Final Report](#), paragraph 7.7. Although Apple submitted that a third option, Custom SDK, is available, it had not identified any use of this option by developers.

⁷⁷⁴ Apple has previously submitted that it is incentivised to improve WebKit due to vigorous competition at the device or platform level (see [Apple's response to the MBCG MI PDR](#), paragraph 8). However, as set out in Chapter 6, we find that competitive constraints on Apple's Mobile Platform are limited, meaning that any cross-platform constraint on WebKit is also limited.

with the topic of mobile browsers, and that this represents a barrier to entry and expansion for mobile browsers within Apple's Mobile Ecosystem.

- 7.66 Apple submitted that research by Verian suggests that about 95% of iOS users are aware of alternative browsers given that they had heard of two or more browsers when prompted. It also stated that most Safari users simply prefer Safari over other mobile browsers or see no reason to switch to another one.⁷⁷⁵
- 7.67 We consider that Verian quantitative research indicates that user engagement with mobile browsers is generally low, with most users (70%) having rarely or never engaged with the topic of mobile browsers previously, most users relying on pre-installed browsers, and most users having not changed their default smartphone browser.⁷⁷⁶
- 7.68 Similarly, the Verian qualitative research found that there is low engagement with mobile browsers, awareness of alternative browsers is low, and respondents had difficulties working out how to change their default browser.⁷⁷⁷
- 7.69 The low user awareness and engagement described above may limit the likelihood of a consumer downloading a new mobile browser or changing their default mobile browser. This creates a barrier to smaller or lesser-known browsers competing effectively with Safari, particularly in light of choice architecture practices on Apple's Mobile Ecosystem described below.

The WebKit restriction

- 7.70 This section considers whether the WebKit restriction may act as a barrier to entry and expansion for rival mobile browsers within Apple's Mobile Ecosystem.
- 7.71 We find that the WebKit restriction restricts the ability of rival mobile browsers to innovate and develop features, and increases their costs. It therefore creates a barrier to entry and expansion for rival mobile browsers on Apple's Mobile Ecosystem and limits the competitive constraint on Safari.⁷⁷⁸
- 7.72 Apple submitted that its improvement of WebKit on iOS and iPadOS lowers barriers to entry and expansion by 'saving browser developers the considerable resources required to develop and maintain a safe, secure, and performant browser engine.'⁷⁷⁹ It submitted that WebKit permits for substantial differentiation between mobile browsers, allowing browser developers to build features and

⁷⁷⁵ [Apple response to the MBCG MI PDR](#), 9 January 2025, paragraph 131; [Apple's response to Proposed Decision](#), paragraph 113.

⁷⁷⁶ Verian Group UK, [Mobile Browsers Quantitative Consumer Research](#), Figure 3.6, Figure 6.3, Figure 9.2.

⁷⁷⁷ Verian Group UK, [Mobile Browsers Qualitative Research](#), slide 10.

⁷⁷⁸ We note that development costs, and indirect network effects linked to web compatibility, could constitute barriers to entry for rival mobile browsers on Apple's Mobile Ecosystem. However, the WebKit restriction, by limiting the extent to which browser vendors can modify and differentiate their browsers, currently limits the impact of these barriers. We have therefore not considered them in detail in this report.

⁷⁷⁹ Apple's submission [38]. [Apple's response to Proposed Decision](#), paragraph 113.

interfaces on top of WebKit, while upholding Apple's privacy and security protections.⁷⁸⁰

7.73 However, substantial evidence from third-party browser developers shows that the WebKit restriction creates barriers to entry and expansion for mobile browsers on Apple's Mobile Ecosystem:

- (a) It restricts their ability to innovate and develop features for their mobile browsers on Apple's Mobile Ecosystem. Several browser developers provided examples of features that they were unable to implement, or had more difficulty in implementing, on Apple's Mobile Ecosystem, as a result of their inability to use an alternative browser engine or to modify WebKit. This includes features for web apps, which could provide an alternative to native apps for content providers.⁷⁸¹
- (b) It means that app developers are prevented from developing their own in-app browsing implementations using their own browser engines. One app developer [§] submitted that this prevents both mobile browsers and in-app browsing on iOS from competing more effectively with Safari. This app developer submitted that [§].⁷⁸²
- (c) It increases their costs by requiring them to develop a WebKit-based version of their browser to enter as a mobile browser on Apple's Mobile Ecosystem, as opposed to being able to use the same browser engine that they use on other platforms. This means they sometimes have to rebuild features in a different way for Apple's Mobile Ecosystem, incurring additional costs.⁷⁸³ A few browser developers submitted that this delayed their entry on Apple's Mobile Ecosystem.⁷⁸⁴

⁷⁸⁰ [Apple response to the MBCG MI Working Papers 1-5](#), 3 September 2024, paragraph 78.

⁷⁸¹ 8 responses from 7 respondents provided in the context of CMA's MBCG MI; [§]; 1 response to CMA working papers; [Google response to the CMA's Working Paper 2](#) [§]. Note of call with [§]. Note of call with [§].

⁷⁸² [§] response to section 69 notice [§].

⁷⁸³ 2 responses provided in the context of CMA's MEMS; [§]; 2 responses provided in the context of CMA's MBCG MI; [§]; 2 notes of calls with; [§]; 1 working paper response Google, [Google's response to working paper 2](#), 3 September 2024 paragraphs 23-25; Note of call with [§].

⁷⁸⁴ 1 response provided in the context of CMA's MEMS [§]; 1 note of call with [§]; 1 Issues statement response; [Gener8's](#) response to the Issues Statement dated 17 October 2023, page 1; Apple has submitted the WebKit restriction reduces development costs by saving browser vendors the considerable resources required to develop a browser engine (see [Apple's response to Proposed Decision](#), paragraph 113). However, absent the WebKit restriction, browser vendors would still have the option to use an open-source browser engine on Apple's Mobile Ecosystem, whether WebKit or an alternative. By preventing browser developers from using the same browser engine on Apple's Mobile Ecosystem as on other platforms, the WebKit restriction increases browser developers' cross-platform development costs.

Access to functionality

- 7.74 This section considers whether the extent to which rival mobile browsers can access the same functionality as Safari on Apple's Mobile Ecosystem may act as a barrier to entry and expansion for rival mobile browsers.
- 7.75 We find that greater and/or more immediate access to certain functionalities on Apple's Mobile Ecosystem has provided Safari with a competitive advantage relative to third-party mobile browsers, by allowing Safari to implement features that are not available to rival mobile browsers, and therefore limiting the competitive constraint on Safari.
- 7.76 Apple submitted that generally, it makes features and functionality available to third-party mobile browsers at the same time as Safari.⁷⁸⁵ However, making APIs available to third parties is a significant commitment, and therefore there is sometimes a delay in rolling out APIs as rolling out features too early can result in harm to users.⁷⁸⁶
- 7.77 Third-party browser developers provided evidence of many features which are available to Safari, but which are either not currently available to third-party browser developers in the same way, or were only made available to third-party browser developers after a delay. Examples of such features include:⁷⁸⁷
- (a) Browser extensions. Several third parties submitted that, whilst Safari can support browser extensions on iOS, third-party browser developers do not have the same ability to do so.⁷⁸⁸
 - (b) PWA installation. Several third parties submitted that, until 2023, Safari was the only mobile browser that could install PWAs on iOS.⁷⁸⁹
 - (c) Full screen video. Apple submitted that full screen video was made available to Safari in September 2018, before being made available to third parties in March 2022.⁷⁹⁰

⁷⁸⁵ [Apple response to the MBCG MI PDR](#), 22 November 2024, paragraph 104.

⁷⁸⁶ [Apple response to the MBCG MI PDR](#), 22 November 2024, paragraphs 110 and 113.

⁷⁸⁷ A more detailed assessment of evidence on third-party mobile browser access to functionality within Apple's Mobile Ecosystem is set out in section 5 of the [MBCG MI Final Report](#).

⁷⁸⁸ 1 response provided in the context of the CMA's MEMS; [redacted]; 3 responses provided in the context of the CMA's MBCG MI; [redacted]; 1 note of meeting with [redacted]; in addition to third-party views, Apple has made several submissions indicating that third-party mobile browsers are now able to support extensions subject to certain safeguards. See Apple's responses in the context of the CMA's MEMS; [redacted]; [Apple's response to CMA's PDR dated 22 November 2024](#), paragraph 122.

⁷⁸⁹ 1 response provided in the context of the CMA's MEMS; [redacted]; 2 responses provided in the context of the CMA's MBCG MI; [redacted]; OWA, ['Bringing Competition to Walled Gardens'](#), section 5.3.1, accessed by the CMA on 4 February 2025. In addition to third-party views, Apple submitted that the ability to add a web app to the home screen was first made available in iOS 14 (September 2020), and made available to third-party mobile browsers in iOS 17 (September 2023). See Apple's response provided in the context of the CMA's MBCG MI [redacted]; and ['iOS 14 is available today - Apple \(UK\)'](#), accessed by the CMA on 14 October 2025.

⁷⁹⁰ Apple's response provided in the context the CMA's MBCG MI [redacted].

Choice architecture

- 7.78 In this section, we consider whether choice architecture⁷⁹¹ for new Apple Mobile Devices creates a barrier to entry and expansion for rival mobile browsers.
- 7.79 The evidence set out below indicates that, although it is possible for users to switch to an alternative mobile browser to Safari, there are barriers to doing so, given Safari's position as the pre-installed and default mobile browser on many new Mobile Devices. We find that this, combined with behavioural biases, and general low user awareness and engagement with mobile browsers (see above), provides Safari with a competitive advantage and therefore limits the competitive constraints on it within Apple's Mobile Ecosystem.
- 7.80 Research shows that the use of choice architecture is an important factor in user behaviour. Pre-installation, prominent placement, and default settings can all influence user behaviour in light of behavioural biases such as status quo bias.⁷⁹²
- 7.81 Apple submitted that it seeks to provide a 'premium consumer experience with basic and essential functionality available out-of-the-box' which includes enabling internet browsing by pre-installing, setting as default, and prominently placing Safari.⁷⁹³ Apple also submitted that it makes it easy for users to download new mobile browsers, switch defaults, and change the placement of Safari and other mobile browsers.⁷⁹⁴
- 7.82 As the operating system provider of its Mobile Ecosystem, Apple has control over choice architecture for mobile browsers. On every new Apple mobile device, Safari is pre-installed, pre-set as the default mobile browser, and is placed prominently on the default home screen ('application dock').
- 7.83 Several third-party browser vendors submitted that Apple's use of choice architecture was an important part of competition in mobile browsers, and therefore provides Safari with a competitive advantage on Apple's Mobile Ecosystem.⁷⁹⁵

Restrictions on in-app browsing

- 7.84 In this section we consider whether the inability of rival mobile browsers to offer in-app browsing implementations on Apple's Mobile Ecosystem creates a barrier to entry and expansion for rival mobile browsers. We find that, whilst it may have some negative implications, the impact is expected to be relatively limited overall.

⁷⁹¹ Choice architecture describes the environment in which users act and make decisions, including the presentation and placement of choices and the design of interfaces.

⁷⁹² For more details see Section 8 of the [MBCG MI Final Report](#).

⁷⁹³ Apple's response [X] to section 69 notice [X].

⁷⁹⁴ Apple's response [X] to section 69 notice [X].

⁷⁹⁵ 6 responses to section 69 notices; [X].

- 7.85 Third-party mobile browsers are prevented from offering their own in-app browsing implementations, based on their mobile browsers or browser engines.⁷⁹⁶ This limits the share of web traffic these browsers account for, and therefore may have a negative impact on them with respect to web compatibility, as web developers may be less likely to prioritise them for compatibility testing. It may also have a negative impact on user experience with third-party mobile browsers as users cannot benefit from the use of their chosen mobile browser in in-app browsing on Apple's Mobile Ecosystem. This may limit the ability of third-party mobile browsers to attract users.

Competition from alternatives to mobile browsing

- 7.86 We have found that Safari and WebKit have held a high and stable share of supply within Apple's Mobile Ecosystem over a significant period of time, that Apple faces limited constraints from alternative mobile browsers, very limited constraint from alternative browser engines and alternative in-app browsing implementations and that barriers to entry and expansion for alternative mobile browsers are high.
- 7.87 This section considers the extent of competition from certain alternatives to mobile browsing within Apple's Mobile Ecosystem, namely native apps and AI tools, and from non-mobile alternatives. We find that Apple's mobile browser and mobile browser engine face only limited competition from these alternatives.⁷⁹⁷

Competition from native apps

- 7.88 Native apps provide an alternative way for users to access content, and for content providers to reach users.⁷⁹⁸ With in-app browsing, native apps can also provide an alternative way for users to view and browse web content.⁷⁹⁹ We have therefore considered the extent to which native apps provide a competitive constraint to Apple's mobile browser and browser engine.
- 7.89 For the reasons set out in this section, we find that native apps impose only a limited competitive constraint on Safari on Apple's Mobile Ecosystem:
- (a) For users, they may provide a substitute in some circumstances, but do not replicate the full functionality of a mobile browser such as browsing the open web and accessing content without the need for downloads like Safari.

⁷⁹⁶ Several browser vendors offer in-app browsing implementations on Android and may be expected to enter on Apple's Mobile Ecosystem if it were possible.

⁷⁹⁷ Although these alternatives do not provide a direct alternative to a mobile browser engine, if they were to impose a strong constraint on mobile browsers, then this would indirectly constrain mobile browser engines.

⁷⁹⁸ The extent of competition from web-based content on Apple's native app distribution through the App Store is considered above.

⁷⁹⁹ The extent of competition from AI tools, which are often provided as native apps, is considered below.

- (b) For content providers, although native apps provide an alternative distribution method, the vast majority continue to distribute via the web (and therefore through mobile browsers) in order to reach as many users as possible.
- (c) Whilst in-app browsing also substitutes for use of dedicated mobile browsers, this is only in limited circumstances, and in-app browsing offers only limited functionality relative to dedicated mobile browsers.
- (d) Evidence does not indicate that the constraint imposed by native apps on Safari is likely to change significantly over the next five years.

7.90 Evidence indicates that mobile browsers do compete with native apps for end-users to some extent; however native apps do not substitute for the full functionality of mobile browsers:

- (a) Apple submitted that native apps to an extent are a substitute for mobile browsers, as users can accomplish a wide range of online activities through either. However, unlike mobile browsers, they do not allow for open-ended web searching. Users who want to browse the web, rather than engage in a specific activity, therefore use dedicated mobile browsers.⁸⁰⁰
- (b) Evidence from other browser vendors indicates that native apps do substitute for mobile browsers in certain circumstances. Certain apps such as search apps may substitute for more of the use cases of mobile browsers. However, they do not substitute for the full functionality of mobile browsers in browsing the open web and accessing content without the need for downloads.⁸⁰¹

7.91 Evidence indicates that the extent to which mobile browsers compete with native apps for content providers is more limited, with content in native apps and browsers more likely to be complements than substitutes:

- (a) Apple submitted that almost all content providers offer web versions of their native app content in order to ensure that users can access their content in as many ways as possible, and there are no barriers to doing so.⁸⁰²
- (b) Evidence from a very wide range of content providers indicates that offering content through native apps is not seen as a substitute to offering content through browsers. Instead, they are seen as complements fulfilling different purposes. Reasons given included web content being easier to access for new users, and native content being better for increasing engagement with existing users.⁸⁰³

⁸⁰⁰ Apple's response to section 69 notice [38].

⁸⁰¹ 6 responses to section 69 notices; [38].

⁸⁰² Apple's response [38] to section 174 notice [38].

⁸⁰³ 54 respondents to CMA notices, comprised of 14 section 69 notices, 36 responses provided in the context of the CMA's MEMS and 9 responses provided in the context of the CMA's MBCG MI; 14 responses to section 69 notices; [38].

