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MOVING BRANDS BEYOND THE BLOCK LIST

WE BRAKE FOR BRAND Rx

BRAND SAFETY ROADSHOW 2019

THERE'S ONLY SO MUCH YOU CAN LEARN IN THE LAB, SO WE TOOK BRANDRX ON THE ROAD.

In 2017, when we launched our first BrandRx study of the media and marketing industry's brand safety problem, the landscape looked very different. Rogue CEOs, hapless social media stars and divisive political news had marketers on their guard. That year, 75 percent of marketers said they were exposed to unsafe content. By 2018, conditions had improved. An update showed that code-red level concern among marketers dropped from 90 percent to 60 percent.

But there is only so much you can learn in the lab. This spring, GumGum embarked on a cross-country journey to see how marketers are navigating the brand safety challenge now. We spoke with brand and advertising agency executives in Dallas, Chicago and Atlanta who told us about where the industry is cruising ahead and where hazards remain.

We found that digital marketers are progressing from issues of brand safety to suitability, demanding third-party verification from partners and generally becoming more sophisticated when evaluating and executing contextual alignments. But they still grapple with finding the tools that deliver the right environment without sacrificing reach or effectiveness.

The insights we've compiled are not just an accounting of where the industry is now, but a roadmap of where we need to go next. Sit back, relax and enjoy the read.
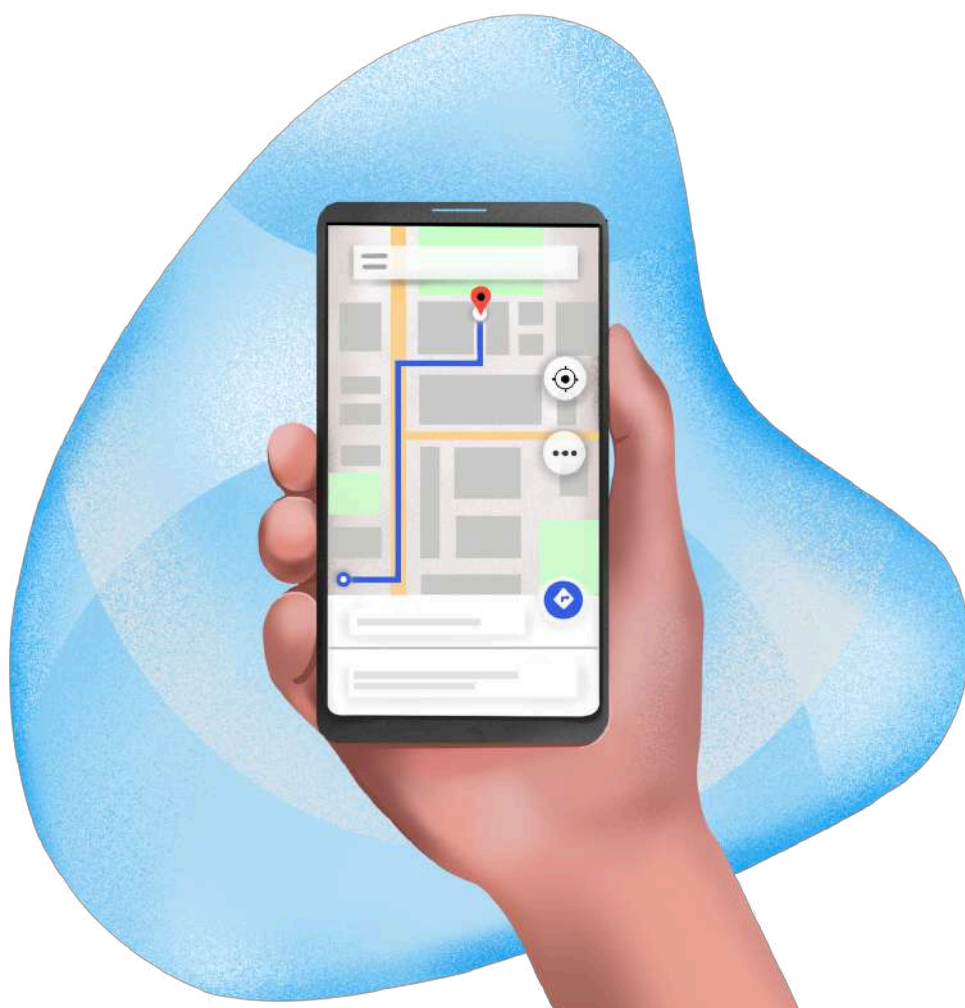
"There are so many precautions we've put in place between whitelists and blacklists and prebid. We're doing everything we can."

