ADVERTISER TRUST

Navigating the current climate and coming out ahead

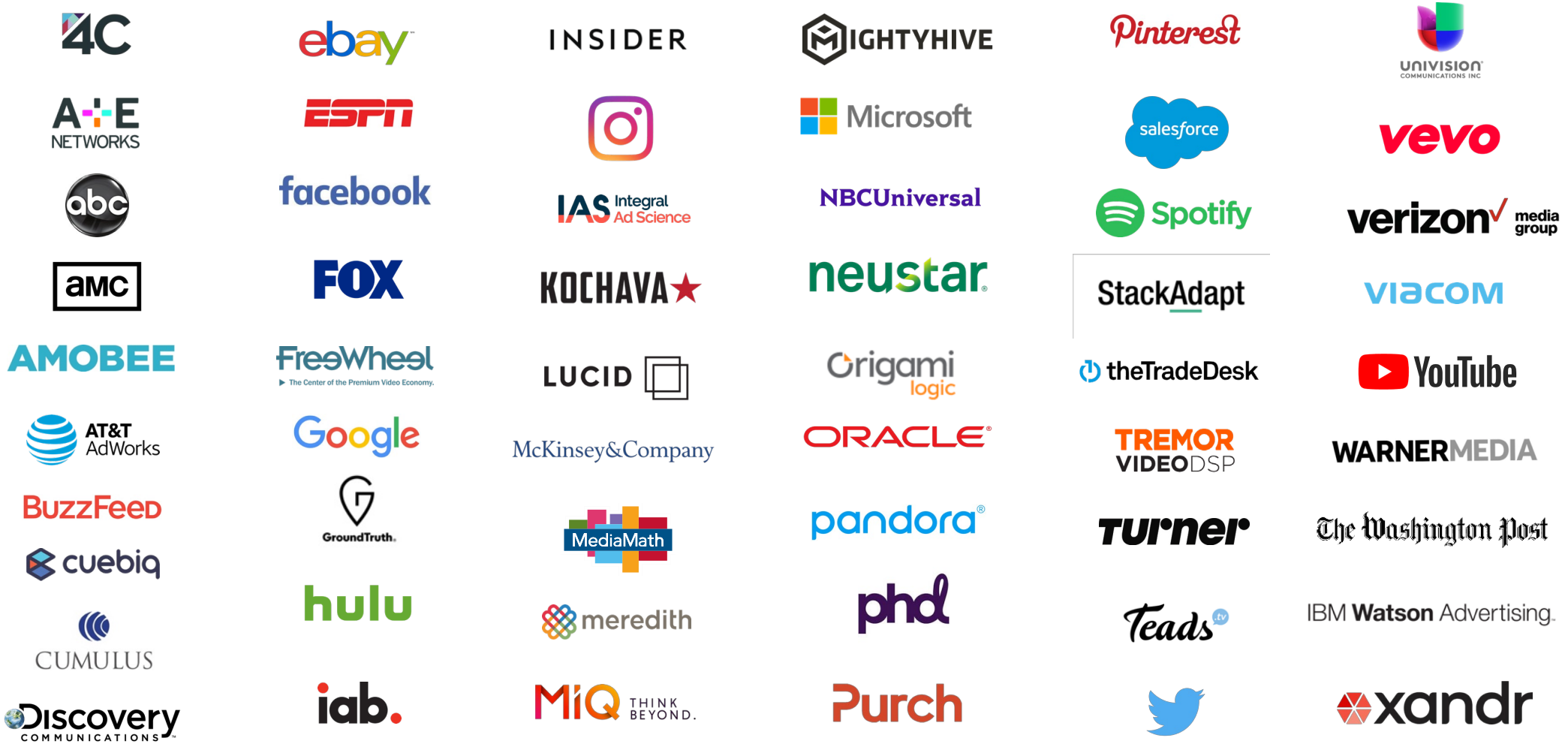
Media Leadership Series

Advertiser Perceptions

Advertiser Perceptions by the Numbers

16	65	700	85	300
YEARS	STUDIES	COMPANIES	CLIENTS	PRESENTATIONS
of proprietary, historical data about "what advertisers think"	conducted per year: syndicated & custom, quantitative & qualitative, U.S. & Global	continuously measured across digital, television, radio, print, agencies and ad tech	ranging from traditional media to emerging ad tech	delivered per year, sparking active dialogues about key issues in the marketplace