- 7.92 Evidence indicates that in-app browsers are generally not considered an alternative to mobile browsers:
- (a) Apple submitted that whilst in-app browsers allow users to view web pages within a native app, they lack functionality (such as an address bar, tabs, and search engine access) compared to dedicated mobile browsers, meaning that users seeking to browse or search the web tend to use dedicated mobile browsers.⁸⁰⁴
 - (b) Evidence from browser vendors indicates that whilst in-app browsing is widely used, and this takes web traffic away from dedicated mobile browsers, in-app browsing is only a substitute in limited circumstances and lacks the functionality available in dedicated browsers.⁸⁰⁵

Competition from AI tools

- 7.93 AI tools such as chatbots or agents provide an alternative for users to some functions currently performed by mobile browsers. We have therefore considered the extent to which such AI tools provide a competitive constraint on Apple's mobile browser and browser engine. This is separate to the impact of AI being incorporated into mobile browsers, considered above.⁸⁰⁶
- 7.94 We find that AI tools currently provide a limited competitive constraint on Safari within Apple's Mobile Ecosystem. It is possible that this could increase as the functionality of AI increases; however, this is highly uncertain. We have not seen evidence that AI tools are likely to change significantly the position of Safari within Apple's Mobile Ecosystem over the next five years.
- 7.95 We have not seen sufficient evidence to show that AI powered tools or chatbots compete with mobile browsers. They are currently only a limited substitute for mobile browsers. Although this could change in the future, the evidence we have seen does not indicate that the position of Safari within Apple's Mobile Ecosystem is likely to change significantly over the next five years:
- (a) In September 2024, Apple submitted that AI-powered tools or chatbots do not compete with mobile browsers, as they tend to serve as complements rather than substitutes. It stated that although AI-powered tools and chatbots compete to a limited extent in that they can help a user access discrete information or answer a specific query, they do not replicate the full web

36 responses provided in the context of CMA's MEMS; [REDACTED]. 9 responses provided in the context of CMA's MBCG MI; [REDACTED].

⁸⁰⁴ Apple's response [REDACTED] to section 174 notice [REDACTED]; Apple's response [REDACTED] to section 174 notice [REDACTED].

⁸⁰⁵ 6 responses to section 69 notices; [REDACTED].

⁸⁰⁶ The potential impact of wider technological and market developments, including AI, on Apple's position in Mobile Platforms more broadly is considered in Chapter 8.

browsing experience.⁸⁰⁷ Apple also submitted that AI personal assistants are only substitutes for mobile browsers to a limited degree currently, but that this could change in the next few years.⁸⁰⁸ Apple further submitted that chatbots and AI agents ‘are intended to revolutionise how users browse the web, for example by helping users summarise web content, automate tasks, and provide personalised recommendations.’⁸⁰⁹

- (b) Most other browser vendors submitted that AI personal assistants are a limited substitute for mobile browsers currently, and several indicated that they do not replicate the full use case of mobile browsers.⁸¹⁰ Substitutability was generally expected to increase over the next five years, but with differing views and some uncertainty about the extent of this.⁸¹¹ For example, Ecosia submitted that AI could ‘significantly reduce the need for manual browsing’.⁸¹² However other browser vendors stated that it was difficult to predict the extent to which AI could replace browsers.⁸¹³
- (c) Some browser vendors told us about the expected impact of AI tools. They indicated that, although there is uncertainty about how they will develop, AI chatbots are likely to impact search more than browsers. However, this could have a secondary impact on browsers given their usage for search, and the importance of search revenue to many browser vendors.⁸¹⁴
- (d) Our consumer survey shows that 40% of respondents used an AI assistant for any purpose.⁸¹⁵ A relatively low proportion of respondents reported using AI frequently for tasks such as searching for information and searching for products, which might otherwise be performed in a mobile browser.⁸¹⁶

Competition from non-mobile alternatives

- 7.96 Browsing on desktop (or laptop) computers provides an alternative means for users to access web content.⁸¹⁷ We have therefore considered the extent to which non-mobile alternatives provide a competitive constraint on Apple’s mobile browser and browser engine.

⁸⁰⁷ Apple’s response [§] to section 174 notice [§].

⁸⁰⁸ Apple’s response to section 69 notice [§].

⁸⁰⁹ [Apple’s response to Proposed Decision](#), paragraph 113.

⁸¹⁰ 9 responses to section 69 notices; [§].

⁸¹¹ 10 responses to section 69 notices; [§].

⁸¹² Ecosia’s response to section 69 notice [§].

⁸¹³ 3 responses to section 69 notices [§].

⁸¹⁴ 2 notes of meetings; [§].

⁸¹⁵ [Accent Mobile Consumer Survey: Search Questions](#).

⁸¹⁶ The proportion of respondents using AI ‘most-often’ was; 13% for searches for less simple information, 4% for searches for simple information, 3% for searches for products they want to buy, and 5% for searches for a specific website. Accent [Mobile Consumer Survey: Search Questions](#), Figure 2.

⁸¹⁷ We also asked stakeholders about other alternatives to mobile browsing such as browsing on smart glasses and smart watches. However, no respondent considered these as credible substitutes to mobile browsing. 10 responses to section 69 notices; [§].

- 7.97 We find that desktop browsing may impose a limited constraint on mobile browsers, as the feature sets are similar and users can switch between the two. Most of the evidence shows that the use cases for mobile and desktop are different, and that they are generally considered complements rather than substitutes. We have not seen evidence that desktop browsing is likely to become a materially stronger constraint on Safari over the next five years.
- 7.98 The evidence we have seen generally indicates that browsing on desktop and laptop computers fulfils different use cases for the end-user to browsing on Mobile Devices:
- (a) Apple submitted that desktop browsing [§]. For the most part available features are similar, although some complex websites may not be fully functional on mobile. Mobile also enables ‘on the go’ browsing, which is not possible on desktop. Apple stated that users switch between and access content on both, and Apple promotes Safari as a web browser, rather than as a mobile or desktop browser.⁸¹⁸
 - (b) Other browser vendors submitted that, although for some use cases mobile and desktop are substitutable, they are often used for different purposes and are therefore generally seen as complements.⁸¹⁹
 - (c) Several pieces of user research also indicate that mobile and desktop browsing fulfil different use cases:
 - (i) The qualitative research carried out by Verian found that respondents typically had preferences for completing certain tasks on their smartphone versus desktop. In particular, ‘anything fiddly’, or anything that required high security tended to be on desktop only.⁸²⁰
 - (ii) Research conducted by Microsoft shows that mobile browsers are used differently to desktop browsers.⁸²¹
 - (iii) Research conducted by a browser vendor [§] shows that users use its browser [§] on mobile differently to on desktop.⁸²²
- 7.99 For content providers, web content available on mobile will be equally available on desktop browsers, with adjustments to account for differences such as screen size or input mode.⁸²³ In limited cases, some web content may not fully function on mobile due to slight differences in functionality. Web content is therefore by its

⁸¹⁸ Apple’s response to section 69 notice [§].

⁸¹⁹ 10 responses to section 69 notices; [§].

⁸²⁰ Verian Group UK, [Mobile Browsers Qualitative Consumer Research](#), slide 12.

⁸²¹ Microsoft’s response provided in the context of the CMA’s MBCG MI to voluntary request for information [§].

⁸²² [§] response to section 174 notice [§].

⁸²³ Jigsaw Research, [Qualitative Research with Developers on Mobile Browsers and Mobile Browser Engines](#), pages 22-23, and 53.

nature available cross-platform, and content providers do not choose between platforms such as mobile and desktop, although they may optimise their content for either.

- 7.100 In response to the Proposed Decision, Apple submitted that users prefer to use the same browser across platforms, and therefore a poor browsing experience on Safari on mobile would make it more likely that a user switches to another browser across multiple platforms, incentivising Apple to compete.⁸²⁴
- 7.101 Whilst we acknowledge that this cross-platform effect may increase Apple's incentives to win or retain users on mobile, the evidence presented above shows that Safari faces limited constraints from rival mobile browsers and so we consider this is unlikely to have a material impact on its incentives. We note that outcomes on macOS are significantly different, with Safari having a share of supply of only 42%, behind Chrome, and with smaller browsers having higher shares than on iOS.⁸²⁵ This indicates that any cross-platform effects are limited.
- 7.102 Internal documents from Apple show that [REDACTED].⁸²⁶

Conclusion on competition from alternatives to Safari and WebKit

- 7.103 We conclude that Apple's Safari browser faces limited competitive constraints on Apple's Mobile Ecosystem and the evidence indicates that this is unlikely to change significantly over the next five years.
- 7.104 Although other mobile browsers are available, these face barriers to entry and expansion, in particular those related to the WebKit restriction, Safari's superior access to functionality, and choice architecture and Safari's consistently high share of supply indicates that these are a limited competitive constraint.
- 7.105 Although AI is likely to impact mobile browsers, we have not seen evidence that its impact is likely to change significantly the position of Safari over the next five years.
- 7.106 Alternatives to mobile browsing, namely native apps and AI tools, only provide a limited competitive constraint for a limited set of use cases. The evidence we have seen does not indicate that technological developments are likely to change this significantly in the next five years.
- 7.107 Apple's policies mean that there are no alternatives to its mobile browser engine or in-app browsing implementations on its Mobile Ecosystem.

⁸²⁴ [Apple's response to Proposed Decision](#), paragraph 113.

⁸²⁵ Cloudflare Radar, '[Cloudflare Radar - Browser Market Share Report for 2025 Q2](#)', 7 August 2025, accessed by the CMA on 22 September 2025.

⁸²⁶ An internal document [REDACTED].

- 7.108 Whilst non-Mobile Devices provide an alternative for users and content providers, on the user side they generally serve a different use case to mobile, and on the content provider side are seen as a complement rather than a substitute.

Conclusion on competition from alternatives to Apple's mobile content provision and distribution

- 7.109 Apple faces limited competitive constraints in relation to content provision and distribution within its Mobile Ecosystem.
- 7.110 Within Apple's Mobile Ecosystem, there are alternatives to the App Store such as web-based content distribution, cloud-based gaming or super apps. However, overall, we consider that these alternatives impose only a limited competitive constraint on the App Store given that these methods have limited usage and are generally not viewed as a close substitute (rather, in some cases they are viewed as complements) to native apps on the App Store.
- 7.111 Apple's Safari mobile browser also faces limited competitive constraints within Apple's Mobile Ecosystem. Although alternative mobile browsers are available, these face barriers to entry and expansion, and Safari's consistently high share of supply indicates that these are a limited constraint. Apple faces no competition from alternative browser engines or alternative in-app browsing implementations within its Mobile Ecosystem. Alternatives to mobile browsers, namely native apps and AI tools, only provide a competitive constraint for a limited set of use cases.
- 7.112 Whilst non-Mobile Devices provide an alternative for users and content providers, in the case of both native app and web content, on the user side they generally serve a different use case to mobile, and on the content provider side are seen as a complement rather than a substitute. The ability of users to make purchases on non-mobile platforms provides an alternative to the App Store. However, the evidence indicates that this represents only a limited constraint for a sub-set of app developers and for certain users.
- 7.113 The evidence we have seen does not indicate that Apple's position in content distribution on its Mobile Ecosystem is likely to change significantly over the next five years.

8. CONCLUDING ON SEMP AND POSS

- 8.1 In this chapter we present the final elements of our SEMP assessment: a profitability analysis; and our assessment of competition to Apple's Mobile Platform arising from wider technological and market, regulatory and other developments. We also present our assessment in relation to whether Apple has a position of strategic significance in respect of its Mobile Platform and we conclude on whether Apple meets both SMS conditions in respect of its Mobile Platform.

Profitability analysis

Apple has been highly profitable for at least the last ten years, making high profits and a high return on capital globally. We have not seen evidence indicating that these high levels of profitability will not continue. We estimate that Apple's Mobile Platform activities in the UK have similarly generated a high return on capital relative to our estimate of Apple's **WACC**⁸²⁷ over this period.

Overview

- 8.2 This section summarises our analysis of profitability of Apple's Mobile Platform.⁸²⁸ Profitability can be an indicator of market power. This is based on the premise that under effective competition a firm would generally earn no more than a 'normal' rate of profit over the long run. Where firms persistently earn in excess of a normal return, this signals that there may be limitations in the competitive process.
- 8.3 Since our SMS assessment relates to Apple's market position in the UK, we are interested in the profitability of Apple's UK Mobile Platform.⁸²⁹ In this regard we note that:
- (a) To inform our assessment of Apple's position in the UK for its Mobile Platform, we have assessed financial information on Apple's Mobile Ecosystem. Those figures include Apple's revenue for sales of its Mobile Devices, which indirectly contribute to Apple's Mobile Platform revenue;⁸³⁰
 - (b) We have started with global figures, recognising that the digital activities we are assessing are global in nature, and because Apple did not provide information on the profitability of its Mobile Platform activities at a UK level;

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⁸²⁷ Weighted average cost of capital (**WACC**), a widely used benchmark for returns on an investment

⁸²⁸ More detailed analysis is contained in Appendix B.

⁸²⁹ See CMA194, paragraph 2.55(e)

⁸³⁰ An end-user does not purchase a Mobile Platform in isolation. Instead, an end-user buys into a Mobile Ecosystem as a whole, considering the hardware of the device they are purchasing in tandem with the Mobile Platform deployed on it.

⁸³¹ Apple's response to section 69 notice [38]; [38]; Apple's response to section 69 notice [38].

- (c) Our analysis is therefore based on global data from Apple supplemented by information we obtained from Apple to enable more detailed analysis of mobile products and services and UK specific analysis, where appropriate.

8.4 Our analysis focuses on the following topics:

- (c) overall size and financial position for the Apple Group;
- (a) global profitability of Apple's Mobile Platform; and
- (b) UK profitability of Apple's Mobile Platform.

8.5 We have focused on standard reporting metrics to inform our analysis of Apple's revenues, costs, and profits. In particular:

- (a) We have assessed the amount of profit Apple has earned in absolute terms, and as a percentage 'return on capital employed' (**ROCE**), comparing accounting profit with the size of investment made by Apple to achieve those profits;
- (b) We have compared our findings against its weighted average cost of capital (**WACC**), which is a widely used benchmark for returns on an investment. The WACC is essentially the minimum return required on an investment or asset to satisfy the owners and creditors;⁸³² and
- (c) We have considered revenue and gross profit metrics relating to Apple's Mobile Ecosystem products and services.⁸³³

8.6 We summarise the main findings of this analysis below. Apple submitted that it disagrees with our analysis of its profitability, including in relation our approach to intangible assets and our exclusion of cash and marketable securities from capital employed, and we discuss its comments and our views on those in Appendix B.⁸³⁴

Profitability of the Apple Group

8.7 Our profitability analysis shows that, at the group level, Apple generates substantial profits and operating cashflows in absolute terms. As shown in Figure 8.1 below, Apple's earnings before income and tax (**EBIT**) have remained consistently high and the operating profit margin has not fallen below 24% for the each of the last ten years.^{835,836}

⁸³² Our ROCE based approach to profitability is set out in more detail in Appendix B.

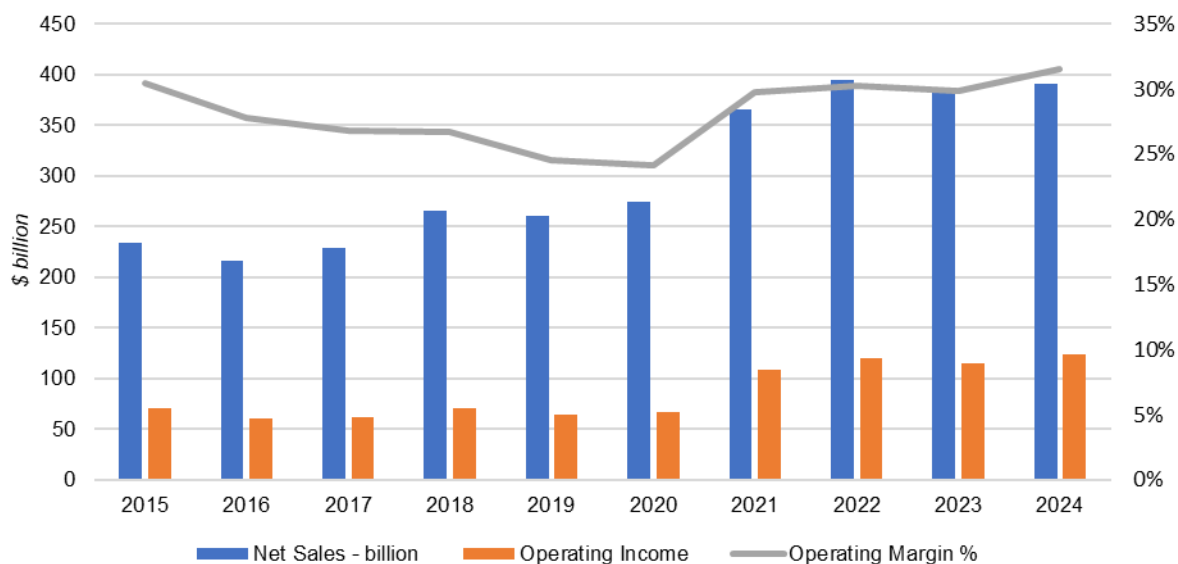
⁸³³ Apple told us that [REDACTED]. Apple's response to section 69 notice [REDACTED].

