Apple Pty Limited

Submission to the Digital Platform Services Inquiry

App Marketplaces Issues Paper

The ACCC has invited industry participants and other interested parties to provide views and information on the operation of app marketplaces.

Apple welcomes the opportunity to provide written feedback in response to the matters raised in the ACCC's App Marketplaces Issues Paper (**Issues Paper**).

1. Executive summary

1. Apple's decision to open the iPhone to third-party development in 2008 created a new and unique mobile technology environment that has resulted in an explosion in software development and has significantly benefited third-party app developers and consumers alike:

    (a) **The App Store has created competition and launched an entire industry around mobile app design and development.** The App Store changed the model of software development, reducing barriers to entry for developers and providing developers with the potential for broader distribution and access to a worldwide audience. An entire industry has been built around app design and development — creating competition and economic opportunity. The App Store offers developers the opportunity to reach customers all over the world, in 175 countries, with the push of a button. There are now approximately 20 million app developers— including small start-ups—and 1.8 million apps available on the App Store worldwide. The App Store facilitated over US$1trillion in commerce worldwide last year.[1]

    (b) **By lowering the barriers to entry for new developers with innovative ideas, the App Store has both dramatically expanded the offerings of apps available to Apple users and increased competition.** By opening the iPhone to third-party development and building a technology platform that enabled developers to create native applications, Apple made a conscious decision to give consumers greater options and to enable greater competition—including with third-party apps that compete against Apple's own apps. Apple works hard to make the App Store a great opportunity for developers and to create a fair and transparent process. Apple has provided an ever-growing number of tools and resources for developers to create amazing applications on iOS. In many cases third-party apps have a greater market share than Apple's own apps.

    (c) **Apple built a technology platform for developers.** The App Store is no mere marketplace. It is a technology platform that has created opportunities for millions of

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[1] See Apple, *"Apple's App Store ecosystem facilitated over half a trillion dollars in commerce in 2019",* Press Release (15 June 2020), https://www.apple.com/newsroom/2020/06/apples-app-store-ecosystem-facilitated-over-half-a-trillion-dollars-in-commerce-in-2019/.

developers. It's an integral feature of the iPhone and critical to what allows Apple to provide our customers, and third-party developers, with the security and privacy Apple is known for. To be sure, the App Store gives consumers access to millions of innovative, high-quality apps, and, by connecting entrepreneurial app developers to app users, the App Store has proven to be an economic engine over the last dozen years, contributing to an estimated 136,000 app economy jobs in Australia alone.[2]

(d) **Apple has made significant investments to enable cutting-edge third-party development within its ecosystem.** Apple supports developers in a variety of ways, investing billions in tools, software, and technology to make it as easy as possible for developers to bring their ideas to life on the iPhone. We offer developers bespoke tools (Xcode) and an easy-to-use, intuitive coding language for the Apple environment (Swift 5), beta testing software (TestFlight), and access to 250,000 iOS application programming interfaces (APIs) that simplify and accelerate the development process. At the same time, Apple must balance access with the security and privacy of its users and the integrity of their devices. As Steve Jobs explained, Apple ultimately made the decision to open the iPhone to third-party development, but it did so deliberately and carefully with the interest of users fully in mind: "*Providing an advanced and open platform to developers while at the same time protecting iPhone users from viruses, malware, privacy attacks, etc… is no easy task.*"[3]

(e) **Apple must compete aggressively in every market in which it operates.** Apple's business is centred on the design and sale of distinctive, integrated products. Apple created a digital storefront for third-parties to bring their great ideas to users of Apple devices. The success of Apple's business depends on a vibrant offering of popular and innovative third-party apps—which make Apple's devices more attractive to consumers in highly competitive markets where Apple competes against the likes of Samsung, Google, Huawei, TCL, Oppo and others.

(f) **The availability of a wide variety of high-quality third-party apps on the App Store enhances the user experience and increases the desirability of Apple devices.** Apple recognised that consumers' enjoyment of the iPhone would be enhanced by unlocking the power of third-party developers. Apple's incentives are to give consumers choices, while ensuring that its consumers are not exploited. Today, there are now almost two million apps on the App Store, fewer than 50 of which were developed by Apple over the last ten years. As Steve Jobs said when announcing the App Store in 2008: "*The developer and us have the same exact interest, which is to get as many apps out in front of as many iPhone users as possible.*"[4]

(g) **Over 84% of all apps on the App Store share none of the revenue they make from the App Store with Apple.** Apple's longstanding business model for the App Store grants Apple a 30% commission for sales of digital content through the App Store. The commission compensates Apple for creating and operating the App Store and for connecting app developers with customers, enabling Apple to realise a return on its investment and to make millions of free apps available to consumers. The vast majority of apps share no revenue with Apple—indeed, Apple receives no compensation from apps that generate revenue from advertising or from the sale of physical goods and services. In 2019, developers generated more than US$413 billion globally from the sale of physical goods and services and US$45 billion from advertising through their iOS apps.[5] Companies also use the App Store to circulate free apps that work with, and improve, their products or services. These "companion apps" raise the value of the goods or services. The brand value is

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[2] Progressive Policy Institute, *The Australian App Economy, 2019 Update*, https://www.progressivepolicy.org/wp-content/uploads/2019/04/PPI_AustraliaAppEconomy_V4-1.pdf

[3] AppleInsider, *Steve Jobs Confirms native iPhone SDK by February* (17 October 2017), https://appleinsider.com/articles/07/10/17/steve_jobs_confirms_native_iphone_sdk_by_february.html.

[4] *Steve Jobs Introduces the App Store – iPhone SDK Keynote*, YouTube (13 March 2008), https://www.youtube.com/watch?v=xo9cKe_Fch8.

[5] Apple, *Apple's App Store ecosystem facilitated over half a trillion dollars in commerce in 2019*, Press Release (15 June 2019), https://www.apple.com/newsroom/2020/06/apples-app-store-ecosystem-facilitated-over-half-a-trillion-dollars-in-commerce-in-2019.

immeasurable and freely available to developers under Apple's current business model.

(h) **Apple's commission is *substantially less* than the 50% to 70% industry-standard revenue share charged on software application sales when Apple launched the App Store.** It's hard to remember what the digital marketplace looked like in 2006. If you wanted to buy a videogame or buy some other software you had to either visit a physical retail store and pay high mark-ups, or take your chances on the internet where it was buyer beware. Apple has never increased its 30% commission despite the fact that the App Store has grown exponentially since its launch and has not sought to implement new rules as it introduced new services and applications such as Apple Music, Apple TV+ and Apple News. In fact, Apple has reduced its commission to 15% for subscription services after the first year of a subscription purchased through the App Store. In addition, Apple has added new rules that allow more developers to reduce or avoid paying any commission, such as when a user has purchased a product outside an app (a subscription to Netflix, Spotify, newspaper and magazine, or a book title from Amazon to use in the Kindle app), despite that user being able to access that content within the app.

(i) **Apple is a product company and does not seek to monetise user data.** For some companies, like social media companies, data is an end unto itself: their platforms and marketplaces leverage user data by allowing advertisers to utilise that data to target specific users, to generate new users, or to disseminate user data to others. Their business model depends on access to data. They design their rules in ways that allow easier transmission of personal data. This is not, and never has been, Apple's business model. Apple is singularly focused on selling products to consumers. In this way, Apple differs significantly from some companies that focus predominately, if not exclusively, on monetising user data. Those companies are not focused on sales to consumers; they are focused on selling their consumers' profiles to advertisers.