Our Clients



Partial list

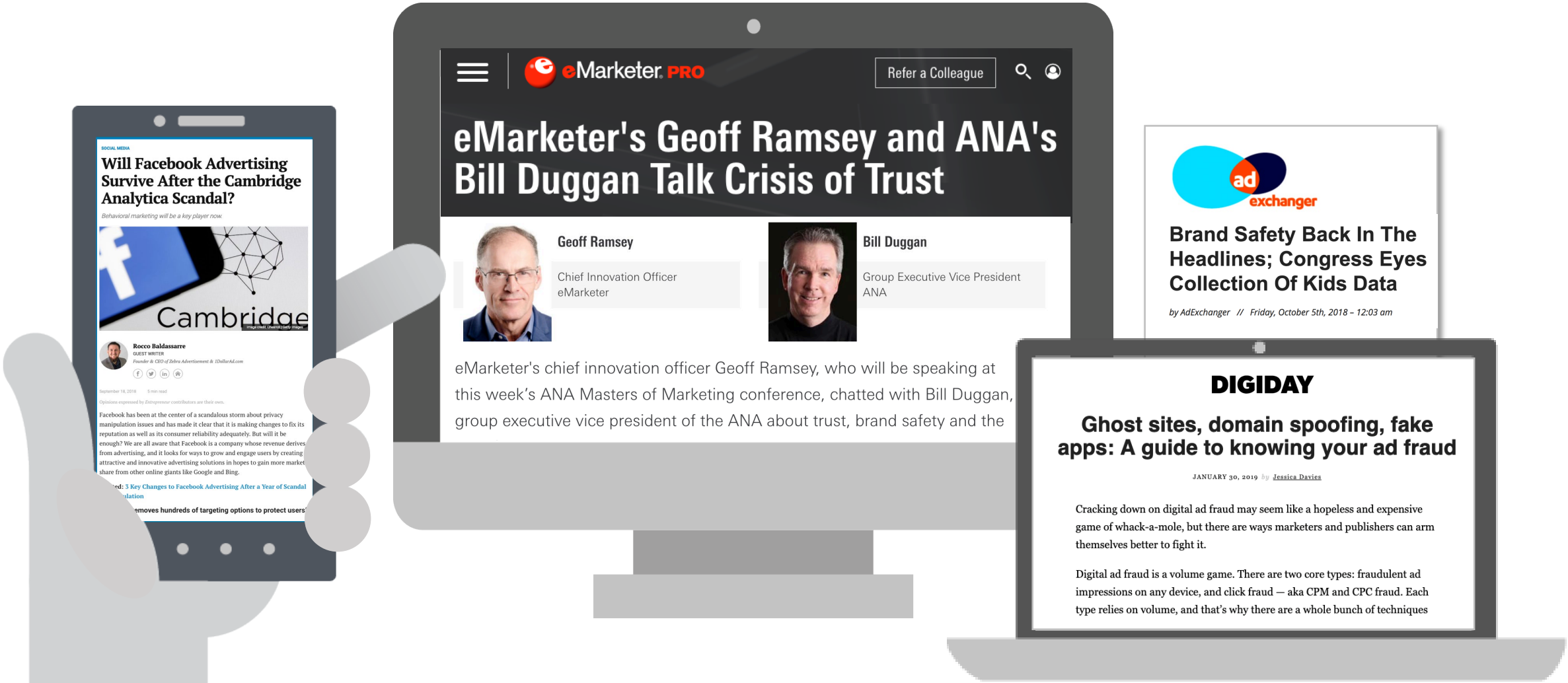
Trust in Advertising: a big umbrella

Brand Safety

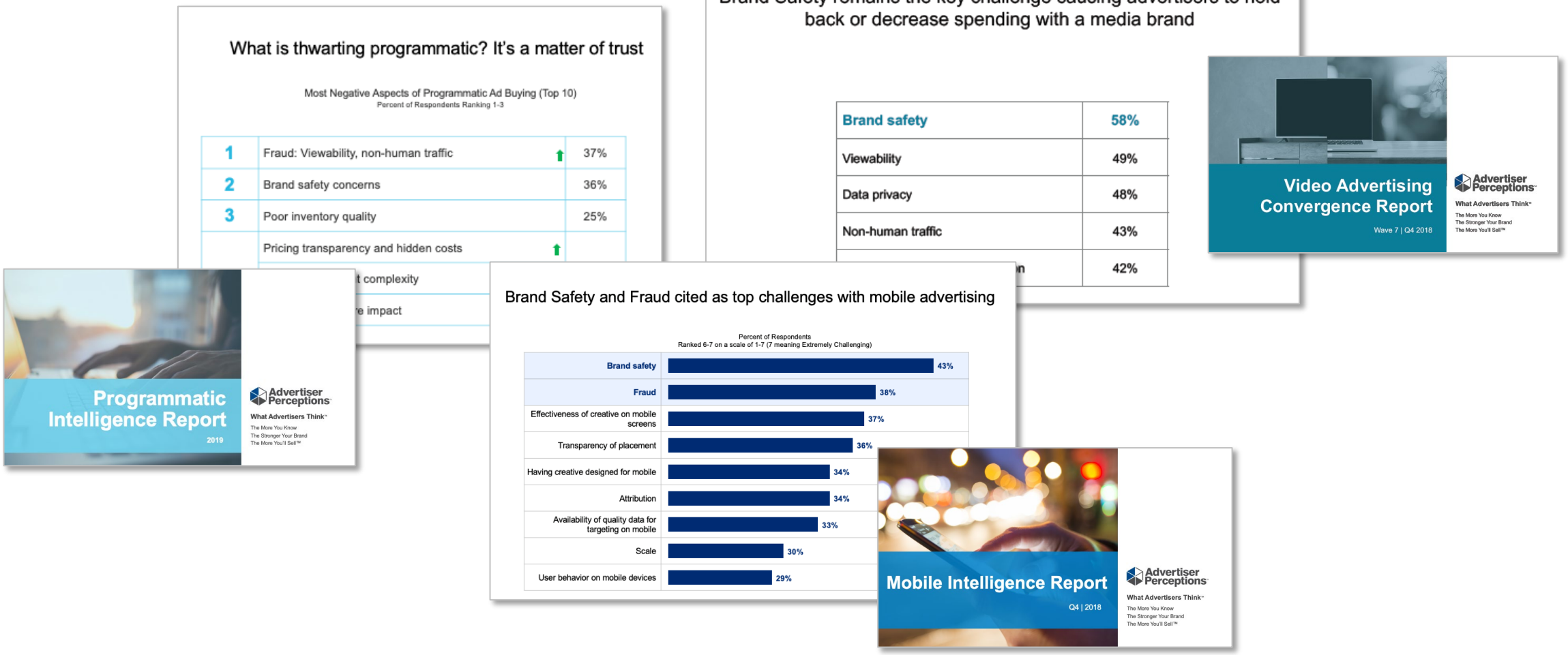
Ad Fraud

Data Mismanagement

Trust-Related Issues: dominating industry headlines



Trust-Related Issues: top-of-mind for advertisers



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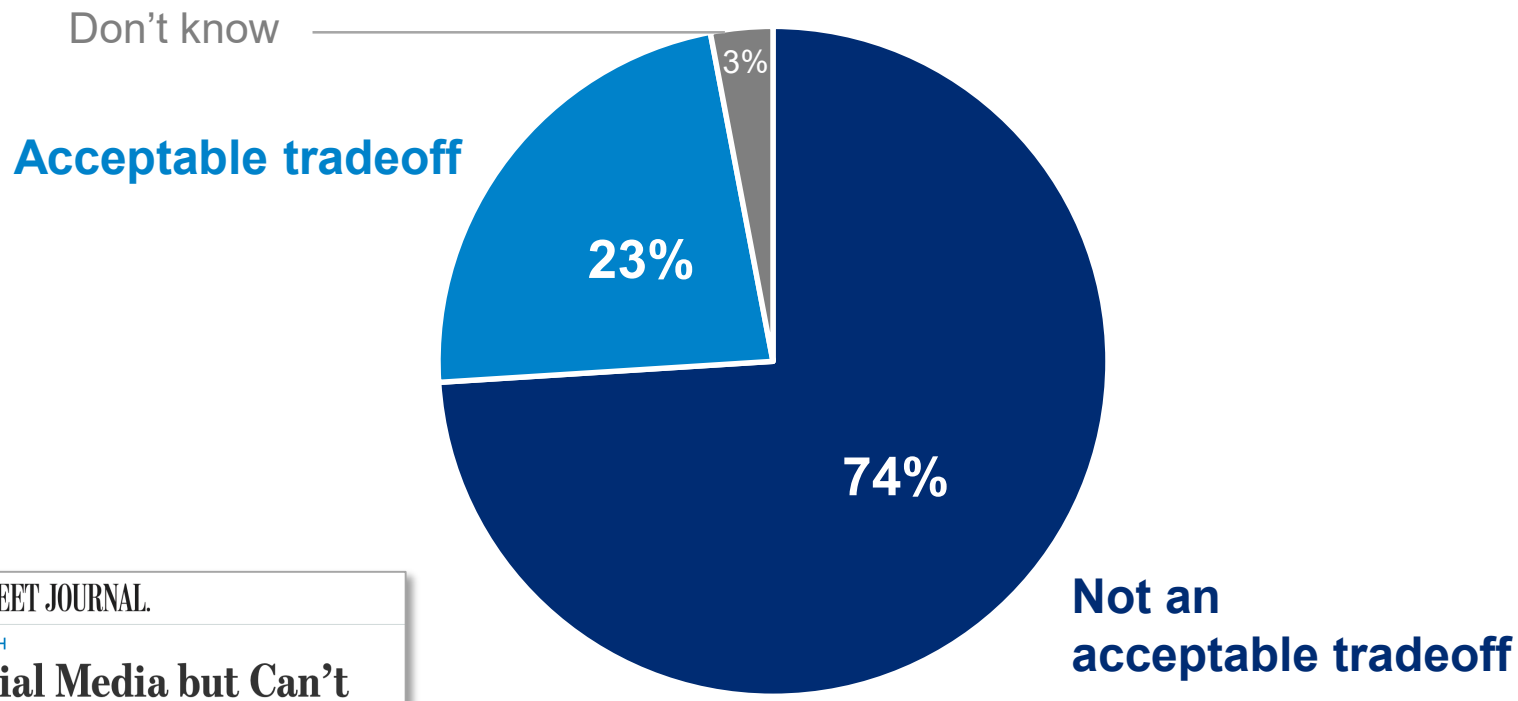
Trust-Related Issues: affecting consumer behavior

Using my personal data so advertisers can target me is …



THE WALL STREET JOURNAL.

TECH

Americans Hate Social Media but Can't Give It Up, WSJ/NBC News Poll Finds

Poll finds a majority across the political spectrum also says social media wastes time and spreads falsehoods—even as 70% check in daily

