

2017: MORE THAN EVER, MARKETERS NEED BRAND SAFE ENVIRONMENTS

*by Rich Sutton
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How bad is the fake news/ad fraud/transparency problem in the digital advertising business? **Really bad.**

Mark Pritchard, CMO of traditional marketer P&G, called on publishers and marketers to become transparent in the face of “crappy advertising accompanied by even crappier viewing experiences.” He went on to say, “we have a media supply chain that is murky at best and fraudulent at worst. We need to clean it up, and invest the time and money we save into better advertising to drive growth.”

Ouch. For someone who’s been selling digital ads for 20 years, the comment really smarts. Even more so, because he’s right.

SO, WHAT’S THE SOLUTION?

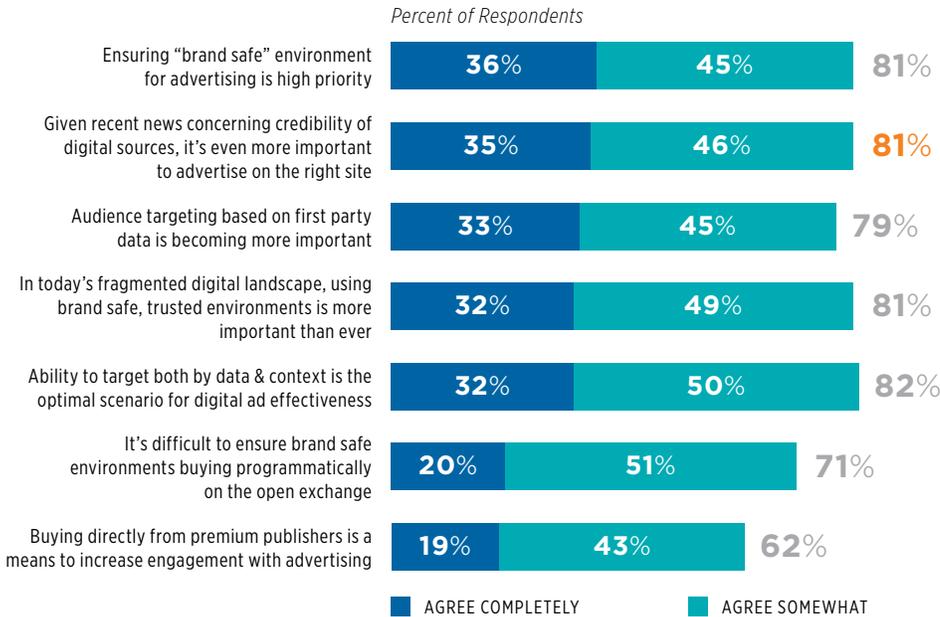
Trusted Media Brand’s latest survey looks at agency and marketer sentiment toward the importance of key elements in the digital buying process. The survey, commissioned by Advertiser Perceptions on behalf of Trusted Media Brands, asked nearly 300 agency and client-side marketers about programmatic digital ad buying

and key concerns in digital advertising.

The key takeaway is that now, more than ever, marketers need brand safe environments that offer targeted audiences to ensure reliable and effective campaigns. While marketers like the convenience and efficiency of the open exchange, they’re realizing that their brands can’t thrive unless they’re in premium environments.

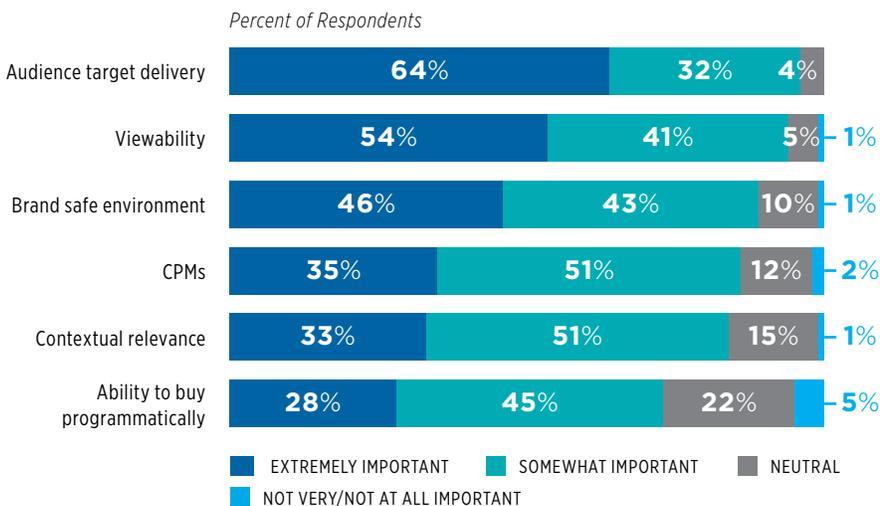
In the face of what can only be called a digital advertising crisis, what are marketers thinking about as we get into 2017? Other TMBI survey highlights include key struggles participants have when buying ads programmatically. Results show that almost three-fourths of participants (73 percent) agree the ability to buy ads programmatically is important. Even more important are brand safety and site credibility – 81 percent of digital decision-makers report that a “brand safe” environment for advertising is a high priority. However, brand safety is extremely challenging to guarantee – 71 percent of respondents say that it’s difficult to ensure brand safe environments while buying programmatically on the open exchange.