(j) **Like all stores, the App Store has rules.** The App Store Guidelines are designed to ensure that the App Store remains a safe and trusted place for consumers to discover and download software for their Apple devices and to fairly compensate Apple for creating and operating the store. Consumers expect apps to work seamlessly on Apple's devices. Apple invests significant effort into ensuring that apps will work on iOS. Indeed, the presence of security-related bugs or flaws within an app are the most common reasons for Apple to initially reject it. Apple's App Review Process is one reason why iOS is the most secure operating system on the market.

(k) **Stronger security and privacy protections may not be in every developer's business or commercial interest—but they are in Apple users' interest.** Apple's products are widely recognised as being among the most, if not the most, secure consumer technology products on the market. Apple has long been committed to ensuring that its users are protected from external attacks, and that user data remains secure. Apple believes privacy is a fundamental human right, and privacy has long been an integral part of Apple's brand.[6] Apple's products and features include innovative privacy technologies and techniques designed to minimise how much user data Apple—or anyone else—can access. Apple is constantly working on new ways to keep users' personal information safe. And features like Apple's human-led App Review Process work to ensure that apps will work, will protect user privacy, and will be secure.

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[6] See, e.g., Tim Cook (@tim_cook), Twitter (24 October 2018, 2:57 AM), https://twitter.com/tim_cook/status/1055035539915718656; Apple, *Privacy*, https://www.apple.com/privacy/; Katie Benner and Paul Mozur, "Apple Sees Value in Its Stand to Protect Security", *The New York Times* (20 February 2016), https://www.nytimes.com/2016/02/21/technology/apple-sees-value-in-privacy-vow.html.

2.   Background to app marketplaces and competitive dynamics

2.1.   The App Store has created competition and launched an entire industry around app design and development

2.   The first iPhone had no App Store. There was no third-party native software development for the iPhone when it launched in 2007. The first iPhone shipped only with a suite of Apple applications including a music player and a browser. Apple was very concerned that third-party development could undermine the security and integrity of the device. The immediate success of the iPhone, and the power of its computing platform, led to calls in the developer community for the ability to create third-party native applications. Apple ultimately made the decision to open the iPhone to third-party development, but it did so deliberately and carefully with the interests of users fully in mind.

3.   There were three prongs from the beginning: Build, Test, Distribute. Apple first had to provide the fundamental building blocks for the developer community. It had to create the tools and the software that would allow developers to build native applications that could leverage the power and capability of the iPhone. Apple also wanted the ability to test the third-party applications before they went live on a user's device. It wanted to ensure that the tools, software, and access it provided to developers were not misused in a way that would harm users or their devices. And it wanted to ensure that the applications were appropriate for users and devices. Rather than recreating the internet, Apple opted instead to create a safe and trusted place for its iPhone customers to discover and download apps, confident that they will work seamlessly and securely with the tap of a finger.[7] Starting with just 500 apps in 2008, the App Store now has 1.8 million apps of breathtaking variety and utility, every one of which has passed through Apple's quality control and safety checks.

4.   The App Store revolutionised the distribution of software and led to the emergence of hundreds of thousands of new software developers. The App Store reduced barriers to entry for developers and provided developers with the potential for broader distribution and access to a worldwide audience.

5.   Twelve years ago, before the App Store, only a handful of the very biggest developers could reach such an audience. Software development and distribution was once limited to a handful of large, well-resourced companies, with high barriers to entry. Around 50-70% of software sales revenues were retained by retailers under this distribution model.

6.   Today, millions of developers, large and small, have the opportunity to reach a global audience and build a business with very little cost. An entire industry has been built around app design and development since 2008—creating competition and economic opportunity. As explained further at section 3.2 below, over 84% of apps on the App Store do not share any of the revenue they make from the App Store with Apple.[8]

7.   The App Store offers developers the opportunity to reach customers all over the world, in 175 countries, with the push of a button. In the words of one Silicon Valley historian:

> *The App Store changed the model for software development entirely. All a programmer needed was an idea and facility with Apple's mobile software code. With those two components, anyone could build and distribute their own apps and market them to millions of people instantly.*[9]

8.   Meanwhile, for "*people opening the App Store at home, it was like walking into the aisles of their local Best Buy. Unfettered access to millions of games and programs on their iPhone required little more than a Wi-Fi connection and a few extra bucks.*"[10] Consumer choice proliferated and prices plummeted. Software that once cost scores or hundreds of dollars and

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[7] Apple, *App Store*, https://www.apple.com/app-store/.
[8] Ibid. .
[9] Mike Isaac, *Super Pumped: The Battle for Uber* (2019), New York: WW Norton & Company, p. 39.
[10] Ibid.

required a trip to the mall or box store (not to mention laborious installation at home) could now be downloaded instantaneously at a fraction of the cost and effort.[11]

9.   There are now around 20 million app developers in the Apple Developer Program and 1.8 million apps worldwide, with thousands of apps delivering ground-breaking new services, new experiences, and even entirely new business categories.[12] Many of these apps have been critical tools in the hands of consumers. For example, in the fight against COVID-19, communities are depending on apps to be credible news sources—helping users to understand health innovations, find out where they can get support if needed, or provide assistance to their neighbors. And in the unprecedented 2019/2020 Black Summer bushfires, many apps assisted communities to connect to news sources and alerts and to access emergency assistance.

10.   Apple's App Store is just one of many options for developers in a dynamic and changing market. Developers may elect to offer their apps or software outside of the App Store on Apple devices (such as through web-based content), or elsewhere for use on non-Apple devices. These alternatives to the App Store are discussed further at section 3.5 below. Likewise, Apple does not prevent developers from selling their apps on other platforms.

3.   The App Store

3.1.   Apple's business model

11.   Apple is a company that focuses on selling products to consumers.[13] It does not sell its consumers' personal information to advertisers or others. Apple generates the vast majority of its revenue from the sale of products like the iPhone and iPad.[14] Figure 1 below provides a breakdown of Apple's global revenue by business category, compared to that of Google and Facebook:

Figure 1: Breakdown of global revenue by business category

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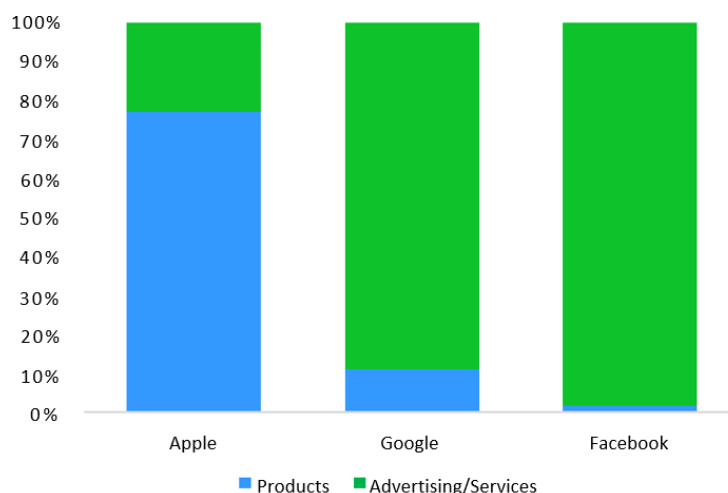
[11] Scanning software that once cost US$450 in 2006 now costs US$10 or less: U.S. House of Representatives, "Testimony of Morgan Reed, President, The App Association", *Online Platforms and Market Power, Part 2: Innovation and Entrepreneurship* (16 July 2019), https://docs.house.gov/meetings/JU/JU05/20190716/109793/HHRG-116-JU05-Wstate-ReedM-20190716.pdf at p. 5. .