Source: NBC News/Wall Street Journal poll. Base = 1,000 U.S. Adults. Fielded March 23-27, 2019.

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THE BIG PUSH BACK

Advertiser Perceptions™

Corporate leaders have put a stake in the ground

Taskforces and dedicated roles focused on solutions

Industry Task Forces

New Organizational Roles

Scales tipping back toward consumers' rights

Consumers' rights to share or withhold data online

Ad platforms selling increasingly personalized targeting

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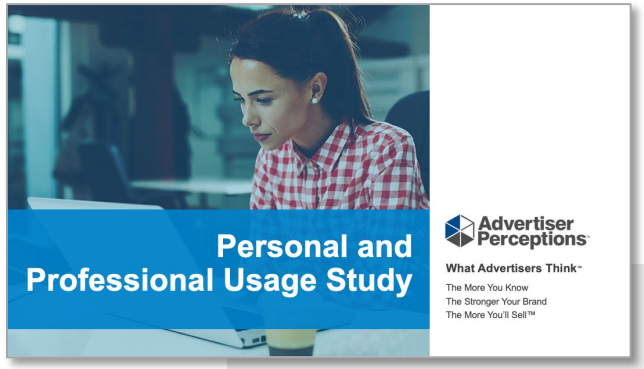
TIME TO TAKE A DEEPER LOOK

Advertiser Perceptions

Media decision-makers through a more human lens:

