

## **MICROSOFT RESPONSE TO CMA CONSULTATION ON THE USER CHOICE CONDUCT REQUIREMENT**

Microsoft is grateful for the opportunity to comment on the Competition and Markets Authority's (**CMA**) 23 September 2026 consultation (**September Consultation**) on revised proposals for a User Choice conduct requirement (**CR**) in relation to Google's Strategic Market Status (**SMS**) in the provision of general search services.

As provided in Microsoft's comments of 25 February 2026, Google's entrenched dominance in search is materially reinforced by its monopoly-protected default and distribution arrangements, such as those related to browsers, mobile devices and operating systems. These arrangements materially limit rivals' ability to gain scale.

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### **Choice Screen CR**

As Microsoft noted in its 25 February 2026 comments, choice screens can be a beneficial supplement to other, more effective interventions, such as those that target Google's distribution arrangements, but are unlikely to address the structural sources of Google's SMS in search markets or to change the competitive dynamics existing in search on their own.

First, choice screens inherently benefit the dominant firm. The dominant firm typically enjoys strong brand recognition; users will choose that firm out of habit or just out of a lack of familiarity with other alternatives. The name "Google" has effectively become a verb for the act of conducting an internet search, leading users to be pre-disposed to choose the service for search. There is not sufficient motivation or information available to users to elect to try a new alternative. Thus, choice screens likely result in relatively few users choosing one of the smaller, challenger firms.

Second, the impact of getting relatively few selections from a choice screen is compounded by the need for search services to get to scale quickly to improve search relevance. If relatively few users choose an alternative general search service, then the search service will not have sufficient scale to improve relevance quickly.

This is demonstrated most recently by Digital Markets Act reporting by Google. The Digital Markets Act requires Google to present a choice screen to users for both search and

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browsers. Recent data shows that there has not been meaningful switching as a result of choice screens.<sup>1</sup>

### Choice Screen and AI Assistants

Microsoft notes that in the September Consultation the CMA proposes that AI assistants should be included alongside search engines in Google's choice screen. Microsoft supports the CMA's proposed eligibility with respect to the inclusion of AI assistants, which Microsoft believes to be an important and growing source of general search queries.

Google Gemini is now available by default to every Google user on the planet while the Gemini App has more than 1 billion monthly active users, which is more than double the number of users it recorded a year before<sup>2</sup>. Google does not need to attract users to its AI, as it deploys AI into products that billions of users already use, reflecting unparalleled distribution capacity. As Sundar Pichai stated on Alphabet's Q1 2026 earnings call: *"We are bringing helpful AI into the hands of billions of people every day through our products and platforms"*<sup>3</sup>. At Google I/O the following month, Pichai elaborated: *"Today we have 13 products with over a billion users each. Five of those have more than 3 billion users. Our Gemini models are a big reason more people are using our products, and why they're using our products more"*<sup>4</sup>.

As Pichai's statements above confirm, and consistent with Microsoft's comments, Google's distribution advantages are unparalleled, making distribution the least competitive and most concentrated layer for AI competition, especially given Google's control over the most important consumer distribution channels: mobile platforms.

Google's powerful distribution advantages extend to its entire portfolio of AI offerings, including its Gemini models and its Gemini AI assistant. As noted above, in July 2025, Google announced that its Gemini app had grown to 450 million monthly active users (see, e.g., [here](#) and [here](#)). Roughly one year later – by August 2026 – that number had more than doubled, with more than 1 billion monthly active users. (see, e.g., [here](#)). Moreover, in January 2026, Apple and Google confirmed a multiyear partnership for Gemini models to power Apple's Siri and related AI features on iOS. This means that at some point in 2026, every iPhone and

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<sup>1</sup> Based on publicly available data, such as that provided by StatCounter, Google has maintained a search market share of nearly 90% since the DMA went into effect. See [here](#).

<sup>2</sup> [Google's Gemini app hits 1 billion monthly active users](#); [Google I/O 2026: Sundar Pichai's opening keynote](#); [The Gemini app becomes more agentic, delivering proactive, 24/7 help](#)

<sup>3</sup> Sundar Pichai, Alphabet Q1 2026 Earnings Call, 29 April 2026, transcript available at: [https://finance.yahoo.com/quote/GOOG/earnings/GOOG-Q1-2026-earnings\\_call-551989.html](https://finance.yahoo.com/quote/GOOG/earnings/GOOG-Q1-2026-earnings_call-551989.html).

<sup>4</sup> Sundar Pichai, "I/O 2026: Welcome to the Agentic Gemini Era," Google Keyword Blog, 19 May 2026, available at: <https://blog.google/innovation-and-ai/sundar-pichai-io-2026/>.

iPad will effectively be running Google's AI under the hood of Siri – an enormous expansion of Gemini's reach into Apple's installed base. Google is uniquely present across essentially all smartphones through Android<sup>5</sup> and Google services and is correspondingly well positioned to access device-level features at scale. Gemini also benefits from placement across Google Search, Android, Gmail, YouTube, Chrome, Google Ads, and other large services.

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### **Choice Screen Durability and Design**

A choice made via choice screen or prompt is only as good as its durability: once made, it must be respected consistently across all relevant access points, not eroded by friction, repeated prompts, or any form of default reversion.

Similarly, it is Microsoft's position that a user who independently downloads a third-party search or AI chat application should be shown a prompt inviting them to set that application as their new default, a position Microsoft set out in its 25 February 2026 comments.

The effectiveness of the Search Choice Screen also depends on how it is rolled out: the non-skippable Screen applies only to the Google Chrome Browser and 'New Relevant Devices'. This limits its initial display to Google Chrome and new Android devices, while leaving the significant number of users that currently access Search via a third-party device or browser without an equivalent choice.

With respect to the CMA's proposal concerning the display of Eligible Providers on the choice screen, Microsoft supports the CMA's proposal that providers appear in a fully randomised order and that users are required to scroll through the full list of providers before confirming their choice.

Additionally, Microsoft agrees with the CMA's proposal that Google be required to enable Eligible Providers with the ability to take a user directly to the device-level default settings on the Relevant Device. However, Microsoft believes the details of this requirement should be more explicit: third-party search and AI chat services should be able to deeplink users directly to the relevant default setting screen.

### **Browser Choice Screen**

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<sup>5</sup> By March 2024, Google had already positioned Gemini as the successor to Google Assistant, which, at the time, was pre-installed on more than three billion Android mobile phones globally.

The CMA's proposed coverage of the Search Choice Screen extends to Android devices and to Chrome on desktop and iOS devices, but does not extend to Safari, notwithstanding that Safari is a default, third-party access point through which a very substantial volume of UK searches are conducted. Microsoft reiterates the position set out in its 25 February 2026 comments on the CMA's proposed search conduct requirements: default third-party access points such as Safari are a major gateway to search for UK users, and UK users do not, in practice, distinguish between searching through a browser and searching through an app. From a user's perspective, these access points are functionally interchangeable. Limiting the Search Choice Screen's coverage to only some of these gateways risks creating the appearance of choice while leaving the majority of users' search interactions, conducted through excluded access points such as Safari, effectively unchanged. This is particularly important given the Search Choice Screen will only be surfaced on the Chrome browser and new Android devices. In the absence of interventions that directly address Google's underlying distribution arrangements, it is particularly important that the Search Choice Screen's coverage extend to all major entry points through which UK users conduct search.