Amanda Betsold, digital director at iCrossing in Dallas.

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BRANDS NAVIGATE 'SAFETY' WITH CONFIDENCE

The internet is no longer the anarchic Mad Max Thunderdome of content that it used to be. Advertiser alignment, agency protocols, and brand safety technology has enabled the diligent policing of the most dangerous content: violence, hate speech, pornography, and terrorism. Marketers have also agreed on a high bar for visibility and zero tolerance for bot traffic.

In city after city, the marketers we talked to said a combination of brand safety technology and human oversight has paved the way for improved brand safety. To start, marketers have embraced a full suite of tools that reliably screen content. Blacklists, natural language context detection, image recognition and direct relationships with publishers were among the most frequently mentioned on the road.

To ensure those tools are working, media planners and buyers said they have taken the wheel in monitoring and securing their clients' advertising environments. At smaller agencies, individual buyers or someone on a group team is tasked with keeping abreast of the news, monitoring placements and spearheading an ongoing dialogue with clients.

Larger agencies, however, have hired dedicated brand safety chiefs and installed company-wide teams. In April 2018, UM appointed Joshua Lowcock to be their global brand safety officer. Bank of America did the same the next month. GroupM's brand safety leadership team has monitored the online environment since 2016. The team sets standards, talks to top clients and partner representatives and, when news breaks, authors top-level briefs for account teams nationwide.

Regardless of agency size, the executives we spoke with said they'd developed fast-twitch muscles better suited to today's lighting fast news cycle. No longer baffled when brand safety scandals break, they're now trained to handle the fallout with confidence.