Examining personal vs. professional usage and perceptions

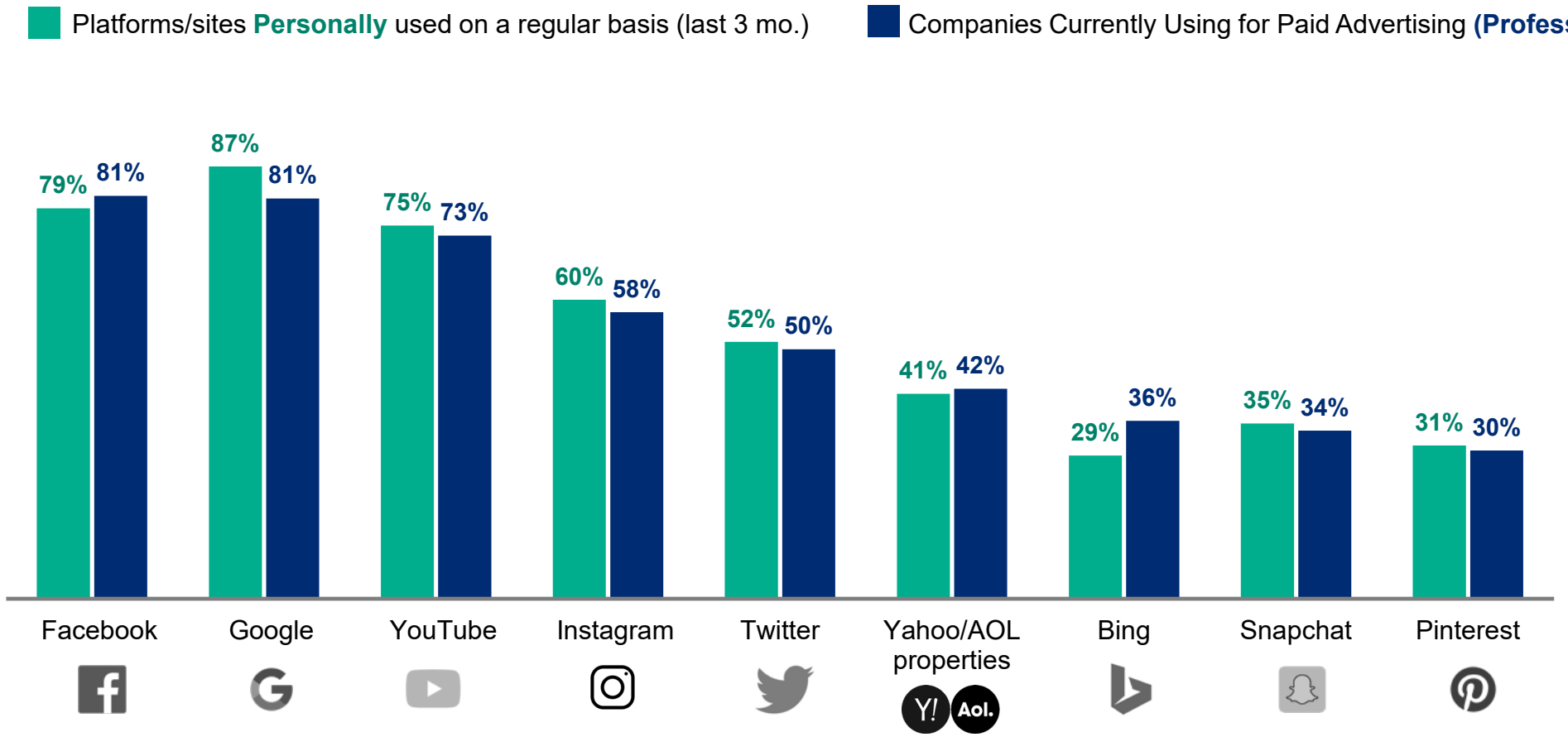


Fielded March 2019

201 interviews conducted

Respondent Qualification: 100% involved in media brand selection decisions

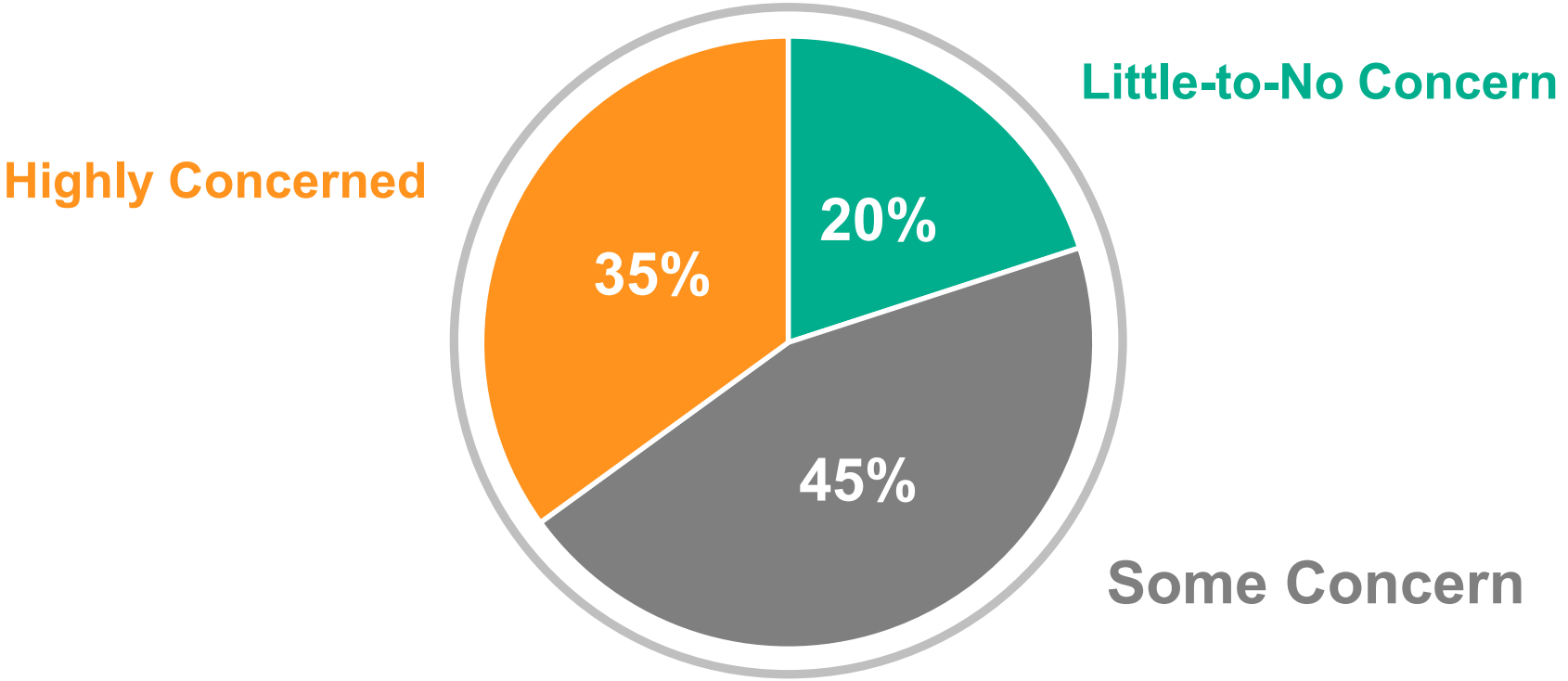
Notable Correlation between Personal and Professional Use of platforms



