Simon Polito  
Chairman of the Group, Global Radio/GMG Radio Merger Inquiry  
Competition Commission  
Victoria House  
Southampton Row  
London  
WC1 4AD

6 March 2013

Dear Mr Polito

Submission regarding the Global/RSL Merger Inquiry

I attach our submission in response to the Provisional Findings report published by the Competition Commission on February 15th 2013 and specifically with reference to the Survey Moderator’s report published as part of the evidence that has been made available on the Commission’s website.

YouGov’s role in relation to this Inquiry has solely been to organise research into the opinions of advertisers. This research was commissioned by Slaughter and May, the legal advisers to Global Radio (“Global”) and its findings have been included in the evidence submitted to the Inquiry.

As an independent provider of market research, YouGov does not have or wish to offer any opinion on the issues relating to the merger that are the subject of the Commission’s inquiry. However, as you will note from our submission, YouGov considers that the way in which the Moderator undertook this review and the conclusions she reached are deficient in a number of significant respects. We believe that the Moderator has not properly and fully considered all the evidence submitted to her and that the report contains inaccuracies and draws conclusions that are not supported by evidence. We have therefore felt obliged to make this submission in order to protect YouGov’s interests and reputation.

We understand that our submission will be published as part of the evidence submitted to the Inquiry. We hereby give our consent to its publication in full and request that it be given equal prominence to that given to the Moderator’s report on the Inquiry website.

We would be pleased to discuss our submission and the Moderator’s Report to which it relates with the Inquiry Group and staff and to attend meetings or hearings with you.

Yours sincerely

Alan Newman  
Director and Company Secretary
Global – GMG Merger Inquiry

Submission regarding the ‘Survey Quality Moderator Report’ dated January 2013

6th March 2013
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1. Introduction

This submission has been prepared in connection with the Competition Commission’s Provisional Findings published on 15th February 2013 and specifically with reference to the Survey Moderator’s report, prepared by Sheila Robinson and published as part of the evidence released into the public domain. Both of these documents refer to research conducted by YouGov plc. This research was commissioned by Slaughter and May, the legal advisers to Global Radio (“Global”) and its findings have been included in the evidence submitted to the Inquiry. At the Commission’s request and with the consent of our clients, YouGov facilitated the Moderator’s review of our research work including arranging for access to a telephone interview centre (run by Indiefield who conducted the fieldwork for the interviews listened to by the Moderator) and to individual interviewers.

As an independent provider of market research, YouGov does not have or wish to offer any opinion on the issues relating to the merger that are the subject of the Commission’s inquiry. YouGov’s role has solely been to organise research into the opinions of advertisers. We note with serious concern that the Moderator’s report has called into question the quality of this research and states “in my view … the research conducted is of poor quality” and that “the Competition Commission should be very cautious about the use of this research data in decision making”.

However, we believe that the way in which the Moderator undertook this review and the conclusions and report resulting from it are themselves deficient in significant respects. Her report fails properly to acknowledge or describe substantial additional evidence supplied by YouGov, Indiefield and our clients to the Moderator and to the Commission following her initial review visit, and in response to her initial feedback comments. As a result, the Moderator has effectively ignored our representations and dismissed them without adequate explanation. Her report also draws conclusions regarding one of the two surveys (“Lost Opportunities”) which are without evidential support as it was an entirely separate survey from that covered by the Moderator’s fieldwork. We consider that this report and the conclusions expressed in it do not reflect the rigour, impartiality and objectivity expected of an independent Moderator.

We therefore urge the Commission to ask the Moderator to address the concerns that we have set out in this response. In particular, we ask that she should consider properly and fully all the evidence submitted since her review visit and to the extent that she disregards or disagrees with it that she should explain fully her reasons for doing so. We also believe that the Moderator and the
Commission may wish to reconsider her conclusions in the light of the concerns described further in this response.

Before addressing the concerns expressed by the Moderator about the quality of the interviews we wish to comment on the way in which the review was undertaken.

