The New Brand Safety Crisis

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Reaching Crisis

The symptoms have been consistent over the past three years: Hard news aversion, platform paralysis, sudden ad withdrawal, and chronic digital media anxiety.

Taken on a case-by-case basis, this constellation of effects has a variety of causes. But taken together, the sheer mass of recent cases suggests an alarming new outbreak of an age-old scourge: the brand safety crisis.

According to a recent study conducted in concert with Digiday Media, an alarming 75 percent of brands reported at least one brand-unsafe exposure in the past year. And it's not all about reputation and social media backlash: These incidents can do profound damage, leading to brand confusion and, in extreme cases, loss of revenue.

Given the number of partners a brand engages with in the digital ecosystem, members of the media and marketing communities are right to be concerned—70 percent say they're taking brand safety seriously or very seriously. However, despite that concern, very few have taken adequate preventative measures.

That inaction is stymying, given that an attack on a brand's reputation and ability to market effectively on digital platforms compromises the entire ecosystem.

In the following pages, we'll report our study's key findings and attempt to trace the epidemic's root causes, ultimately identifying how brands, agencies, publishers, and platforms can limit their risk in a more complicated digital media environment.

METHODOLOGY

The GumGum Brand Safety Epidemic Survey interviewed over 200 industry professionals between October 30 and November 10, 2017. Respondents worked for brands, agencies, or online publishers, predominantly in the U.S.

A Fractured Environment

In the past year, frequent untouchables like drugs, sex and alcohol have made room for partisan politics, gun violence, fake news, and social media outrage.

A Fractured Environment

A UNIVERSAL SYNDROME

It's been more than two years since the first high-profile brand safety outbreak was recorded in the platform era. Famously, the U.S. State Department discovered ads for national advertisers including Aveeno, Budweiser and Swiffer running on YouTube alongside ISIS recruitment videos. The ad buys were hardly treasonous, but they laid bare the result of programmatic ad technology's opaque mechanisms.

The digital environment has only gotten more complicated since. In the past year, frequent untouchables like drugs, sex and alcohol have made room for partisan politics, gun violence, fake news and social media outrage. "Up until a couple of years ago, brand safety was never something that was even discussed, even remotely," said Bob Liodice, CEO of the Association of National Advertisers.

The following charts outline how the marketing and media community perceives threats to brand safety and how they've been affected thus far.

68 percent of respondents said they have already confronted brand safety issues, with 54 percent reporting more than one exposure. While brand safety is not a new problem, **45 percent** have been employing solutions for less than a year and **15 percent** don't use any at all.

Has your brand (or a brand you've worked with) ever been exposed to brand safety issues?

9%
Yes, regularly

15%
Yes, once

43%
Yes, a few times

33%
No
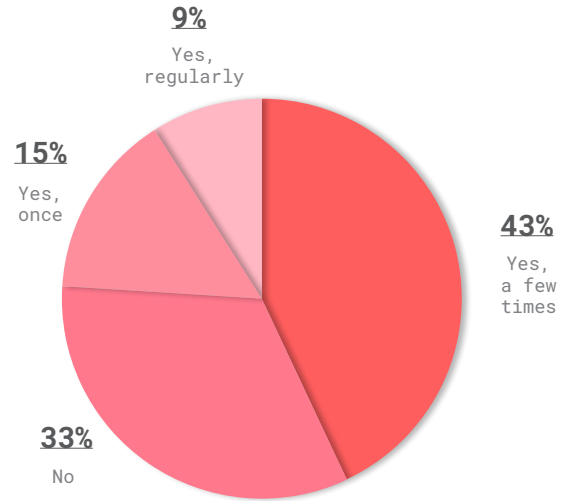
How long have you been actively employing technologies or solutions to avoid brand safety issues?