March 2019
Sorted in order of Paid Advertising Usage

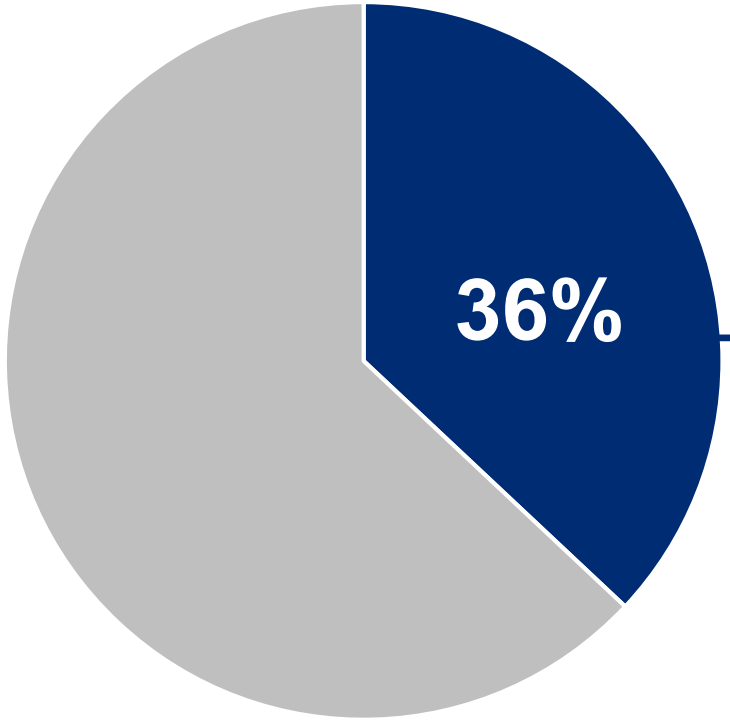
Advertiser Perceptions

Advertisers are concerned about negative risks associated with their **personal** use of platforms



Average Level of Concern with Negative Risks associated with Personally Using Platforms/Companies (across all brands measured)

Percent of advertisers that reported decreased **personal** social media usage in Q1 2019



Data and privacy concerns among top reasons for decline in **personal** social media usage – *and growing in importance*

Concerns over the security of my personal information

Concerns over how personal data is being used/shared

But **professional** decision-making impact to date has been minimal

Despite my own curbing of social media usage, it still remains a great way to get client results.

- Agency VP

Begging the question:

Are advertisers operating in a state of Cognitive Dissonance?

72% of advertisers hold divergent perceptions
personally vs. professionally
of one or more of the media brands they use

57% of large ad platforms' advertisers
(who are also personal users of that brand)
have either expressed misgivings about personal usage risks
and/or decreased personal usage of those same brands

*on average

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Another case in point: they are of 2 minds about mobile device tracking

43%

of advertisers are "very concerned" about privacy issues related to tracking users via their mobile device IDs

40%

of advertisers think that it is "extremely important" to be able to track users via their mobile device ID

> ***Personally I want to protect my PII. Professionally, I want to use as much information for targeting as possible***
>
> - Agency Director

How do advertisers reconcile that dissonance?

What Advertisers Say: Professional decision-making is all about Audience Data and Ad Results… *not* personal preferences

Reasons for Maintaining/Increasing Spending with brands (Professionally)while Decreasing Personal Use &/or Concerns over Handling Data Privacy

1. I keep personal and professional decision-making completely separate
2. [BRAND] hits advertising goals, which is the primary consideration in evaluating media partners

> ***Results will drive the train, and preferences will have to take a back seat.***
>
> **- Marketer Manager**