⁸³⁴ Submission from Apple [REDACTED].

⁸³⁵ CMA analysis of 'Form 10-K for Apple filed 1 November 2024', accessed by the CMA on 16 July 2025, page 29.

⁸³⁶ EBIT is based on Apple's reported Operating Income in its Consolidated Statements of Operations in published accounts.

Figure 8.1: Apple Group Revenue and Profitability between 2015 and 2024



Source: CMA analysis of Apple 10K

8.8 As set out in the Profitability analysis in Appendix B, Apple's profitability, when measured as a percentage ROCE is in excess of 100%, compared with our estimate of Apple's WACC of [redacted] [10-15]%. This profitability estimate remains high even when adopting a conservative sensitivity analysis, for example in relation to intangible assets.⁸³⁷

Profitability of Apple's Mobile Platform

8.9 The profitability figures set out above relate to the profitability of the Apple Group. However, for the purposes of our SMS assessment we are concerned with the profitability of Apple's UK Mobile Platform activities.

8.10 While the majority of Apple's revenue has historically come from device sales, the contribution and importance of Apple's services business, which includes App Store and Safari, has been increasing steadily in recent years. Services accounted for almost 25% of revenue in 2024, and almost 40% of gross profits.⁸³⁸

8.11 Apple's services revenues include the fees earned by Apple from what Apple refers to as Third Party Licensing Arrangements,⁸³⁹ which is predominantly made up of its share of revenue from Google under the ISA as considered in Chapter

⁸³⁷ For example, we have conducted a sensitivity analysis to our ROCE based profitability analysis to test the sensitivity of our profitability findings to changes in intangible assets relating to Apple's R&D expenditure.

⁸³⁸ Calculated using segmental revenue data from Apple 10Ks for 2015-2024.

⁸³⁹ CMA analysis of Apple's response to section 69 notice [redacted]. Apple, 'Form 10-K for Apple filed 1 November 2024', accessed by the CMA on 16 July 2025, page 2.

6,⁸⁴⁰ and the App Store, which is monetised through commission fees and advertising revenues.⁸⁴¹

- 8.12 Ideally, we would assess the profitability of Apple's mobile activities specifically, taking into account all relevant costs and an appropriate capital base. However, Apple does not report on its Mobile Platform activities' profitability in its published accounts. We also note that Apple does not directly monetise its mobile operating systems.
- 8.13 We have therefore based our analysis on revenue and profitability information received from Apple relating to the main products and services through which Apple directly and indirectly monetises its Mobile Platform's activities, including through its broader Mobile Ecosystem - namely advertising revenues, App Store revenues, and the sale of iPhones and iPads.
- 8.14 We recognise that the profits earned on one product or service should not necessarily be considered in isolation from the other products and services within the same mobile ecosystem. Nevertheless, it is helpful to understand the extent to which distinct business activities are able to generate revenues over and above their directly attributable costs and we set out our analysis on an individual product/service basis below.

Safari/Advertising Revenues

- 8.15 Globally, Advertising revenues represent the second largest revenue generating segment within Apple's services business, after Digital Content.⁸⁴² Revenues within this Advertising segment are generated primarily through the ISA between Google and Apple, and it also generates revenue from App Store Advertising. We estimate that Apple's gross profit margin from Advertising revenues [§] over the period 2022-2024 on a global basis and was higher than for Apple's overall Services segment.⁸⁴³
- 8.16 Apple generated £[§] billion of advertising revenues in the UK and \$[§] globally, primarily from Third Party Licensing Arrangements (including the ISA), and also from App Store Advertising.⁸⁴⁴

⁸⁴⁰ CMA analysis of Apple's response to section 69 notice [§].

⁸⁴¹ CMA analysis of Apple's response to section 69 notice [§].

⁸⁴² CMA analysis of Apple's response to section 69 notice [§]. Apple's Digital Content segment includes the App Store and Apple's subscription content. See [Form 10-K for Apple filed 1 November 2024](#), page 2.

⁸⁴³ CMA analysis of Apple's response to section 69 notice [§].

⁸⁴⁴ CMA analysis of Apple's response to section 69 notice [§]. Revenues are converted from USD to GBP at an annual average exchange rate for 2024 of 1.2783 (Source: Bank of England).

The App Store

- 8.17 The App Store represents the [§] largest segment within Apple's service business, comprising [§] [20-30]% of total services revenue.⁸⁴⁵ In the UK in 2024, the App Store generated total revenues of £[§] [0-2] billion revenue from customer billings.⁸⁴⁶
- 8.18 We estimate that the App Store's gross profit margins (excluding App Store advertising) averaged [§]% over the period 2022 to 2024 on a global basis, which was higher than for the overall Services segment.⁸⁴⁷
- 8.19 As noted above, the App Store also generates revenues from App Store advertising, which is reported separately within Apple's Advertising reporting segment. Including App Store advertising, Apple generated £[§] billion of revenues from the App Store in the UK from its Mobile Devices.⁸⁴⁸

iPhone and iPad

- 8.20 When considering the profitability of Apple's Mobile Platform activities, we have considered devices as well as services, on account of the interdependencies between the two. An end-user does not buy a mobile platform in isolation, but into a mobile ecosystem as a whole, considering the hardware of the device they are purchasing in tandem with the mobile platform deployed on it. Therefore, our analysis of the profitability of Apple's Mobile Platform is conducted at the Mobile Ecosystem level (ie including the profitability of the iPhone and iPad).
- 8.21 The majority of Apple's revenues come from device sales, including in particular the iPhone, which accounted for 51% of Apple's global revenues,⁸⁴⁹ and [§]% [a similar proportion] in UK.⁸⁵⁰ In the UK, Apple generated revenues of £[§] [5-10] billion from the sale of iPhones and a further £[§] [0-5] billion from the sale of

⁸⁴⁵ Reported revenues for the App Store reporting segment exclude revenues from App Store Advertising, which Apple reports separately within its Advertising Segment, as noted above. Apple's response to section 69 notice [§].

⁸⁴⁶ App Store segmental revenues include revenues relating to devices other than the iPad and iPhone. By 'revenue' for the App Store, we refer to net billings ie, the amount that Apple charges as commission on the App Store. Apple records as revenue the level of gross billings paid by consumers for purchases in the App Store after subtracting the share paid to app developers, which we describe as net revenue. We note the average ratio between net revenue and gross billings over this period has been [§] on a global basis, which reflects Apple's commission structure. CMA analysis of Apple's response to section 69 notice [§]. Revenues are converted from USD to GBP at an annual average exchange rate for 2024 of 1.2783 (Source: Bank of England).

⁸⁴⁷ CMA analysis of Apple's response to section 69 notice [§].

⁸⁴⁸ CMA analysis of Apple's response to section 69 notice [§]. Revenues are converted from USD to GBP at an annual average exchange rate for 2024 of 1.2783 (Source: Bank of England).

⁸⁴⁹ Apple, 'Form 10-K for Apple filed 1 November 2024', accessed by the CMA on 16 July 2025, page 35.

⁸⁵⁰ CMA analysis of Apple's response to section 69 notice [§].

iPads.⁸⁵¹ Apple's global gross profit margins of [REDACTED]%⁸⁵² for iPhone and iPad device sales are lower than for its services activities.⁸⁵³

Apple's mobile operating systems (iOS and iPadOS)

- 8.22 Apple does not directly monetise its operating systems. Our estimates of the profits earned by Apple are notably high even when taking into account the costs associated with providing these systems in our calculation of Apple's group-level ROCE.

Profitability of Apple's Mobile Platform in the UK

- 8.23 Our assessment of Apple's profitability specifically concerns the profitability of Apple's UK Mobile Platform.
- 8.24 As set out above, the majority of Apple's global revenues and profits relate, either directly or indirectly, to its Mobile Platform. Although we do not have UK specific profitability and cost data, we have data on revenues in the UK as set out below, and have also considered whether the profitability of Apple's activities in the UK was likely to be materially different from its global activities, using the data provided to us by Apple.
- 8.25 Apple's total UK revenues of £[REDACTED] [10-20] billion⁸⁵⁴ in 2024 included:
- (a) £[REDACTED] [5-10] billion from iPhone device sales, and a further £[REDACTED] [0-5] billion from iPad device sales;
 - (b) at least £[REDACTED] billion in advertising revenues of which the majority £[REDACTED] billion relates to Third Party Licensing Arrangements (including the ISA), and further £[REDACTED] billion relates to App Store Advertising;⁸⁵⁵ and
 - (c) £[REDACTED] [0-2] billion from the App store.⁸⁵⁶
- 8.26 The remaining £[REDACTED] [0-5] billion relates to:
- (a) Non-mobile device sales (£[REDACTED] [0-5] billion); and

⁸⁵¹ CMA analysis of Apple's response to section 69 notice [REDACTED]. Revenues are converted from USD to GBP at an annual average exchange rate for 2024 of 1.2783 (Source: Bank of England).

⁸⁵² [REDACTED]. CMA analysis of Apple's response to section 69 notice [REDACTED].

⁸⁵³ CMA analysis of response to section 69 notice [REDACTED].

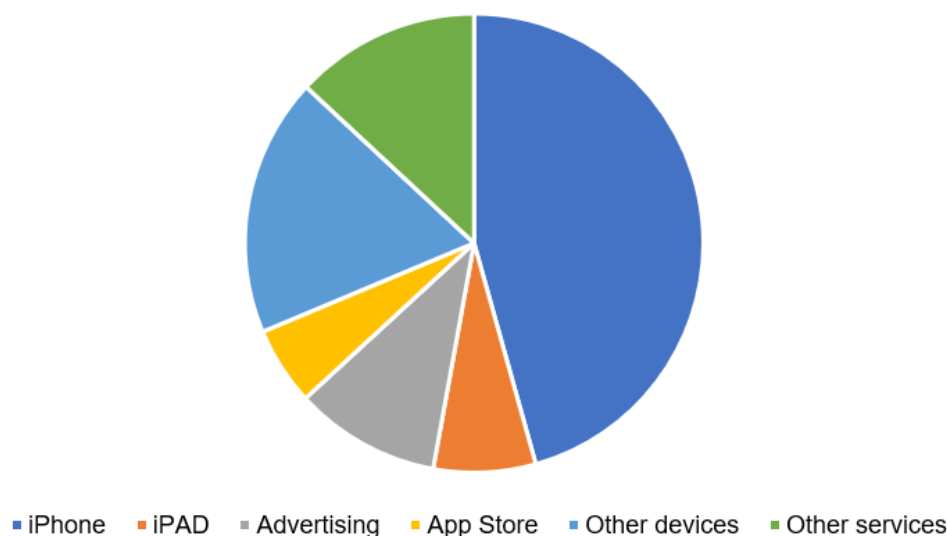
⁸⁵⁴ CMA analysis of response to section 69 notice [REDACTED]. Revenue figures relate to the calendar year ending 31 December 2024 and are converted from USD to GBP at an annual average exchange rate for 2024 of 1.2783 (Source: Bank of England).

⁸⁵⁵ Advertising revenues include [REDACTED].

⁸⁵⁶ CMA analysis of Apple's response to section 69 notice [REDACTED]. Revenues are converted from USD to GBP at an annual average exchange rate for 2024 of 1.2783 (Source: Bank of England). A small proportion of Apple's estimated App Store revenues relate to products other than iPhones and iPads.

- (b) Other service revenues (£[REDACTED] [0-5] billion)], many of which relate at least in part to Apple's mobile activities (eg Apple Care and Apple Pay).⁸⁵⁷

Figure 8.2: Breakdown of UK revenue in 2024



Source: CMA analysis ⁸⁵⁸

- 8.27 Given the global nature of Apple's cost reporting structures, we have therefore assumed that the gross profit margins and the operating profit margins for Apple's Mobile Platform are broadly similar in the UK to those for the total Apple Group.⁸⁵⁹ We estimate that Apple generated gross profits of at least £[REDACTED] billion in the UK in 2024 from its Mobile Ecosystem, which relate directly or indirectly to its Mobile Platform.^{860,861}
- 8.28 On this basis, and as we have not seen sufficient evidence that Apple's UK Mobile Ecosystem activities are generating a materially different level of profitability than its global Mobile Ecosystem activities,⁸⁶² we estimate that Apple's Mobile Platform activities are generating economic profits over and above our estimate of its weighted average cost of capital in the UK as well as globally.

⁸⁵⁷ CMA analysis of Apple's response to section 69 notice [REDACTED]. Revenues are converted from USD to GBP at an annual average exchange rate for 2024 of 1.2783 (Source: Bank of England). Other service revenue includes also App Store customer billing revenues from products other than iPhones and iPads.

⁸⁵⁸ CMA analysis of Apple's response to section 69 notice [REDACTED].

⁸⁵⁹ CMA analysis based on Apple's response to section 69 notice [REDACTED]; and Apple, '[Form 10-K for Apple filed 1 November 2024](#)', dated 1 November 2024, accessed by the CMA on 16 July 2025, pages 24 and 29.

⁸⁶⁰ CMA analysis based on Apple's response to section 69 notice [REDACTED]; Revenues are converted from USD to GBP at an annual average exchange rate for 2024 of 1.2783 (Source: Bank of England).

⁸⁶¹ Our approach to estimating UK returns from Apple's mobile activities is set out in more detail in our analysis of Apple's profitability in Appendix B.

⁸⁶² CMA analysis of Apple's response to section 69 notice [REDACTED].

Forecast profitability

- 8.29 We have reviewed Apple's own financial projections relating to future revenues and profitability relating to its Mobile Ecosystem activities. We have not seen evidence indicating that Apple's high levels of profitability will not continue.⁸⁶³

Conclusion on Apple's profitability

- 8.30 Although Apple has historically been a devices business, the share of profits attributable to its services business has been increasing over time, and accounts for almost half of its global gross profits.
- 8.31 Apple generates profits from its Mobile Platform through its Mobile Ecosystem, including device sales, its App Store (including from App Store Advertising), its ISA and other services provided to users of its Mobile Devices.
- 8.32 Our analysis indicates that Apple was highly profitable for at least the last ten years, making high profits and a high return on capital. We have reviewed Apple's own financial projections relating to future revenues and profitability relating to its Mobile Ecosystem activities. We have not seen evidence indicating that Apple's high levels of profitability will not continue.⁸⁶⁴
- 8.33 We estimate that Apple's Mobile Platform activities in the UK have similarly generated a high return on capital relative to our estimate of Apple's WACC over this period.

Competition to Apple's Mobile Platform arising from wider technological, market, regulatory and other developments

This section sets out the extent to which wider technological, market, regulatory and other developments may exert a competitive constraint on Apple's Mobile Platform, both now and in the future.

There are many ongoing developments which are likely to impact mobile platforms, most notably the rapid deployment and uptake of AI services. However, the evidence we have seen does not suggest that these developments (whether individually or in combination) are likely to be sufficient in scope, timeliness and impact to eliminate Apple's substantial market power in relation to its Mobile Platform over the next five years.

⁸⁶³ CMA analysis of Apple's response to section 69 notice [redacted].

⁸⁶⁴ CMA analysis of Apple's response to section 69 notice [redacted].