[12] Apple, *App Store*, https://www.apple.com/app-store/.

[13] See, e.g., Edwin Chan, "Apple won't blindly pursue market share: report", *Reuters* (11 January 2013), https://www.reuters.com/article/us-apple-iphone/apple-wont-blindly-pursue-market-share-report-idUSBRE9091CR20130111.

[14] The graph reflects Apple, Google, and Facebook's gross revenue as reported for the first quarter of 2020. Google's earnings report divides its revenue by Advertising (US$33.8B), Cloud Services (US$2.8B), and Other (US$4.4B); Facebook divides its revenue by Advertising (US$17.4B) and Other (US$300M). Google's and Facebook's "Other" are included as "Products" in this graph. Google's Advertising and Cloud Services, as well as Facebook's Advertising revenue, were assigned to the "Advertising/Service" category. See Press Release *Apple Reports Second Quarter Results*, Press Release (30 April 2020), https://www.apple.com/newsroom/2020/04/apple-reports-second-quarter-results/; Alphabet, *Alphabet Announces First Quarter 2020 Results*, Press Release (28 April 2020), https://abc.xyz/investor/static/pdf/2020Q1_alphabet_earnings_release.pdf; Facebook, *Facebook Reports First Quarter 2020 Results*, Press Release (29 April 2020), https://s21.q4cdn.com/399680738/files/doc_news/Facebook-Reports-First-Quarter-2020-Results-2020.pdf.

11.   As shown in Figure 2 below, less than 23% of Apple's overall global revenues come from Apple Services, including the App Store.

Figure 2: Apple global revenue by category
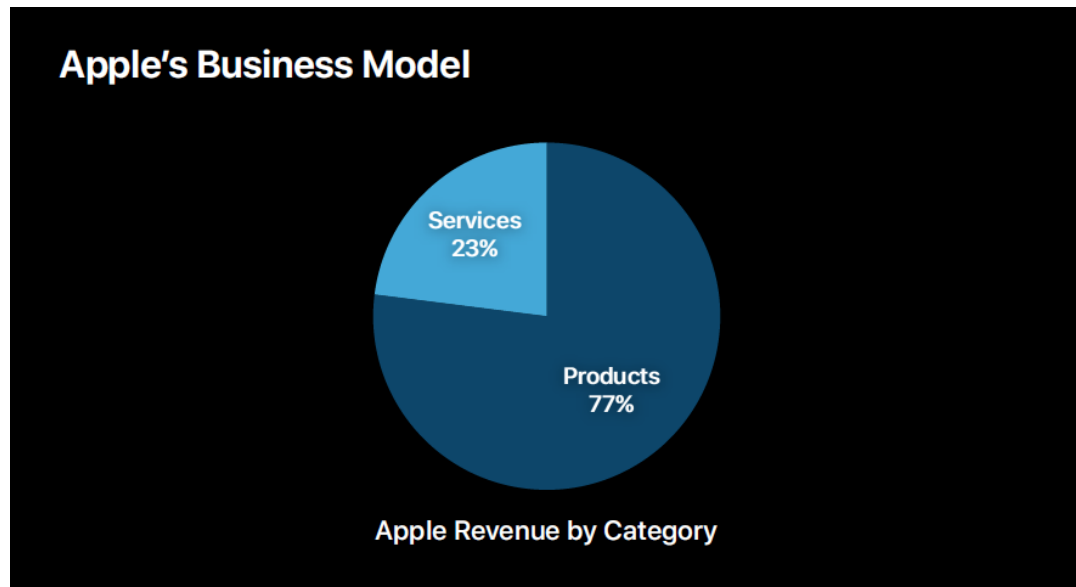
12.   Apple's overall business model informs its incentives with respect to the App Store - a key component of what makes Apple's products uniquely attractive to consumers. From the beginning, Apple has made clear that a central "purpose in the App Store is to add value to the iPhone."[15] As Steve Jobs explained in 2008, shortly after the launch of the App Store: "*We expect it to add value to the iPhone. We'll sell more iPhones because of it.*"[16]

13.   From the very first iPhone, Apple products have had built-in certain core functionality to provide customers with a great experience out of the box. And in an increasingly competitive market, Apple also relies on its own services (e.g., Apple Music, iMessage, and FaceTime) as one way to differentiate its product offerings from those of Apple's many competitors. However, these apps represent a small fraction of the nearly two million apps that are available to consumers who use Apple products.

14.   Apple's business model depends on the availability of high-quality third-party apps that customers can integrate with Apple's products. The App Store features numerous third-party apps that compete with Apple's own Calendar, Camera, Cloud Storage, Mail, Maps, Messaging, Music, Notes, Podcasts, TV, Video Chat, and Web Browsing apps. Many of the most popular apps compete against Apple's own services.

    (a)   Third-party apps enhance the functionality of Apple products and, by providing a superior user experience, increase their desirability for consumers. This in turn increases consumers' desire for Apple devices like iPhones and iPads.

    (b)   Third-party apps have enjoyed large-scale success in the App Store, compete with Apple's apps across every category, and, in many cases, have a greater market share than Apple's own apps. For example:

        (i)   Spotify has twice as many paid subscribers as Apple Music does worldwide.[17]

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[15] See "'The Mobile Industry's Never Seen Anything Like This': An Interview With Steve Jobs at the App Store's Launch", *The Wall Street Journal* (25 July 2018), https://www.wsj.com/articles/the-mobile-industrys-never-seen-anything-like-this-an-interview-with-steve-jobs-at-the-app-stores-launch-1532527201.
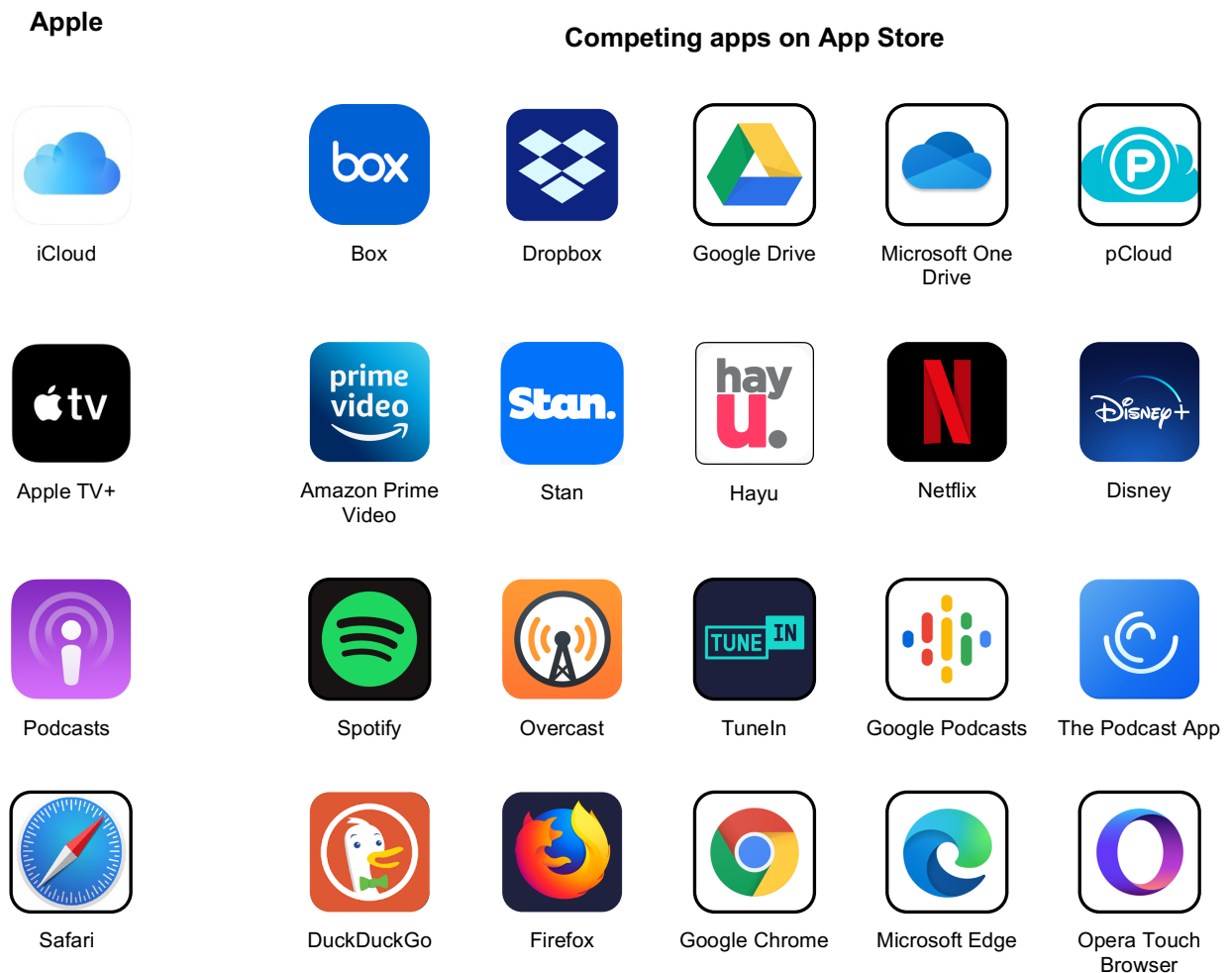[16] Ibid.
[17] See "How many users do Spotify, Apple Music and other big music streaming services have?", *MusicAlly* (19 February 2020), https://musically.com/2020/02/19/spotify-apple-how-many-users-big-music-streaming-services/.