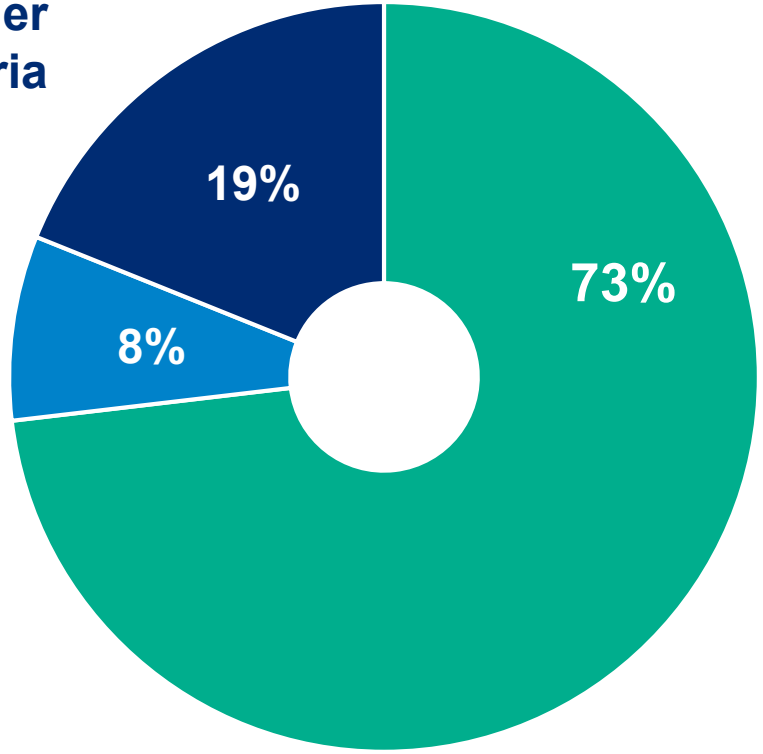
So that’s their story, and they’re sticking to it.

… but will they continue to?

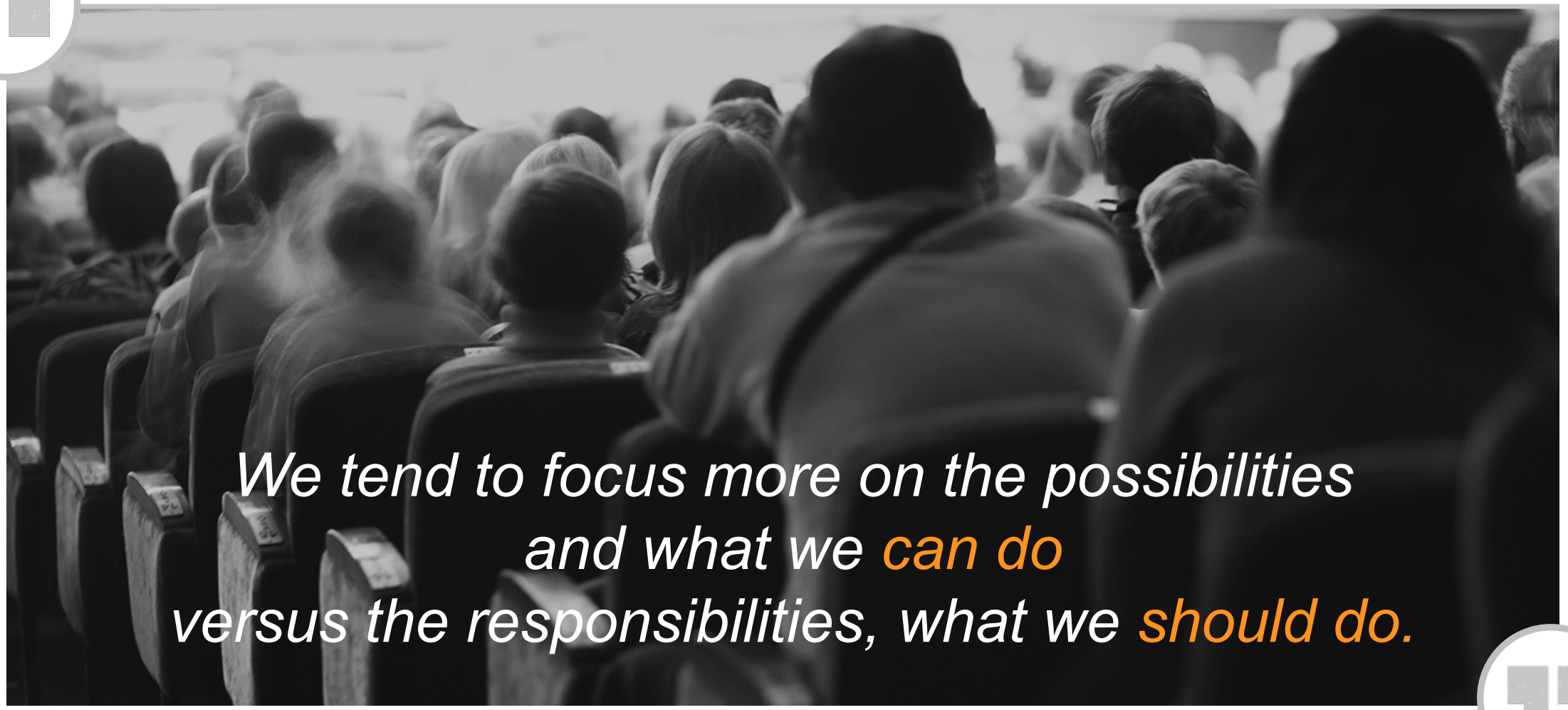
Importance of trust-related attributes in advertising investment decisions

No plans to consider Trust-related criteria

Will incorporate Trust-related evaluation criteria in next 6 months



Advertisers currently evaluating companies based on Trust-related attributes



Rik Vanderkooi
IAB Chairman & Corp. VP of Microsoft Advertising
at IAB Annual Leadership Meeting
February 2019