Overview

- 8.34 In this section we first consider wider technological and market developments that could impact Apple's position in mobile platforms over the next five years before assessing the impact of regulatory and other developments. In doing so, we consider whether there is evidence that such developments (whether individually or in combination) are likely to be sufficient in scope, timeliness and impact to eliminate Apple's market power.⁸⁶⁵ Our assessment is relevant to whether Apple's market power in its Mobile Platform is entrenched.⁸⁶⁶
- 8.35 The CMA's starting point is to assess market conditions and market power at the time of SMS investigation. From that starting position, we consider the potential dynamics of competition over the next five years.⁸⁶⁷ Our approach to assessing SEMP involves considering the sources of Apple's market power in the round and whether these are likely to remain in the future. This includes the extent to which Apple's market power has persisted in the past and through previous market developments.⁸⁶⁸ This section therefore forms part of our overall assessment of whether Apple holds an entrenched market position.⁸⁶⁹

Technological and market developments

- 8.36 In carrying out our assessment of technological and market developments:
- (a) We gathered information to identify which developments are likely to impact on competition in mobile platforms over the next five years. Our sources included previous CMA horizon scanning work^{870,871}, submissions from Apple, Google and third parties, as well as Apple's internal documents.
 - (b) We investigated how these developments are likely to impact mobile platforms and, more specifically, whether any of these developments are likely to impact Apple's position in its Mobile Platform over the next five years.⁸⁷² We assess the impact of each of these developments in turn below.

⁸⁶⁵ CMA194, paragraphs 2.60 and 2.62

⁸⁶⁶ CMA194, paragraph 2.56

⁸⁶⁷ We take into account any expected or foreseeable developments that may affect the firm's conduct in respect of the digital activity if the firm was not to be designated. CMA194, paragraph 2.57.

⁸⁶⁸ CMA194, paragraph 2.61

⁸⁶⁹ Apple submitted that, in the Proposed Decision, the CMA misapplied the relevant legal test and ignored the guiding principles that govern forward-looking assessments of this nature. Apple referred, by way of example, to how the CMA identifies a relevant counterfactual in merger control ([Apple response to Proposed Decision](#), paragraph 100). We do not consider that the forward-looking assessment required under section 5 of the Act is akin to identifying the relevant counterfactual in merger control. Section 5 of the Act requires the CMA to take into account developments that (a) would be expected or foreseeable if the CMA did not designate Apple as having SMS in respect of its Mobile Platform; and (b) may affect Apple's conduct in carrying out the provision of its Mobile Platform.

⁸⁷⁰ [Top 10 technologies – a CMA horizon scanning perspective – Competition and Markets Authority](#)

⁸⁷¹ [Trends in Digital Markets: a CMA horizon scanning report - GOV.UK](#)

⁸⁷² The fact that important technological and market developments are likely to impact competition in Mobile Platforms in the next five years does not necessarily suggest that Apple's position is not entrenched.

- (c) We considered a wide range of cross-cutting evidence that is not specific to the impact of individual market or technological developments to assess more broadly whether the position of Apple's Mobile Platform overall is likely to be impacted over the next five years (eg due to a combination of technological developments and/or other factors). This analysis draws on our assessment of barriers to entry and expansion in Mobile Platforms and our forward-looking profitability analysis (see section 'Barriers to entry and expansion in mobile platforms' in Chapter 6, barriers to entry and expansion sections in Chapter 7 in relation to native app distribution and mobile browsers and browser engines, and the section above titled 'Profitability analysis').

8.37 Our approach to evidence gathering in relation to the above is set out in more detail in Appendix C.⁸⁷³

The key market and technological developments impacting mobile platforms over the next five years

8.38 We find that the following wider technological and other developments are likely to be most relevant for competition in mobile platforms in the next five years: AI, connected devices and emerging device forms such as smartwatches and AR/VR devices, edge computing, advances in network connectivity, and cross-platform gaming (eg handheld gaming devices).

- (a) We have considered Apple's submissions that its Mobile Platform and wider Mobile Ecosystem face fierce competition from a variety of sources, including firms seeking to harness some key technological developments in mobile such as AI, edge computing, privacy-focused technologies, AR/VR devices and handheld gaming devices. In particular, Apple submitted that AI has a profound and growing impact on competition for Mobile Devices.⁸⁷⁴ We also considered Apple's response to the Proposed Decision: Apple further emphasised the impact of AI-related software and hardware (eg DeepSeek's R1 model and Meta's AI glasses).⁸⁷⁵ Apple also submitted external reports which discuss the potential developments in mobile ecosystems relating to AI, connected devices and games distribution platforms.^{876,877}

⁸⁷³ Appendix C also addresses submissions from Apple regarding the strength of our evidence base.

⁸⁷⁴ Apple's response to section 69 notice [§]. [Apple's response to invitation to comment](#), paragraph 1.16

⁸⁷⁵ [Apple response to Proposed Decision](#), paragraphs 101 and 102.

⁸⁷⁶ We consider the impact of games distribution platforms on a forward-looking basis in Chapter 7 titled 'SEMP: Competition from alternatives to Apple's mobile content distribution'.

⁸⁷⁷ Apple submitted various documents, one of which was a third-party document which referred to [§]. Another third-party document that Apple submitted referred to [§]. Apple's third-party documents submitted to the CMA: [§]; [§].

- (b) We also asked Apple, Google and third parties what they considered to be the key technological and market developments in mobile platforms over the next five years.
- (i) A range of third parties told us that AI is the technological trend that could most impact the supply of mobile platforms over the next five years.⁸⁷⁸ AI was frequently mentioned as a technological or market development in the responses we received to our Proposed Decision.⁸⁷⁹
 - (ii) Some third parties (including connected devices providers and app developers)⁸⁸⁰ submitted that connected devices and AR/VR will have an increasing – albeit limited⁸⁸¹ – role in competition in mobile platforms over the next five years.
 - (iii) Third parties mentioned other developments that may have an impact on mobile platforms over the next five years, including advances in network connectivity and edge computing.^{882,883} Third parties also mentioned cross-platform gaming (ie via portable handheld gaming devices) and emerging modes of accessing digital content (eg web apps and ‘super apps’)⁸⁸⁴ – these developments are considered in Chapter 7.

⁸⁷⁸ Note that as part of this assessment, we asked a range of market participants ‘What do you consider to be the most significant technological developments that you expect to have an impact on Mobile Ecosystems by the end of 2030?’. We also asked parties to rate a list of technological developments which included AI in terms of impact on Mobile Ecosystems by the end of 2030, whereby the rating corresponds to one of the following descriptors: ‘no impact’, ‘limited impact’, ‘some impact’ ‘substantial impact’ or ‘very substantial impact’ (note the question also asked the parties to consider the developments’ impact on ‘competitive dynamics in Mobile Ecosystems by the end of 2030’). 15 parties expected AI will have a ‘very substantial’ impact with a further 4 parties expecting it to have a ‘substantial impact’. Only 3 parties expected that AI will have a less-than-substantial impact. We also asked parties about the potential impact of other technological trends, but overall parties did not rate the potential impact of any other trend as highly as AI. Apple’s response to section 69 notice [§]. Google’s response to section 69 notice [§]. 20 responses to section 69 notices: [§]. Separately, we asked the same parties the following: ‘Please specify whether, and if so how, you consider these developments might, by the end of 2030, substantially impact Apple’s and Google’s respective market positions in Mobile Ecosystems, including but not limited to their positions in the following three components: i) Mobile Operating Systems, ii) Native App Distribution, and iii) Mobile Browsers.’ This evidence is discussed below in the section that considers the impact of the future developments on the position of Apple’s Mobile Platform over the next five years.

⁸⁷⁹ 10 responses to the CMA’s Proposed Decision: [Mozilla](#) (page 3); [Coalition for App Fairness](#) (page 4); [Information Technology and Innovation Foundation](#) (page 4); [Consumer Choice Center](#) (page 4), [Innovate Finance](#) (pages 2 and 3), [International Center for Law and Economics](#) (page 2), [Radiocentre](#) (page 3), [Computer and Communications Industry Association](#) (page 1), [Which?](#) (page 4) and [Japanese Association of New Economy](#) (page 4).

⁸⁸⁰ 7 parties total. 6 responses to section 69 notice: [§]. 1 response to the CMA’s invitation to comment: [§] [Financial services firm B](#) (paragraph 28-29).

⁸⁸¹ Some respondents considered connected devices and AR/VR will have a limited impact on Mobile Platforms over the next five years. This was because of AR/VR devices not having a significant commercial impact, because of limited scope for future market disruption given this trend is largely a continuation of AR/VR trends in the past, or because Mobile Platform incumbents are already vertically integrated which creates ‘ecosystem blocks’ to competitive disruption (see [§] response). 9 responses to section 69 notices; [§]. 1 note of meeting: [§]. Some additional parties considered these trends will have ‘some’ impact, but not a ‘substantial’ impact, on Mobile Platforms over the next five years, or that it is ‘unclear’ what impact will result. 6 responses to section 69 notices: [§].

⁸⁸² 3 responses to section 69 notices: [§]. 3 responses to invitation to comment: [BT](#) (paragraphs 5 and 7); [Mobile UK](#) (paragraphs 8-10); [Three](#) (pages 2-3). Note of meeting with [§].

⁸⁸³ 6 responses to section 69 notices: [§].

⁸⁸⁴ For examples, 3 responses to section 69 notices: [§]. 2 notes of meetings: [§]. 4 responses to the CMA’s Proposed Decision: [Information Technology and Innovation Foundation](#) (page 3), [Consumer Choice Center](#) (page 4), [Open Web Advocacy](#) (page 3), and [Which?](#) (page 4).

The impact of these market and technological developments on the position of Apple's Mobile Platform over the next five years

- 8.39 Having identified the key market and technological developments with the potential to impact competition in mobile platforms, we then considered whether any of these developments, whether individually or in combination, are likely to impact Apple's position in its Mobile Platform over the next five years.

Artificial Intelligence (AI)

- 8.40 AI features are increasingly being integrated into Mobile Devices, enhancing applications as well as web-based content and OS-level features. We understand that AI may have the following impacts on mobile platforms over the next five years, with some of these impacts already taking place:
- (a) AI developments are likely to enhance services available to users on Mobile Devices – for example, by creating scope for operating systems to incorporate new AI-based features and functionalities.^{885,886} While these new AI-based features and functionalities provide scope for further differentiation of mobile ecosystems, that scope will depend on whether Mobile Devices have sufficient computational power for performing AI-related tasks.⁸⁸⁷ As such, AI developments are likely to continue to place a significant emphasis on hardware capabilities of mobile ecosystems which can reinforce some of the barriers to entry and expansion related to resources and expertise (see Chapter 6 section titled 'Barriers to entry and expansion in mobile platforms: Barriers relating to Mobile Devices').⁸⁸⁸ This might have a similar impact on emerging AI-based device forms such as wearables and AR/VR hardware, which we discuss separately in the following sub-section.
 - (b) Furthermore, AI developments – particularly AI assistants – could alter how users interact with their Mobile Devices and the content and services available on those devices. AI has enabled new apps (eg AI chatbots such as ChatGPT and AI-based browsers) and created new ways of interacting with existing apps (eg using conversation to edit photos in Google Photos). Additionally, the emergence of AI-power functionalities of Apple's Siri, Google's Gemini and Amazon's Alexa means that users may increasingly access content on their Mobile Devices through those rather than navigating

⁸⁸⁵ 5 responses to section 69 notices: [§<].

⁸⁸⁶ AI-based applications often rely on access to operating system and hardware features (eg microphone and camera) to enable voice, image and video capabilities. As agentic AI capabilities improve, operating systems may also have to support AI agents that help to manage low-level operating system tasks. As a result, operating systems are increasingly embedding AI-enabling features (eg voice assistants) into their core functionality. This could reinforce the central role of the operating system as the enabler for apps, data, and hardware access on a mobile device.

⁸⁸⁷ FM services generally require more powerful on-device hardware (eg GPUs, NPUs, memory). This is driving a focus towards higher-performance hardware design, including AI-optimised chips.

⁸⁸⁸ For example, see [Smartphone maker Nothing raises \\$200 million at \\$1.3 billion valuation | Reuters](#), accessed by the CMA on 19 September 2025 and [Galaxy AI | AI Features and Benefits | Samsung UK | Samsung UK](#), accessed by the CMA on 19 September 2025.

directly to native apps and mobile browsers. However, while such AI capabilities may impact the operating system on a forward-looking basis since aspects of AI may be integrated into the operating system itself,⁸⁸⁹ the operating system will continue to play an intermediary role. AI will likely continue to rely on integration across layers of the operating system which may reinforce the central role of the operating system as the enabler for apps, data, and hardware access.⁸⁹⁰

- (c) Finally, by changing how users access and interact with content on their mobile ecosystems, AI developments are also spurring content and service developers to innovate and update their apps with new AI features, and they may also impact the ways in which app and web developers compete to reach and be discovered by users.⁸⁹¹ For example, instead of directly accessing an app or website, users might ask their AI assistant to perform tasks on their device for them – the AI assistant would then act as a gateway to app functionality or web content.

8.41 However, the evidence demonstrates that Apple is likely to be able to adapt successfully to this development by integrating AI into its own Mobile Devices, and that barriers to competition in mobile platforms are likely to persist.

- (a) Apple submitted that AI has intensified competition in the supply of Mobile Platforms [§]. Apple also submitted that the impact of AI is likely to grow in future.⁸⁹² Apple further submitted that the CMA's Proposed Decision understates the potential impact of AI on enhancing competition in mobile platforms, because AI can have a 'significant (and almost immediate) impact on established market positions', citing third-party commentary to support its submissions.⁸⁹³ In its oral representations to the CMA, Apple submitted that new AI features launched by Google and several other Android OEMs are [§].⁸⁹⁴
- (b) This is consistent with Google's submissions that AI may become a key differentiator between competing mobile operating systems and create a 'dynamic and profoundly novel environment where AI capabilities might have

⁸⁸⁹ On the latest versions of Android and iOS, many third-party app developers use in-built services from the operating system itself in order to run machine-learning models or to call upon the compute power of AI-processing chips on the device. These in-built services (eg LiteRT or Apple's CoreML) are provided in conjunction with the operating system, and they enable app developers to run AI tasks faster and with less investment because the app developer does not need to call upon the on-device AI compute power more directly – instead, app developers can use this 'packaged', intermediary service provided as part of the operating system.

⁸⁹⁰ For example, see submission from [§].

⁸⁹¹ For example, see [What is Meta AI: everything you need to know about the social network's AI chatbot | TechRadar](#), accessed by the CMA on 19 September 2025 and [Introducing My AI Snaps](#), accessed by the CMA on 19 September 2025.

⁸⁹² Apple's response to section 69 notice [§].

⁸⁹³ [Apple response to Proposed Decision](#), paragraph 101 and 102. Apple cites the following article: [bondcap.com/report/pdf/Trends_Artificial_Intelligence.pdf](#), accessed by the CMA 10 September 2025.

⁸⁹⁴ Apple, Oral Representations transcript, [§].

a more direct impact on mobile OSs in numerous ways, including from the OS integration of AI-powered apps and services'.⁸⁹⁵

- (c) However, Apple submitted that it considers AI foundation models and the integration of AI into mobile operating systems and the various products and services accessed via Mobile Devices to very likely have a [REDACTED] on competition in mobile ecosystems by the end of 2030 but [REDACTED]. Apple explained that it is [REDACTED] given the pace and scale of change in the technology industry resulting from AI, and that [REDACTED].⁸⁹⁶ Furthermore, in Apple's most recent earnings call from July 2025, its CEO Tim Cook was optimistic about the impact of AI on Apple's commercial success in Mobile Devices.⁸⁹⁷ We consider that the third-party commentary cited by Apple in its response to the Proposed Decision provides a positive outlook on Apple's future commercial success in relation to AI and mobile.⁸⁹⁸
- (d) This is consistent with evidence from Apple's internal documents, which only included very limited mention of AI as a potential threat to its position in respect of its Mobile Platform.⁸⁹⁹ Apple cited five internal documents in its response to our Proposed Decision to evidence that its documents 'consistently referred to the potential impact of AI'. However, we consider these documents only provide limited evidence of Apple monitoring increasing competition in relation to AI and do not portray AI as a threat that could substantially impact its position in its Mobile Platform.⁹⁰⁰

⁸⁹⁵ Google's response to section 69 notice [REDACTED].

⁸⁹⁶ Apple, Oral Representations transcript [REDACTED]. Note of meeting with Apple [REDACTED]. Apple response to section 69 notice [REDACTED].