11%
3 - 6 months

23%
> 2 years

14%
N/A

14%
< 3 months

23%
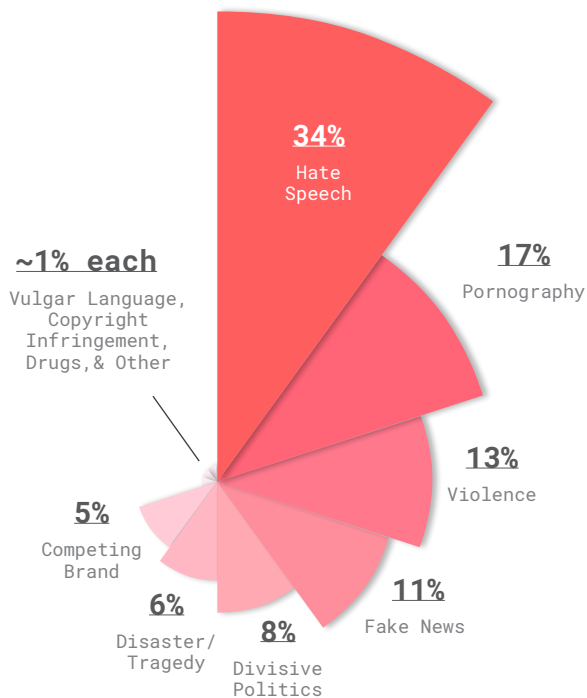6 months - 1 year

15%
1 - 2 years
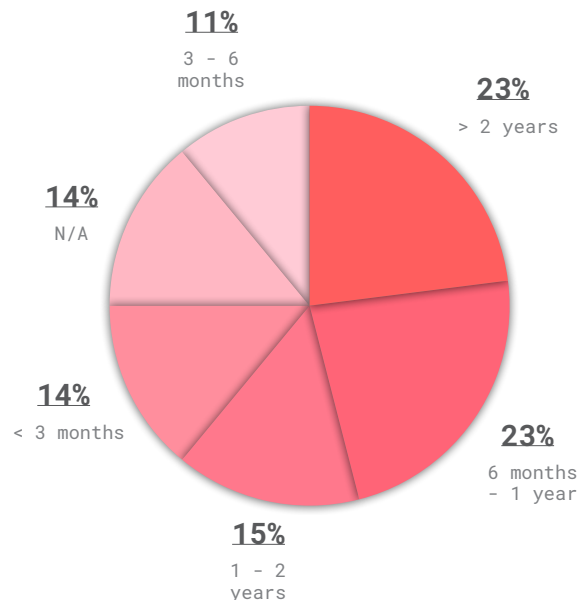
A Fractured Environment

The most respondents pointed to **hate speech** as the riskiest kind of content, but also **pornography** and **violence** as prominent perceived risk factors.

And yet, when asked what they've actually encountered, **bad news** (disasters/tragedies) and **divisive politics** stood out.
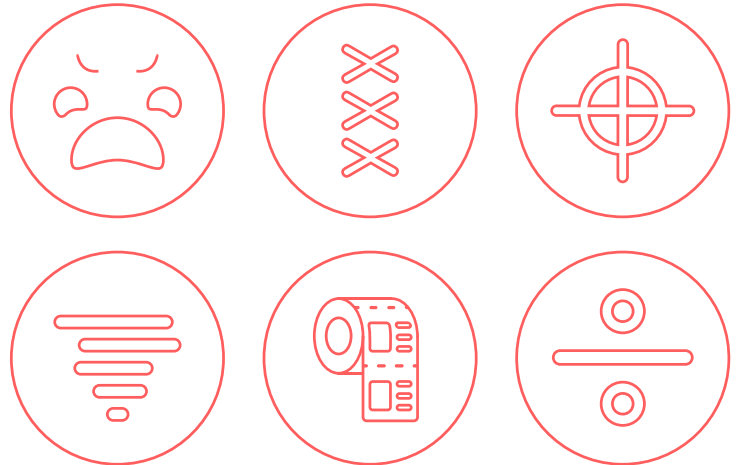
Which of the following factors do you consider to be the most brand unsafe?