"It's really up to us to act quickly, understand the situation, make sure we get POVs to our clients and let them know, 'This is what happened. Here's our recommendation going forward," said Stacy Armistead digital director at Mindshare in Atlanta.
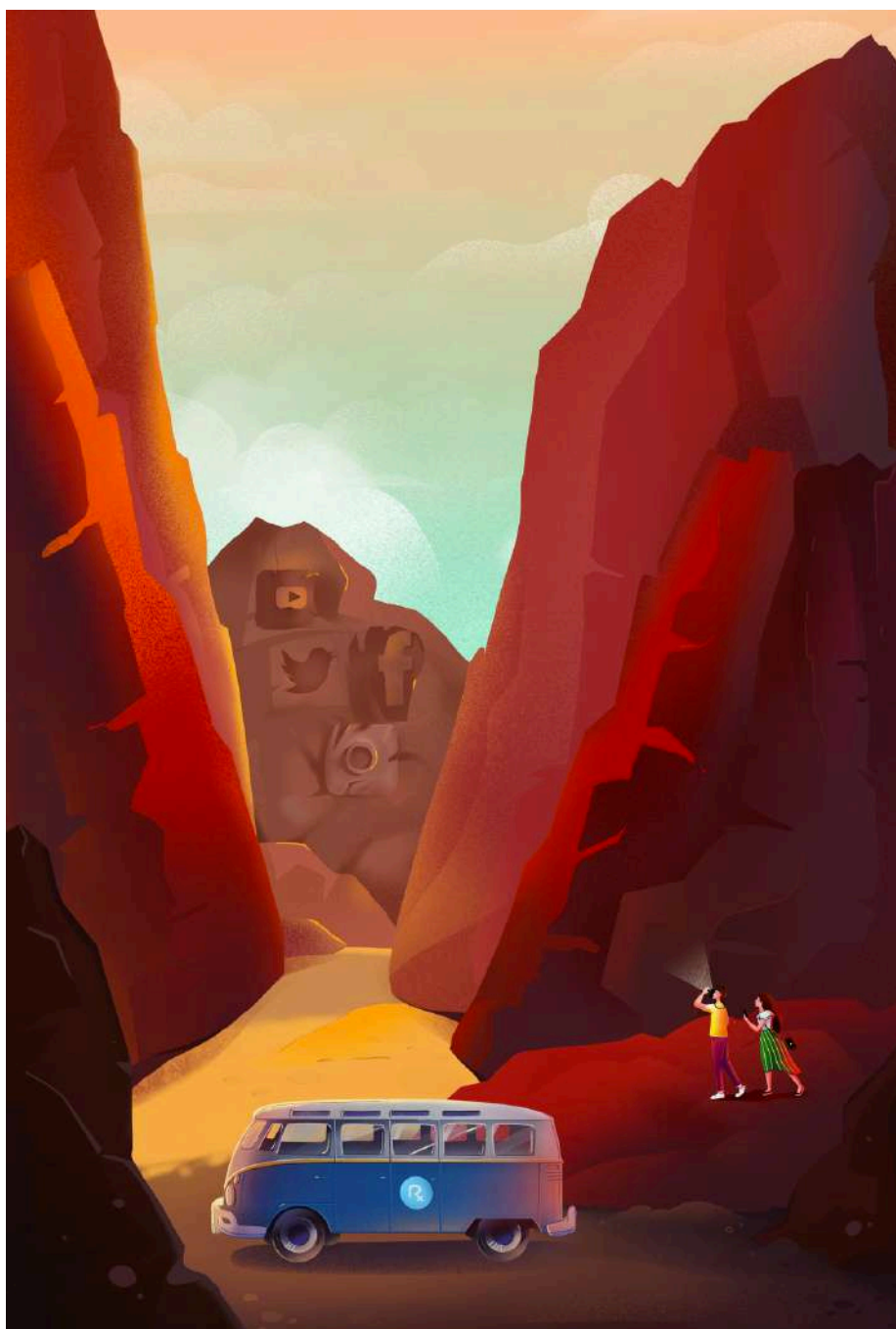
That's not to say safety isn't still a top concern. "All it takes is one client email to remind you it's really real," said Jaquie Hoya, brand media group head at The Richards Group in Dallas.

> *"All it takes is one client email to remind you it's really real."*

Jaquie Hoya, brand media group head at The Richards Group in Dallas.

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PLATFORM ADVERTISING REMAINS 'STOP AND GO'

> "I don't think brand safety will ever be 100% when it comes to user-generated content. It will be a constant effort."

Sholien Babalis, group director of programmatic at OMW in New York

In February, when a vlogger exposed sexualized comments about children running under YouTube videos, brands including AT&T, Nestle, Disney, and Epic Games pulled their ads from the platform, demanding better brand safety. It was a predictable start to a familiar if unconvincing dance.

In 2015, Toyota and other advertisers backed off of YouTube after their ads were found running against ISIS recruitment videos. In 2017, hundreds of companies pulled off the platform after their ads were found running alongside hate speech and extreme ideological content. The same thing happened in 2018 when 300 advertisers including Nike and Amazon "paused" their spending. But these boycotts never last.

"We manage a media circus and we get selective amnesia afterward," Joshua Lowcock, global brand safety officer at UM. "We've only got so much leverage and power to go back to a client and say, 'Don't advertise on the platform where you know there is an audience'."

At best, these boycotts are a jumping off point for advertisers to insist on improved brand safety measures. But the executives we spoke to remain skeptical of platform promises.