⁸⁹⁷ [Apple Inc. \(AAPL\) Q3 FY2025 earnings call transcript](#), accessed by the CMA 9 September 2025. For example, Tim Cook stated: 'We believe our platforms offer the best way for users to experience the full potential of generative AI. Thanks to the exceptional performance of our systems, our users are able to run generative AI models right on their Mac, iPad and iPhone. We're excited about the work we're doing in this space, and it's incredibly rewarding to see the strong momentum building.' Cook also cited growth in iPhone revenues of 13% compared to the previous year and expressed excitement for future AI-related updates for Apple's Mobile Devices. For example: 'It's wonderful to see great momentum building for our platforms. iOS 26, macOS 26 and iPadOS 26 are by far the most popular developer betas we've had. Taking a step back, we see AI as one of the most profound technologies of our lifetime. We are embedding it across our devices and platforms and across the company.'

⁸⁹⁸ For example, while the commentary argues that AI is enhancing competition in technology markets, the document also shows that Apple is expanding its AI capacity in-house and AI is contributing to growth in iPhone sales. It further shows that in 2024 Apple was the US technology company with the greatest quantity of free cash flow to 'to spend on AI'. See [bondcap.com/report/pdf/Trends_Artificial_Intelligence.pdf](#), accessed by the CMA 10 September 2025, pages 7, 208, 113 and 334.

⁸⁹⁹ Apple's internal documents: [REDACTED]; [REDACTED]; [REDACTED].

⁹⁰⁰ Of these 5 documents cited by Apple, only 2 were not referred to in our Proposed Decision. The additional two documents ([REDACTED]; [REDACTED]) were emails [REDACTED]. Furthermore, the remaining 3 documents ([REDACTED]; [REDACTED]), included a slide deck for a [REDACTED]. This document shows that [REDACTED]. See Apple's internal document [REDACTED]. We therefore disagree with Apple's submission that the Provisional Decision wrongly claims that Apple's internal documents only included very limited mention of AI as a potential threat to its position in respect of its Mobile Platform ([Apple's Response to the Proposed Decision](#), paragraph 104).

- (e) Additionally, a range of third parties held the view that AI is not likely to impact significantly Apple's position in respect of its Mobile Platform over the next five years.^{901,902}
- (i) Consistent with our analysis above of the impact of AI on mobile platforms, third parties considered that AI will enhance the capabilities of mobile platforms and change how users interact with mobile content.⁹⁰³ A range of third-party submissions indicated that Apple can adapt to and leverage AI developments to enhance its mobile platform in this way, such that Apple's position is unlikely to be substantially impacted by AI.⁹⁰⁴ Some parties' responses suggested this is in part because Apple has an incumbency advantage in adopting technologies such as AI as the owner of the iOS Mobile Platform.⁹⁰⁵ One party also noted that AI does not appear to affect Apple's revenue model underlying its Mobile Ecosystem.⁹⁰⁶
- (ii) The above is consistent with our conclusions in Chapter 7 that the evidence does not demonstrate that AI developments are likely to impact significantly Apple's position in mobile content provision and distribution within Apple's Mobile Ecosystem over the next five years.
- (iii) Some third parties also considered that barriers to entry and expansion in mobile platforms (discussed in Chapter 6 section titled 'Barriers to entry and expansion in mobile platforms') such as indirect network effects, economies of scale, and user inertia were unlikely to be diminished by AI developments,⁹⁰⁷ with some parties' submissions indicating these barriers may prevent third-party AI rivals from

⁹⁰¹ 12 responses to section 69 notices; [§]. 3 responses to invitation to comment: [DMG Media](#) (paragraph 2); [Coalition for App Fairness](#) (page 3); [§] [Financial services firm B](#) (page 8). 2 notes of meetings: [§]. 2 responses to our Proposed Decision: dated 23 July 2025 from [Mozilla](#) (page 8); [Coalition for App Fairness](#) (page 4).

⁹⁰² In response to our Proposed Decision, Apple submitted that the Proposed Decision 'relies on weak evidence to support its preliminary conclusions about the potential impact of AI'. Apple submitted that 'the vast majority of third-party responses to the CMA indicated that they expect AI to have a "substantial" or "very substantial" impact on competition in "mobile ecosystems" over the next five years'. Apple further submitted that the Provisional Decision asserts AI's impact is likely to be limited due to Apple's control over its devices based on 'the views of just one third party' ([Apple's response to Proposed Decision](#), paragraph 103). As set out elsewhere in this chapter, third parties submitted that AI would have a significant impact on Mobile Platforms in the next five years. However, these statements were about AI's impact on the nature of competition in relation to Mobile Platforms – eg due to the integration of AI into key mobile-related products and services. These third-party statements do not directly address how Apple's position in Mobile Platforms might be impacted by AI and, as we explain here, third party submissions generally indicated that AI developments are unlikely to significantly impact Apple's position. Additionally, a range of third parties submitted that Apple may be able to use AI to strengthen and further entrench its position in respect of its Mobile Platform and wider Mobile Ecosystem, which is explained below. We address further comments from Apple on our approach and evidence base in relation to the impact of AI in Appendix C.

⁹⁰³ 22 responses to section 69 notices; [§].

⁹⁰⁴ 9 responses to section 69 notices; [§]. 2 responses to invitation to comment: [Coalition for App Fairness](#) (page 3); [§] [Financial services firm B](#) (page 8). 1 note of meeting [§]. 2 responses to Proposed Decision: [Mozilla](#) (page 8); [Coalition for App Fairness](#) (page 4).

⁹⁰⁵ 7 responses to section 69 notices; [§]. 3 responses to Proposed Decision: [Mozilla](#) (page 8), [Coalition for App Fairness](#) (page 4), and [Which?](#) (page 4).

⁹⁰⁶ [§] response to section 69 notice [§].

⁹⁰⁷ 2 responses to section 69 notices [§].

substantially impacting Apple's position in mobile platforms.⁹⁰⁸

Furthermore, some third-party submissions indicated that the increased integration of AI into Mobile Devices is likely to reinforce barriers to competition in mobile platforms.⁹⁰⁹ This is because developing a highly integrated platform that facilitates smooth interactions between different products and services across the operating system to compete effectively with Apple's Mobile Platform offering⁹¹⁰ would be costly.⁹¹¹

- (iv) Consistent with the above, a range of third parties further submitted that Apple may be able to use AI to strengthen and further entrench its position in respect of its Mobile Platform and wider Mobile Ecosystem.⁹¹² For example, Apple's position as the operating system provider may enable it to gain a competitive advantage relative to third-party providers of FM services and wider content,⁹¹³ particularly if Apple can use AI to disintermediate between end-users and third-party content and service providers.⁹¹⁴
- (f) Finally, evidence in third-party investor reports suggests that AI is more likely to strengthen rather than weaken Apple's position in respect of its Mobile Platform. We reviewed two selections of these reports (some reports published between September 2024 and March 2025⁹¹⁵ and a more recent selection of reports from June to September 2025⁹¹⁶). We found that the

⁹⁰⁸ 2 responses to section 69 notices [§].

⁹⁰⁹ 4 responses to section 69 notices [§].

⁹¹⁰ For example, see [Apple Intelligence - Apple \(UK\)](#), for examples of use cases of AI on Apple's Mobile Devices, accessed by the CMA on 10 June 2025.

⁹¹¹ 2 responses to section 69 notices; [§]; and see also public articles which suggest Apple and Google are spending a significant amount to develop and integrate AI for their Mobile Ecosystems. For example: [Apple will spend more than \\$500 billion in the U.S. over the next four years - Apple](#), accessed by the CMA on 11 June 2025; and [Google plans \\$75B investment to build out cloud AI capacity | CIO Dive](#), accessed by the CMA on 11 June 2025.

⁹¹² 7 responses to section 69 notices; [§]. 3 responses to invitation to comment: [Coalition for App Fairness](#) (page 3); [§] [Financial services firm B](#) (page 8); [BBC](#) (page 5). Note of meeting [§]. 2 responses to our Proposed Decision: [Mozilla](#) (page 8) and [Coalition for App Fairness](#) (page 4).

⁹¹³ 3 responses to section 69 notices; [§]. [Which? response to Proposed Decision](#), page 4.

⁹¹⁴ 6 responses to section 69 notices [§]. [BBC's response to invitation to comment](#), paragraph 25. [Mozilla's response to our Proposed Decision](#), page 8.

⁹¹⁵ Out of a selection of 14 reports published between September 2024 and March 2025 that commented on Apple's expected financial performance, six mentioned AI. Five out of six of these reports indicated they expected future growth in Apple's financial performance as a result of Apple releasing new AI features in updates to the iPhone. Reports that commented on Apple's financial performance and mentioned AI as a source of growth: Wedbush 'Gloom and Doom Crowd Back Focused on Cupertino; Seeing the Forest Through Trees', dated 10/03/2025; Morgan Stanley 'Fewer (A)ppl(e) (I)ntelligence Catalysts Temper Upgrade Cycle' dated 12/03/2025; TD Cowen 'SMARTPHONE BUILDS: C1H25 GROWING MSD% Y/Y, IPHONE 16E PRICING, CHINA SUBSIDIES' dated 10/03/2025; HSBC 'Hold: record Q1 25; next iPhone trigger is more AI' dated 31/01/2025; Evercore 'Hold: record Q1 25; next iPhone trigger is more AI', dated 30/01/2025. Report that commented on financial performance of Apple but did not portray AI as a source of growth: Barclays 'Hold: record Q1 25; next iPhone trigger is more AI' dated 27/02/2025.

⁹¹⁶ Out of a more recent selection of 19 reports published between June and September 2025 that commented on Apple's expected financial performance, 13 explicitly mentioned AI. Nine of these thirteen reports indicated they consider AI to be a future growth opportunity for Apple and none of these reports indicated that AI was likely to significantly disrupt Apple's position in the foreseeable future. Reports that commented on Apple's financial performance and mentioned AI as a source of growth: 9 reports; Wedbush 'Key WWDC Coming Up; All Eyes on Buildout and Seeds of Apple Intelligence' dated 06/06/2025 and 'The Clock Has Struck Midnight on Apple's AI Strategy; Perplexity Is the Answer' dated 09/07/2025; BofA 'Apple + Perplexity: A detailed look at pros and cons', dated 24/06/2025; Equisights 'Apple's Big (Non-AI) Win Siri's Outsourced Brain Puts Moat', dated 03/07/2025; HSBC 'Hold: A number of challenges but cash keeps flowing' dated 18/07/2025 and 'Hold: June-end quarter results preview' dated 25/07/2025; Morgan Stanley

third-party analysts generally viewed AI as a growth opportunity for Apple, and none of the reports indicated that AI was likely to substantially impact Apple's position in the foreseeable future. While some of these reports described Apple's current AI offering as underwhelming, they were generally optimistic about opportunities available for Apple to overcome this in future (eg by potentially integrating a third party's AI offering into its iOS Mobile Platform).⁹¹⁷ We have seen additional third-party commentary that is consistent with this.⁹¹⁸

Connected devices, AR/VR products and emerging mobile device forms

- 8.42 Connected devices, AR/VR products and emerging mobile device forms are experiencing growth in the UK, with new products advancing technologically (including by incorporating AI⁹¹⁹) such that many of these devices can mimic certain features and aspects of mobile platforms. For example, they can enable users to access many of their apps, web content and AI assistants on their connected watch or smart glasses instead of via their mobile device and therefore could provide an alternative for accessing and distributing content on mobile ecosystems.

'Expecting A Solid Quarter, But Watching What's Around The Corner', dated 21/07/2025; Oppenheimer '3Q25 Review: Service Momentum Helps to Sustain Revenue Growth' dated 31/07/2025, and 'AAPL F3Q25 Preview', dated 28/07/2025. Reports that commented on Apple's financial performance but did not mention AI as a source of growth for Apple: Wells Fargo 'AAPL: Strongest Qtrly iPhone Upside in 4 Yrs + Confidence in DD% Services Growth. Increase Estimates; Maintain \$245 PT', dated 31/07/2025; Barclays 'Jun-Q Beat Likely Aided by Some Pull-in; Still Cautious on the Stock', dated 31/07/2025; Baptista 'Apple Is Falling Behind Is Google Winning The Smartphone AI', dated 22/08/2025; JP Morgan 'Apple Reinforces Position As Platform of Choice for Existing Users with Major Redesign, but Limited AI Updates Imply Limited Switchers', dated 09/06/2025.

⁹¹⁷ Many of these reports highlighted how Apple was already integrating third-party AI services through integration with ChatGPT and Alibaba in China. More generally, the reports suggested there are acquisition options available to Apple. In relation to switching, some reports suggested that Google is currently ahead of Apple in relation to AI and that Apple would need to improve its AI offering or it could experience a reduction in Android-to-iOS switchers, while others indicated Apple has a strong entrenched user base. Reports that indicated Google is ahead of Apple in AI and this may impact switching: Baptista 'Apple Is Falling Behind Is Google Winning The Smartphone AI', dated 22/08/2025; BofA 'Let's Chat AI – Post(ings) at the intersection of Internet and AI' dated 02/09/2025. One report indicated more generally that Apple could lose switchers to competitors if it does not improve its AI offering; Equisights 'Apple's Big (Non-AI) Win Siri's Outsourced Brain Puts Moat', dated 03/07/2025. Several further reports however indicated that Apple AI underperformance so far is insufficient to lose customers: Wedbush 'The Clock Has Struck Midnight on Apple's AI Strategy; Perplexity Is the Answer' dated 09/07/2025; HSBC 'Hold: A number of challenges but cash keeps flowing' dated 18/07/2025; JP Morgan 'Apple Reinforces Position As Platform of Choice for Existing Users with Major Redesign, but Limited AI Updates Imply Limited Switchers', dated 09/06/2025. Reports that showed Apple has integration and acquisition options available to them: Wells Fargo 'AAPL: Strongest Qtrly iPhone Upside in 4 Yrs + Confidence in DD% Services Growth. Increase Estimates; Maintain \$245 PT', dated 31/07/2025; HSBC 'Hold: A number of challenges but cash keeps flowing' dated 18/07/2025; Wedbush 'Key WWDC Coming Up; All Eyes on Buildout and Seeds of Apple Intelligence' dated 06/06/2025; JP Morgan 'Apple Reinforces Position As Platform of Choice for Existing Users with Major Redesign, but Limited AI Updates Imply Limited Switchers', dated 09/06/2025.

⁹¹⁸ [How Smart Is Apple Intelligence, Really? I Tested Every Feature](#), accessed by the CMA on 29 September 2025; [iPhone 17 unveiled — release date, price, specs, colors and all the upgrades | Tom's Guide](#) accessed by the CMA on 29 September 2025; [iPhones 17 and the Sugar Water Trap – Stratechery by Ben Thompson](#), accessed by the CMA on 29 September 2025; [How Apple's iPhone Missed An Open Goal To Win The AI War](#), accessed by the CMA on 29 September 2025; [The iPhone 17 Pro has one major feature that makes it a must-buy for AI | TechRadar](#), accessed by the CMA on 29 September 2025.

⁹¹⁹ For example, [OpenAI's Upcoming AI Device: Here's What We Know](#), accessed by the CMA on 19 September 2025; [Meta Ray-Ban Display: AI Glasses With an EMG Wristband](#), accessed by the CMA on 19 September 2025; [Meta's new Ray-Ban Display smart glasses have a UK release date | The Independent](#), accessed by the CMA on 13 October 2025; and [Wearables in the UK- statistics & facts | Statista](#), accessed by the CMA on 13 October 2025.