34%
Hate Speech

17%
Pornography

13%
Violence

11%
Fake News

8%
Divisive Politics

6%
Disaster/ Tragedy

5%
Competing Brand

~1% each
Vulgar Language, Copyright Infringement, Drugs,& Other

Which of the following types of brand-unsafe content have you encountered adjacent to your or your clients' digital advertising? (Select all that apply.)

39%
Disaster/ Tragedy

39%
Divisive Politics

39%
Fake News

32%
Competitor's Branding

26%
Hate Speech

21%
Vulgar Language

18%
Violence

10%
Copyright Infringement

7%
Pornography

4%
Drugs
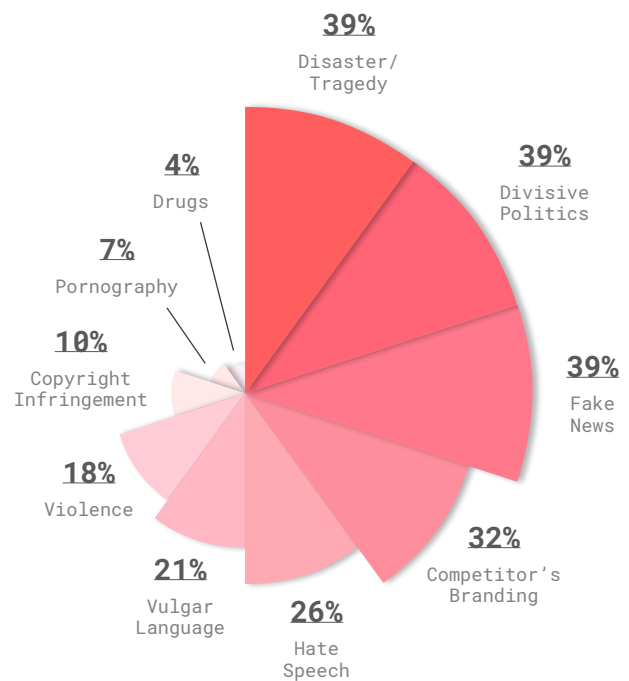
A Fractured Environment
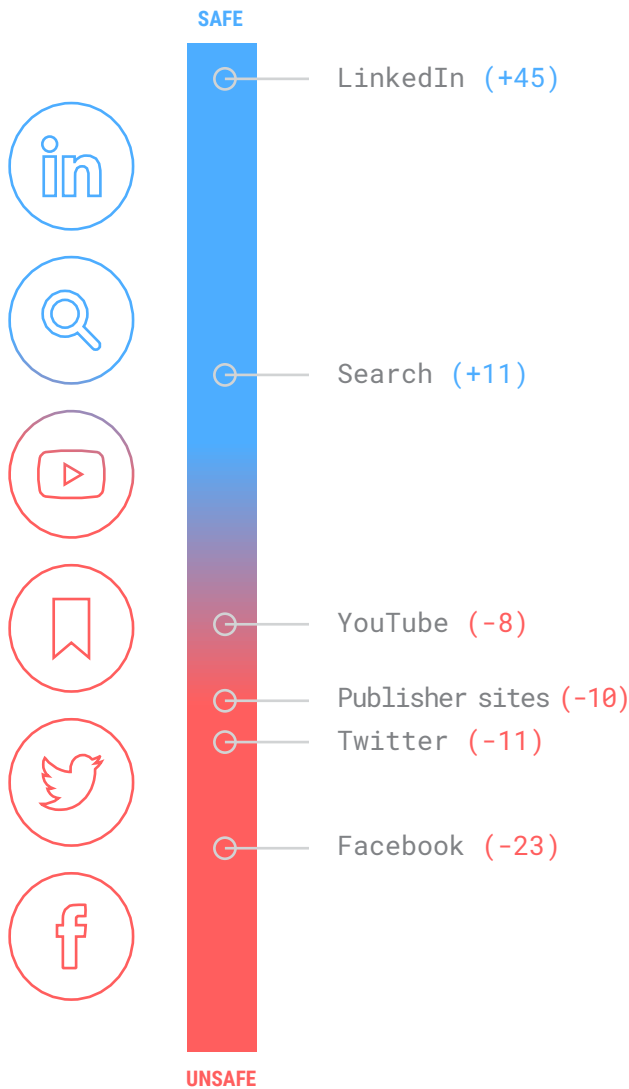
PERCEIVED BRAND SAFETY RISK BY PLATFORM

Which of the following platforms is the most perilous for your or your client's brand in terms of brand safety risks?