Advertiser Perceptions

New paradigms for measuring brand and business success

viewing people
not just as consumers
but as citizens first

THE ADVERTISER PERCEPTIONS

TRUST

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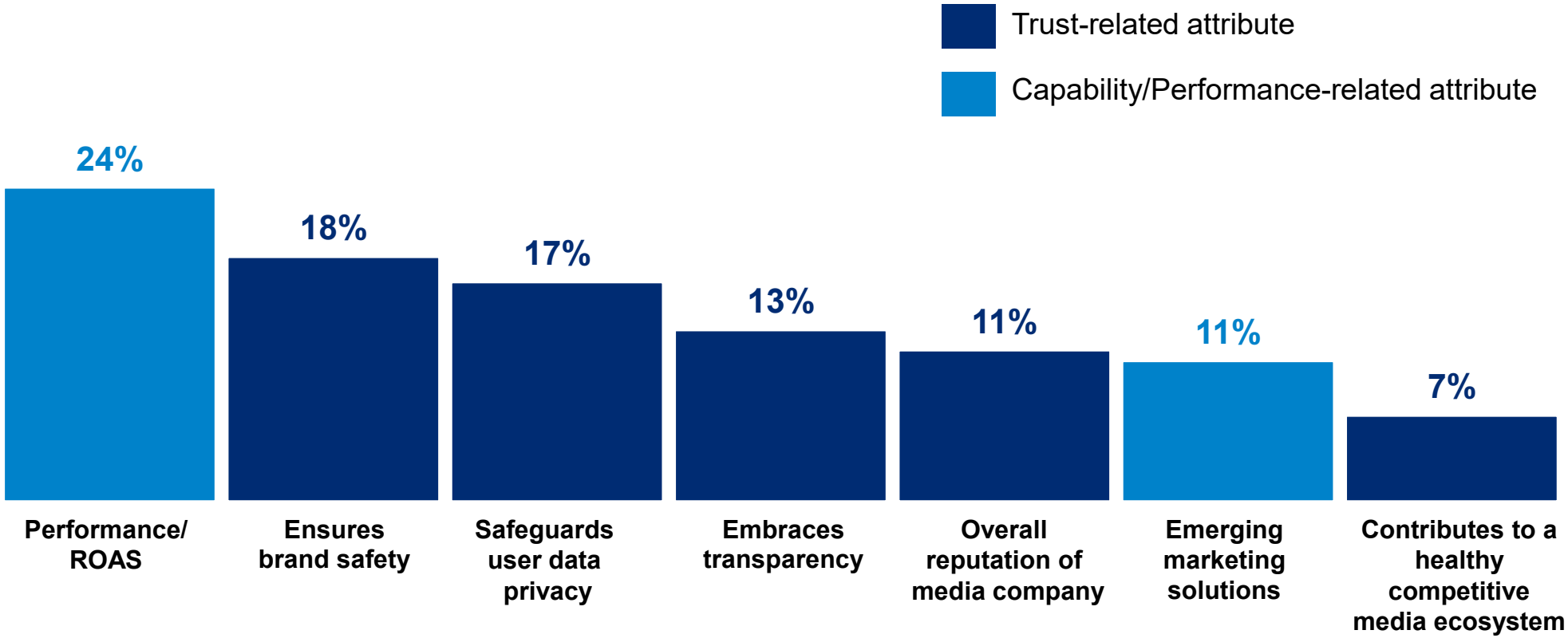
Relative importance of Trust for advertising partners

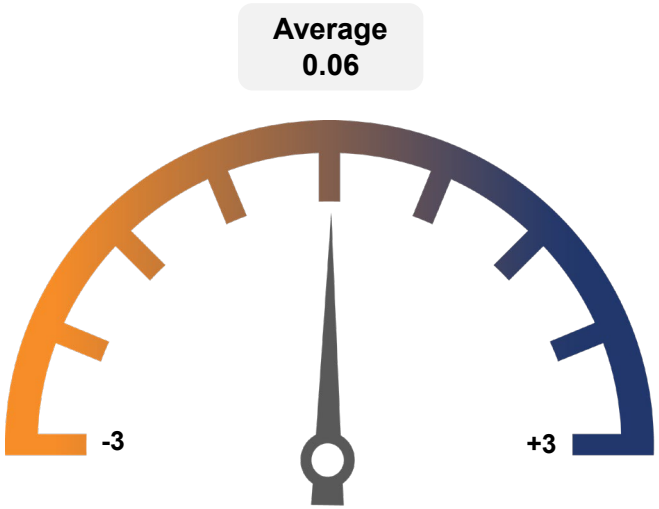


Overview of Advertising Trust Index and Advertising Risk Index

TRUST INDEX	Ensures brand safety	Safeguards user data privacy	Embraces transparency	Overall reputation of media company	Contributes to a healthy competitive media ecosystem
RISK INDEX	Unsafe brand adjacency	Violating data usage & privacy guidelines/ regulations	Supporting harmful activity in conflict with our company's values/principles	Damaging brand reputation by association with media/ advertising company	Weakening the competitive health of the overall media ecosystem

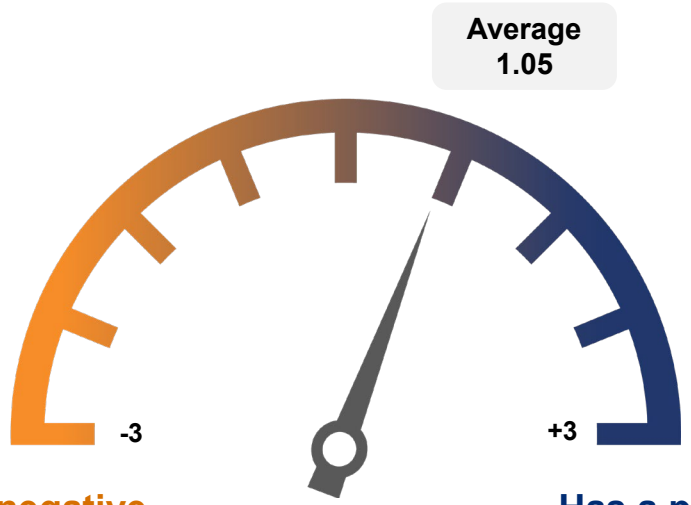
Media companies have room for improvement for societal leadership