(ii)   Google Maps and Waze have been downloaded by Apple users hundreds of millions of times globally over the past five years.[18]

(iii)   Snapchat and Facebook Messenger were among the most frequently downloaded free iPhone apps globally in 2019.[19]

(iv)   Mail competes with dozens of other mail apps on the App Store, many of which are free to download, including Gmail, Spark, Yahoo Mail, and Canary.

15.   Apple is therefore incentivised to create a robust app ecosystem with as many quality apps as possible. The health and diversity of this ecosystem is critical to Apple's success because it, in turn, drives the sale of our hardware products, which is Apple's core business. Apple therefore has a strong incentive to keep its ecosystem open and to deliver choice and quality to consumers.

16.   Figure 3 below provides an overview of third-party apps available on the App Store which compete with Apple's own services.

Figure 3: Overview of competing apps on the App Store in Australia

Apple	**Competing apps on App Store**				
iCloud	Box	Dropbox	Google Drive	Microsoft One Drive	pCloud
Apple TV+	Amazon Prime Video	Stan	Hayu	Netflix	Disney
Podcasts	Spotify	Overcast	TuneIn	Google Podcasts	The Podcast App
Safari	DuckDuckGo	Firefox	Google Chrome	Microsoft Edge	Opera Touch Browser

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[18] Kyle Andeer, Responses to Questions for the Record from the Honorable David N. Cicilline, U.S. House of Representatives - Subcommittee on Antitrust, Commercial and Administrative Law of the Committee on the Judiciary (16 July 2019) , https://docs.house.gov/meetings/JU/JU05/20190716/109793/HHRG-116-JU05-20190716-SD036.pdf at p. 7..
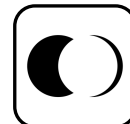[19] Brenda Stolyar, "Apple unveils the most popular iPhone apps of 2019", *Mashable* (2 December 2019), https://mashable.com/article/apple-most-popular-iphone-apps-2019/.

Camera	Camera+2	Instagram	Snapchat	Focos	ProCam 7
Apple Books	Amazon Kindle	Rakuten Kobo	Audible	BorrowBox Library	Google Play Books
Mail	Outlook	Gmail	Yahoo Mail	Spark	Canary Mail

17.   Different business models and monetisation strategies are key aspects of competition. Apple's business model, which focuses on the sale of devices, means that Apple has no incentive to foreclose third party apps, like Spotify, Netflix and others, from the App Store. The availability of a wide variety of high quality third party apps in the App Store adds value to, and increases the desirability of, Apple devices. Apple has no reason to undermine apps which contribute to that dynamic, even in circumstances where those apps compete with Apple's own apps.

3.2.   The App Store business model

18.   Apple has invested and continues to invest billions of dollars in the App Store. The commission that Apple charges enables it to realise a return on that investment, as well as to fund further App Store innovation. That business model has not fundamentally changed in the decade since the first-of-its-kind App Store was launched.

19.   When it created the App Store, Apple implemented a revenue share policy to ensure that Apple could continue to offer a quality digital marketplace for third-party developers to connect with consumers.

20.   The basic bargain of the App Store is simple: if a developer charges for software purchased in the App Store, the developer pays a commission to Apple.

21.   Apple's commission reflects the value of the App Store as a technology platform and channel for the distribution of developers' apps. The commission covers the cost of many services— including app development tools, intellectual property, app review, and marketing services— that make the App Store a safe and trusted marketplace for customers and a great business opportunity for developers.

22.   The App Store's monetisation model is rooted in Apple's overall philosophy of putting the user and user experience first. Apple's commission reflects Apple's role in connecting app developers with users who value the quality of Apple's devices and have an expectation that purchasing and using apps from the App Store will be a quality, secure experience. This focus on user experience is reflected in Apple's overall business model and offerings to consumers, which prioritise quality (*e.g.*, distinctive design, innovative technology), security (*e.g.*, protection from malware), and privacy (*e.g.*, safeguarding of personal and payment data).

23.   The App Store monetisation works as follows:[20]

    (a)   For a nominal US$99 fee for membership in the Apple Developer Program, Apple provides developers with an assortment of software tools to build, test, and distribute their apps on Apple's iOS for iPhones and iPadOS for iPads (collectively, **iOS**), watchOS, macOS and tvOS. Developers obtain access to these tools for the fee *on the condition* that they will pay Apple a commission if they choose to sell digital goods and services in their apps.

    (b)   Apple receives a 30% commission on purchases made through the App Store for:

        (i)   purchases of paid apps;

        (ii)   in-app purchases of digital content; or

        (iii)   digital subscriptions purchased for use in an app (after the first year of digital subscriptions, Apple receives only a 15% commission from those subscriptions).

    (c)   Apple receives **no commission** when developers:

        (i)   offer apps for free;

        (ii)   offer apps that generate revenue from in-app advertising;

        (iii)   sell physical goods and services in their app; or

        (iv)   offer reader apps, where users exclusively purchase or subscribe to content outside of the app, but can access that content (like music, books, and video) inside the app on their devices.

24.   From the very launch of the App Store in 2008, Apple determined that its business model would apply a commission only to the sale of *digital goods and services* (like game levels, premium app features, digital subscriptions, etc.), which exist entirely within the four corners of the iPhone and Apple's developer tools. Digital purchases are experienced primarily, if not entirely, on the device and have a far greater impact on the user's in-device experience. Apple offers developers and consumers the most value in this arena—it does not charge commissions on the sale of physical goods and services through its app marketplace. Apple, like every other app store, has affirmatively chosen not to accept any payment for the latter category of transactions. Simply put, while Apple is unable to assure that an order from Amazon is delivered, a driver requested through Uber arrives on time, or a consumer product is as good as promised, Apple is uniquely well-suited to assure the quality of the user experience when it comes to how digital content is delivered and consumed on its devices. And if something goes wrong in the transmission of an app or an in-app feature, Apple can fix the problem, and have any necessary refunds processed by its AppleCare support teams.

