Google Myth vs. Fact

Introduction: Amid growing calls for fairer and more competitive app store policies around the world, Google is fighting to maintain its monopoly over app distribution and in-app payments for 2.5 billion Android users. To do so, it makes a lot of claims about the policies it embraces and the benefits of its top-down control. But these claims often don’t match the reality of Google’s anticompetitive conduct. We help separate fact from fiction in the guide below:

Myth: “If you don’t find the app you’re looking for in Google Play, you can choose to download the app from a rival app store or directly from a developer’s website. We don’t impose the same restrictions as other mobile operating systems do.” - Google’s VP, Government Affairs & Public Policy, Wilson White

Fact: Google imposes restrictions and actively discourages consumers from downloading apps outside of the Google Play Store with severe warnings.

Google makes it nearly impossible for device manufacturers to pre-load competing app stores on their devices through draconian contractual obligations. The company also imposes technical barriers and presents dire security warnings when consumers attempt to download software directly from developers despite this being a common and safe practice on Google desktop computers. These barriers have had their intended effect - consumers have been trained to fear downloading apps outside the Play Store. As a result, 90% of apps installed on Android devices come through the Play Store.

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Myth: “Policies in this space should be guided by foundational principles that spur innovation, maintain security and expand user choice across the ecosystem, whether on mobile, desktop or gaming consoles.” - Google’s Director of Public Policy, Kareem Ghanem

Fact: Google’s Play Store practices stifle innovation, limit competition in security and undermine consumer choice. Policymakers and regulators around the world have taken notice and are acting to reign in their anticompetitive policies.

In the U.S. a bipartisan group of legislators are working to advance the Open Act Markets Act, which would create an open and fair mobile app ecosystem that benefits consumers and developers. A group of 36 bipartisan state attorneys general have filed an antitrust lawsuit arguing that Google maintains a monopoly in app distribution and in-app payments on the Android operating system.
The suit also charges that Google favors its Play Store over alternative app stores and said developers have “no reasonable choice” but to distribute their apps through the Play Store.

Globally, lawmakers and regulators from the European Union, United Kingdom, India, Japan, South Korea, and Australia are standing up for consumers and holding app store gatekeepers accountable, scrutinizing Google's practices of undermining choice and competition in the mobile digital economy.

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**Myth:** “We provide resources to help developers build great apps, lower their costs and grow their businesses.” - Google’s VP, Government Affairs & Public Policy, Wilson White

**Fact:** Google’s self-preferencing and onerous requirements hurt developers, increase costs and impede their ability to compete.

In the Google Play Store, Google gives special treatment to its apps, imposes different requirements for apps that sell physical goods versus digital goods, and offers sweetheart deals to select developers. For instance, Google requires phone and tablet makers to pre-install a suite of Google products, which it owns and controls, on all Android devices. This gives Google’s own products an unfair advantage against competitor apps.

Google is also set to impose new restrictions that will force all developers to use Google Play Billing for in-app purchases, overturning a policy that has been in place for years for content streaming apps and other subscription services. This policy forces these developers to use Google Play Billing and pay Google an up to 30% fee on in-app purchases, which will potentially increase prices for consumers.

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**Myth:** “[The Antitrust] bills would require us to degrade our services and prevent us from offering important features used by hundreds of millions of Americans. This would all dramatically undermine U.S. technology leadership, damage the way small businesses connect with consumers, and raise serious privacy and security concerns.” - Google’s VP of Government Affairs and Public Policy, Mark Isakowitz

**Fact:** Top security experts have made it clear that Google’s security claims are unfounded and nothing more than an attempt to stifle competition.

The reality is security is built into Android’s operating system with features that include data encryption, firewall, and antivirus features, as well as a “sandbox” model that limits apps' access to the phone’s resources.
Former U.S. Secretaries of Homeland Security Tom Ridge and Janet Napolitano, along with other leading security officials, recently argued in a letter to members of Congress that Google’s security claims are nothing more than a pretext for the company to maintain control over the app marketplace.

The bottom line is, an open app marketplace would lead to competition across not only app distribution and payments, but also security. Claims to the contrary should be seen for what they are: scare tactics used by monopolists to maintain their dominance over the app marketplace.

Concluding: Google has misused its market position to unfairly benefit itself at the expense of other developers and consumers. It is now desperate to avoid the consequences of its actions and to maintain its tight grip on the Android app market. Targeted legislative solutions like the bipartisan Open App Markets Act will address this behavior by ensuring competition in the market. When developers are able to compete fairly, innovation will flourish and consumers will win.