ADVERTISERS AGREE THAT BRAND SAFETY AND SITE CREDIBILITY ARE KEY



One of our key takeaways is the answer to this statement: "Given recent news concerning credibility of digital sources, it's even more important to advertise on the right site." **Eighty-one percent of respondents agreed.**

AUDIENCE TARGET DELIVERY AND VIEWABILITY MOST IMPORTANT IN DIGITAL BUYING DECISIONS



What else matters to marketers? **Audience.**

The factors most important to marketers when making digital buying decisions are:

- 1. Audience target delivery (64 percent)**
- 2. Viewability (54 percent)**
- 3. Brand safe environments (46 percent)**

Q. How much do you agree with the following statements about digital ad targeting?
Q. How important do you consider the following in your digital advertising buying decisions?

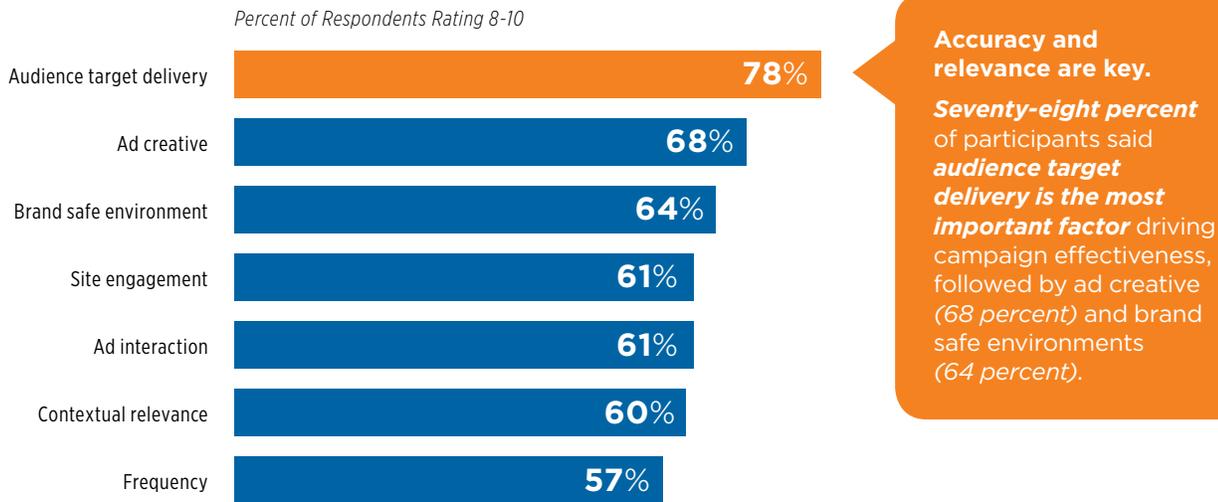
Base: Involved in Digital/Mobile Advertising

LARGEST SPENDING INCREASE PROJECTED FOR AUDIENCE DATA TARGETING



Over the next 12 months, half of digital/mobile advertisers plan to increase their spending on audience data targeting.

AUDIENCE TARGET DELIVERY IS THE MOST IMPORTANT DRIVER OF CAMPAIGN EFFECTIVENESS



Q. How will your spending on the following digital ad targeting/buying methods change in the next 12 months?

Q. How important are these features in driving effectiveness for digital ad campaigns? (1 = Not Very Important; 10 = Extremely Important)

Base: Involved in Digital/Mobile Advertising

BIGGEST CHALLENGE IN DIGITAL ADVERTISING

We asked an open-ended question, **“What do you see as the biggest challenge in digital advertising today?”** Here’s a sample of the responses we got under the heading of Trust and Transparency.

“Concerns include “fake news,” programmatic white lists and viewability.”
– Agency Director

“Transparency. Lack of it has resulted in us taking a lot in-house.”
– Marketer Manager

It’s clear that brands and agencies want transparency. That’s on both their direct buys and programmatically run campaigns. While reaching the right audience topped the list of challenges among digital buyers, transparency was also a common theme.