25.   Apple's 30% commission offers Apple a fair return on its investment in the App Store, the value of Apple's tools, software and other intellectual property, and the App Store's value in connecting developers to users. Apple's commission is *substantially* less than the industry-standard revenue share (50% to 70%) at the time Apple launched the App Store.

26.   Apple's 30% commission has not increased since the inception of the App Store; rather, it has *decreased* (to 15% for subscriptions after the first year). Apple's commission rates are commensurate, and in many instances lower, than commissions charged by other app stores and platforms that sell digital content.[21] Apple has also introduced new rules, like the "reader"

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[20] Apple, *App Store*, https://www.apple.com/app-store/.

[21] See Jonathan Borck, Juliette Caminade & Markus von Wartburg, "Apple's App Store and Other Digital Marketplaces: A Comparison of Commission Rates," *Analysis Group* (22 July 2020), https://www.analysisgroup.com/globalassets/insights/publishing/apples_app_store_and_other_digital_marketplaces_a_comparison_of_commission_rates.pdf

and "multiplatform services" rules that have allowed more developers to reduce or avoid paying a commission to Apple.

27.   Apple's In-App Purchase (**IAP**) mechanism for purchasing digital content serves two core functions in maintaining the convenience and security of the iOS ecosystem. First, it provides a safe, convenient mechanism by which consumers are able to make purchases on the App Store via a single, secure payment mechanism. In addition, Apple is able to provide customer support for any issues with the transaction, which would not be possible without the use of IAP. Secondly, and equally importantly, IAP is the mechanism by which Apple records sales and collects the commissions that fund Apple's investment in the maintenance of the App Store and the tools, intellectual property, and services that Apple provides to help developers create cutting-edge apps. Without IAP, it would be practically impossible to collect Apple's commission.

28.   Apple's IAP is hardly unique; Google's Play Store, the Amazon Appstore, the Microsoft Store, and many video game digital marketplaces, such as Xbox, PlayStation, Nintendo, and Steam, all have similar fees and requirements to use the marketplace's official in-app purchase functionality.

29.   A developer who sells digital content has no obligation to offer digital content, like digital subscriptions, through the App Store or otherwise use Apple's IAP mechanism. The App Store provides developers with a broad range of choices in terms of how to access iOS users and monetise their services. If a developer offers its digital content free on the App Store or adopts a business model that depends entirely on advertising or sale of physical goods or services, then it pays no commission to Apple. The reader app exception strikes an appropriate balance between developers' access to the App Store and iOS users and Apple's right to compensation for the value it brings to developers. The most successful apps, including Spotify, Netflix and Amazon Kindle, use the reader app rule to avoid paying Apple's commission.

30.   Overall, Apple receives **no commission on 84% of apps** in the App Store; in other words, 84% of all apps share none of their revenue with Apple but still have access to the App Store and its users. In 2019, iOS apps were estimated to have generated US$413 billion in sales of physical goods and services. Yet those developers paid Apple only a US$99 annual fee. Developers generated an additional US$45 billion in advertising revenue from their iOS apps in 2019. Again, Apple did not share in any of that revenue.[22]

3.3.   Apple continues to invest substantially in developers and their apps

31.   Apple has invested—and continues to invest—heavily in creating tools and services to enable app developers to provide high-quality apps on iOS. Apple's suite of software tools is specially optimised to help developers create, test, publish, and manage their apps. These continued investments and innovations are what makes the App Store a success and attractive to developers from the student coder to the independent entrepreneur to the small and medium business.

        (a)   Developers get access to bespoke developer tools (Xcode) and an easy-to-use, intuitive coding language for the Apple environment (Swift 5), as well as beta testing software (TestFlight) to ensure that apps work properly before they are launched on the App Store. Apple's guides and documentation contain step-by-step instructions on how to use the company's extensive development tools and resources; and Apple's dedicated developer support team helps to troubleshoot and provide advice and support.[23] These tools make developing apps as easy to learn as Apple's products are to use. Swift, in particular, provides an intuitive programming language for macOS, iOS, watchOS, and tvOS. The code is safe by design, yet also produces fast, high performing software.[24]

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[22] See Jonathan Borck, Juliette Caminade & Markus von Wartburg, "How Large Is the Apple App Store Ecosystem? A Global Perspective for 2019", *Analysis Group* (15 June 2020), https://www.apple.com/newsroom/pdfs/app-storestudy-2019.pdf at p. 2.
[23] See Apple, "*Distributing Your App for Beta Testing and Release*s" https://developer.apple.com/documentation/xcode/distributing_your_app_for_beta_testing_and_releases.
[24] See Apple, Swift, https://developer.apple.com/swift/.

(b) Developers can also access a variety of software frameworks and APIs that provide the resources for developers to easily integrate innovative and complex technologies like machine learning and augmented reality into their apps. When Apple first opened iOS to third-party development in 2008, it made 10,000 APIs available to developers, each of which allows developers to design apps that can easily take advantage of unique features and functionality we have built into iOS. And each year since, Apple has opened more and more APIs to developers. As a result, there are now more than 250,000 APIs available to developers in iOS 14.

(c) Apple also provides developers with marketing, billing, and security technology services, as well as a range of services associated with cross-border transactions.[25]

(d) Other tools and services Apple has created to help app developers include: purchase fraud detection and management; analytics tools to assess app performance and user engagement;[26] monitoring for bugs and coding errors;[27] a mechanism to resolve intellectual property disputes;[28] consultation on complying with App Store Review Guidelines; an annual World Wide Developer Conference (**WWDC**) to introduce new software capabilities;[29] improved discoverability;[30] marketing tools; and app financial data, including sales and download data.[31]

(e) Apple also offers developers a dedicated publishing platform called App Store Connect, where developers merchandise their products with screenshots and descriptions in multiple languages and manage how their apps and updates get released to customers all over the world. They can also configure marketing features to help them acquire customers, like pre-orders or set up promo codes for redeeming access to products. They can do all this from a computer on the web or on the go through a mobile app.

32. Developers also enjoy a wide range of services and resources to support them throughout their journey to the App Store. This includes Apple's annual WWDC, a community gathering with over 100 sessions on how to design and build the next generation of apps. Apple also offers one-to-one appointments with over 1,000 Apple Engineers, WWDR and App Store staff on how to implement new features and make the most of the App Store. Apple has a dedicated Apple Developer app, where developers can view this content and other resources year-round.

3.4. App Store Review Process

33. Apple seeks to ensure that apps are held to a high standard for privacy and security, because nothing is more important to Apple than maintaining the trust of its users. Consumers expect devices that work seamlessly right out-of-the-box. Apps must both work and be integrated with the Apple devices upon which they will be used.

34. Apple has reviewed apps since the opening of the App Store in 2008. Apple has expended significant effort to put in safeguards which allow the company to detect and stop harmful third-party apps.[32] The primary safeguard is that when developers submit their applications, Apple ensures that the app is not doing things it shouldn't be doing. There are going to be some apps — such as apps containing pornography, malware and apps that invade user privacy — to which Apple will reasonably say no.[33]

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[25] See Apple, *Apple Developer Documentation*, https://developer.apple.com/documentation.