- VS.-

Which of the following platforms is the most brand safe?

SAFE

LinkedIn **(+45)**

Search **(+11)**

YouTube **(-8)**

Publisher sites **(-10)**
Twitter **(-11)**

Facebook **(-23)**

UNSAFE

Despite YouTube's persistent brand safety episodes, **Facebook** bottomed out as the riskiest platform for ads. **LinkedIn** was ranked the most brand-safe platform.

Risk Factors and Harmful Effects

About 70 percent of brands and agencies said they or their clients have been exposed to brand safety risks at least once, with 10 percent of respondents reporting "regular" exposure.

Communities
at Risk

"Without that kind of specialization, I can't imagine any company being able to fully make good on that promise of a brand-safe environment."

BRANDS AND THEIR AGENCIES

Brands, whose titular health is imperiled, have the most to lose in the wake of a brand safety scandal. "Marketers spend years and years and millions, if not billions, of dollars to elevate a brand," said Liodice. "In one fell swoop, that reputation, that equity, that loyalty can be damaged or severely disrupted."

About 70 percent of brands and agencies said they or their clients have been exposed to brand safety risks at least once, with 10 percent of respondents reporting "regular" exposure.

And yet, only 26 percent of brands reported having had safety measures in place for at least two years. The rest have come to employ brand safety measures only within the past year, and about 13 percent aren't using any protection at all. Those stats improve slightly when agencies are factored in. After all, their programmatic rigor and understanding is employed to protect brands.

"You need to have dedicated experts like myself and my team who can focus their time on learning exactly how that technology works," said Michael Santee, programmatic media director at Cramer-Krasselt. "Without that kind of specialization, I can't imagine any company being able to fully make good on that promise of a brand-safe environment."

Communities at Risk

PUBLISHERS & PARTNERS

While brands have their reputations on the line, the current brand safety crisis threatens the fiscal health of the partners who create and circulate a wide variety of content. "Let's face it," said the ANA's Liodice. "Their own reputations are involved. Their own business credentials are challenged."

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Facebook's prominent role in last years' fake news epidemic has certainly tarnished its brand safety reputation. Both buyers and sellers ranked the platform as the least safe for brands. Publishers sites ranked second however, with about 25 percent of votes from both sides of the industry. Potential exposure to bad news, divisive politics, and violence, likely drives this perception.

At Newsy, a multiplatform video publisher, advertisers are well-aware that they're dealing with a news-focused company. Nonetheless, the sales team is instructed to be crystal clear with clients.

Like 59 percent of publishers, Blake Sabatinelli said direct relationships were the most effective way to make sure a brand's ads are circulating in the appropriate environments. Blacklists came in second at 31 percent, followed by ads.txt (24 percent) and keyword detection (22 percent).

"We're not going to sign someone who doesn't want to be associated with news," said Sabatinelli, whose sales reps work through programmatic direct automation and private marketplaces. From there the publication primarily uses keyword and category tagging to ensure placement. "We can separate them and put them in safer categories like science or technology or entertainment, sports, etc."

FOR *Media buyers/Brands*

DUE TO *Platform & partner risks*

PRIMARY *BRAND Rx*

TALK TO YOUR PARTNER ABOUT BRAND SAFETY

Without proper precautions in place, your brand is vulnerable to a brand safety crisis. When disaster strikes, we'll have you covered on the next steps to take — but these publishers and agencies have plenty of tips on preventative measures.

