

Simeon Thornton
Project Director
Competition and Markets Authority
Victoria House
Southampton Row
London
WC1B 4AD
United Kingdom

31 July 2019

Dear Simeon,

Re: Market study relating to online platforms and digital advertising

Thank you for your recent letter to Peter Simpson, Acting Company Secretary of the John Lewis Partnership, requesting the Partnership's response to the themes and issues the CMA has identified in the proposed online platforms and digital advertising market study Statement of Scope, and an additional request for information.

Please find the John Lewis Partnership's response to the Statement of Scope below. We are currently compiling the required data to respond to the request for information which we will provide in due course. Please note that some of the information provided will be commercially sensitive and we would therefore appreciate the CMA's cooperation in seeking our consent ahead of releasing this into the public domain.

It is the view of the John Lewis Partnership that the CMA's description of the digital advertising market is generally accurate and that the CMA's proposed market study is particularly timely.

In terms of the scope of the market study, we welcome that the impact of market power on the supply of digital advertising is being considered. It is the Partnership's experience that despite a widely diverse marketplace of hundreds of advertising technology vendors, market power is quite concentrated in the digital advertising market due to the high levels of data richness a small number of platforms have access to.

The CMA is right to investigate if this market concentration has led to practices inconsistent with a competitive free market occurring in the digital advertising market and has correctly identified that, if this is the case, this may eventually have an indirect harm on consumers if the rising costs of digital advertising are passed on by advertisers through higher final costs of goods and services.

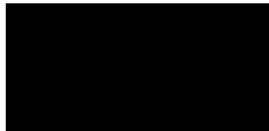
In addition, we also welcome that the market study will review the transparency of the digital advertising sector and how it operates, specifically, how digital advertising is sold (including the real-time auction and bidding process) and verified.

We welcome the CMA's approach to seeking evidence from a wide range of digital advertising market participants, including advertisers such as the John Lewis Partnership.

We are keen to assist the CMA in building a broad base of evidence and plan to submit further evidence as part of the market study in due course.

I hope the above comments and attached information is useful to you and your team and we look forward to developing a productive relationship as the market study goes forward.

Yours sincerely,



Martin George
Partner & Customer Director,
Waitrose & Partners