[26] See Apple, *Apple Analytics*, https://developer.apple.com/app-store-connect/analytics/.

[27] See Apple, *Bug Reporting*, https://developer.apple.com/bug-reporting/.

[28] See Apple, *App Store Content Dispute*, https://www.apple.com/legal/internet-services/itunes/appstorenotices/#?lang=en.

[29] Apple Press Release, *Apple's Worldwide Developers Conference 2020 kicks off in June with an all-new online format*, Apple Newsroom (13 March 2020), https://www.apple.com/newsroom/2020/03/apples-wwdc-2020-kicks-off-in-june-with-an-all-new-online-format/.

[30] Apple, *Choosing a Category*, https://developer.apple.com/app-store/categories/.

[31] Sarah Perez, "Apple launches a dedicated mobile app for its developer community", *TechCrunch* (18 November 2019) https://techcrunch.com/2019/11/18/apple-launches-a-dedicated-mobile-app-for-its-developer-community/.

[32] *Steve Jobs Introduces the App Store – iPhone Software Roadmap Event*, YouTube (6 March 2008), https://www.youtube.com/watch?v=MfQtnQHLNcs.

[33] Ibid.

35.   To ensure apps available on Apple's devices meet these standards, Apple's App Store, like all stores, has rules: the App Store Review Guidelines (**Guidelines**). Apple publishes these Guidelines transparently for all to see.

   (a)   The Guidelines provide transparency to developers and users, ensuring that apps do what they say they will do. This makes the App Store a safe and trusted place for consumers to discover and download apps.[34]

   (b)   The Guidelines apply equally to everyone—including Apple's own apps that are on the App Store.

   (c)   Because Apple develops both the hardware and software for its devices, distribution through the App Store allows Apple to take full responsibility for the user experience.

   (d)   Apple's products, like the iPhone and iPad, could offer access to a trove of users' personal data—data which unscrupulous actors could seek to collect or exploit. Apple's rigorous App Review Process is designed to protect users of Apple's devices from malware and security threats.

36.   Apple's human-led App Store Review Process is designed to ensure that apps meet Apple's standards, add value to users, and safeguard users' privacy and security.

   (a)   Apple reviews, on average, 100,000 submissions for apps or app updates per week—most within 24 hours of submission. This process includes roughly 1,000 calls per week to developers to diagnose and cure issues.[35]

   (b)   Apple rejects approximately 40% of the reviewed apps. Many of these apps are rejected because they have software glitches or bugs, and/or would compromise users' data privacy or security.[36] Over 150,000 apps were rejected last year for violating privacy guidelines.[37]

   (c)   Apple strongly supports all points of view being represented on the App Store, but balances this against its commitment to safeguard its users by taking steps to make sure apps are respectful to users with differing opinions. Apple therefore rejects apps with any content or behaviour that we believe is over the line — especially when it puts children at risk. Every app has an assigned age rating, so parents can determine what is appropriate for their children. In this regard, demonstrating that this curation is necessary, over 1 million submissions have been rejected for objectionable, harmful, unsafe or illegal content since the opening of the App Store.[38]

   (d)   However, the most common reason Apple rejects an app is because the app does not work as intended.

   (e)   Apple puts many of its own apps through the App Store Review Process. Even those apps are rejected at times.

   (f)   When an app is not approved for use in the App Store, Apple provides the developer with the reason the app was rejected, referencing the Guideline violation that caused the rejection. Developers are encouraged to re-submit the app once they have corrected the issue.[39] Most rejected apps ultimately make it onto the App Store.

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[34] Apple, *App Store Review Guidelines*, https://developer.apple.com/app-store/review/guidelines/.

[35] Apple, *App Store*, https://www.apple.com/app-store/.

[36] Ibid.

[37] Apple, *App Store*, https://www.apple.com/app-store/.

[38] Apple, *App Store*, https://www.apple.com/app-store/.

[39] See Apple, *App Review*, https://developer.apple.com/app-store/review/.

37.   At WWDC in June 2020, Apple also announced that, in addition to their right to appeal an App Store review decision, developers will have the right to challenge the Guideline itself.

38.   Apple's App Store Review Process prioritises the protection of users and developers alike from fraud, malware, and unwarranted intrusion into their privacy. This may not be in the short-term commercial interests of some developers that monetise and leverage users' personal data. For example, with respect to COVID-19-related apps, Apple is evaluating apps to ensure data sources are reputable and that developers presenting these apps are from recognised entities.

39.   The App Store Guidelines are intended to ensure that apps offered in the App Store are secure. And these Guidelines have worked: Apple's stringent screening process has resulted in a significantly smaller number of malicious iOS apps than those available on Android.[40]

   (a)   As shown in Figure 4 below, in 2018, the iPhone platform accounted for just 0.85% of malware infections globally. By contrast, Android accounted for 47.15% and Windows/PC accounted for 35.82%.[41]

Figure 4: Malware infections by platform
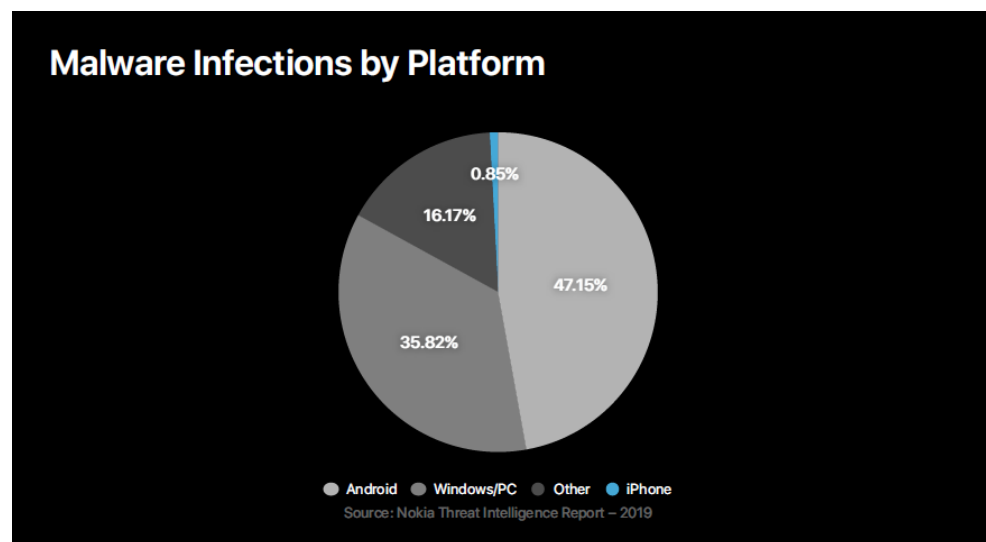
   (b)   Similarly, a 2013 U.S. Department of Homeland Security study found that 79% of mobile device malware attacks were for the Android platform, and only 0.7% for iOS.[42]

   (c)   Among app stores, Android app stores have significantly higher numbers of malicious apps than the App Store.[43]

3.5.   Alternatives to the App Store and app marketplaces

40.   While Apple strongly believes in the value of the business models and rules that it has created and implemented for the App Store, it is important to note that developers have many distribution outlets for their software applications and services.