EVALUATE THE RISKS

"News publishers create the content. If you're buying a news publisher, it's a known quantity, what you're going to get. You're gonna get news. And if you don't think that's safe, whether or not you're the brand buying direct or an agency buying on behalf of a brand, it kinda is what it is," says Blake Sabatinelli, general manager and chief satisfaction officer at Newsy. "It's news. The buck stops with the person that makes the buy and if the expectation of the buy was to be brand safe and you went off and bought a whole bunch of content that's associated with terrorism... I can see why a brand might be upset."

SPEAK UP IN ADVANCE

"Some brands are more sensitive to political content," notes Michael Santee, programmatic media director at Cramer-Krasselt. "That's something that some clients do bring up to the front. In my particular position, I mostly interface with the planning teams directly, and I've heard from them in a couple of instances that they cannot actually be involved with that. And again, that's probably more related to our stricter clients or the clients that have a stricter threshold for safety."

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Risk
Factors

PROGRAMMATIC INADEQUACY

Programmatic has come a long way in the past five years, but there are still gaps. Ad analytics company Adyapper was paid to analyze a client's campaign, and found their ads running on porn, fake news and file-sharing websites that they thought had been blacklisted.

"When I was coming up in the 80s [...] you knew your media inside out. Balancing the opportunities and risks, the upsides and downsides of where your precious dollars were being spent," said Liodice. "That level of meticulous strategic media planning and approach is something that, in the digital arena, may be far less rigorous."

Programmatic experts, however, say it's not lack of rigor, but the complexity of the supply chain that creates problems for marketers. With so many middle men, "it's harder to get to the end point," said Rob Auger, vice president and group director of media technology at DigitasLBi.

That endpoint is a sour surprise for marketers who find their ads running alongside hate speech. Sleeping Giants, a social media organization dedicated to stopping racist, sexist, anti-Semitic, and homophobic news sites, said they have alerted more than 3,500 brands that their ads were being programmatically served on sites including InfoWars and Breitbart News.

Overall, the effort has been well-received by advertisers, a representative for Sleeping Giants said. "You kind of know it when you see it. And when advertisers see it, they don't want to be a part of it. That's why a simple screenshot of their ad next to Breitbart's content has worked. We haven't had to do any real convincing."
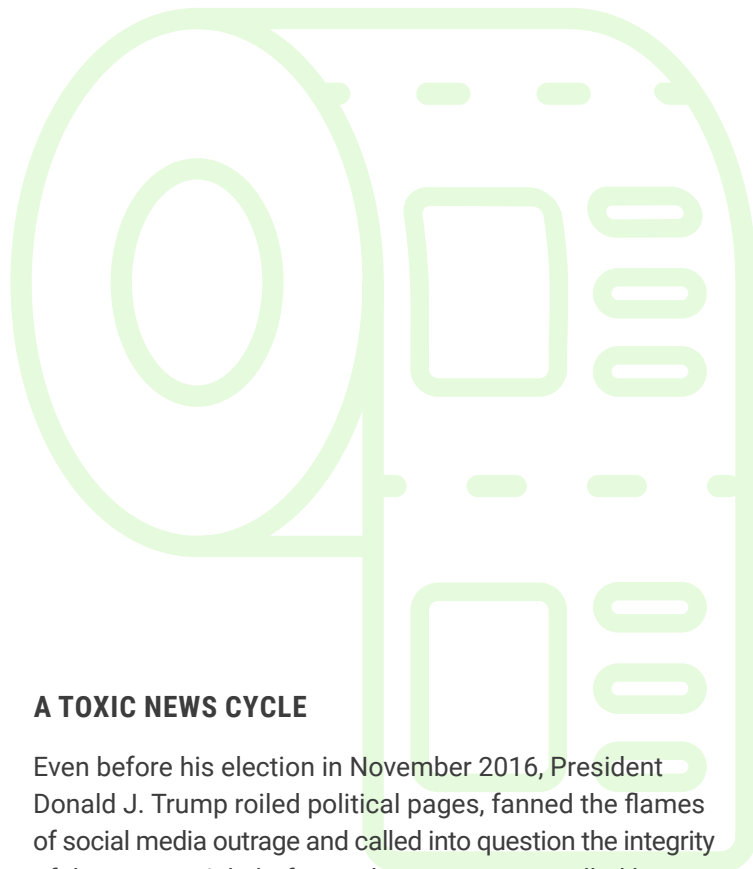
A TOXIC NEWS CYCLE