2. Review scope and process

Our research work was conducted over a period of more than eight months, which started in May 2012, with the planning of the work and ended in December 2012, when the last in interviews were completed. The research comprised independent surveys covering two distinct groups of interviewees, which are referred to in the Inquiry evidence and the Commission’s findings as respectively the “Lost Opportunities” and the “Existing Customers” surveys. These surveys were conducted in three waves and comprised a total of 1,246 interviews.

We were informed by our client on 21 November 2012 that the Commission had requested that an independent moderator review the quality of the research work conducted by YouGov, including the telephone interviews conducted by specialist telephone interview units for YouGov. We note that YouGov has not been given any written terms of reference for the Moderator’s review and none are set out in her report.

In contrast to the complexity and length of this research project, the Moderator’s review of it was limited to one day’s fieldwork comprising a single visit to YouGov’s office and to the telephone centre. It also included a very limited amount of time spent listening directly to a very small sample (five) of the telephone interviews conducted for one wave of the Existing Customer survey. This sample represented only 0.4% of the total number of interviews conducted for the two surveys. At the end of her day’s visit, the Moderator expressed her satisfaction with the way that the research work was organised. She also indicated that two of the five interviews reviewed were satisfactory but expressed concerns about three of them. The Moderator then requested further information from YouGov and our client, which we subsequently provided in writing. This was followed by further exchanges by email. However, the Moderator did not at any time between her single visit and the publication of her report provide YouGov or our clients with any opportunity to discuss with her the issues that she had initially raised, or to explain the further evidence we provided to her that we believe addressed her initial concerns. Nor did she provide us with any indication of her conclusions prior to the publication of her Report. It is customary in comparable independent
review and statutory or other audit processes, for the reviewer concerned to discuss the evidence and preliminary findings of that process with those undergoing the review, as well as to check factual accuracy with them before issuing a definitive report. The Moderator did not follow any such approach. We also note that the Commission’s own statement of provisional findings addresses in detail all the evidence submitted to it and explains the basis of its conclusions whereas the Moderator’s report, in contrast, does not cite the full evidence given to her or explain her reasons for disregarding it.

3. Reliance upon a small number of interviews in the review

The Moderator states in her report that:

“My experience of the fieldwork was that of a meeting with the fieldwork manager and three interviewers (along with the YouGov representative) and listening to recordings of five interviews (several different interviewers).”

The five interviews to which the Moderator listened were all taken from one wave of the Existing Customers survey and represent only 1% of the 467 interview recordings available for that survey and only 0.4% of the total number of 1,246 interviews conducted for the two surveys. Notwithstanding this single small listening sample, the Moderator proceeded to draw conclusions relating to all the waves of both surveys without extending her sample to cover the other two waves of the Existing Customers survey or including the Lost Opportunities survey at all. We believe that this small listening sample was insufficient for the purpose of forming a considered opinion regarding the quality of the interviews in all the surveys taken as a whole, and of the reliability of the data generated from these, which itself was based upon a substantial and diverse evidence base.

Following the Moderator’s visit, YouGov undertook a listening exercise covering 467 recordings of the Existing Customers survey and reported our findings from this to the Moderator and the Commission. The Moderator however, failed to refer in her report to this listening exercise or to give any reasons for ignoring this information. We believe that this evidence should have been given significant weight compared to findings which were based on a sample of five interviews.
4. Conclusions on Lost Opportunities survey

In her report, the Moderator states that:

"Whilst two surveys were conducted, ‘Existing Customers’ and ‘Lost Opportunities’, I did not listen to any interviewing for ‘Lost Opportunities’. It seems probable, however, that fieldwork for both would have been similar, given that they were conducted by the same agency over a similar time period."