41.   As the Issues Paper states, "[t]*here are a variety of app marketplaces, with different sizes and reach, which distribute apps on a variety of devices*".[44]   The App Store competes directly with software distribution on other smartphone platforms—including Google Play, Samsung Galaxy, and Amazon app stores—as well as across a range of devices that is growing larger and more

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[40] Symantec, *Internet Security Threat Report* (April 2016), https://docs.broadcom.com/doc/istr-21-2016-en at p. 11: "Apple is well-known for its stringent screening processes, which is why the number of malicious iOS apps is so much smaller than for Android."
[41] See Nokia, *Nokia Threat Intelligence Report – 2019* https://pages.nokia.com/T003B6-Threat-Intelligence-Report-2019.html.
[42] See U.S. Department of Homeland Security & Federal Bureau of Investigation, *Roll Call Release* (23 July 2013), https://info.publicintelligence.net/DHS-FBI-AndroidThreats.pdf.
[43] See RiskIQ, *2019 Mobile App Threat Landscape Report* (2019), https://www.riskiq.com/research/2019-mobile-threat-landscape-report/.
[44] ACCC Issues Paper, p. 10.

diverse. Every desktop computer, notebook, television, phone, camera, car, game console, tablet, speaker, eBook reader, watch, and more are becoming methods of distributing software to consumers. This list will continue to grow with the emergence of 5G. These are all options for developers, and this competitive dynamic drives Apple to innovate.

42.   Even on Apple products, there are multiple options for developers to sell their digital goods and services. Even though the App Store is a great choice for developers to reach Apple customers, it is not the only choice. Distribution of digital content over the internet remains an important option for developers. This includes developer websites and web apps (like those available from Instagram and Starbucks), which can be accessed through any web browser on iPhone and iPad. Indeed, many developers interact with users on their websites, including by allowing users to purchase digital content, and then making that digital content available through their iOS apps. The App Store terms and conditions, including its commission, do not apply to any transactions that take place through a web browser or web app.

4.   Privacy and consumer protection

43.   Apple has built a reputation for quality products that also protect user security and privacy both through the operation of the App Store—which is designed to ensure that apps meet Apple's standards, add value to users, and safeguard users' privacy and security—and through the creation of high-quality devices that contain built-in privacy features and software.

44.   Apple's commitment to data privacy and security has always been one of Apple's core principles. Indeed, Apple has viewed privacy as a fundamental human right long before it became trendy. As Steve Jobs explained in 2010, "*We've always had a very different view of privacy than some of our colleagues in the Valley. We take privacy very seriously*."[45]

45.   Apple has a decade-long track record of designing privacy protections into its products. Data privacy and security are fundamental pillars of the App Store and are crucial elements of its success. Consumers trust that Apple will equip them with tools to control the data they share with apps, and that Apple continuously seeks to improve the App Store's user privacy and security features to confront novel privacy and security risk.

46.   Over time, privacy has become closely associated with Apple and users demand Apple's adherence to and protection of its core privacy and security principles. Apple will continue to adhere to these core principles even where it involves short-term commercial sacrifices. Apart from its respect for privacy as a bedrock human right, Apple knows that it would incur incalculable damage to its brand if it engaged in deviations from its core privacy and security principles.

4.1.   Apple's Privacy-By-Design Commitment

47.   Privacy is embedded in the DNA of Apple's products and the App Store Review Process. Apple believes privacy is a fundamental human right, and privacy has long been an integral part of Apple's brand.[46]

48.   Apple sells products and services, like the iPhone and iCloud, to consumers. It does not operate a data-driven business to sell its customers' data to advertisers. That is not, and never has been, Apple's business model. As Apple's CEO, Tim Cook, has explained that doing so would be "*an invasion of privacy*" and Apple would rather adhere to the company's core values.[47]

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[45] See Paul Resnikoff, "What Steve Jobs Said About Protecting Privacy In 2010", *Digital Music News* (25 March 2018), https://www.digitalmusicnews.com/2018/03/25/steve-jobs-user-privacy-2010/.

[46] See, e.g., Apple, *Privacy*, https://www.apple.com/privacy/: "Privacy is a fundamental human right. . . . We design Apple products to protect your privacy and give you control over your information"; Catherine Clifford, "Apple CEO Tim Cook: 'Privacy to us is a human right...a civil liberty", *CNBC* (10 April 2018), https://www.cnbc.com/2018/04/10/apple-ceo-tim-cook-on-the-importance-of-consumer-privacy.html; Katie Benner & Paul Mozur, "Apple Sees Value in Its Stand to Protect Security", *The New York Times* (20 February 2016), https://www.nytimes.com/2016/02/21/technology/apple-sees-value-in-privacy-vow.html: "*Privacy and security have become part of [Apple's] brand, especially internationally*."

[47] Catherine Clifford, "Apple CEO Tim Cook: 'Privacy to us is a human right...a civil liberty", *CNBC* (10 April 2018), https://www.cnbc.com/2018/04/10/apple-ceo-tim-cook-on-the-importance-of-consumer-privacy.html.

49.   Every app on the App Store is automatically screened for known malware.[48] Apple's commitment to privacy is implemented through a number of core principles that are applied consistently to: (i) minimise the amount of data collected and shared by Apple or other partners operating within the Apple ecosystem; (ii) process data on the user's device (and not in the cloud or on servers) wherever possible; (iii) provide users transparency and control around data that is shared; and (iv) implement security best practices to protect user data.

50.   These core principles are reflected in innovations like:

(a)   *End-to-end encryption.* For all messages and conversations made through the FaceTime and iMessage communication services. With end-to-end encryption, conversations and texts cannot be accessed without the user's authentication. iOS 13 makes clear to users when their location data is being accessed by an app, and gives users more control over whether or not they wish to share that data.

(b)   *Differential Privacy.* Apple transforms certain user personal data before it ever leaves the device. In so doing, Differential Privacy masks the user's personal information and prevents the personal information from being reproduced. When a user authorises an app to continually access their location data, iOS 13 periodically reminds the user when the app uses that permission or changes its amount of use.

(c)   *Sign in with Apple (**SIWA**).* SIWA allows users to sign in to apps and websites quickly and easily, but also minimises the amount of information users are required to share in order to prevent user tracking and profiling. SIWA offers users a privacy-focused alternative to invasive social login services.

(d)   *Neural Engine*. With the iPhone X, Apple launched the A11 Bionic Chip with the Neural Engine. The Neural Engine powers machine learning algorithms that provide on-device intelligence and minimise the amount of data leaving the user's device.

(e)   *Location Tracking Notifications.* Apple believes that users have a right to know when an app uses their location data before a user decides to share that data indefinitely. Users know when their location data is being accessed by an app, and gives users more control over whether or not they wish to share that data.

(f)   *Privacy Nutrition Labels.* Apple is introducing new privacy "nutrition labels" for apps in iOS 14. A new section on each product page on the App Store will provide consumers a clear and easy-to-understand overview of a developer's key privacy practices, including data collected by the developer and how data may be used to track users.

51.   Each app on the App Store is required to ask for users' permission so that consumers choose what data to share. The first time a third-party app wants to access a user's information — such as location, contacts, calendars, or photos — the user receives an alert. Even if users grant access once, they can revoke it later. Apple also ensures that apps are denied access to certain sensitive data on users' devices, are unable to modify the device or OS, and are prohibited from obtaining complete access to consumer data.[49]

52.   Apple's protection of user privacy, and the enhancements it regularly introduces to honour its commitment to its users, may conflict with certain developers' commercial interests. In those instances, while protecting user privacy remains paramount, Apple works with developers to ensure their apps are safe, functional, and secure, and thus can be accessible on the App Store.

