

UK regulators probe Apple and Google duopoly on mobile search, browsers, and cloud gaming

Article

Regulation escalation: The CMA is redoubling its efforts to litigate the two based on its 356-page report focusing on anticompetitive findings for mobile operating systems and apps.

- The report concluded that Google and Apple have an effective duopoly and played a “gatekeeper role” on their respective platforms.
- **Google Chrome** and **Apple Safari** reportedly dominate the mobile browser market and can be used as a means of controlling content.
- “Many UK businesses and web developers tell us they feel that they are being held back by restrictions set by Apple and Google,” **Sarah Cardell**, the CMA’s interim chief executive officer, said in a statement on Tuesday.

Apple and Google respond: Both companies were quick to comment on the allegations and the results of the report.

- Apple said it will “continue to engage constructively” with the CMA “to explain how our approach promotes competition and choice while ensuring consumers’ privacy and security are always protected.”
- Google’s response was that **Android OS** “gives people a greater choice of apps and app stores than any other mobile platform” and enables developers “to choose the browser engine they want.”

Building a stronger case: The CMA has long been investigating the mobile OS duopoly and its “vice-like grip” resulting in a lack of customer choice and higher prices than a more competitive market could offer.

- Last year, the CMA began its study on how the smartphone duopoly made it impossible for new entrants to compete.
- A decade ago, Apple’s **iOS** and Google’s **Android** were already dominant, but the market had other options, including **Nokia**, **BlackBerry**, **Windows Phone**, and **Palm OS**. Wave after wave of consolidation and the dominance of app stores resulted in the duopoly we have today.

What’s next? The CMA is waiting for the government to pass legislation to give it the power to enforce more intervention, but there have been delays. UK Chancellor **Jeremy Hunt** said the government would be pushing this through as soon as possible.

What's the catch? Expect Apple and Google to sandbag regulatory efforts through lobbying, legal appeals, and **stressing the need for controls for security and innovation.**

Regulators might have to pick their battles to gain headway. The CMA has already investigated Apple and decided it **restricts cloud gaming** through its App Store and is anticompetitive.

Mobile App Store Spending and Downloads in Europe, by OS, 2021-2026						
billions						
	2021	2022	2023	2024	2025	2026
Spending						
Android	\$8.6	\$8.3	\$9.5	\$10.7	\$11.9	\$13.2
iOS	\$9.8	\$11.1	\$13.4	\$15.6	\$18.1	\$20.7
Total	\$18.4	\$19.4	\$22.9	\$26.3	\$30.0	\$33.9
Downloads						
Android	20.2	19.8	20.1	20.5	20.9	21.3
iOS	7.2	7.7	8.0	8.3	8.6	8.9
Total	27.4	27.5	28.1	28.8	29.5	30.2
Note: gross revenues from user spending on premium apps and in-app content; includes cut taken by Apple and Google; excludes revenues from in-app advertising; excludes third-party Android stores; numbers may not add up to total due to rounding						
Source: Sensor Tower, "2022-2026 Mobile Market Forecast," June 13, 2022						
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