- 8.43 Consistent with the above, Apple submitted that AR/VR products and AI-powered wearable devices will exert increasing competitive pressure on mobile device markets in the next decade and rivals like Meta are expanding in this space and that it has been responding to this competitive pressure, launching the Vision Pro in 2024.⁹²⁰ In response to the Proposed Decision, Apple further submitted there is a new ‘generation’ of Mobile Devices that diverge from standard screen- and app-based models, introduced by companies with the ‘explicit ambition of challenging the iPhone’. To support this claim, Apple cited the launch of Meta’s AI glasses and potential releases from the partnership between OpenAI and io.⁹²¹
- 8.44 However, whilst some of Apple’s internal documents show that Apple monitors the potential for increasing competition from trends such as AR technology, [REDACTED].⁹²² [REDACTED].
- 8.45 Our analysis of submissions from third parties who commented explicitly on how the position of Apple’s Mobile Platform may change in future⁹²³ did not suggest that connected devices, AR/VR or other emerging device forms (including those integrating AI) are likely to change significantly (in a weakening or negative sense) Apple’s position over the next five years.⁹²⁴ Indeed, third-party submissions suggest these devices are likely to remain dependent on smartphones over the next five years (eg because they rely on interoperability with mobile device operating systems⁹²⁵), such that they are more likely to remain complementary products to Apple’s Mobile Platform during this period.⁹²⁶
- 8.46 For example, a smart glasses provider [REDACTED] submitted that while its long-term ambition may be to replace the traditional smartphone, this is very unlikely to take place within the next five years, during which time its devices are likely to remain

⁹²⁰ Apple’s response to section 69 notice [REDACTED].

⁹²¹ [Apple response to Proposed Decision](#), paragraphs 101 and 102.

⁹²² For example, an external report produced for Apple on its App Store portrayed augmented reality mobile gaming as a development that has been enabled and supported by the App Store. Source: Apple’s internal documents: [REDACTED]. Another of Apple’s internal documents shows that Apple has monitored Google’s investments in augmented reality. Source: Apple’s internal documents: [REDACTED]. Two additional Apple internal documents acknowledge that competition for ‘AI/AR talent’ is a risk in relation to its five-year outlook. Source: Apple’s internal documents [REDACTED]. Finally, an Apple survey of iPad users suggests that Apple does monitor the potential for increasing competition arising from AR technology. Source: Apple’s internal document [REDACTED].

⁹²³ For the list of third parties who commented explicitly on how Apple’s position in its Mobile Platform may change over the next five years, see footnote in the sub-section titled ‘Impact on overall position of Apple’s Mobile Platform over the next five years’.

⁹²⁴ Additionally, out of the selection of investor reports published between June and September 2025, we identified two reports that mentioned AR/VR or Meta’s AI glasses (refer to Appendix C for an explanation of how we gathered investor reports). One of these reports discussed ‘rising competition’ in the smartglasses market and noted that while Meta appears to be enjoying a ‘first-mover advantage’ in this space, ‘Apple’s ability to leverage its iOS platform is a unique selling point (~80% of current Ray-Ban Meta users are iPhone users)’. As such, the report appears to position smartglasses as a complement to iPhones rather than a potential threat to Apple’s position. UBS, ‘Equities-EssilorLuxottica _Smartglasses: early lead, rising competition’ dated 19 June 2025, page 1. The second report positioned potential releases of AR/VR products by Apple as a potential ‘upside risk’ that could contribute to growth in Apple’s performance, rather than suggesting that developments in relation to AR/VR could threaten Apple’s position. Bank of America, ‘BofA Global research – Apple Inc, Global App Store rev up +12 yy in F4Q25 (after 35 days), healthy growth sustains’, page 8.

⁹²⁵ Note of meeting with [REDACTED]; [REDACTED] response to section 69 notice [REDACTED].

⁹²⁶ Note of meeting with [REDACTED]. 3 responses to section 69 notices; [REDACTED]; [REDACTED]; [REDACTED]. Note of meeting with [REDACTED].

complementary to smartphones. The provider is seeing growth in sales of its smart glasses, but its overall sale numbers are not yet comparable to those of smartphones.⁹²⁷ Additionally, the provider told us there are technical limitations currently preventing smart glasses from ‘replacing’ traditional smartphones – for example, the glasses are too small to contain sufficient battery and processing power.⁹²⁸ Moreover, an external article cited by Apple in its response to our Proposed Decision suggests that despite the emergence of AI wearable devices, smartphones are likely to remain ‘the most important device for personal use in 10 years’.⁹²⁹

- 8.47 Furthermore, some third parties submitted that the trend towards increasing usage of connected devices and AR/VR products may further entrench Apple’s position in its wider Mobile Ecosystem.⁹³⁰ As noted above, some third parties submitted that connected devices are likely to remain dependent on smartphone connections over the next five years,⁹³¹ such that Apple’s control over this connection could enable it to raise barriers to user switching between mobile platforms (for example due to the user lock-in effects of connected devices as discussed in Chapter 6 section titled ‘Competition for end-users: End-user switching between Apple and Google Mobile Ecosystems’), which may reinforce barriers to entry and expansion at a mobile ecosystem level (see Chapter 6 section titled ‘Mobile ecosystem level barriers’).⁹³²

Other market and technological developments

- 8.48 As noted above, some third parties submitted that developments other than those discussed above could impact competition in mobile platforms.
- 8.49 Third parties generally considered that where mobile is concerned, technological developments relating to edge compute form part of the trends related to AI and, as discussed above, our analysis of third views from third parties on these trends suggests they are unlikely to change significantly Apple’s position in respect of its Mobile Platform.⁹³³ This is because parties referred to how advancements in edge compute will facilitate processing for AI products and services (eg via on-device AI

⁹²⁷ The smart glasses provider [redacted] estimated sales of [redacted] [0 – 5] million devices globally [in an approximately 1-and-a-half-year period] [redacted], which corresponds to just a small fraction of smartphone sales – indeed, in 2024 1.24 billion phone shipments were made according to public sources. [Worldwide Smartphone Shipments Grew 6.4% in 2024, Despite Macro Challenges according to IDC](#), accessed by the CMA on 1 October 2025. Note of meeting with [redacted].

⁹²⁸ Note of meeting with [redacted].

⁹²⁹ [Nothing CEO Carl Pei Shares Plans For Selling Smartphones In The U.S.](#), accessed by the CMA on 10 September 2025.

⁹³⁰ 2 responses to section 69 notices; [redacted]. 1 note of meeting: [redacted].

⁹³¹ [redacted] response to section 69 notice [redacted]; Google’s response to section 69 notice [redacted]; Note of meeting with [redacted].

⁹³² [redacted] response to section 69 notice [redacted]; [redacted] response to section 69 notice [redacted]. Note of meeting with [redacted].

⁹³³ 5 responses to section 69 notices; [redacted].

chips), such that integrating AI into mobile depends in part on a firm's ability to harness advances in edge compute.⁹³⁴

- 8.50 Some third parties⁹³⁵ mentioned advances in network connectivity (eg network slicing) but one party⁹³⁶ noted that it is unclear when these trends will take place, such that it is unclear whether they will take effect soon enough to have a significant impact over the next five years. In any case, no third party submitted that this trend is likely to diminish Apple's position in respect of its Mobile Platform or wider Mobile Ecosystem.⁹³⁷ Further, some third parties submitted that as the operating system provider Apple will remain in control of this development because Apple can control how third-party connectivity providers interact with end-users on Apple Mobile Devices and potentially influence how those providers offer their services.⁹³⁸
- 8.51 We have not seen evidence nor had submissions relating to the impact of developments in edge compute and network connectivity to suggest that these developments are likely to impact Apple's position significantly in respect of its Mobile Platform over the next five years.

Impact on overall position of Apple's Mobile Platform over the next five years

- 8.52 We also considered evidence on whether the position of Apple's Mobile Platform as a whole (eg due to a combination of factors) is likely to be impacted over the next five years. Overall, the evidence suggests that a significant impact in this time period is not likely:
- (a) Evidence from respondents⁹³⁹ who provided a view on the future of mobile platforms overall indicated that third parties generally do not expect significant change to Apple's position over the next five years.⁹⁴⁰ However, some respondents (industry bodies, including some which Apple is a member of) did submit explicitly that Apple does not have substantial market power

⁹³⁴ 2 responses to section 69 notices; [redacted].

⁹³⁵ 3 responses to section 69 notices: [redacted]. 3 responses to invitation to comment: [BT](#) (paragraphs 5 and 7); [Mobile UK](#) (paragraphs 8-10); [Three](#) (pages 2-3).

⁹³⁶ Note of meeting with [redacted].

⁹³⁷ Although, note that one app developer submitted that, in relation to the impact of connectivity advances, Apple and Google are likely to leverage their resources to stay competitive but a failure to innovate could erode their position by 2030. [redacted] response to section 69 notice [redacted].

⁹³⁸ 2 responses to invitation to comment: [Mobile UK](#) (paragraphs 8-10); [BT](#) (paragraphs 5-8).

⁹³⁹ 10 responses to section 69 notices; [redacted]; 3 notes of meetings: [redacted]; 3 responses to invitation to comment: [DMG Media](#) (paragraph 2); [Coalition for App Fairness](#) (page 3); [redacted] [Financial Service Firm B](#) (paragraphs 26-29). 7 responses to Proposed Decision; [Mozilla](#) (page 8); [OWA](#) (page 14); [Japanese Association of New Economy](#) (pages 3 and 4); [Epic](#) (page 8); [Coalition for App Fairness](#) (page 4); [redacted]; [Financial Services Firm](#) (pages 4 and 9-11) [redacted] [Anonymous financial services firm](#) (page 9-10); [Vivaldi](#) (page 3).

⁹⁴⁰ As well as asking stakeholders about specific market and technological developments, we asked third parties more generally how they expect Apple's position in Mobile Ecosystems will evolve over the next five years.

and/or that competition in mobile platforms is dynamic, such that Apple's position could be eroded.⁹⁴¹

- (b) Furthermore, evidence from a range of third parties indicated that Apple's ability to leverage between different parts of its Mobile Platform and to adjacent markets is likely to increase or be strengthened due to technological developments.^{942,943}
- (c) Our analysis of Apple's internal documents did not suggest that any future trends are likely to impact significantly the overall position of Apple's Mobile Platform over the next five years. While documents provided by Apple show that Apple monitors certain technological and market developments that will impact competition in mobile platforms (eg [REDACTED]), Apple's internal documents do not appear to identify any substantial threats to Apple's position.⁹⁴⁴
- (d) The above is consistent with our assessment of Apple's own financial projections of future revenues and profitability in relation to its Mobile Platform activities. We have not seen evidence indicating that Apple's high levels of revenue and profitability will not continue (earlier in this chapter for detail).
- (e) Finally, this is also consistent with our conclusion that there are significant barriers to entry and expansion relating to mobile platforms that act to hamper the potential for technological and market developments to impact significantly on Apple's position. Indeed, submissions from a range of third parties indicate that the barriers to competition relating to mobile platforms (and/or relating to mobile browsers, native app distribution, and operating systems individually) that we identify in Chapter 6 and Chapter 7 (ie barriers arising from economies of scale and scope, network effects, Apple's conduct,

⁹⁴¹ [CCIA's response to CMA's invitation to comment](#), page 3; [Chamber of Progress' response to CMA's invitation to comment](#), page 2. Responses to Proposed Decision: [Information Technology and Innovation Foundation](#) (page 3, [Consumer Choice Center](#) (page 4), [International Center for Law and Economics](#) (page 2) and [CCIA](#) (pages 1 and 2). International Center for Law & Economics is a privately-funded research organisation focused on law and economic policy. The Computer & Communications Industry Association (CCIA) is a non-profit trade association for companies in the computer, internet, IT and telecommunications industries. Chamber of Progress is an American trade group that represents technology companies. Information Technology and Innovation Foundation (ITIF) is a public policy think tank focussed on public policy around industry and technology. Note that public websites accessed by the CMA on 26 September 2025 show Apple is listed as a member, partner or supporter of the following industry bodies; CCIA [Members - CCIA](#) (member); Chamber of Progress [Partners - Chamber of Progress](#) (partner) and the ITIF [Our Supporters | ITIF](#) (supporter). Public websites also state that International Centre for Law and Economics has received financial donations from CCIA.

⁹⁴² 8 responses to section 69 notices: [REDACTED]; 1 note of meeting: [REDACTED]; 10 responses to invitation to comment: [Coalition for App Fairness](#) (page 3); [REDACTED] [Financial Service Firm B](#) (paragraphs 26-29); [BBC](#) (paragraph 25); [Mozilla](#) (page 7); [REDACTED] [Respondent B](#) (pages 7-9); [Three](#) (page 1); [Mobile UK](#) (paragraphs 8-11); [BT](#) (paragraph 8); [Radiocentre](#) (paragraphs 1.5-1.7). 2 responses to our Proposed Decision: [Mozilla](#) (page 8); [Coalition for App Fairness](#) (page 4).

⁹⁴³ We asked third-party stakeholders whether they expected technological developments will affect Apple's ability to use its position in relation to various components of its Mobile Platform (ie iOS or iPadOS, Safari and the App Store) to reinforce or improve its position in Mobile Platforms and related markets over the next five years.

⁹⁴⁴ Apple's internal documents: [REDACTED].

as well as barriers to user switching) are unlikely to change over the next five years.⁹⁴⁵

Regulatory and other developments

- 8.53 In this section, we consider the scope for other developments – in particular, legislation, regulatory action and litigation – to impact Apple’s market power in respect of its Mobile Platform over the next five years.⁹⁴⁶
- 8.54 Apple has significant global operations, and it is not possible to anticipate every such development; however, we have set out below the regulatory and other developments (both within the UK and internationally) that we consider have the most potential relevance to our assessment of whether Apple has substantial and entrenched market power in respect of its Mobile Platform.

Developments in the UK

- 8.55 The following developments are taking place within the UK:
- (a) collective proceedings have been brought against Apple in the Competition Appeal Tribunal (**CAT**) alleging abuses of dominance in relation to hardware and software markets;^{947,948} and
 - (b) Google has also been designated with SMS under Part 1 of the Act in relation to the provision of its Mobile Platform.⁹⁴⁹
- 8.56 We do not consider that these developments (whether individually or in combination) are likely to significantly affect Apple’s market power in respect of its Mobile Platform in at least the next five years. In particular:
- (a) the consequences of each of the collective proceedings claims is uncertain, since at the time of this decision, there can be no certainty as to the outcome of the proceedings (both in terms of whether the claims will succeed and what, if any, remedies may be ordered);

⁹⁴⁵ 10 responses to section 69 notices: [28]. Note that one party submitted barriers to user switching ‘may’ reduce due to technological advancements as well as increased interoperability between operating systems. [28] response to section 69 notice [28].

⁹⁴⁶ CMA194, paragraph 2.59.

⁹⁴⁷ Including <https://www.catribunal.org.uk/cases/14037721-dr-rachael-kent>; 1468/7/7/22 Mr Justin Gutmann v Apple Inc., Apple Distribution International Limited, and Apple Retail UK Limited | Competition Appeal Tribunal; 1601/7/7/23 Dr Sean Ennis v Apple Inc and Others | Competition Appeal Tribunal; 1689/7/7/24 Consumers' Association ("Which?") v Apple Inc, Apple Distribution International Limited, Apple Europe Limited & Apple Retail UK Limited | Competition Appeal Tribunal.

⁹⁴⁸ Epic has brought a claim against Apple in the Competition Appeal Tribunal; however, in February 2021 the application for permission to serve the proceedings on Apple Inc. was refused; see *Epic Games, Inc. and Others v Apple Inc. and Another* [2021] CAT 4.

⁹⁴⁹ Google’s Mobile Platform is described in the [CMA’s decision](#) as including Google’s Android operating system, Play Store, Chrome browser and Blink browser engine.

- (b) following the Google Mobile SMS Designation, the precise nature and scope of any interventions imposed on Google during the five-year designation period will need to be defined and consulted on. Any potential impact on Apple's market power in respect of its Mobile Platform on a forward-looking basis therefore remains uncertain.

International developments

8.57 In addition to the developments within the UK, the following are taking place internationally:

- (a) Apple Inc., together with its subsidiaries, has been designated as a 'gatekeeper' under the EU's Digital Markets Act⁹⁵⁰ (**the DMA**) in respect of certain 'core platform services', including its operating systems (iOS, iPadOS), its online intermediation service (the App Store), and its web browser (Safari)⁹⁵¹ and is therefore subject to certain obligations;⁹⁵²
- (b) The European Commission has also investigated Apple under its antitrust rules. In March 2024, it found that Apple had abused a dominant position on the market for the distribution of music streaming apps to iOS users through its App Store.⁹⁵³ In July 2024 it also accepted commitments from Apple to allow third-party providers of digital wallets access to the NFC function on iOS devices, following preliminary findings that Apple was abusing its dominant position;⁹⁵⁴
- (c) As a result of an ongoing case brought by Epic Games, Apple has been ordered not to prohibit app developers from directing customers to purchasing mechanisms other than Apple's In-App Purchasing, as the US District Court found that Apple's practices violated California Unfair Competition Law;⁹⁵⁵
- (d) The US Department of Justice has accused Apple of violating antitrust law in relation to an alleged smartphone monopoly, by suppressing innovations and technologies that could increase competition;⁹⁵⁶

⁹⁵⁰ Regulation (EU) 2022/1925 on contestable and fair markets in the digital sector and amending Directives (EU) 2019/1937 and (EU) 2020/1828 (Digital Markets Act) [2022] L 265/1.