4.2.   The App Store reflects Apple's approach to privacy

53.   From the start, ensuring that the App Store was a safe and secure place for users to discover and download apps was the paramount consideration. In 2007, prior to the launch of the App Store, Steve Jobs acknowledged that Apple's privacy and security efforts prolonged the

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[48] Apple, *App Store*, https://www.apple.com/app-store/.
[49] Apple, *App Store*, https://www.apple.com/app-store/.

development of the initial iOS Software Development Kit, which allowed third parties to write native apps for the App Store. Steve Jobs explained that "*we're trying to do two diametrically opposed things at once, provide an advanced and open platform to developers while at the same time protect iPhone users from viruses, malware, privacy attacks, etc.*" More than ten years later, Apple has invested significant resources to support its privacy and security initiatives, hiring hundreds of engineers and other personnel to design, develop, implement, and ensure compliance with Apple privacy and security features and policies.

54.   Apple's commitment to privacy means that Apple must continue to meet high expectations for data privacy and protection, and any deviation would cause Apple significant reputational damage and invariably lead to reduced sales. Any significant data privacy or security lapses would undermine the trust that users have in both Apple's hardware and the ecosystem developed around it. The long-term success of the App Store, and its app developers, is therefore bound to the protection of user privacy and security. To safeguard users and the ecosystem, Apple must consistently apply its privacy and security principles across the ecosystem, including to its own apps and apps distributed through the App Store.

55.   To preserve user privacy and security, and address other issues occasioned by a digital platform, Apple developed the App Store Review Guidelines described at section 3.4 above and an app review process to rigorously vet apps before they could be displayed on the App Store.

56.   The App Store Review Guidelines reflect Apple's core privacy and security principles. To minimise data collection, for example, apps "*should only request access to data relevant to the core functionality of the app and should only collect and use data that is required to accomplish the relevant task.*" To promote transparency and user control of data, all apps that collect user data "*must secure user consent for the collection.*" To protect the user's identity when sharing information, apps must not "*surreptitiously build a user profile based on collected data*" and may not "*attempt, facilitate, or encourage others to identify anonymous users.*" The App Store Review Guidelines require every app to implement measures sufficient to ensure secure handling of any collected user data. The App Store Review Guidelines are stringent and comprehensive, but have proven to be crucial to ensure that the App Store experience—like that of Apple devices—is private and secure.

57.   The privacy and security principles built into the App Store Review Guidelines and the app review process are critical enablers of the App Store's success. Users need not undertake a time-consuming review of the privacy protections offered by every available app regarding information collected via iOS and instead can be assured that Apple has given them the tools to efficiently and effectively control the collection of such data.

58.   App developers and the App Store itself operate in a dynamic environment. As Apple's innovations bring new features to Apple devices and are used by apps, new potential privacy challenges can emerge and Apple has revised its Guidelines to ensure that users continue to be adequately protected. Apple builds robust privacy protections into every new technology, such as Face ID or Touch ID, at launch. But as Apple allows third-party apps to use these technologies, Apple must develop a set of rules in order to clearly establish the scope of appropriate use of the technology and to prevent misuse.

59.   Whether based on new Apple technologies or not, the vibrant developer community continues to push the boundaries of what is possible with apps and drive the innovation that the App Store aims to generate. Apple believes that it has a duty to its users to ensure that developer innovations delivered via the App Store are employed in a way that protects user privacy and security. Apple therefore closely monitors app developments on the App Store and updates its App Store Review Guidelines accordingly.

60.   Apple is convinced that its approach to the App Store—grounded in the core privacy and security principles that are synonymous with the Apple brand and crucial to maintaining user trust and confidence—is in the long-term best interest of users, third party developers, and Apple itself, even if it may periodically lead to frustration among some app developers that see an opportunity to make more money in the short-term with a laissez-faire approach to privacy.

4.3.   App data and analytics available to developers

61.   Apple understands that its commitment to data privacy and security may be in tension with the commercial interests of some app developers who rely heavily on access to as much data, including personal information, as possible or who use technology in a way that exposes users to potential data misuses. Some developers, particularly those whose business models are built on invasive targeted advertising, would prefer more lax standards and confusion or ignorance among users as to the extent of their data being used. These developers may publicly vent their misgivings or even complain to authorities that the App Store's approach to user data raises a competition law issue. What those developers ask is that Apple abandons or softens its stance on privacy and adopts a model that is closer to Android. As the ACCC has previously noted, it would not be in the best interests of consumers or competition. Respecting Apple's core principles and protecting user privacy and security are fundamentally pro-consumer and pro-competitive. Indeed, in the context of Apple Pay, the ACCC has acknowledged that undermining Apple's "*integrated hardware-software strategy*," which differentiates it from Android, would have an "*impact on the consumer experience* [and] *is also likely to impact competition between mobile operating systems*."[50]

62.   Apple will not sacrifice users' privacy to accommodate some developers' desire for unrestrained user data access. Developers must convince users, in a transparent manner, that they have a legitimate use for any requested data and that they are trustworthy stewards of user data. Apple holds itself to the same standard and does not pursue the potentially high returns it could make short term if it were to jettison its principles and monetise user data, as doing so would be "an invasion of privacy"[51].

63.   Apple, however, has every incentive to provide developers the data and information they need to improve their apps and to innovate. The success of Apple's products depends in part on ensuring that users have access to a wide variety of high quality, innovative third-party apps, which enhances the overall user experience and increases the desirability of Apple's products. Denying developers access to data they might use to enhance their apps makes little sense as this would ultimately degrade the user experience and reduce the desirability and value of Apple devices. To the contrary, Apple believes that the App Store is at its best when it is home to a wide variety of exciting, high quality apps, including those from third parties which compete with Apple's own apps and which users of Apple devices love to use. This, however, needs to be balanced with the needs and expectations of consumers, including consumer privacy.

64.   Apple has developed and uses the App Store Connect software to provide app developers with comprehensive data relating to their customer-initiated transactions and app engagement. Third party mobile app performance monitoring tools provide additional information about app performance. Between App Store Connect and third party tools, developers have ample data at their disposal to measure and analyse their apps' financial performance and user engagement. Specifically, App Store Connect offers developers three tools - App Analytics, Sales and Trends, and Payments and Financial Reports - that allow them to measure their app's financial performance and user engagement. All developers who join the Apple Developer Program have access to App Store Connect.

65.   Despite the comprehensive data set that Apple does provide to developers, it does not share users' personally identifiable information. Sharing such information would violate Apple's privacy policy and run counter to customer expectations. Apple has promised customers that it will keep their information secure and private and has resisted siren calls to exploit lucrative opportunities to monetise customers' data. It wouldn't be appropriate, legal or provide users with sufficient levels of transparency if Apple were to request a broad consent from users to disclose their personal data to an undefined number of developers. However, the App Store does allow developers to seek valid consent from users to provide information directly, thereby placing the power to decide on whom gets the data where it should be - with users.

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[50] See ACCC, *Applications for authorisation A91546 & A91547 lodged by Bendigo and Adelaide Bank Limited & Ors in respect of a proposal to engage in limited collectively bargaining with Apple and limited collective boycott of Apple Pay* (31 March 2017), https://www.accc.gov.au/system/files/public-registers/documents/D17%2B40724.pdf.

[51] See Catherine Clifford, "Apple CEO Tim Cook: 'Privacy to us is a human right...a civil liberty", *CNBC* (10 April 2018), https://www.cnbc.com/2018/04/10/apple-ceo-tim-cook-on-the-importance-of-consumer-privacy.html.

66.   Apple applies these policies in a non-discriminatory way. No one group of developers are given more information than others. Apple's own apps also live by the same privacy policies that govern third-party apps. Apple does not exploit or monetise consumers' personally identifiable information in a way that would be prohibited for app developers.