

Through The Regulatory Fog

How the EU's Digital Markets Act Is Harming Consumers and Innovators

Since taking effect in 2023, the EU's Digital Markets Act has stripped away the personalization, integration, and convenience users relied on — slowing searches, hiding small businesses, delaying major AI and privacy features, and opening new security gaps. The regulation aimed to boost competition and protect consumers, but the evidence increasingly points the other way.

30%

drop in EU clicks within 3 months of the DMA

39%

of users report worse ad personalization

10 mo

delay for Apple Intelligence in the EU

10%+

hotel traffic lost in gatekeeper search tests

KEY FINDINGS

01 User Experience Has Degraded

Consent prompts, broken map linking, and stripped-out personalization mean two-thirds of frequent EU searchers now report slower results — with declines spanning ads, maps, search relevance, and account sync.

02 Small Businesses Are Losing Visibility

Local retailers and grocers, who depend on free organic search and maps traffic, are disappearing behind compliance-driven layout changes — while large chains that can afford paid advertising are largely unaffected.

03 Innovation Is Bypassing Europe

Perhaps the most tragic irony of the DMA is its impact on startups and cutting-edge tech deployment. Instead of fostering a wave of European champions, the regulatory environment has turned Europe into a digital dead zone for new feature rollouts.

04 New Security and Privacy Risks

Mandated interoperability forces messaging decryption/re-encryption and unverified app access, creating fresh interception points and attack surfaces that put user data at greater risk.

BOTTOM LINE

By separating regulatory enforcement from actual economic analysis, the European Commission has created a regime that not only fails on paper but, most importantly, fails catastrophically in practice.

America Does Not Need to Repeat Europe's Experiment.

U.S. policymakers should preserve America's consumer-focused antitrust tradition: protect competition rather than individual competitors, demand evidence of consumer harm, and allow businesses to compete and innovate. The DMA shows what happens when regulators abandon those principles.