"Platforms have proven time and again that they can't grade their own homework," said Ken Van Every, vice president of programmatic at Cars.com. "Adding third-party companies is a good idea to oversee that."

In the absence of compelling solutions, however, marketers are extending traditional solutions to user-generated content. Media agencies are working directly with publishers to place ads on their YouTube channels, according to Digiday. Major advertisers have also tasked agencies to create whitelists and blacklists for UGC creators.

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ON THE ROAD TO 'SUITABILITY'

With brand safety issues largely under control, marketing executives are shifting into a higher gear, demanding their partners offer environments that keep them far from political, social, and emotional guardrails. These demands require a deep understanding of brand values, strategic planning and a nuanced application of technology.

"Airlines and plane crashes. Makers of sugary substances and diabetes stories. The fear that one topic might be politically polarizing. In the US, things like health care and gun control. You might want to lean in or out depending on your brand," said Lowcock. "There's a lot of gray in there."

The marketers we spoke to said that steering between what could be wildly different brand sensitivities was a challenge. Often these brands are managed by the same office. Sometimes teams managing a portfolio of subbrands have a different set of suitability guidelines for each.

At Mindshare in Atlanta, for example, clients with a low tolerance for risk like the United States Marine Corps are managed under the same roof as a video game client that enjoys a "Mature" rating. To understand a clients' individual guardrails, teams begin every relationship with a risk assessment interview, said digital director Stacy Armistead.

"It's an ever-changing environment," she said. "It's a lot of learning. It's a lot of meeting with partners, hearing updates, asking hard questions, and staying up to date on everything."

To make sure all bases are covered, campaign teams now take a 360-degree approach to planning that includes creative, public relations and programmatic teams. "Over the last five years, we've seen both the promote and protect side move together," said Allison Cirillo at Edelman in Chicago. "As we're planning campaigns and efforts, we have to be thinking about the issues and where there could be trouble, particularly online, but also offline."

The marketers we spoke to said they largely use the same tools to avoid unsuitable content as they do to block unsafe content. Only a few had considered the consequences of writing off broad swaths of categories, formats or subject matter.

"When you take it too far you can end up avoiding the news sites altogether. When we talk about where people's eyeballs are, they're definitely on news sites," said Ken van Every of Cars.com. Van Every was working on behalf of sandwich-chain Subway in 2015 when their very high profile pitchman, Jared Fogle, was arrested on child pornography and other charges. His team employed keyword blocking to avoid any story that mentioned the word 'Jared.'

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"The vendor we were using was scoring on the site level. If any page on the site said the word Jared, that was going to be avoided by this web campaign," van Every said. The campaign avoided bad news, but only with a significant loss of scale. "You have to be careful not to throw the baby out with the bathwater."

Brand catastrophes aside, the day-to-day navigation of suitability standards can exclude super-engaged audiences from ad buys. Whitelisting and direct deals with premium publishers afford safety, but niche content creators don't necessarily need to be demonetized. Consider YouTube's treatment of LGBT videos, many of which were tagged NAF—Not Advertiser Friendly—and demonetized throughout 2017 and 2018.

"User-generated content is part of the whole ecosystem where we go to seek out different points of view," said Phil Schrader, GumGum CEO. "UGC can be a super-powerful opportunity for brands to find loyalties among those consumers in the right environment."

Going into the 2020 news cycle, brands should be mindful about how their quest for suitability limits not just campaign reach, but the entire publisher ecosystem. This year, Vice removed several words including "queer," "fat," "Muslim," "feminist" and "transgender," from its blocklists in an effort to get brands to rethink their suitability guardrails. Blocking ads from articles with those keywords effectively demonetizes that coverage, making it harder to create journalism that supports those communities.

"When you throw out investment from news sites, you're limiting the workforce they can employ and so you're really limiting free speech and freedom of the press. It's a nasty cycle there."