Even before his election in November 2016, President Donald J. Trump roiled political pages, fanned the flames of social media outrage and called into question the integrity of the very social platforms that consumers called home. Wary about running alongside reports that stoke negative emotions, brands have backed off of placements on political pages and, more generally, hard news.

"I'm not sure there would be as much anxiety about running in that type of environment had this election not turned out as it did, or if the conversation around the current president" wasn't as fraught, said Michael Santee, programmatic media director at Cramer-Krasselt.

All this is bad news for publishers, who have not only found it tough to monetize the "Trump Bump," but struggle to sell their highest volume inventory. "If you look at the audience that news delivers," said Sabatinelli, "you won't find a more dedicated and loyal audience, people that watch a lot of content that come back a lot and are really beneficial for advertisers."

Risk Factors

RISKY IMAGERY

YouTube's record has never been spotless, but November was particularly hairy for the social video platform. First, word of videos featuring popular children's characters engaging in disturbing sexual acts bubbled up through Reddit to The New York Times. Then, reports of inappropriate comments on videos featuring children were flagged by users and news outlets.

The result was a brand safety nightmare. A long list of advertisers, including Mars and Adidas, pulled their ads from the site. But just 13 percent of brands and agencies ranked YouTube as the most brand unsafe, suggesting that awareness around the huge brand safety risk presented by imagery is not top of mind for marketers.

This suggests a lack of awareness of the huge brand safety risk presented by images or, at the very least, an industry overwhelmed by the task. A recent report by LDV Capital estimated that there would be 45 billion cameras in the world by 2022.

That figure is staggering, considering that the world is already awash in user-generated photography and video, far more than can be screened by an army of social media managers. Still, brands have to be vigilant about appearing next to visual social content, be it on YouTube, Facebook, Instagram, or elsewhere.

FOR   Media buyers/Brands

DUE TO   Platform & partner risks

PRIMARY   BRAND Rx

HOW'S YOUR COMPUTER VISION?

Brands can't afford to turn a blind eye to images in combating safety risks. And yet, not only are few aware of the problem of risky imagery, fewer are aware of a revolutionary treatment available to them: computer vision.

While most brand safety providers rely on text analysis only, AI-powered computer vision uses neural networks to screen millions of images for triggers like nudity, guns, crashes and swastikas. In a world where user generated content continues to rise, advertisers are well-advised to beware of platform content that's not filtered by blacklists or text-based keyword analysis.

For more information on how computer vision can improve brand safety, visit GumGum.com.

Patient reports inventory blind spots and short-term brand confusion. Recommend image screening once a week + blacklist development. Follow up visit in 2 weeks.

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Harmful Effects

SOCIAL MEDIA BLOWBACK AND NEGATIVE PRESS

This winter, Papa John's CEO John Schnatter's criticism of the NFL backfired: Social media branded the company the official pizza of the alt-right and Schnatter was forced to leave the company in December. Likewise, when Keurig pulled its ads from Sean Hannity's show on Fox News, videos of his most devoted fans shot-gunning their coffee makers lit up the platforms.

"We live in a very politically divided society," said Ronn Torossian, CEO at 5W Public Relations. "We live in a world where people are very apt to quickly stand up and feign outrage. And sometimes that outrage is real, and sometimes it is scary." Sometimes, he noted, it's just a few trolls. Brands need to be able to tell the difference and know when it matters.

BRAND CONFUSION

Brands spend decades building relationships with consumers that share core values. "People today buy on belief," said Torossian. When a brand is viewed as supporting content that undermines those brands, consumers can get confused about what the brand stands for. Of the marketers polled, 36 percent said brand confusion had been a problem for them in the past.