⁹⁵¹ European Commission decisions of 5 September 2023 and 29 April 2024 addressed to Apple Inc.

⁹⁵² The prohibitions and obligations for gatekeepers are set out in Articles 5, 6 and 7 of the DMA. Apple's obligations include: (i) allowing third parties to interoperate with Apple's services; (ii) allowing business users to communicate offers and conclude contracts with their customers outside of Apple's ecosystem; (iii) not requiring users to use Apple's own payment system for in-app purchases; (iv) not using non-public data in competition with business users; (v) enabling users to uninstall any pre-installed software or app and change default settings; (vi) enabling the installation of third-party app stores; (vii) not treating Apple's products and services more favourably in ranking than similar third-party services or products; (viii) providing portability of end user data; and (ix) applying fair, reasonable and non-discriminatory conditions of access for app developers to the App Store.

⁹⁵³ [AT.40437 - Apple - App Store Practices \(music streaming\)](#) accessed by the CMA, 25 June 2025.

⁹⁵⁴ [AT.40452 - Apple - Mobile payments](#) accessed by the CMA, 25 June 2025.

⁹⁵⁵ *Epic Games, Inc v. Apple Inc.* 20-cv-5640 (YGR).

⁹⁵⁶ *US and Plaintiff States v. Apple Inc.* 24-cv-4055. See [Complaint: U.S. and Plaintiff States v. Apple Inc.](#)

- (e) Apple has been designated by the Japan Fair Trade Commission as a specified software operator under the Mobile Software Competition Act⁹⁵⁷ and will therefore be subject to certain prohibitions and obligations in relation to the provision of smartphone software;⁹⁵⁸ and
- (f) On 25 November 2024, the Brazilian Competition Authority (**CADE**) launched an investigation into Apple's alleged abuse of dominance in relation to app distribution. Concurrently, it imposed injunctions regarding the App Store's terms of use, including requiring Apple to permit users to be informed of alternative purchasing channels.⁹⁵⁹

8.58 We do not consider that these developments (whether individually or in combination) are likely to significantly impact Apple's market power in respect of its Mobile Platform in the UK in at least the next five years.

8.59 In relation to the DMA:

- (d) the effect of Apple's obligations under the DMA on the provision of its Mobile Platform in the UK are, and will remain, unclear, since the territorial reach of the DMA does not extend to the UK.⁹⁶⁰ One possible outcome is that Apple may carve out the UK market (and other territories outside the European Economic Area (**EEA**)) from any response to the DMA requirements, resulting in differences in how Apple carries out and offers its Mobile Platform in the UK and the EEA. This has indeed been the case in relation to several DMA obligations; for example, Apple has offered new business terms for apps in the EU only, and made available an interoperability request process to app developers that provide services or hardware in the EU;⁹⁶¹
- (e) even if Apple were to extend its responses to the DMA to the UK voluntarily, they could be withdrawn at any time, and it does not necessarily follow that these changes would mean that Apple would not have market power in respect of its Mobile Platform in the UK on a forward looking basis;
- (f) there remains some uncertainty as to how Apple will respond to its obligations under the DMA. In particular, we note that:
 - (i) The European Commission has an ongoing proceeding to determine Apple's compliance or otherwise with the DMA regarding its new App

⁹⁵⁷ Act on Promotion of Competition for Specified Smartphone Software (Act No. 58 of 2024).

⁹⁵⁸ Apple's designation specifically relates to its basic operating software, application store and browser: [Designation of Specified Software Operators under the Act on Promotion of Competition for Specified Smartphone Software | Japan Fair Trade Commission](#)

⁹⁵⁹ [CADE issues interim measure against Apple — Conselho Administrativo de Defesa Econômica](#), accessed by the CMA on 26 June 2025. These injunctions were recently upheld by the Federal Regional Court – see [Circuit court reinstates antitrust ruling against Apple | Law | valorinternational](#), accessed by the CMA on 26 June 2025.

⁹⁶⁰ The DMA applies to core platform services 'provided or offered by gatekeepers to business users established in the [European] Union or end-users established or located in the [European Union]' (Article 1(2)).

⁹⁶¹ Apple's DMA Compliance Report, Non-confidential summary, 7 March 2025, [NCS-March-2025.pdf](#), pages 21 and 161.

Store business terms.⁹⁶² Preliminary findings of non-compliance were issued in April 2025 to which Apple has a right to respond before any final decision is reached.⁹⁶³

- (ii) The European Commission has adopted two decisions specifying the measures that Apple must take to comply with aspects of its interoperability obligations under the DMA.⁹⁶⁴ The first set of measures concerns iOS connectivity features predominantly used for connected devices. The second set of measures relates to the process for requests from app developers interested in obtaining interoperability with iPhone and iPad features.⁹⁶⁵ Apple has appealed both decisions.⁹⁶⁶
- (iii) The European Commission has issued a non-compliance decision to Apple regarding DMA Article 5(4) pursuant to which app developers distributing their apps via Apple's App Store should be able to inform customers, free of charge, of alternative offers outside the App Store, steer them to those offers and allow them to make purchases.⁹⁶⁷ Apple has subsequently altered its App Store rules in the European Union to permit such steering, in exchange for a processing fee,⁹⁶⁸ though it has also appealed the European Commission's decision.⁹⁶⁹
- (iv) Apple has appealed its designation as a gatekeeper insofar as it imposes an obligation to comply with interoperability obligations, as well as the treatment of the App Store as a single core platform service.⁹⁷⁰

8.60 In relation to the European Commission's antitrust cases: Apple has appealed the decision relating to its position on the market for music streaming apps, so the ultimate outcome of the case remains unclear.⁹⁷¹ Apple's commitments on access to its NFC chip also only apply in the EEA,⁹⁷² so may not affect Apple's market power in the UK.

8.61 In relation to the Epic Games case in the US, Apple has appealed the latest injunction, the outcome of which remains to be seen.⁹⁷³

⁹⁶² [European Commission, Proceeding pursuant to Article 20\(1\) of Regulation \(EU\) 2022/1925 of 24 June 2024, DMA.100206](#)

⁹⁶³ [Commission closes investigation into Apple's user choice obligations and issues preliminary findings](#)

⁹⁶⁴ Unlike non-compliance proceedings, specification proceedings define how obligations should be met rather than sanctioning breaches of the DMA in the event of non-compliance.

⁹⁶⁵ [European Commission, Specification Proceedings Decision of 19 March 2025 – Final Measures, DMA.100203](#); [European Commission, Specification Proceedings Decision of 19 March 2025 – Final Measures, DMA.100204](#).

⁹⁶⁶ [Eg Apple challenges 'unreasonable' EU order to open up to rivals | Reuters](#), accessed by the CMA on 25 June 2025.

⁹⁶⁷ [European Commission Implementing Decision of 23 April 2025, DMA.100109](#).

⁹⁶⁸ [Apple changes App Store rules in EU to comply with antitrust order | Reuters](#), accessed by the CMA on 8 July 2025.

⁹⁶⁹ [Apple hits back against 'unprecedented' €500m EU fine - BBC News](#), accessed by the CMA on 8 July 2025.

⁹⁷⁰ T-1080/23, Apple v Commission.

⁹⁷¹ T-260/24, Apple v Commission.

⁹⁷² [AT_40452_10155330_9978_4.pdf](#).

⁹⁷³ Epic Games, Inc. v. Apple Inc., 25-2935, (9th Cir. Jun 04, 2025) ECF no. 40.

- 8.62 In relation to the US Department of Justice case, at the time of this decision, proceedings are at a very early stage, with the court having only recently denied Apple's motion to dismiss the lawsuit. The ultimate outcome of the case and scope of any market impacts therefore remain unclear.
- 8.63 In relation to Japan's Mobile Software Competition Act, the effect of Apple's obligations on the provision of its Mobile Platform in the UK is unclear. One possible outcome is that Apple may carve out the UK market from any response to the requirements under Japanese legislation, resulting in differences in how Apple carries out and offers its Mobile Platform in the UK and Japan.
- 8.64 In relation to the CADE investigation, proceedings are still at an early stage and no decision has yet been reached. Moreover, since any decision would only relate to Apple's services in Brazil, there would be no guarantee that Apple would extend its response to the UK.

Conclusion on market, technological, regulatory and other developments

- 8.65 On the basis of the available evidence, we find that although regulatory and technological developments, including in relation to AI, connected devices, AR/VR products and emerging mobile device forms, may affect Apple's conduct in carrying out its Mobile Platform services, for the reasons set out above they are not likely (whether individually, in aggregate or in combination with other developments we have considered) to be sufficient in scope, timeliness and impact to eliminate Apple's substantial market power in relation to its Mobile Platform in at least the next five years.

Position of Strategic Significance

This section sets out our conclusion on whether Apple has a position of strategic significance in relation to its Mobile Platform.

We conclude that Apple has a position of strategic significance in respect of its Mobile Platform because we consider that at least the first two conditions⁹⁷⁴ (significant size or scale in respect of the digital activity and a significant number of other undertakings using the digital activity, either of which would suffice) are satisfied.

- 8.66 Our conclusions are based on the evidence described below which shows that:
- (a) Apple's Mobile Platform is used by a very large number of UK users (eg to access, view and engage with digital content and services on their Apple

⁹⁷⁴ Pursuant to sections 6(a) and 6(b) of the Act.

Mobile Devices) and businesses in the UK (eg as a means of reaching those users): see below.

- (b) The services provided by Apple as part of its Mobile Platform are important to a wide range and large number of other businesses in the UK to provide digital content and services to users of Apple's Mobile Devices: see below.

8.67 While we have received evidence indicating that the third and fourth factors may also be satisfied,⁹⁷⁵ given the above finding, and since only one factor is sufficient, we have not considered the third and fourth factors in detail.

Significant size or scale

8.68 Our Guidance notes that there is no quantitative threshold for when size or scale can be considered 'significant'. This condition can be assessed using a range of absolute or relative metrics, which could include the number of users, usage data (eg time spent or frequency of use), the amount of data being gathered or accessed via the digital activity, the number of purchases or transactions made, or the revenue generated from the digital activity.⁹⁷⁶

8.69 We have considered a number of metrics, both absolute and relative, in considering whether Apple has significant size or scale.⁹⁷⁷ The evidence we have obtained indicates that Apple's Mobile Platform has a significant number of users, a high share of supply and earns very large revenues. This is the case for Apple's Mobile Platform and across the component parts of its Mobile Platform: namely its Smartphone Operating System, Tablet Operating System, Native App Distribution and Mobile Browser and Browser Engine, as set out below.

Smartphone Operating System and Tablet Operating System

8.70 Apple's iOS and iPadOS have a significant number of users, have consistently held a large share of supply and have generated significant revenue. In particular:

- (a) In 2024 in the UK there were [X] [40-50] million accounts making transactions on iPhones (using iOS) and [X] [10-20] million accounts making transactions on iPads (using iPadOS).⁹⁷⁸ Whilst the number of users for iPhones and iPads differ, both figures when considered individually or

⁹⁷⁵ Ie that Apple's position in respect of its Mobile Platform (a) would allow it to extend its market power to a range of other activities, and (b) allows it to determine or substantially influence the ways in which other undertakings conduct themselves, in respect of the digital activity or otherwise (sections 6(c) and 6(d) of the Act).

⁹⁷⁶ CMA194, paragraphs 2.68-2.70. See also explanatory notes to the Act, paragraph 114.

⁹⁷⁷ Apple submitted that the Proposed Decision did not consider size and scale in any objective or measurable manner, nor set out what size or scale can be considered "significant", Apple response to Proposed Decision, paragraph 119. We note that the Act does not quantify "significant" and it would not therefore be appropriate for the CMA to set out a prescriptive view as to what "significant" means. Instead, the CMA has considered a number of metrics, both relative and absolute, in considering whether Apple has achieved a position of significant size or scale.

⁹⁷⁸ Transacting accounts are those accounts that made a free or paid app download or paid in-app purchase or subscription across Apple's services in the calendar year 2024. Apple's response to the section 69 notice [X].

together represent a very significant number of users in the UK particularly when compared against the UK population of 69 million;⁹⁷⁹

- (b) Apple has consistently been one of the largest suppliers of Smartphone Operating Systems and Tablet Operating Systems in the UK for almost a decade. In each year from 2015 to 2024, [redacted] [50 – 60]% of active smartphones were iOS devices.⁹⁸⁰ In each year from 2017 to 2024, [redacted] [50 – 60]% of active tablets were iPadOS devices;^{981,982}
- (c) Apple generates significant revenue across its Mobile Platform and Mobile Ecosystem in the UK. For example, in 2024, Apple's Mobile Ecosystem generated at least £[redacted] [5-10] billion in revenue,⁹⁸³ and a significant proportion of that related to revenue generated from its Mobile Platform.

Native App Distribution

8.71 Apple's App Store is the only permitted app store on Apple's Mobile Platform in the UK, meaning that it has a 100% share of supply for native app distribution through app stores on the Apple Mobile Ecosystem.⁹⁸⁴ It also generates a significant number of transactions and revenue:

- (a) The App Store has a significant number of first-time native app downloads and active users in the UK. For example, in the UK in 2024, the App Store had [redacted] [1 – 1.5] billion first time downloads of native apps and an average of

⁹⁷⁹ According to estimates reported by [Worldometer](#), in 2024, the UK population was around 69 million.

⁹⁸⁰ The CMA has measured shares of supply on the basis of active devices. CMA analysis of data from market participants, in particular Apple's response to section 69 notice [redacted]; Google's response to section 69 notice [redacted]; and Huawei's response to section 69 notice [redacted]. More detail on share of supply is set out in Appendix A.

⁹⁸¹ The CMA has measured shares of supply on the basis of active devices. CMA analysis of data from market participants in particular Apple's response to section 69 notice [redacted]; Google's response to section 69 notice [redacted]; Amazon's response to section 69 notice [redacted]; and Huawei's response to section 69 notice [redacted]. More detail on share of supply is set out in Appendix A.

⁹⁸² We note Apple's submission that its operating systems are not separate products from the devices they operate on and thus do not have distinct competitive conditions. Apple's response to the section 69 notice [redacted].

⁹⁸³ Apple generated UK revenues of £[redacted] [0-2] billion from the App Store (including advertising), £[redacted] [5-10] billion from iPhone sales, £[redacted] [0-5] billion from iPad sales, and £[redacted] billion from its TPLAs (primarily from the Apple ISA). Some of the other revenue Apple generated in the UK also relates at least in part to Apple's Mobile Ecosystem (eg payment services); CMA analysis of Apple's response to section 69 notice [redacted]. Figures converted from USD to GBP at an average exchange rate of 1.2783 (Source: Bank of England).

⁹⁸⁴ Apple's response to the section 69 notice [redacted]. We refer here to publicly available and finalised versions of native apps, as we understand that beta versions of apps and custom apps for specific businesses are available to be distributed via alternative means of distribution such as the Apple Business Manager. See [Apple Developer Enterprise Program - Apple Developer](#), accessed by the CMA on 26 June 2025. We also refer specifically to apps that have been legitimately downloaded by the user. We understand that users technically can sideload native apps onto iOS and iPadOS devices, but that Apple does not allow sideloading on its Mobile Devices and submitted that unauthorised modification of iOS and iPadOS violates the iOS and iPadOS Software License Agreement. Apple's response to the section 69 notice [redacted].

