



Winterberry Group Releases Brand Safety Report – It's Not Necessarily About Full Transparency For Marketers

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AdSafe Media sponsored a new white paper by Winterberry Group called, "Beyond the Grey Areas: Transparency, Brand Safety and the Future of Online Advertising." Looking at brand safety concerns across the industry, Winterberry Group notes it's not so much that *full* transparency is the important issue for marketers, but its that they feel safe distributing their brand throughout the Web - there *is* a difference! Read Winterberry Group's release. And, download the PDF.

Jonathan Margulies, a director at Winterberry Group discussed the paper's findings.

AdExchanger.com: On the buy-side, specifically agency, do you sense confusion among buyers of brand safety "tools"? Or is it pretty cut and dry?

There's no question that agencies--and most brands, for that matter--are still sorting through the market of potential brand safety solutions. But the confusion is much deeper with respect to the problem itself. And how can we expect buyers to make informed decisions about tools or services when, by and large, they don't yet fully understand the extent the costs they're already incurring? That was one of the principal drivers of this research, and our hope is that putting some context to the current roadblocks--that is, tying some tangible costs to the vast array of anecdotal feedback associated with brand safety issues--will help buyers, sellers and intermediaries address the problem more effectively.

When it comes to brand safety solutions--and I'd argue that encompasses a broad combination of rating services, filtering tools and other custom applications--it seems that many on the buy-side are adopting the approach that "more is better," and covering themselves through affiliation with as many legitimate providers as they can (and as many as their clients are likely to require). But that's something we expect will change somewhat as the contrasts between platforms grow more distinct--and the tools available to track their respective value grow more useful. At the end of the day, that's ultimately what's going to drive adoption.

What are one or two insights that surprised you the most?

For all our preconceptions about the potential obstacles associated with the brand safety issue, the sheer magnitude of opportunity cost really took us aback. In a U.S. display advertising market that still has yet to generate \$10 billion in annual investment, \$2 billion in lost opportunity is equal to nearly a quarter of all

spending--obviously a significant share. And that requires participants in display advertising to deal with these challenges now, if the channel is going to fulfill the promise that so many are banking on.

Beyond that, we were awakened--"surprised" is probably not the right word--by the extent to which various parties in the display ecosystem suggested that responsibility for addressing these issues should rest with other constituencies. I'm overgeneralizing a bit, but agencies would invariably suggest this issue should be a responsibility of ad networks. Ad networks shifted the burden to publishers. Publishers acknowledged a certain responsibility, but would note that the issue rolls right back to advertisers, demand-side platforms and agencies. In the end, we came out to two fundamental conclusions that I think make a lot of sense: The potential financial opportunity inherent in successfully addressing these issues is significant, and that solution is likely to come from one or more independent providers who won't be conflicted by the natural buy- or sell-side interests confronting the rest of the industry.

Can you comment on the difference between the brand safety concerns of a brand advertiser who's driving awareness and a direct response marketer?

In fact, the concerns echoed by brand and direct response marketers didn't differ much at all. That's because, we believe, the nature of the problem--a fundamental risk that one's brand or message may be undermined by surrounding page content--simply doesn't discriminate between advertiser, publisher or strategic intent. By contrast, we heard vastly different feedback from advertisers across vertical markets. In those markets where trust is a fundamental hallmark of the brand--think pharmaceuticals, food/beverage and certain financial services disciplines--the understanding of and concerns associated with brand safety issues are significantly more advanced than those in some other markets. In those cases, it's not so much that advertisers don't recognize the problem; they're just not as susceptible to meaningful brand damage.

For illustration, we've often used the contrasting example of a drugmaker and an apparel manufacturer--one is marketing, say, an over-the-counter children's remedy; the other a hot new sneaker line targeted at a young audience. Brand integrity is crucial in both cases. But if the drugmaker's ad shows up in the wrong place--and you can imagine there are lots of wrong places in this instance--the marketer may find itself exposed to a host of issues, ranging from embarrassment to lost consumer confidence to even regulatory sanction. The sneaker marketer, on the other hand, is more likely to chalk up the issue as a lost opportunity. The truth, of course, is that the long-term costs run deeper--and the challenge is in helping advertisers and agencies recognize those costs--but there remains a fundamental difference in "danger factor" between verticals that's not likely to change.

By John Ebbert