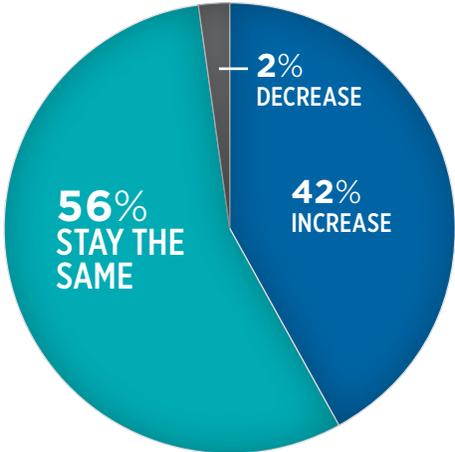
“Trusted site partners.” – Marketer CEO

“Credibility of actual and honest audience and site delivery.”
– Agency VP

MORE THAN HALF OF ADVERTISERS SAY TRANSPARENCY OF SITES BOUGHT PROGRAMMATICALLY WILL STAY THE SAME

Percent of Respondents

Interestingly, marketers were muted with their outlook on programmatic, saying that **they didn’t think programmatic transparency would increase over the coming months.**



Q. What do you see as the biggest challenge in digital advertising today?
Q. In the next six months, how do you expect the transparency of the sites you run programmatic ads on to change?
 Base: Involved in Digital/Mobile Advertising

WHAT WE KNOW ABOUT 2017

- 1. Targeting is more important than ever.**
Marketers plan to put their money behind this.
- 2. Accuracy and relevancy are key.**
- 3. Opaque media partners won't cut it** for marketers.
- 4. Programmatic efficiency is valued.** Concerns about programmatic transparency are high.

How do marketers and agencies thrive in a year that the media pendulum, while still favoring digital, is swinging back to TV and magazines, where environments, viewability and ROI are known? The formula is simple to state, complex to execute.

DO THE HOMEWORK on where you run your ads. If you're running on the open exchange, beware. Web publishers have invested in private market place solutions so marketers can have their transparency cake, and eat their programmatic too. (sic)

DEMAND GUARANTEES. Your digital media partner can measure KPIs that are important to you. Make them "put their money where their mouth is."

BRANDS MATTER. I was listening to a colleague talk about a Facebook post that his daughter had forwarded. He asked his daughter, "do you know where that article is from?" She didn't.

More and more consumers are going to pay more attention to the source of the information.

As industry leaders like Marc Pritchard draw a line in the sand for their advertising and publishing partners, their problems will get better. They have to. Because brands matter, premium online publishers will begin to have a competitive advantage. Their focus on brand safe environments is relevant again and the dollars will follow. Could fake news reverse the commoditization of news? Consumers are starting to care. The advertising dollars always follow the eyeballs.

ABOUT THE AUTHOR

Rich Sutton is Chief Revenue Officer of Trusted Media Brands, Inc. Highly regarded and with proven success in digital media, Sutton has more than 30 years of experience in management, marketing, startups, turnarounds and working to grow world-class brands. He was recruited from The Daily Mail where he had also served as Chief Revenue Officer.

Previously, he was Senior Vice President of consumer markets at WebMD, where he tripled revenue to more than \$150 million per year and broadened the company's client base. Prior to joining WebMD, Sutton served as Senior Vice President for Warner Bros. Entertainment where he led digital media sales and client marketing for Warner Bros. Online for more than 13 years.

Sutton's work with brands has been recognized by Ad Age, Forbes, AAAA, and Adweek, among other industry publications, and online and marketing awards. He is the author of "Best Practices in Branded Entertainment" for the Association of National Advertisers, as well as several White Papers for Trusted Media Brands, including: "The Future of Digital Video" and "Can Video and Native Formats Rule Mobile Advertising?".

ABOUT TRUSTED MEDIA BRANDS, INC.

Trusted Media Brands, Inc. (formerly known as The Reader's Digest Association, Inc.), is a visionary, brand-driven multiplatform media company whose portfolio of iconic properties and products include Taste of Home, the world's largest circulation food media brand; Reader's Digest; The Family Handyman, America's leading source for DIY; a suite of highly targeted brands including Birds & Blooms, Country, Country Woman, Farm & Ranch Living and Reminisce; and digital properties which include EnrichU, the Taste Community and Haven Home. Trusted Media Brands, Inc. reaches active consumers who genuinely connect with our blend of uplifting and enduring expertly-curated family, food, health, home improvement, finance and humor content – digitally, via social media, magazines and books, and events and experiences. Founded in 1922 by DeWitt Wallace as The Reader's Digest Association, Inc., one of the first user-generated content publishers, Trusted Media Brands, Inc. is headquartered in NYC. For more information visit TMBI.com.

ABOUT ADVERTISER PERCEPTIONS

Advertiser Perceptions is the global leader providing data-driven business intelligence for the advertising industry. They provide consultative solutions critical to the success of the world's leading media and ad tech companies, agencies and marketers. Their exclusive insights, practical advice and expert guidance produce solutions that deliver results and enable their clients to thrive in today's complex and competitive advertising market. They work with clients to investigate, analyze and interpret the insights they collect, and then develop solutions specific to meeting the individual challenges they face. For more information about their services or to arrange a private briefing, please contact them at 212-626- 6683 or info@AdvertiserPerceptions.com.