REVENUE LOSS

Social media boycotters may make a lot of noise, but rarely do brand safety incidents significantly hurt the bottom line. While 47 percent of brand respondents noted social media blowback in response to a brand safety incident, and 25 percent said they'd gotten negative press, juts 13 percent said they'd lost revenue. And, of those who'd lost revenue, 56 percent of respondents said it amounted to no more than $10,000. On the other end of the spectrum, about 18 percent said it cost them $100,000 or more.

SO YOU'VE HAD A BRAND SAFETY CRISIS

Sometimes, even the best preventative measures fail and a brand safety crisis occurs. But don't worry — we'll speak to brand safety experts and PR crisis management execs to determine the most appropriate course of action for your brand to take in case of emergency.

HAVE A PLAN

"Brands need to have an emergency preparedness plan in place," advises Ronn Torossian, president and CEO of 5W Public Relations. "The public doesn't care that it's your anniversary. The public doesn't care that your kid's sick. Things today explode on digital very, very, very quickly, and you got to be ready to go." With a brand safety plan all ready to go, you'll significantly lower the risk of responding too rashly in the wake of a crisis — or worse, not responding at all.

TALK IT OUT

"I for one am a believer that if in fact you have long-term loyalty and brand equities, and friends and family as part of your consumer and customer base, that you would do well to reach out and speak with them about a situation that they might find appalling," says Bob Liodice, CEO of ANA. "I don't think laying low is the right thing to do….If you want to create a great relationship, which is your objective, then like any great relationship, you need to be honest, and candid and direct."

DON'T FEED THE TROLLS

Not every crisis is as disastrous as it may seem. According to Ronn Torossian, "Just because six people tweet about boycotting your brand, it doesn't necessarily matter. Decide and understand what matters to you."

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Prevention and Treatment

Preventing brand safety crises from occurring and doing triage when a crisis has hit demand different mindsets and approaches, but brands are currently applying the same toolset to both. Savvy agencies and their brands use a combination of protective measures to prevent unwanted adjacencies. "It's not one box you need to check; it's many," said Santee. "We protect ourselves six different ways. Crazy, but necessary."

DETECTED:
VIOLENT IMAGERY

DETECTED:
VULGARITY

DETECTED:
NOTORIOUS
PERSONALITY

WANTED

Prevention and Treatment

KEYWORD DETECTION

This method, employed as a preventative measure by 53 percent of brands and agencies, allows advertisers to filter out content they don't want to associate with at the category and article level. Airlines, for example, don't want their ads next to breaking news about a plane crash.

MOST FREQUENT USE:
Prevention of unwanted adjacencies and other RTB-based brand risks transmission.

SIDE EFFECTS MAY INCLUDE:
Difficulty communicating with key audiences.

BLACKLISTS

As a preventative measure, blacklisting comes in second with 50 percent of respondents using the practice. But once a crisis hits, it hits number one. Drawn up by agencies but implemented by Demand Side Platforms, blacklists exclude websites based on the content they distribute. This year, AppNexus and others made news when they opted to pro-actively blacklist sites like Breitbart in an effort to calm advertisers' nerves.

PRESCRIBE FOR:
Antiseptic measure that stems the distribution of ads in contaminated environments.

SIDE EFFECTS MAY INCLUDE:
Decreased impressions.

WHITELISTS

In a supply chain where a brand's ads could show up on hundreds & thousands of unknown sites, whitelisting is an effort to preapprove partners they trust to keep them next to brand safe content. About 35 percent of brands and agencies use this as a preventative measure, while 24 percent use it as a corrective measure.

PRESCRIBE FOR:
Brand quarantine; nearly eliminates contact with infectious content.

SIDE EFFECTS MAY INCLUDE:
Precipitous drop in reach and impressions.