Average Rating of Media/Advertising Companies
along Spectrum of Agreement with Statement



Considers people as potential consumers to generate revenue

Considers people as citizens and human beings first



Has a negative impact on society

Has a positive impact on society

A ROADMAP FOR IMPROVING ADVERTISER

TRUST

IN YOUR BRAND

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Top Ways Media Companies Should be …

Securing Brand Safety and Adjacency for Advertisers

1. Enable third-party verification tools
2. More human oversight/monitoring of content adjacency to ads
3. Lean into premium, professionally produced content
4. More direct buying via private marketplaces

Fighting Ad Fraud (Invalid Traffic)

1. Enable third-party verification tools
2. More human oversight/monitoring of content adjacency to ads
3. Lean into AI/Machine Learning to detect patterns of ad fraud

Top Ways Media Companies Should be …

Safeguarding Consumer Data Privacy

1. More transparency to users about data collection/use
2. Improve data security/encryption technology to shore up vulnerabilities
3. Enable opt-in to personalized targeting/other data monetization
4. More conservative policies for sharing/selling of user data
5. Corporate alignment with privacy principles of GDPR

Most Important Thing Media Companies Can do to Safeguard Consumer Privacy While Offering Advanced Targeting Capabilities

*Hire the **BEST** people to handle this issue.*
Be accountable as a whole company.

- Agency Director

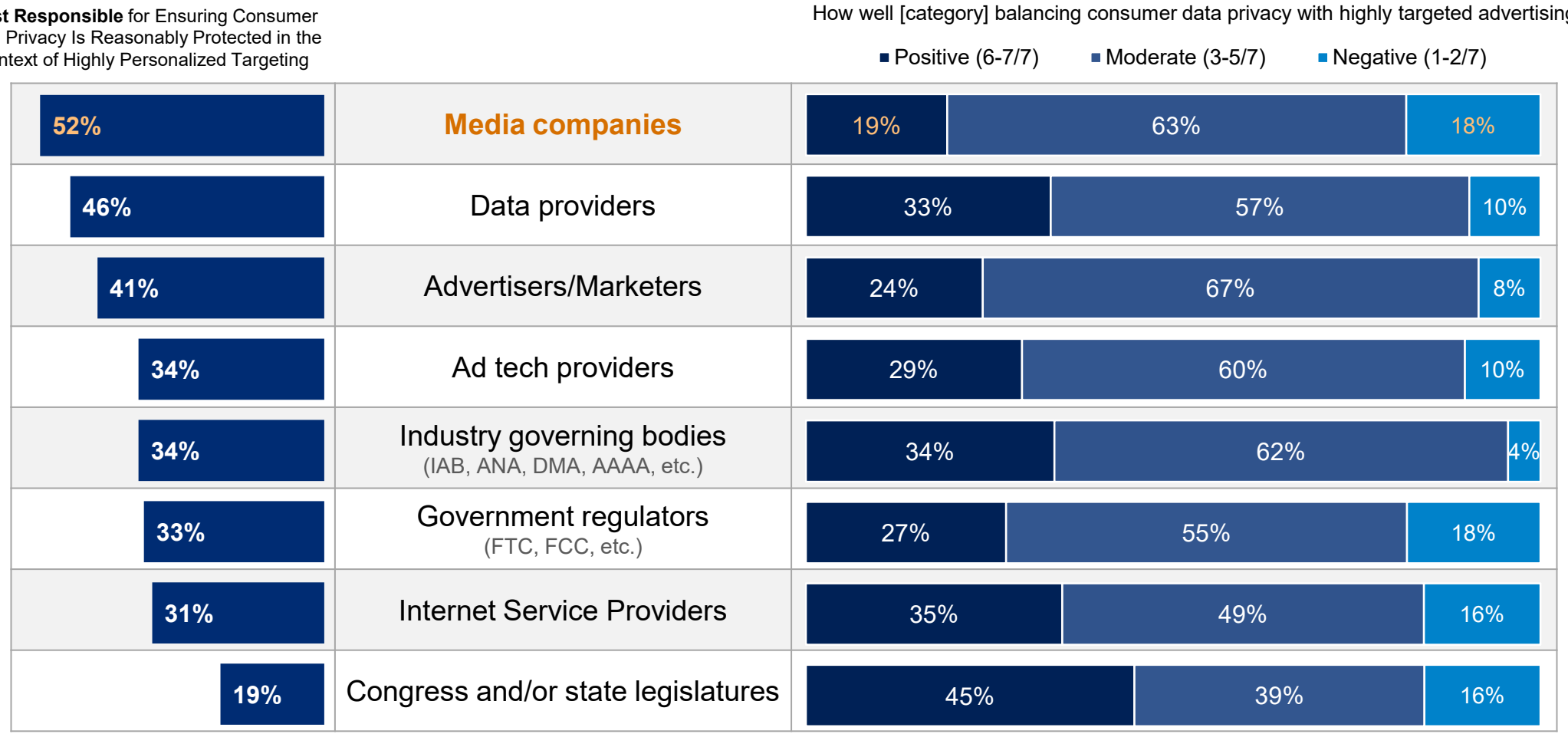
Provide strict guidelines and policies on how they collect, share, and use data.
There is a lot of ambiguity on how our partners are transacting on 1P and 3P data.

- Agency Director

Advertisers think Media Companies bear the most responsibility, but have the most room for improvement

Most Responsible for Ensuring Consumer Data Privacy Is Reasonably Protected in the Context of Highly Personalized Targeting

How well [category] balancing consumer data privacy with highly targeted advertising



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WHERE DO WE GO FROM HERE?

1) Ongoing focus

2) Valuing Trust as a KPI

3) Continuing the conversation

Thank you

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