We are surprised at the Moderator's dismissal of the Lost Opportunities survey simply on the basis that its fieldwork was likely to have been similar to that of the other survey. We believe this assumption to be incorrect and the Moderator's conclusion to be without foundation. This survey, comprising 698 interviews, was entirely separate from the Existing Customers survey and used a different questionnaire. This did not include any question of a comparable nature to Q11 of the Existing Customers survey. It also drew by definition on a distinct sample of advertisers and much of its fieldwork was conducted several months before the Existing Customers survey. Furthermore, a large proportion of the interviews (65 per cent) were carried out by a different telephone fieldwork agency (RSM Research Ltd) from the one that conducted the Existing Customer survey and that the Moderator visited. Thus, the Moderator's statement "it seems probable that fieldwork for both would have been similar" is not based on the facts. We also note that the Moderator did not make any specific enquiries regarding the Lost Opportunities survey at any stage of her review visit and raised no concerns regarding it in subsequent exchanges with us. We were, therefore, surprised that the Moderator should make any comments at all on this survey in her report. Given the lack of evidence for her comments, including the lack of any specific evidence or review work by the Moderator that would enable her to form an opinion on the Lost Opportunities survey, we request that the Moderator withdraw her statement regarding the Lost Opportunities survey and any conclusions relating to it.

5. The framing of Q11 of the Existing Customers Survey

The Moderator focuses much of her attention upon Q11. This question is designed to assess how respondents would have allocated their media budget if the station on which they advertised had not been available to them. It is important, therefore, because it identifies the counterfactual outcome.
The issue raised by the Moderator is that the inconsistent way in which the question is asked and the answer options presented means that the resultant data cannot be relied upon.

We provided evidence in our submission of 17th December and 4th January that addressed her concerns, but these have been ignored by the Moderator.

Our submissions dealt with a number of aspects relating to how the question was framed. In our submission of 17th December we stated that some interviewers had not read out a part of the question that sets the context, because the context had already been set at Q8, Q9 and Q10. This submission also stated that many respondents interrupted the interviewer before the latter had finished reading the question to offer their answers. On other occasions, the interviewer read out the answers in a block. However, as we stated in our submission, they were careful to make sure that the respondent could identify each answer by starting “a.”, “b.” and so on. They also placed emphasis on the differentiating word (e.g. “other” and “different”) to ensure that the respondent understood.

In our submission of 4th January we concluded, based on listening to all available recordings, that the answers to the complete set of questions 11a-c about the choice of alternative media options provided reliable data on the alternative options that advertisers would have chosen for the given campaign. In other words, irrespective of the manner in which Q11a was framed, respondents were provided the opportunity to identify, in the vast majority of cases, the alternative media that they would turn to in the scenario where they were unable to use Global or RSL stations.

In her report, the Moderator did not acknowledge these points and we believe that the report should discuss why this evidence has been disregarded.

6. Interviewing spread

In her report, the Moderator acknowledges that “There is no formal ‘MRS rule’ about interviewing spread and it is common practice to use a core team of interviewers for business interviewing”. She nonetheless goes on to say “but this level of imbalance is a concern”. She also states separately “significantly, a large imbalance in interviewing spread was also revealed”.

However, the Moderator does not give any explanation as to the nature of her concern regarding spread or the evidence upon which it is based. Nor, does the Moderator specify what level of spread she considers would have represented a “balance” in the context of this survey. Since
neither the Market Research Society nor the Interviewer Quality Control Standards (to which the telephone centre concerned adheres) refer to interview concentration, it seems that the Moderator is relying on her personal opinion, both in considering that the level of interviewer concentration is an important determinant of quality, and in judging what an acceptable level of concentration should have been for this study. As we do not know what the Moderator’s precise concerns are in this regard, we suspect that it may be connected with the possible effect of interviewer bias on the results. However, our own analysis and that of RBB Economics showed that there is no evidence of such an effect in the survey to which the Moderator refers. Thus taking this issue as a whole, we believe that the Moderator has failed to provide a quantifiable assessment as to why concentration is a relevant quality concern, or any objective measure of what constitutes a so-called “balanced” spread (either in terms of overall interview proportions or regional coverage). We, therefore, ask that the Moderator provide supporting evidence for her conclusion on this issue, or else withdraw it.

7. Conclusion

As we have stated above we urge the Commission to ask the Moderator to address the concerns that we have set out in this letter. In particular, we ask that she should consider properly and fully all the evidence submitted since her review visit and to the extent that she disregards or disagrees with it that she should explain fully her reasons for doing so. We also believe that the Moderator and the Commission may wish to reconsider her conclusions in the light of the concerns set out in this submission.