[redacted] [20 – 30] million monthly active users (meaning users that download at least one app per month);⁹⁸⁵

- (b) The App Store has a significant number of app developers distributing native apps. In 2024 in the UK, the average number of app developers with apps available on the App Store at the end of each month was approximately [redacted] [0 – 1] million;⁹⁸⁶
- (c) Apple generates very significant revenue through sales on its App Store. In 2024, the value of customer billings and net revenues on the UK App Store were £[redacted] [0 – 5] billion and £[redacted] [0 – 2] billion respectively.^{987,988}

Mobile Browser and Browser Engine

8.72 Apple has significant shares of supply in respect of both its Safari browser and WebKit browser engine. In particular:

- (a) In June 2025 in the UK, Safari had an 84% share of supply of browsers on iOS (including iPadOS).⁹⁸⁹ In 2024, it had a share of supply across all Mobile Devices in the UK of 43%.⁹⁹⁰ Chrome was the second largest mobile browser on iOS devices with a share of supply of 13% while smaller browsers accounted for around 2%;⁹⁹¹
- (b) WebKit has a 100% share of supply for browser engines on Apple's Mobile Ecosystem in the UK due to the fact that WebKit is the only browser engine permitted to be used on Apple iPhone and iPad;
- (c) Mobile Browsers are a key gateway for UK mobile device users to access and search the internet. In March 2023, UK mobile device users used Mobile Browsers for around 15 hours per month. This represents around 16% of the time spent on all mobile apps.⁹⁹²

⁹⁸⁵ We have calculated the monthly active users for 2024 taking the average of the monthly data Apple provided. See Apple's response to the section 69 notice [redacted]. See Appendix A for further information.

⁹⁸⁶ We have calculated averages based on data from Apple. See Apple's response to the section 69 notice [redacted]. See Appendix A for further information.

⁹⁸⁷ Apple's response to the section 69 notice [redacted]. See Appendix A for further information.

⁹⁸⁸ Customer billings refers to the value of user spend within apps via Apple's IAP and net revenue means the value of customer billings retained by Apple via its IAP. IAP refers to in-app purchase, Apple's proprietary payment system as described in Section 3.1.1 of Apple's App Review Guidelines.

⁹⁸⁹ CMA analysis of publicly available Cloudflare data as set out in Appendix A. Due to the specific methodology used, we note that some browser traffic on iPadOS may be captured under MacOS which means that these figures could be understated.

⁹⁹⁰ CMA analysis of publicly available Statcounter data as set out in Appendix A. Due to the specific methodology used, we note that some browser traffic on iPadOS may be captured under MacOS which means that these figures could be understated.

⁹⁹¹ CMA analysis of publicly available Cloudflare data as set out in Appendix A.

⁹⁹² UK users spent 79.3 hours using mobile apps (excluding Mobile Browsers), and 14.7 hours using Mobile Browsers. 'Monthly hours per visitor spent using mobile browsers and apps in the United Kingdom (UK) in March 2023', Statista, accessed 7 July 2025.

- 8.73 The large number of users on Apple's Mobile Platform, as described above, means that Apple's actions can have a significant impact on a substantial number of people and businesses in the UK. This is especially so given the importance of Mobile Devices for most people's daily lives to access a range of content and services.⁹⁹³
- 8.74 We therefore conclude that Apple has significant size and scale in respect of the provision of its Mobile Platform.

A significant number of other firms use Apple's Mobile Platform in carrying out their business

- 8.75 Our Guidance explains that this condition can be assessed, for example, by reference to the number of businesses, products and services 'hosted' on the firm's platform, and/or the proportion of other firms' sales it facilitates. As with the assessment of size and scale, there is no quantitative threshold for when the number of other firms using the digital activity to carry on their business can be considered significant and this may be assessed in terms of the firm's absolute position and/or relative to other firms.⁹⁹⁴
- 8.76 Apple's Mobile Platform is a key gateway through which a significant number of firms across a wide variety of sectors carry out their business by providing content and services to mobile device users in the UK.
- 8.77 In particular, the App Store is an important access point or gateway to users for a diverse and large range of firms, especially given it is the only way to distribute native apps on Apple's Mobile Devices. The evidence we have gathered indicates that the App Store is used by a significant number of firms to carry out their business. Specifically:
- (a) It hosts a significant number of app developers, who conduct their business by providing a wide range of apps to users. For example, in 2024 in the UK, the average number of app developers with apps available on the App Store at the end of each month was approximately [REDACTED] [0 – 1] million, and the average number of native apps available on the App Store at the end of each month was approximately [REDACTED] [1 – 2] million.⁹⁹⁵ These apps span a wide range of categories, including business, productivity, education, games, health and fitness and more;
 - (b) As noted above, substantial revenues are generated via the App Store.

⁹⁹³ For example, Ofcom's 2022 Online Nation report found that consumers use smartphones for an average of three hours daily, and tablets for just over 30 minutes. [Online Nation 2022 Report](#), Figures 1.4 and 1.6.

⁹⁹⁴ CMA194, paragraphs 2.71-2.72. See also explanatory notes to the Act, paragraph 115.

⁹⁹⁵ We have calculated averages based on data from Apple. See Apple's response to the section 69 notice [REDACTED]. See Appendix A for further information.

- 8.78 Similarly, Safari and WebKit are an important access point or gateway to users for a diverse and large range of businesses. This is because:
- (a) Mobile browsers provide the primary gateway for users to access the web on their Mobile Devices, and hence for businesses to reach users with their content and products. This includes both online content providers and search engine providers;
 - (b) As noted above, Safari was the leading mobile browser across iOS and iPadOS devices in the UK in June 2025 with a share of supply of 84%, and 43% across all Mobile Devices in the UK;⁹⁹⁶ and
 - (c) All browser vendors use WebKit on Apple's Mobile Ecosystem due to the fact that WebKit is the only browser engine permitted to be used on Apple iPhone and iPad.
- 8.79 Finally, the way Apple carries out its Mobile Platform activity can have a significant impact on a range of firms, since it can influence the conditions under which they conduct their business on its platform. For example, it can:
- (a) determine the extent to which other software applications or services can access certain elements of its Mobile Devices' hardware and software; and
 - (b) set the terms of access for the App Store – as the only means for distributing native apps on iOS and iPadOS – resulting in app developers seeking to reach users of Apple Mobile Devices having little choice but to accept Apple's terms of access.
- 8.80 We therefore conclude that a significant number of other firms use and rely on Apple's Mobile Platform in carrying out their business.

Conclusion on whether Apple meets the SMS conditions

Substantial and entrenched market power

- 8.81 In assessing whether Apple has substantial and entrenched market power with respect to its Mobile Platform, we considered whether it faces strong competitive constraints and whether its market power is likely to persist over a forward-looking period of at least five years.
- 8.82 Our assessment considered the competitive constraint faced by Apple's Mobile Platform from the perspectives of its usage by different user groups on both sides of the platform – end-users and content providers - with those users being themselves closely interlinked, again reflecting the nature of the platform. We also

⁹⁹⁶ See Cloudflare Radar and Statcounter. Due to the specific methodology used, we note that some browser traffic on iPadOS may be captured under MacOS which means that these figures could be understated.

considered competitive constraints on Apple's mobile browser, browser engine and app distribution. While we considered each component digital activity and its potential impact on different customer groups individually, our overall findings consider the extent of competitive constraint faced by Apple's Mobile Platform as a whole.

8.83 First, in Chapter 6 we set out the current competitive constraints on Apple's Mobile Platform from rival mobile ecosystems;

(a) In considering competition for end-users, taking all the evidence in the round, we conclude that Apple's Mobile Platform faces overall limited competitive constraints when competing for end-users:

(i) Analysis of shares of supply shows that in smartphones, in each of the last ten years, Apple's iOS and Google's Android have held significant and relatively equal shares of supply in the UK, with Apple having a share of supply of 50-60%. For tablets, although there is a third significant supplier in Amazon's Fire, Apple is the largest supplier with a share of supply of 50-60%. The shares of supply analysis shows that Apple's market position has persisted over the past ten years for smartphones and the past seven years for tablets, which supports our conclusion that its position is entrenched.

(ii) Pricing data demonstrates that the market is segmented, with the majority of Apple's devices sold being in the highest value segment. Conversely, the majority of Android devices sold are in the lowest value segment where Apple does not compete. For example, smartphones with Apple's Mobile Platform accounted for 82% of new smartphones sold over £600, and smartphones with Google's Mobile Platform accounted for 61% of new smartphones sold between £300-£600 and 100% of new smartphones sold under £300.

(iii) Apple differentiates its Mobile Ecosystem from Google's, with a focus on integrated hardware and software, user-focused intuitive design, interoperability with other Apple devices, security, privacy and positioning itself as a premium brand. In contrast Google is focused on ensuring Android is available to a wide range of users at a variety of price points to enable wide distribution of its own services and revenue from digital advertising. This differentiation means end-users do not generally perceive Apple's Mobile Ecosystem and Google's Mobile Ecosystem to be close substitutes.

(iv) There is limited user switching between Apple's and Google's Mobile Ecosystems and this remains the case across all price segments. Those considering switching are likely to be among the most contested

by Apple and Google but this group is a minority. Most users do not consider switching at all and there are both actual and perceived barriers to switching, for example concerns about loss of data like photos when moving between platforms.

- (v) We cannot robustly infer whether improvements in quality and innovation, alongside relatively high rates of customer satisfaction, are driven by competitive pressure or other factors. Improvements in quality are equally consistent with Apple's incentives to increase revenues from its existing user base and encourage users to upgrade their mobile device.
- (b) We then assessed the extent of constraint which Apple faces to attract content providers to develop content for its Mobile Platform:
 - (i) In relation to app developers, we conclude that Apple's Mobile Platform faces very limited competition when competing for content providers. In particular, both Apple's App Store and Google's Play Store are 'must-have' distribution channels for content providers as each store is the only way to access a large and distinct set of users (50-60% of mobile users in the UK use Apple's Mobile Platform). Again, we could not robustly infer whether evidence on changes in outcomes including price and quality is as a result of competitive pressure or other factors and evidence suggests other factors are likely to have driven changes in commission fees.
 - (ii) In relation to web content, Apple and Google do not compete for web content to be made available on their Mobile Platforms. Rather content providers write content once for distribution across different platforms. Content providers do not therefore choose whether to distribute on one platform or another, as by its very nature web content is broadly available.
- (c) We assess revenue sharing agreements between Apple and Google and find that these further limit their incentive to compete with each other, as the arrangement is of high strategic and financial importance to both.
- (d) Beyond Google, Apple's Mobile Platform faces very limited competitive constraint from other Mobile Ecosystems. There are significant barriers to entry and expansion, which limit the threat of new entry which might otherwise act as a competitive constraint on Apple's Mobile Platform. The indirect network effects related to attracting native app developers to a new operating system form a particularly strong barrier.

- (e) The evidence we have seen does not indicate that Apple's position across its Mobile Platform as a whole is likely to change significantly over the next five years.

8.84 Bringing all these dimensions together to consider the strength of competitive constraint across Apple's Mobile Platform as a whole, **we conclude that Apple's Mobile Platform faces limited competitive constraints from rival mobile ecosystems.**

8.85 In Chapter 7 we considered the competitive constraints on Apple's mobile content provision and distribution within the Apple Mobile Ecosystem, and from non-Mobile Devices. This focused on the alternatives to Apple's Native App Distribution and alternatives to Apple's Mobile Browser and Browser Engine:

- (a) In native app distribution, Apple's policies prevent competition from alternatives to its App Store within Apple's Mobile Ecosystem, and web-based alternatives provide only a limited competitive constraint. Non-mobile content distribution alternatives are typically seen as complements rather than substitutes to the App Store. The ability of users to make purchases on non-mobile platforms provides limited competitive constraint on the App Store. However, the evidence indicates that this represents only a partial constraint for a sub-set of app developers and for certain users. We have not seen sufficient evidence of expected or foreseeable developments suggesting that these competitive constraints are likely to impact the App Store's position over the next five years.
- (b) In mobile browsers, Apple's Safari also faces limited competitive constraints within Apple's Mobile Ecosystem. Although other mobile browsers are available, these are limited by several barriers to entry and expansion, in particular those related to the WebKit restriction, Safari's superior access to functionality, and choice architecture; and Safari's consistently high share of supply indicates that these are a weak constraint. The WebKit restriction means Apple faces no competition to its WebKit browser engine. Although AI is likely to impact mobile browsers, the precise implications are unclear, and it is not expected to significantly affect the position of Safari. Alternatives to mobile browsers, namely native apps and AI tools, only provide a limited competitive constraint for a limited set of use cases, and desktop browsing is generally considered a complement rather than a substitute. We have not seen sufficient evidence of expected or foreseeable developments suggesting that these competitive constraints are likely to disrupt the Safari or WebKit's position over the next five years.

8.86 **Overall, we therefore consider that Apple faces limited competitive constraints from content provision and distribution alternatives within its Mobile Ecosystem and from non-mobile alternatives.**

- 8.87 We have also considered Apple's profitability with respect to its Mobile Platform. We found that Apple has been highly profitable for at least the last ten years, making high profits and a high return on capital. We have reviewed the available evidence, including Apple's own financial projections relating to future revenues and profitability relating to its Mobile Ecosystem activities. We have not seen evidence indicating that Apple's high levels of profitability will not continue.. We estimate that its Mobile Platform activities in the UK have similarly generated a high return on capital relative to our estimate of Apple's WACC over this period. This is consistent with Apple having substantial market power.
- 8.88 **Overall, our assessment shows that Apple faces limited current competitive constraints in the provision of its Mobile Platform.** Apple faces a very limited constraint with respect to content providers and consequently, any constraint in relation to end users would need to be particularly pronounced to ensure that Apple does not have substantial market power. However, our assessment shows that Google only exerts a limited competitive constraint in relation to end users. **We therefore conclude that Apple has substantial market power in the provision of its Mobile Platform.**
- 8.89 In order to assess whether an undertaking has substantial and entrenched market power in respect of a digital activity, the CMA must carry out a forward-looking assessment over a period of at least five years – the length of the SMS designation.⁹⁹⁷ The forward-looking assessment is part of the CMA's assessment of substantial and entrenched market power, not a separate step. It will have particular relevance for the assessment of whether market power is entrenched.⁹⁹⁸
- 8.90 In the preceding sections, we have considered developments that would be expected or foreseeable if the CMA did not designate Apple as having SMS in respect of the provision of its Mobile Platform and which may affect Apple's conduct in carrying out the provision of its Mobile Platform. We considered:
- (a) market developments such as entry, expansion and emerging business models;
 - (b) technological developments such as AI, connected devices, edge computing, advances in network connectivity and cross-platform gaming; and
 - (c) regulatory and other developments including litigation.
- 8.91 We also considered the extent to which the competitive constraints on Apple's App Store and on Safari were likely to change over the next five years.
- 8.92 The persistence of Apple's market position and the scale of the barriers to entry and expansion described above are consistent with Apple having entrenched

⁹⁹⁷ Section 5 of the Act.

⁹⁹⁸ CMA194, paragraph 2.56.

market power in respect of the provision of its Mobile Platform. In this context, considerable changes in the competitive dynamics would be required to significantly impact Apple's strong and established position and to eliminate Apple's substantial market power in respect of its Mobile Platform in the next five years.

8.93 For the reasons set out in this decision, we conclude that there are no expected or foreseeable developments that are likely (whether individually or in combination) to be sufficient in scope, timeliness and impact to eliminate Apple's substantial market power in the provision of its Mobile Platform over the next five years. Accordingly, our conclusion is that Apple's substantial market power in the provision of its Mobile Platform is entrenched⁹⁹⁹

8.94 **For these reasons and, on the basis of the above, our decision is that Apple has substantial and entrenched market power in respect of the provision of its Mobile Platform.**

Position of Strategic Significance

8.95 We then assessed whether Apple has a position of strategic significance in relation to its Mobile Platform. We consider that at least the first two POSS conditions are satisfied:

- (a) Apple's Mobile Platform is used by a very large number of UK users (eg to access, view and engage with digital content and services on their Apple Mobile Devices) and businesses in the UK (eg as a means of reaching those users).
- (b) The services provided by Apple as part of its Mobile Platform are important to a wide range and large number of other businesses in the UK to provide digital content and services to users of Apple's Mobile Devices.

8.96 **For these reasons and, on the basis of the above, our decision is therefore that Apple has a position of strategic significance in respect of its Mobile Platform.**

⁹⁹⁹ CMA194, paragraph 2.62.