Ken van Every, director of programmatic and data sales, Cars.com

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NEXT STOP: BRAND FITNESS

Good Times **Positive Sentiment** **Health And Wellness**

"It's an ever-changing environment. It's a lot of learning. It's a lot of meeting with partners, hearing updates, asking hard questions, and staying up to date on everything."

Stacy Armistead, digital director at Mindshare in Atlanta

Here's the thing about blacklists and whitelists. They leave no room for nuance. You're in or your out. You're with us or you're against us. Marketers have been in a defensive crouch for so long, they can't be blamed for holding tight to tools that keep the bad content at bay.

But according to the marketers we spoke to, the way forward is in seeking out favorable brand contexts. For some advertisers, that might mean finding content that inspires warm, fuzzy feelings—like pages with pictures of smiling babies, or hilarious animal antics. For others, it could mean seeking out stories that align with their brand mission. It's a strategy that plays well with contemporary consumers, particularly those in the Millennial cohort.

"70 percent of consumers identify themselves as belief-driven or values-driven,"said Eric Zeugschmidt, vice president of corporate crisis and reputation at Edelman in Atlanta. "If they believe that your brand represents who they are, they're exponentially more likely to be loyal to your brand."

Marketers we spoke to mentioned Nike's work with Colin Kapernick or Patagonia's embrace of environmental activism. But these approaches need not be limited to grand creative executions or savvy PR plays.

In the spirit of 360-degree collaboration, media buyers can use many of the tools they use to meet brand safety and suitability standards to align ads with the content they want. Whitelists and direct deals offer a broad strokes approach, while natural language processing, image recognition, and keyword searches allow for automated efforts at scale.

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WHERE TO NEXT?

There's a reason they used to call it the information superhighway—it moves fast. Brands and agencies have made great progress in executing safer digital media buys, even as new hazards demand they keep a keen eye.

To stay ahead of the curve, they'll have to start thinking beyond basic safety measures. When brand safety scandals pop up, well-oiled teams already know how to hit the brakes. The trouble is when brands exclude too much—user generated content, niche blogs, sensitive keywords—they force their buyers between guardrails too narrow to reach the right audience.

The forward-thinking executives we spoke with during our roadshow were in favor of another course. By embracing bringing together creative talent, public relations strategy, media buyers and technology vendors, brands can find ways to determine not only the content they should avoid but the content they should seek out. This new affirmative approach is poised to move brands forward from safety to suitability and, eventually, fitness.

Welcome to Verity

If brands and agencies are going to navigate brand safety, they'll have to have a clear view of the road ahead. While they're using a suite of tools to ensure a safe environment for their ads, too few deploy true AI as part of their regimen. That's why GumGum is introducing Verity, a new product that pairs computer vision and natural language processing in the fight for safe and suitable environments.

Verity uses computer vision to scan web sites at the page level for images that your brand wants to avoid. This kind of artificial intelligence is markedly different than the tech offered by other brand safety products, which scan metadata for tags that raise red flags. Unless an image is tagged in just the right way—"nude," "beer," "swastika"—that content is likely to slip through defenses that purely rely on the metadata. Verity, by contrast, "sees" every image.

Meanwhile, Verity's NLP technology "analyzes" on-page text, looking for flagged words and analyzing sentiment to ensure placements fall within your guardrails. This dynamic duo is layered onto other traditional brand safety tactics to recognize and block objectionable content in real time. Finally, we enlist our partner WhiteOps to block fraud and non-human traffic for every campaign we sell and manage.

GumGum has for years helped brands serve their ads in contexts that make sense. Now we're helping them crest the uphill climb to brand safety by making sure their ads don't pop up in the wrong places. Verity ensures brands and agencies get the full contextual picture.

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GumGum is an artificial intelligence company with a focus on computer vision and natural language processing. Our mission is to solve hard problems by teaching machines to understand the world. Since 2008, the company has applied its patented capabilities to serving media-related industries, including advertising and professional sports.

gumgum.com/brandrx-roadshow

Get a free Verity demo at gumgum.com/verity-engine