Prevention and Treatment

DIRECT RELATIONSHIPS WITH PUBLISHERS

Buying ad space directly from a publisher allows brands and agencies to work through their brand safety concerns at the beginning of a relationship, and to pursue direct recourse when those partners don't deliver. This is perhaps why it's favored by 43 percent of respondents as a preventative measure, and 35 percent as a corrective measure. As always, publishers strongly recommend transactions within a committed relationship.

PRESCRIBE FOR:
Key nutrient. Direct relationships help maintain overall health and quality of ad buys.

SIDE EFFECTS MAY INCLUDE:
Premium pricing; occasional hard news exposure.

THIRD-PARTY SOLUTIONS

Brands also pointed to partners like Integral Ad Science and DoubleVerify to keep them safe, with 37 percent of respondents saying they're employing such a company as a preventative tactic. When scrambling after a crisis, only 26 percent look to such partners to shore up their defenses.

PRESCRIBE FOR:
Monitoring vital statistics.

SIDE EFFECTS MAY INCLUDE:
None known.

IMAGE RECOGNITION TECHNOLOGY

Despite the explosion of imagery across publisher sites and social platforms, relatively few brands and agencies are using image recognition technology—an AI-backed tech that uses neural networks to identify and sort imagery to screen for brand unsafe pictures. Indeed 44 percent of brands and agencies grapple with brand unsafe imagery, while 32 percent grapple with brand unsafe video. But just 15 percent use computer vision to scan before placement, while 11 percent employ it as corrective technology. Moreover, publishers, who can use the tech to ensure safe placements for their partners, are in the dark. Just 2 percent use it to prevent incidents and 10 percent use it to treat misalignment.

PRESCRIBE FOR:
Monitoring contextual images for pictures that compromise otherwise sound alignments.

SIDE EFFECTS MAY INCLUDE:
None known.

Patient reports blurred vision, inability to categorize images & loss of reputation when in contact w/ alcohol/drugs/unsavory companions.

Refer to P. Schraeder for immediate consultation--
(844) 522-7270.

A Guide to
Brand Safety
Side Effects

DECREASED REACH

In March of this year, JP Morgan Chase famously pared back their partners to 5,000 sites from 400,000 in a much heralded brand safety maneuver. But this kind of grand scale whitelisting is often a double-edged sword for advertisers. What they get in safety, they may lose in reach.

Of the brands and agencies who flag blacklists and whitelists as key brand safety tactics, 59 percent say they suffer from a smaller audience pool, compared with 46 percent on average. That may not matter to big spenders like Chase, but when media planners with smaller budgets are on the hook for impressions and conversions, those lists can slow progress.

INABILITY TO REACH SPECIFIC AUDIENCES

Keyword targeting, marketers' most loved tactic, has a downside: screening out content that might provide valuable impressions with key consumers. If an energy drink wanted to screen for violence, for example, that filter might also exclude mixed martial arts fan sites, read by legions of guys looking for a quick energy boost.

INABILITY TO SPEND FULL BUDGET

Brand safety is a balancing act for advertisers. With each safeguard they put in place, they trade potential impressions. Throttle too much content and not only will they not reach their campaign goals, they may not even have a broad enough target to expend their full budget.

"There's a bunch of different levels of safety we have. The most sensitive client's line of defense would be a well-managed whitelist," said Rob Auger of DigitasLBi. Cutting off source traffic might eliminate bot fraud, but it may also eliminate sites where legitimate impressions can be bought.

Recovery & Awareness

No brand safety tactic is 100 percent effective. But taken together, brand safety measures can dramatically reduce the risks associated with unwanted adjacencies.

Why should it be a priority? When brands are damaged, we all suffer. Brands, agencies, and publishers all must quickly take steps to protect advertisers, lest their budgets plummet along with their reputations.

The trick will be in finding the right prescription for each party.

GumGum is an artificial intelligence company with deep expertise in computer vision. Our mission is to unlock the value of images and videos produced daily across the web, social media and broadcast television. Since 2008, the company has applied its patented capabilities to serve a variety of industries from advertising to professional sports.

Visit GumGum.com to see how computer vision can help protect your brand.

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