Does Google Have a Monopoly on the Web Browsing Market?

Google, Amazon, and Facebook. What do these enormous corporations have in common? They all revolve on the world's reliance on the internet. Waves as giant as "3.5 billion searches per day" from Google and "150.6 million users from the Amazon mobile app" in September 2019 alone are astonishing figures that show the evolution of the modern lifestyle (InternetLiveStats) (Daniel Keyes). Thanks to the development of laptops and smartphones, access to the services of these big technology giants have never been easier and only aids in their meteoric rise in use. In the modern-day, it seems as if they're almost untouchable behemoths that we cannot help but make use of in our everyday lives. In fear of the formation of monopolies, lawmakers and political figures are beginning to advocate against letting these big technology companies grow unchecked, specifically Google. Google has the most significant web browser in terms of market share and consumer usage in the world. In June of 2019, the U.S. Justice Department took early steps towards opening a federal antitrust investigation into Google, and in September of the same year, Google received demands for documents from the Justice Dept, acknowledging possible antitrust scrutiny (). Yet, before investigations and allegations, it's essential to step back. Is Google, the tool everyone relies on every day with its massive web browser, a dominating monopoly? Although it may surprise some, the fact of the matter is, it is not. Google is not a monopoly for a variety of reasons: the company does not prevent competition, doesn't arbitrarily inflate the percentage of revenue taken from advertisers, and doesn't stifle the innovation process.

Google does not directly prevent competition, not because they choose not to, but because they can't, thanks to the ease of innovation. The technology market is ever-expanding, and thankfully for businesses, access to tools for change has never been more convenient. Want to create a website? Use Wix or Squarespace or watch a video on coding. Need to learn how to code a self-running program? Access virtual academies and quickly become an expert. Since competition runs on what is the next innovative product, this makes maintaining dominance as a big technology company very difficult. "Internet Explorer attained a peak of about 96% of the web browser usage share during 2002" and was dominant until the 2010s (Ian Peter). From what seemed out of nowhere, Google's market share skyrocketed past Internet Explorers just five years after its creation. Internet Explorer had an unrivaled dominance in the 2000s, accumulated an enormous audience, and controlled a massive amount of massive market share for over a decade, yet it lost its top spot to a company built five-years earlier. Internet Explorer continued to support Internet Explorer 6 for over ten years as it "refused to die" and "the company lagged in adopting other standards, such as the 3D graphics technology WebGL" (Dave Cahill). This "refusal to die" shows how Internet Explorer had become comfortable in the top and was confident that because they had been so dominant in the 2000s that they didn't have to innovate, that adapting and using new features was a waste of resources. However, because Chrome had continuously innovated, it was seen "as faster and easier to use, and came with features such as tabs and extensions," Google usurped Internet Explorer as the dominant browser we know it as today (Hiten Shay). And as the smart company they are, Google knows to be wary of being complacent. The heavy competition and continued innovation in the web browsing market from Safari, Edge, and Firefox forces them to continually grow their company as one wrong move could cause consumers to find an alternative quickly. As seen with Internet Explorer, brand loyalty is less important to consumers than the quality of the product itself. Due to the nature of the market and how open competition is in the modern-day, Google isn't able to act as a monopoly.

Another crucial part of a monopoly is its abuse of power in pricing. The lack of competition presented to monopolies allows them to continually raise prices, as there is no alternative option for the average consumer. However, the recent evolution of capitalism from services over products makes pricing challenging to judge. Rather than charge directly for their services, companies allow free access to their products and use advertisements and the selling of user data to make a profit. This model is followed by large technology companies such as Facebook, Instagram, and Google to massive success. Companies enlist a mechanic where they take a certain percentage of the revenue produced by the advertisement. Google uses "AdSense" and "for displaying ads with AdSense for content; publishers receive 68% of the revenue recognized by Google in connection with the service" (Google Support). Looking at Google's model through a lens of monopoly analysis, can Google raise the percentage they take for advertisers? If Google were a monopoly and did start taking a more significant portion of advertisements' revenue, then advertisers would have to continue to advertise on Google; they wouldn't have a choice. However, because of the aforementioned competition in the market and the value placed on the product rather than loyalty, Google taking a more significant percentage would quickly cause advertisers to run their advertisements on a competitor's web browser, which in turn would cause Google to make a smaller and smaller profit, hurting only themselves. Also, if Google were a monopoly, then it could increase its revenue by putting more advertisements on their sites or collecting more personal data from users to sell. Yet, Google is unable to do this as people have alternatives, and if Google were a monopoly, then users would have no choice but to accept it. Google's inability to arbitrarily inflate the percentage of revenue taken from advertisements and increase revenue by collecting more personal data for users to sell, thereby supports the argument that Google is not a monopoly.

Lastly, it is essential to see how a company is evolving when looking for a monopoly. Monopolies are characterized by the statement that innovation isn't necessary, as there is never any rival to compete. With this in mind, Google needs to continue innovating its web browser since becoming the dominant figure in the web browsing market. In the past decade, when Google passed Internet Explorer in control over the browsing market, they have indeed continued to innovate. For the sake of this argument, Google is being judged primarily on their web browsers and software, not counting their hardware such as the Google Nexus. While Google may have slowed its innovation of Chrome since it passed Internet Explorer, it continues to update its web browser to this day. Google has added 69 updates as of 2018, such as adding a mobile Chrome app, an advanced translation feature, easy access to Google apps, such as Google Docs, and more (Chrome Support). All of these improvements have happened since passing Internet Explorer in 2012, with the latest update coming to Chrome on January 9th, 2020, the day this paper is being written. Google's dominance over the market has led them to focus more on their hardware and less on updating their web browser, but the continuation of updates even after capturing a majority of the market share shows that Google cannot be considered a monopoly by the traditional definition of the word.

Market share is only a starting point for determining whether monopoly power exists, and the inference of monopoly power does not automatically follow from the possession of a commanding market share - Supreme Court at Am. Council of Certified Podiatric Physicians & Surgeons v. Am. Bd. of Podiatric Surgery. Google is not a monopoly. However, a monopoly isn't determined by its control over the market, but by how it uses that control. Does the company prevent competition, arbitrarily inflate the percentage of revenue taken from advertisers, or stop the innovation process? Google is enclosed by Safari, Firefox, and Edge, who are all looking for ways to surpass Chrome. This requires Google to push out consistent updates that improve its web browsing experience and include features the competition cannot match. Google, to resume its revenue flow, isn't able to raise the percentage taken from advertisers as the advertisers have other web browsers where they can move. Although it is vital to keep a close eye on Google and monitor how they use their market share dominance, they are currently not a monopoly.

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